

# EXHIBIT 1

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**BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

IN RE

DOCKET NO.

PETITION OF PEND OREILLE  
TELEPHONE COMPANY TO RECEIVE  
SUPPORT FROM THE UNIVERSAL  
SERVICE COMMUNICATIONS  
PROGRAM

PETITION FOR SUPPORT

COMES NOW Pend Oreille Telephone Company (the "Company") and, pursuant to Chapter 480-123 of the Washington Administrative Code ("WAC"), including, but not limited to, WAC 480-123-110, hereby petitions the Washington Utilities and Transportation Commission (the "Commission") to receive support from the Universal Service Communications Program (the "Program") for the Program year 2021.

**I. Demonstration of Eligibility under WAC 480-123-100**

1. WAC 480-123-100(1)(a): The Company is a local exchange company as defined in WAC 480-120-021 that serves fewer than forty thousand access lines within the state.

- 1 2. WAC 480-123-100(1)(b): The Company is an incumbent local exchange carrier as defined  
2 in 47 U.S.C. Sec. 251(h).
- 3 3. WAC 480-123-100(1)(c): The Company offers basic residential and business exchange  
4 telecommunications services as set forth in WAC 480-120-021 and RCW 80.36.630.
- 5 4. WAC 480-123-100(1)(d): The Company has established a plan, as described in WAC 480-  
6 123-110, to provide, maintain or enhance broadband service (See II.4, below).
- 7 5. WAC 480-123-100(1)(e): The Company has been designated by the Commission as an  
8 eligible telecommunications carrier ("ETC") for purposes of receiving federal universal  
9 services support pursuant to 47 C.F.R. Part 54 Subpart D - Universal Service Support for  
10 High Cost Areas with respect to the service areas for which the Company is seeking  
11 Program support.

## 12 13 **II. Demonstration of Eligibility under WAC 480-123-110**

- 14 1. WAC 480-123-110(1)(a): The name of the legal entity that provides communications  
15 services and is seeking Program support is as follows: Pend Oreille Telephone Company
- 16 2. WAC 480-123-110(1)(b): A corporate organization chart showing the relationship between  
17 the Company and affiliates as defined in RCW 80.16.010 is attached hereto as Exhibit 1. <sup>1</sup>  
18 A detailed description of any transactions between the Company and the affiliates named in  
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20  
21 Exhibit 1 recorded in the Company's operating accounts is attached hereto as Exhibit 2. <sup>2</sup>

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24 <sup>1</sup> Pursuant to agreement with Commission Staff, Exhibit 1 is limited to those affiliates having transactions  
25 with the Company that are to be identified in Exhibit 2.

- 1 3. WAC 480-123-110(1)(c): A service area map for the Company can be found at Sheet No.  
2 102 in of the Company's Tariff WN U-1.
- 3 4. WAC 480-123-110(1)(d): The Company's broadband plan to provide, maintain, or enhance  
4 broadband services in its service area is attached hereto as Exhibit 3.
- 5 5. WAC 480-123-110(1)(f): A sworn statement by a Company officer certifying that the  
6 Company complies with state and federal accounting, cost allocation, and cost adjustment  
7 rules pertaining to incumbent local exchange carriers is attached as Exhibit 4.
- 8 6. WAC 480-123-110(1)(g): The number of residential local exchange access lines served by  
9 the Company as of December 31, 2019, was 1019 The number of residential local exchange  
10 access lines served by the Company as of December 31, 2018, was 1063 The number of  
11 business local exchange access lines served by the Company as of December 31, 2019, was  
12 305 The number of business local exchange access lines served by the Company as of  
13 December 31, 2018, was 314 The number of broadband connections served by the  
14 Company as of December 31, 2019, was 782 The number of broadband connections served  
15 by the Company as of December 31, 2018, was 795. The unbundled monthly recurring rate  
16 charged by the Company for residential local exchange access service on December 31,  
17 2019, was 18.00. The unbundled monthly recurring rate charged by the Company for  
18 residential local exchange access service on December 31,  
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20 2018, was 25.03. The unbundled monthly rate charged by the Company for single line  
21 business local exchange access service on December 31, 2019, was 25.03. The  
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23  
24 <sup>2</sup> Exhibit 2 also includes transactions between the Company and Little Valley Elk Ranch. Pursuant to  
25 agreement with the Commission Staff, Exhibit 2 is limited to transactions other than employment  
26 compensation and benefits pursuant to employ benefit plans.

1 unbundled monthly rate charged by the Company for single line business local exchange  
2 access service on December 31, 2018, was 25.03. The unbundled monthly rate charged for  
3 broadband service as of December 31, 2019, and as of December 31, 2018, is set out in the  
4 attached Exhibit 5.

- 5 7. WAC 480-123-110(1)(h): The requested statements are attached as Exhibit 6.  
6 8. WAC 480-123-110(1)(h)(i): A sworn statement by a Company officer certifying that the  
7 Company is in compliance with the Federal Communications Commission's obligation for  
8 deployment of broadband at speeds specified by the Federal Communications Commission  
9 applicable to the Company and that the Company meets one of the eligibility criteria set out  
10 in WAC 480-123-110(1)(j)(ii), (iii) or (iv) is attached at Exhibit 7.  
11 9. All exhibits attached hereto are incorporated into this Petition as though fully set forth.

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13  
14 Respectfully submitted this 8 day of September 2020.

15 PEND OREILLE TELEPHONE COMPANY  
16 By Michael J. Martell, Vice-President  
17

18  
19 CERTIFICATION

20 I Michael J. Martell, an officer of the Company that is responsible for the Company's  
21 business and financial operations, hereby certify under penalty of perjury that the information and  
22 representations set forth in the Petition, above, are accurate and the Company has not knowingly  
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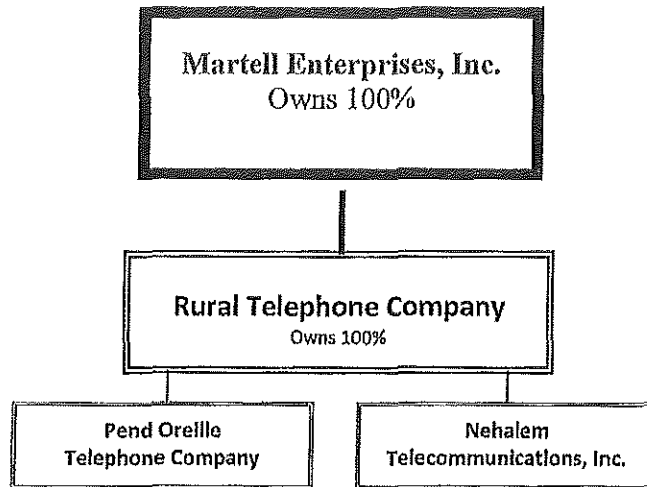
1 withheld any information required to be provided to the Commission pursuant to the rules  
2 governing the Program.

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5 Michael J. Martell, Vice-President  
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EXHIBIT 1

EXHIBIT 1

CORPORATE ORGANIZATION CHART



James R. Martell, <b>President</b>	892 W. Madison Avenue	Glenns Ferry, ID 83623
Carmela M. Martell, <b>Secretary/Treasurer</b>	892 W. Madison Avenue	Glenns Ferry, ID 83623
Michael J. Martell, <b>Vice President</b>	892 W. Madison Avenue	Glenns Ferry, ID 83623
Angela C. Carpenter, <b>Board Director</b>	892 W. Madison Avenue	Glenns Ferry, ID 83623
Andrea E. Roberts, <b>Board Director</b>	892 W. Madison Avenue	Glenns Ferry, ID 83623
Mark R. Martell, <b>Board Director</b>	892 W. Madison Avenue	Glenns Ferry, ID 83623
Matthew J. Martell, <b>Board Director</b>	892 W. Madison Avenue	Glenns Ferry, ID 83623



## EXHIBIT 2

## EXHIBIT 2

### AFFILIATED TRANSACTIONS

Pend Oreille Telephone Company and its parent, Rural Telephone Company, have a service agreement in which Rural Telephone provides management and operational service to Pend Oreille Telephone Company. These services are direct assigned to Pend Oreille as the expenses are incurred. Rural provided \$ 358,344 and \$449,972 of such services in 2019 and 2018, respectively.

Rural Telephone Company owes Pend Oreille Telephone Company at the 2019 year end \$652,730.

Pend Oreille leased vehicles and equipment from an affiliate, Little Valley Elk Ranch, in the amount of \$ 5,428 and 14,526 in 2019 and 2018. In addition, Little Valley Elk Ranch owes Pend Oreille \$ 180,158 for a loan made from Pend Oreille to Little Valley Elk Ranch in 2008. This amount is for principal and interest accrued since that date.

Pend Oreille Telephone owes Nehalem Telecommunications \$ 57,273 for a loan that was made in 2012.

EXHIBIT 3

BROADBAND PLAN  
OF  
PEND OREILLE TELEPHONE COMPANY

This Broadband Plan is being submitted by Pend Oreille Telephone company in compliance with RCW 80.36.650(3)(a)(ii) and WAC 480-123-110(1)(d). Under the terms of the legislation incorporated into RCW 80.36.650(3), a recipient of support from the state Universal Communications Program is to submit a broadband plan showing how the provider will provide, maintain, or enhance broadband services in its service area. As set out in WAC 480-123-110(1)(d), the broadband plan is to include specific elements, but only to the extent applicable to that particular broadband plan. The broadband plan does not have to include all elements but it can include any of the following elements: (1) a multi-year investment plan; (2) specific projects that are projected to provide or enhance broadband service at speeds required by the Commission or the Federal Communications Commission; (3) a plan for maintenance of broadband services in the provider's service area; (4) a description of how the provider will enhance broadband services in its service area; and (5) any other information that the Commission may request to assist in the Commission's review and analysis of the provider's broadband plan. Where there are specific projects, the project information is to include an estimated timeline, geographic location, number of locations passed, and upload and download speeds that are projected to be produced by the project.

Pend Oreille Telephone Company is planning to engage in a broadband infrastructure construction program in 2021. Please note that it is not feasible to provide a detailed description of plans beyond 2021. However, the company is committing to meet the buildout requirements as specified by the Federal Communications Commission as applying to the company and the number of additional locations established by the Washington Utilities and Transportation Commission for the company. If those goals are not met by the 2021 construction program, additional construction plans will be developed for subsequent years to the extent program funding is available. The specific projects planned for 2021 are attached:

The foregoing Broadband Plan was adopted by Pend Oreille Telephone Company on September 8, 2020.

## **Project 1**

**Scope of Work:** Construction from Tacoma Creek Rd to Blue-Slide along State Route 20 with FTTH (Fiber-to-the-home) to all customers/business along the route. It will add 35 miles of new fiber optic cable to our company.

### **Description of the Project:**

RTI will be constructing a new (72 Count) fiber optic cable along State Route 20 from Tacoma Creek Rd (Cusick Exchange) to Alaska Lane (Ione Exchange). This project will provide Fiber to the Home/Business to around 150 to 200 current customers that does not have broadband speed higher than 10mbps down & 1mbps up today. In addition, this project will provide RTI a full 10G Ring around our service area when it is complete in the fall of 2021 or early summer of 2022.

## **Project 2**

**Scope of Work:** Construction of a new aerial fiber optic cable (72 count) from Ione C.O to Metaline DLC Cabinet along State Route 31.

### **Description of the Project:**

RTI will be constructing a new aerial fiber cable (72 Count) from our Ione Central Office along state route 31 to our Metaline (Selkirk DLC Cabinet). This will upgrade our current (12 Count) aerial fiber optic cable which run the same route along state route 31. Our new aerial fiber will provide us with FTTH (fiber to the home/business) for our customers which including the Selkirk High School & Box Canyon Dam site. In addition, the upgrade will allow RTI to provide customer/business with high broadband speed from 10mbps to 1000mbps to around 15 to 20 current customers and provide RTI additional fibers for future use. The completion of this project should be fall of 2021 or early spring of 2022.

## **Maintenance 2021:**

### **Scope of Maintenance Work;**

RTI (Pend Oreille Telecom) will be concluding upgrade of DLC site with new Calix E7-2R or Calix E3-48c harden units to expand our VDSL/FTTH to our customer base in all three of the exchanges.

The Maintenance work/upgrades will allow RTI (Pend Oreille Telecom) to expand of our broadband network to customers that are not able to get broadband speed any higher than 10/1 if any service at all.

### Projects from 2022 to 2025

**US Border Fiber Project:** RTI (Pend Oreille Telecom) are working on planning a (24 or 48 Count) fiber optic cable from our Metaline Falls Central Office to US Border on State Route 31.

**Sullivan Lake Rd (North) Fiber Project:** RTI (Pend Oreille Telecom) are working on planning a (24 or 48 Count) fiber optic cable from State Route 31 north of Metaline Falls to Sullivan Ranger Station to provide FTTH (fiber to the home) to our customers.

**Sullivan Lake Rd (South) Fiber Project:** RTI (Pend Oreille Telecom) are working on planning a (24 or 48 Count) fiber optic cable from Elizabeth RD up South Sullivan Rd to provide FTTH (fiber to the home) to our customers.

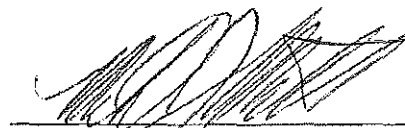
EXHIBIT 4

EXHIBIT 4

Certification Relating to Accounting Standards

I, Michael J. Martell am an officer of Pend Oreille Telephone Company (the Company as set out in the Petition to which this is an Exhibit). Thereby, I certify that the Company complies with state and federal accounting, cost allocation, and cost adjustment rules pertaining an incumbent local exchange carrier for the period of time that the Company will receive support under the Petition to which this is an Exhibit.

This Certification is a sworn statement made under the penalty of perjury as set forth in RCW 9A.72.085 and is made this 8 day of September, 2020.



By: Michael J. Martell

Title: Vice-President



# EXHIBIT 5



# WASHINGTON DSL Application

Account Number:
Date:

Customer Name \_\_\_\_\_

Physical Address \_\_\_\_\_

Mailing Address \_\_\_\_\_

City/State/Zip \_\_\_\_\_

Customer Phone \_\_\_\_\_

### RESIDENTIAL

	Cost	Downstream Speed up to	Up stream speed	E-mails *
<input type="checkbox"/>	\$39.95	768 kbps	256 kbps	3
<input type="checkbox"/>	\$49.95	3 Mbps	512 kbps	5
<input type="checkbox"/>	\$69.95	6 Mbps	1 Mbps	5
<input type="checkbox"/>	\$89.95	10 Mbps	1 Mbps	5

### BUSINESS

	Cost	Downstream Speed up to	Up stream speed	E-mails *
<input type="checkbox"/>	\$59.95	3 Mbps	512 kbps	5
<input type="checkbox"/>	\$79.95	6 Mbps	1 Mbps	5
<input type="checkbox"/>	\$109.95	10 Mbps	1 Mbps	5
<input type="checkbox"/>	\$125.95	15 Mbps	1 Mbps	10

Installation Fee \$185.00  
Purchase Modem: \$95.00

*\*Installation fee waived with two-year service agreement\**  
Rent Modem Wireless \$6.95/mo Wired \$5.95/mo

\* E-mail comes with .15GB of storage

Username: \_\_\_\_\_@potc.net Password: \_\_\_\_\_

Username: \_\_\_\_\_@potc.net Password: \_\_\_\_\_

Username: \_\_\_\_\_@potc.net Password: \_\_\_\_\_

\*\*\*Passwords must be 8-12 characters, contain at least capital, one number, an upper and a lower case letter, and a special character (!@#\$%^&\*()\_-.)

Special Notes: \_\_\_\_\_

Contact customer service at 1-888-636-2840 or local office at 509-442-0082 #6

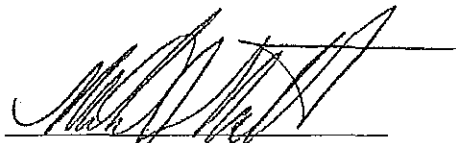
# EXHIBIT 6

EXHIBIT 6

CERTIFICATION OF SERVICE

I, Michael J. Martell, am an officer of Pend Oreille Telephone Company (the Company as set out in the Petition to which this is an Exhibit) and hereby certify that if support is provided to the Company, the Company will continue to provide communications services throughout its service territory in Washington for which it is seeking in receiving program support and that the Company will continue to provide broadband service during the entirety of the year for which the Company is applying for support from the program.

This Certification is a sworn statement made under the penalty of perjury as set forth in RCW 9A.72.085 and is made the 8<sup>th</sup> day of September, 2020.

A handwritten signature in black ink, appearing to read 'Michael J. Martell', is written over a horizontal line. The signature is stylized and cursive.

Michael J. Martell  
Vice President

# EXHIBIT 7

EXHIBIT 7

Certification of Eligibility

I, Michael J. Martell am an officer of Pend Oreille Telephone Company (the Company as set out in the Petition to which this is an Exhibit) and thereby certify that the Company is in compliance with the Federal Communications Commission's obligation for deployment of broadband at speeds specified by the Federal Communications Commission that apply to the Company.

For (j)(ii): Further, I certify that the Company commits to the deployment of broadband to the number of locations the Washington Utilities and Transportation Commission determined by order.

This Certification is a sworn statement made under the penalty of perjury as set forth in RCW 9A.72.085 and is made this \_\_\_ day of September 8, 2020.



By: Michael J. Martell  
Title: Vice-President