

WT-073015



ST. JOHN TELEPHONE COMPANY

Service Since 1914

July 23, 2007

P. O. Box 268
St. John, Washington 99171
(509) 648-3322
FAX 648-9900

Ms. Carole J. Washburn, Executive Secretary
Washington Utilities and Transportation Commission
1300 South Evergreen Park Drive SW
Olympia, WA 98504-7250

Re: Request for Certification Pursuant to WAC 480-123-060 and
47 C.F.R. §54.314

Dear Ms. Washburn:

Pursuant to WAC 480-123-060, St John Co-operative Telephone and Telegraph Company ("Company") hereby requests that the Washington Utilities and Transportation Commission certify that the Company has met the requirements of 47 C.F.R. §54.314 for eligibility for continued receipt of federal high-cost funds.

The certifications and reports that are specified in WAC 480-123-060, WAC 480-123-070 and WAC 480-123-080 are enclosed.

For the Commission's information, in addition to the Lifeline advertisement covered in the enclosed certification, St. John Co-operative Telephone and Telegraph Company posts the Lifeline/WTAP information in its St. John business office, lists the Lifeline/WTAP services available in the Company's phone book and provides the Lifeline/WTAP information to all new customers at the time the customer subscribes for telephone service.

Sincerely,

Greg Morasch
General Manager

Enclosures

OFFICERS

Patrick Gordon • *President*
Mac W. Mills • *Vice President*
Paul Heglar • *Secretary*

DIRECTORS

Jerry Schauble
Gary Bailey

NOISSIWINCO
US MAIL PERMIT NO. 1111
ST. JOHN, WA 99171
07 JUL 19 AM 8:15
COMMUNICATIONS DIVISION



**AFFIDAVIT CONTAINING CERTIFICATIONS
PURSUANT TO WAC 480-123-060 AND WAC 480-123-070**

I, Greg Morasch, being of lawful age, state that I am General Manager of the St. John Co-operative Telephone and Telegraph Company ("Company"), that I am authorized to execute this Affidavit on behalf of the Company, and that the facts set forth in this Affidavit are true to the best of my knowledge, information and belief. On this basis, I hereby certify to the Washington Utilities and Transportation Commission ("Commission") for use by the Commission in providing the certification to the Federal Communications Commission and Universal Service Administrative Company required by 47 C.F.R. §54.314, as follows:

(1) That the Company will use federal high-cost universal service fund support only for the provision, maintenance and upgrading of the facilities and services for which the support is intended;

(2) That during the 2006 calendar year, the Company met substantially the applicable service quality standard found in WAC 480-123-030(1)(h);

(3) That during the 2006 calendar year, the Company maintained the ability to function in emergency situations under the standard found in WAC 480-123-030(1)(g), as such standard relates to functionality of wireline carriers in emergency situations; and

(4) That during the 2006 calendar year, the Company publicized the availability of its applicable telephone assistance programs in a manner reasonably designed to reach those likely to qualify for service and in a manner which, in the Company's judgment, included advertisements likely to reach those who are not current customers of the Company within the Company's designated service area.

I certify under penalty of perjury under the laws of the State of Washington that the foregoing is true and correct.

Dated this 12 day of July, 2007 at St John, Washington.

Company: St John Co-operative Telephone and Telegraph Company

By: Greg W Morasch

Its: General Manager

RECEIVED
RECORDS MANAGEMENT
07 JUL 19 AM 8:17
STATE OF WASH
UTIL AND TRANSP
COMMISSION

**REPORTS AS REFERENCED IN WAC 480-123-070
AND WAC 480-123-080**

St. John Co-operative Telephone and Telegraph Company (the "Company") hereby submits the following reports in accordance with WAC 480-123-070 and WAC 480-123-080.¹

Report 1: WAC 480-123-070(1)(a): Attached is a copy of the Company's NECA-1 Reports for the calendar years 2005 and 2006, that, as of the date of the reports, the Company has reported as the basis for support from the federal high-cost fund.

Report 2: WAC 480-123-070(1)(b): The Company reports that the investments and expenses reported under Report 1, above, benefited customers as follows:

Through the expenditure of these funds, the Company was able to continue to provide services at a level that the Company believes meets the intent set forth in 47 U.S.C. §254 of providing quality telecommunications services to customers in the service area for which the Company is designated as an ETC.² The Company has made substantial investments over the past several years which allow it to provide quality telecommunications services to its customers in its designated ETC service area. Those expenditures and investments, including those reflected in Report 1 above, generally benefit all customers receiving the federal high-cost fund supported services from the Company within its designated ETC service area. The Company has expanded its network over the past several years so that it is capable of providing access to broadband services throughout most of the Company's designated ETC service area. The Company offers services that are comparable to services offered in urban areas at rates that are comparable to rates for such services in urban areas.

Report 3: WAC 480-123-070(4): The Company reports that during the calendar year 2006, the Company did not receive either the Federal Communications Commission or the Consumer Protection Division of the Office of the Attorney General of the State of Washington any complaints against the Company made by the Company's customers.

Report 4: WAC 480-123-080(1)(b): The Company reports as follows:

As they are known to the Company at the date of this Report, the planned investment and expenses related to Washington state for the period January 1, 2007, through December 31, 2007, that the Company expects to use as a basis to request federal high-cost support are expected to be significantly higher to those investments and expenses the Company has set forth in its information filed under Report 1, above. The Company expects that levels of expenses will remain relatively the same as those it experienced in calendar year 2006, subject to the effects of inflation, other commonly experienced changes in cost of

¹ It is the Company's understanding that it is not required to submit the reports described in WAC 480-123-070(2) and (3).

² The term "ETC" is used in the same sense as the term is used in Chapter 480-123 WAC.

labor and materials, and increased depreciation on new investment placed in service. The Company does not anticipate major adjustments in staffing levels for the relevant period. The Company's investment plans directly affecting federal high-cost supported services offered by it in its designated ETC service area include a major fiber-to-the-home construction project in 2007. In early 2007, the Company occupied a new office building at a cost of approximately \$380,000. The above projects will benefit the Company's customers by providing the Company with the space and facilities to provide even better customer service and the state-of-the-art facilities to replace old facilities and provide broadband capabilities.

Report 5: WAC 480-123-080(2): The Company reports as follows:

As they are known to the Company at the date of this Report, the planned investment and expenses related to Washington state for the period January 1, 2008, through December 31, 2008, that the Company expects to use as a basis to request federal high-cost support are expected to be significantly higher to those investments and expenses the Company has set forth in its information filed under Report 1, above. The Company expects that levels of expenses will remain relatively the same as those it experienced in calendar year 2006, subject to the effects of inflation, other commonly experienced changes in cost of labor and materials, and increased depreciation on new investment placed in service. The Company does not anticipate major adjustments in staffing levels for the relevant period. The Company's investment plans directly affecting federal high-cost supported services offered by it in its designated ETC service area includes a major fiber-to-the-home construction project in 2007 at a cost of approximately \$4 million. The Company has not completed its budgeting process and does not have final numbers prepared for investment and expense levels for 2008. The Company expects that the continued receipt of federal high-cost support will allow the Company to continue to provide the supported services at rates that are comparable to the rates for such services in urban areas. All customers in the Company's designated ETC service area will benefit from the expected level of support by continuing to have available to them services that are comparable to the telecommunications services offered in urban areas at rates that are comparable to the rates for such services in urban areas.

APPLIES TO PERIOD: YEAR END 12/2006	REG: 5	PACIFIC
CONTACT NAME: Gregory W. Morasch	SST: 3	SUBSET 3
CONTACT PHONE: (509)-648-3322 EXT:	OO: *****	
RELEASE STATUS: RELEASED	CO: 000002442	St. John Tel. Co.
SOFT EDIT STATUS: FAILED EDIT	SAR: 522442	ST JOHN TEL CO

DESCRIPTION	PENDING VIEW	SOURCE
060 TOTAL LOOPS	666	EC
070 CAT. 1.3 LOOPS	645	EC
160 ACCOUNT 2001	3,146,969	EC
170 ACCOUNT 1220	34,775	EC
190 ACCOUNT 3100	2,544,341	EC
195 ACCOUNT 3400	0	EC
210 ACCOUNT 4340	123,604	EC
220 NET PLANT INVESTMENT	513,799	EC
230 ACCOUNT 2210	824,841	EC
235 ACCOUNT 2220	0	EC
240 ACCOUNT 2230	998,701	EC
245 TOTAL CENTRAL OFFICE	1,823,542	EC
250 CKT EQUIP CAT 4.13	626,213	EC
255 ACCOUNT 2410	733,907	EC
260 ACCOUNT 3100 (2210)	616,767	EC
265 ACCOUNT 3100 (2220)	0	EC
270 ACCOUNT 3100 (2230)	896,324	EC
275 ACCOUNT 3100 (2210-2230)	1,513,091	EC
280 ACCOUNT 3100 (2410)	623,595	EC
310 ACCOUNT 4340 (2210)	33,233	EC
315 ACCOUNT 4340 (2220)	0	EC
320 ACCOUNT 4340 (2230)	40,262	EC
325 NET NONOCURRENT	73,495	EC
330 ACCOUNT 4340 (2410)	29,455	EC
335 ACCOUNT 6110 TOTAL	1,993	EC
340 ACCOUNT 6110 BENEFITS	72	EC
345 ACCOUNT 6110 RENTS	0	EC
350 ACCOUNT 6120 TOTAL	19,574	EC
355 ACCOUNT 6120 BENEFITS	360	EC
360 ACCOUNT 6120 RENTS	0	EC
365 ACCOUNT 6210 TOTAL	35,222	EC
370 ACCOUNT 6210 BENEFITS	7,043	EC
375 ACCOUNT 6210 RENTS	0	EC
380 ACCOUNT 6220 TOTAL	0	EC
385 ACCOUNT 6220 BENEFITS	0	EC
390 ACCOUNT 6220 RENTS	0	EC
395 ACCOUNT 6230 TOTAL	50,714	EC
400 ACCOUNT 6230 BENEFITS	8,528	EC
405 ACCOUNT 6230 RENTS	0	EC
410 ACCOUNT 6210-6230	85,936	EC
430 ACCOUNT 6410 TOTAL	172,752	EC
435 ACCOUNT 6410 BENEFITS	33,724	EC
440 ACCOUNT 6410 RENTS	37,927	EC
445 TOTAL PLANT SPECIFIC	280,255	EC
450 ACCOUNT 6530 TOTAL	34,135	EC
455 ACCOUNT 6530 BENEFITS	13	EC
510 ACCOUNT 6560 (2210)	74,357	EC
515 ACCOUNT 6560 (2220)	0	EC
520 ACCOUNT 6560 (2230)	72,070	EC
525 ACCOUNT 6560 (2210-2230)	146,427	EC
530 ACCOUNT 6560 (2410)	8,341	EC

APPLIES TO PERIOD: YEAR END 12/2006 REG: 5 PACIFIC
CONTACT NAME: Gregory W. Morasch SST: 3 SUBSET 3
CONTACT PHONE: (509)-648-3322 EXT: OO: *****
RELEASE STATUS: RELEASED CO: 000002442 St. John Tel. Co.
SOFT EDIT STATUS: FAILED EDIT SAR: 522442 ST JOHN TEL CO

DESCRIPTION	PENDING VIEW	SOURCE
535 ACCOUNT 6710 TOTAL	63,426	EC
540 ACCOUNT 6710 BENEFITS	11,858	EC
550 ACCOUNT 6720 TOTAL	134,866	EC
555 ACCOUNT 6720 BENEFITS	5,092	EC
565 SUM OF LINES 535 + 550	198,292	EC
600 BEN. POR.OF ALL OP. EXP.	88,331	EC
610 RENT POR. OF ALL OP. EXP	37,927	EC
650 ACCOUNT 7200 OTHER TAXES	-35,265	EC
700 2410 (C S TOTAL CWF - AV)	733,907	EC
710 2410 (C S CWF - CAT.1)	659,884	EC
800 ACCOUNT 2680 TOTAL	0	EC
805 ACCOUNT 2680 (2230)	0	EC
810 ACCOUNT 2680 (CAT. 4.13)	0	EC
815 ACC 2680 (2410) TOTAL CWF	0	EC
820 ACC 2680 (2410)CWF-CAT1	0	EC
830 ACCOUNT 6560 (2680)	0	EC

COMMENTS:

1. Line 650 - Deferred FIT is a credit balance causing the figure to be negative in 2006
2. Line 700, the number is the same as line 255 \$733,907 because there was no additions in 2006.

N... E... C... A... INC.
 USF1010 PENDING VIEW REPORT

07/14/2006
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APPLIES TO PERIOD: YEAR END 12/2005
 CONTACT NAME: Gregory W. Morasch
 CONTACT PHONE: (509)-648-3322 EXT:
 RELEASE STATUS: RELEASED
 SOFT EDIT STATUS: PASSED EDIT

REG: 5 PACIFIC
 SST: 3 SUBSET 3
 OO: *****
 CO: 000002442 St. John Tel. Co.
 SAR: 522442 ST JOHN TEL CO

DESCRIPTION	PENDING VIEW	SOURCE
060 TOTAL LOOPS	666	EC
070 CAT. 1.3 LOOPS	645	EC
160 ACCOUNT 2001	3,123,295	EC
170 ACCOUNT 1220	36,809	EC
190 ACCOUNT 3100	2,349,810	EC
195 ACCOUNT 3400	0	EC
210 ACCOUNT 4340	173,408	EC
220 NET PLANT INVESTMENT	636,886	EC
230 ACCOUNT 2210	825,024	EC
235 ACCOUNT 2220	0	EC
240 ACCOUNT 2230	990,137	EC
245 TOTAL CENTRAL OFFICE	1,815,161	EC
250 CKT EQUIP CAT 4.13	626,352	EC
255 ACCOUNT 2410	733,907	EC
260 ACCOUNT 3100 (2210)	547,989	EC
265 ACCOUNT 3100 (2220)	0	EC
270 ACCOUNT 3100 (2230)	818,675	EC
275 ACCOUNT 3100 (2210-2230)	1,366,664	EC
280 ACCOUNT 3100 (2410)	615,254	EC
310 ACCOUNT 4340 (2210)	49,671	EC
315 ACCOUNT 4340 (2220)	0	EC
320 ACCOUNT 4340 (2230)	55,005	EC
325 NET NONOCURRENT	104,676	EC
330 ACCOUNT 4340 (2410)	40,984	EC
335 ACCOUNT 6110 TOTAL	1,999	EC
340 ACCOUNT 6110 BENEFITS	45	EC
345 ACCOUNT 6110 RENTS	0	EC
350 ACCOUNT 6120 TOTAL	15,289	EC
355 ACCOUNT 6120 BENEFITS	241	EC
360 ACCOUNT 6120 RENTS	0	EC
365 ACCOUNT 6210 TOTAL	43,492	EC
370 ACCOUNT 6210 BENEFITS	7,911	EC
375 ACCOUNT 6210 RENTS	0	EC
380 ACCOUNT 6220 TOTAL	0	EC
385 ACCOUNT 6220 BENEFITS	0	EC
390 ACCOUNT 6220 RENTS	0	EC
395 ACCOUNT 6230 TOTAL	52,196	EC
400 ACCOUNT 6230 BENEFITS	9,494	EC
405 ACCOUNT 6230 RENTS	0	EC
410 ACCOUNT 6210-6230	95,688	EC
430 ACCOUNT 6410 TOTAL	151,720	EC
435 ACCOUNT 6410 BENEFITS	29,796	EC
440 ACCOUNT 6410 RENTS	46,227	EC
445 TOTAL PLANT SPECIFIC	264,696	EC
450 ACCOUNT 6530 TOTAL	24,279	EC
455 ACCOUNT 6530 BENEFITS	67	EC
510 ACCOUNT 6560 (2210)	75,241	EC
515 ACCOUNT 6560 (2220)	0	EC
520 ACCOUNT 6560 (2230)	70,412	EC
525 ACCOUNT 6560 (2210-2230)	145,653	EC
530 ACCOUNT 6560 (2410)	8,367	EC

N... E... C... A... INC.
USF1010 PENDING VIEW REPORT

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APPLIES TO PERIOD: YEAR END 12/2005 REG: 5 PACIFIC
CONTACT NAME: Gregory W. Morasch SST: 3 SUBSET 3
CONTACT PHONE: (509)-648-3322 EXT: OO: *****
RELEASE STATUS: RELEASED CO: 000002442 St. John Tel. Co.
SOFT EDIT STATUS: PASSED EDIT SAR: 522442 ST JOHN TEL CO

DESCRIPTION	PENDING VIEW	SOURCE
535 ACCOUNT 6710 TOTAL	62,860	EC
540 ACCOUNT 6710 BENEFITS	11,706	EC
550 ACCOUNT 6720 TOTAL	126,369	EC
555 ACCOUNT 6720 BENEFITS	5,358	EC
565 SUM OF LINES 535 + 550	189,229	EC
600 BEN. POR. OF ALL OP. EXP.	83,478	EC
610 RENT POR. OF ALL OP. EXP	46,227	EC
650 ACCOUNT 7200 OTHER TAXES	92,835	EC
700 2410 (C S TOTAL CWF - AV)	732,313	EC
710 2410 (C S CWF - CAT.1)	657,238	EC
800 ACCOUNT 2680 TOTAL	0	EC
805 ACCOUNT 2680 (2230)	0	EC
810 ACCOUNT 2680 (CAT. 4.13)	0	EC
815 ACC 2680 (2410) TOTAL CWF	0	EC
820 ACC 2680 (2410) CWF-CAT1	0	EC
830 ACCOUNT 6560 (2680)	0	EC

COMMENTS:

WASHINGTON TELEPHONE ASSISTANCE PROGRAM

The Washington Telephone Assistance Program (WTAP) is available to adult recipients of any of the the following Department of Social and Health Service Programs:

Temporary Aid for Needy Families
General Assistance
Medical Assistance
Supplemental Security Income with State Medical
Food Assistance
Community Options Program
DSHS Chore Services

The WTAP Program provides:

A discount on connection fees
A waiver of deposit for local service
A discount on local monthly service

For more information, please call the toll-free number **1-888-700-8880**.

NOTICE

St. John Telephone Co.

The St. John Telephone Company has been serving the St. John area since 1913. We serve both residential and commercial customers in our rural community with quality services at competitive rates. In addition to our basic telephone services, we offer Internet access, both dial up and high speed, special calling features and voice mail. Our basic services are comprised of several components, which at a minimum include:

Service Provided

Residence \$9.50

Business \$13.00

Single party voice grade access to the public network

Access to emergency 911 services State/County mandated surcharges

Residence \$.20/\$.50

Business \$.20/\$.50

St. John Telephone Company participates in the Federal Lifeline and Link-Up Programs as well as the Washington Telephone Assistance Program (WTAP). Under these programs, St. John Telephone Company offers to qualifying low-income customers a discount off the monthly rate for basic residential exchange service. The current discounted monthly rate for lifeline residential service is up to \$7.50 per month, while the installation charge for service may be discounted under the Link-Up Program and WTAP by \$10.00.

These services are available to all customers of St. John Telephone Company. The costs associated with each are reflected each month on a regular telephone bill along with other charges for services provided by us. Information about these and other services are available by contacting the St. John Telephone Company business office at (509) 648-3322.

CONSUMER INFORMATION GUIDE

CUSTOMER BILLING INFORMATION

You will receive your bill on approximately the 1st of each month. Accounts are due and payable when presented, and become past due 15 days thereafter.

The monthly charge for local telephone service is billed one month in advance and long distance calls are billed after you make them.

The payment due date is printed on your bill. If your payment will not reach us by that date, call our Business Office to discuss payment alternatives.

PAST DUE ACCOUNTS

You will be advised of the past due account by a written notice. We will make two attempts to reach you by telephone prior to disconnection of service.

We will not disconnect your service for non-payment of bill on a Saturday, Sunday, or legal holiday or any other day on which we cannot reestablish service on same or following day.

If an employee goes to the premises to disconnect service, cash payment may be made; however, cash in excess of the amount due will be credited to your account.

If you are disputing any charges on your bill, contact the Business Office. Service will not be totally disconnected while you are pursuing any remedy or appeal provided any amounts not in dispute are paid when due.

Payment of a past due amount to a designated payment agency shall constitute payment to our Company if you inform the Business Office of the payment.

ESTABLISHMENT OF CREDIT

We will establish credit to any residential customer who meets any one of the following criteria:

1. Satisfactory credit record on their previous telephone service.
2. Regular source of income.
3. Home ownership.
4. Provide a satisfactory guarantor to secure payment of the telephone bill.
5. Present two major credit cards or other proof of established credit.

DEPOSITS

Deposits are not requested if the customer has maintained a satisfactory credit record on their previous telephone service or if the customer can provide a satisfactory guarantor to secure payment of the telephone bill.

Customers requesting business telephone service may be requested to demonstrate satisfactory credit that is appropriate for the service requested.

When necessary, arrangements are available for payment of deposit.

When a deposit is required, it will not exceed two-twelfths of your estimated annual billing.

In cases where service is provided to other than the customer of record, we will make every effort to inform the occupant at the address of the impending disconnection. Upon request we will allow 5 days for the occupant to arrange for continued service.

DEPOSIT REFUNDS

Accounts that have a deposit will be reviewed for six months. The deposit, with interest, will be returned if payments have been made when due. Interest will be paid from the date of receipt to the date of refund.

Continued Next Page

CONSUMER INFORMATION GUIDE (Cont'd)

ORDERING SERVICE

To help speed the ordering of your service, you should have the following information available when you call our Business Office.

1. Complete address.
2. How you would like your name to appear in the directory.
3. Employment status.
4. Information about your previous telephone service.
5. An estimate of your monthly long distance charges.

Payment in advance for installation and one month's service charges may be required. For information about any telephone service, call our Business Office. Your service representative will be glad to help you.

CONSUMER COMPLAINTS AND DISPUTES

When you have a problem with your telephone service or billing, call our Business Office. When your problem cannot be solved by the representative, higher levels of management are available to help you.

A customer may make a formal or informal complaint to the Washington Utilities and Transportation Commission for further review of the complaint or dispute when satisfaction is not received.

DIRECTORY ASSISTANCE INTERSTATE

There will be a charge for each Directory Assistance call. However, there may be credits given for certain Directory Assistance requests. These credits may vary from company to company and carrier to carrier. Contact your local company for further information.

1. When making a request for directory assistance, you are allowed a maximum of two telephone numbers per call.
2. The charge applies whether or not the Directory Assistance Bureau furnished the requested number - such as in the case of non-published numbers.
3. Subscribers who are unable to use a directory because of a visual or physical handicap may apply to the local telephone company to obtain a special waiver from these directory charges.

WRITE DOWN NUMBERS—DIRECTORY ASSISTANCE CALLS COST YOU MONEY

TELEPHONE DIRECTORIES

One directory for each access line leased through this business office is furnished without charge.

WASHINGTON TELEPHONE ASSISTANCE PROGRAM

The Washington Telephone Assistance Program (WTAP) is available to adult recipients of any of the following Department of Social and Health Service Programs:

- Temporary Aid for Needy Families
- General Assistance
- Medical Assistance
- Supplemental Security Income with State Medical
- Food Assistance
- Community Options Program
- DSHS Chore Services

The WTAP program provides:

- A discount on connection fees
- A Waiver of deposit for local service
- A Discount on local monthly service

For more information, please call the toll-free number 1-888-700-8880.