



WITHERSPOON • KELLEY

Attorneys & Counselors

SPOKANE | COEUR D'ALENE

Stanley M. Schwartz
Admitted in Washington & Idaho
email: sms@witherspoonkelley.com

March 10, 2021

VIA E-FILING PORTAL

Washington Utilities and Transportation Commission
Attn: Records Department
621 Woodland Square Loop SE
Lacey, WA 98503

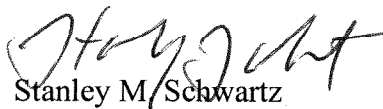
RE: Columbia Energy, LLC
Petition for Designation as Eligible Telecommunications Carrier (REDACTED)
Docket UT-210043

To Whom it May Concern:

This firm represents Columbia Energy, LLC, which filed its Petition for Designation as an Eligible Telecommunications Carrier (the "Petition"). This letter accompanies answers to the Washington Staff Data Requests dated February 5, 2021. Please know that two attachments which relate to questions 2 and 11 are deemed to be confidential and have been filed directly with the records department. Please contact me with any questions.

Very Truly Yours,

WITHERSPOON • KELLEY


Stanley M. Schwartz

SMS|kh
Enclosures

cc: Bob Greene
Scott Peters
Christopher Varallo

RDOF Phase I Auction (904) Winning Bidders in Washington

TO: Columbia Energy, LLC ("CELLC")
Christopher G. Varallo, Attorney

RE: **Docket UT-210043**
Petition for Designation as an Eligible Telecommunications Carrier
Requests for Information – responses due March 5, 2021, or sooner.

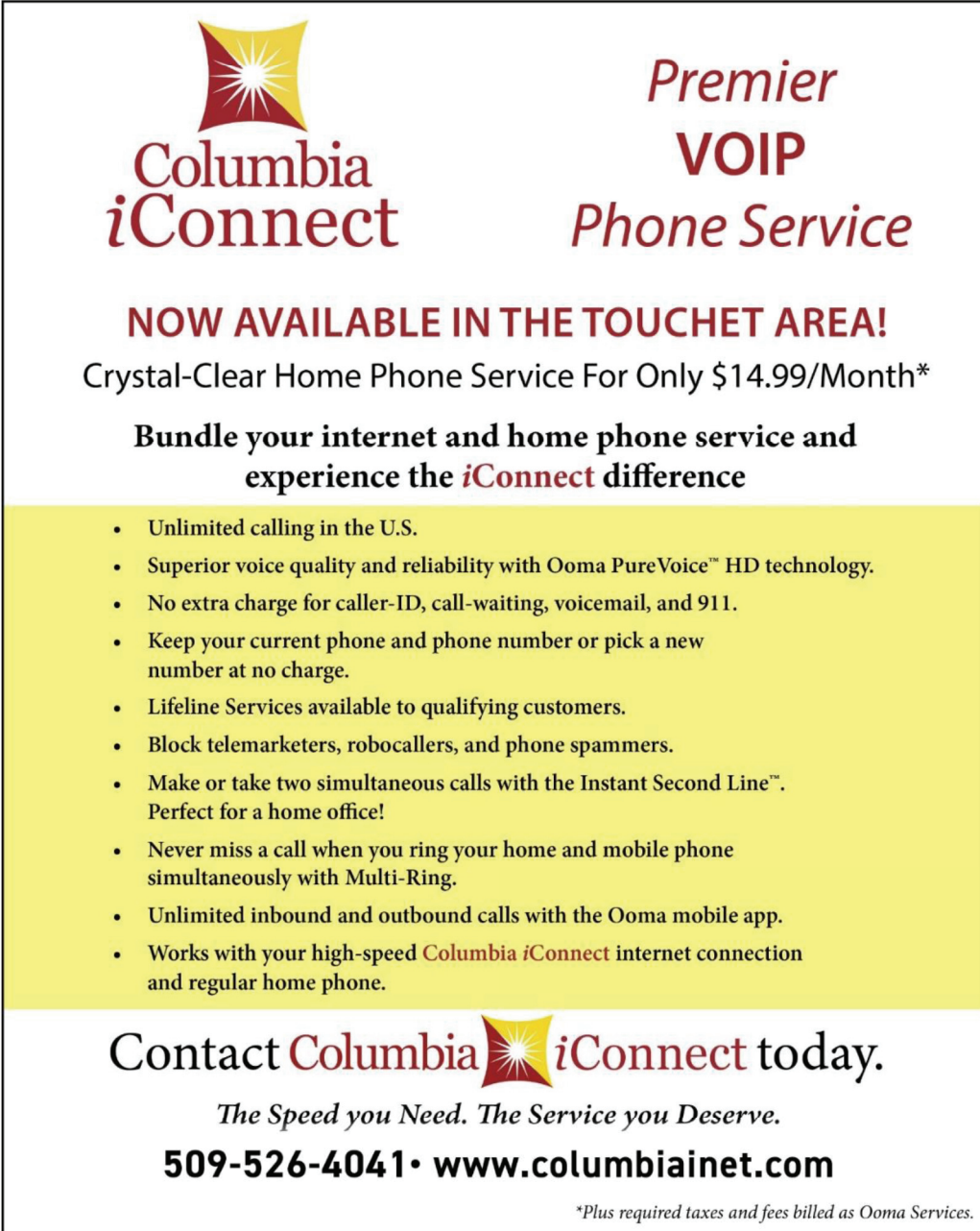
To assist staff in reviewing this filing, please “reply all” with the information requested below. Please provide responses as soon as they are available but no later than **March 5, 2021**.


If you have any questions concerning these requests, please contact Tim Zawislak via telephone at (360) 664-1294.

- 1) Please confirm which level of granularity your company is requesting ETC Designation for (of the following) and provide a list (where applicable):
 - Census Blocks
 - Census Block Groups **One census block: 530719201001**
 - Exchanges
 - Other: _____
- 2) Please provide an electronic copy of the FCC Long Form information (including engineering diagrams and detailed technology and system design description) and other supporting information. **Attached as confidential. See Attachment 1.**
- 3) What setup costs are involved for new customers? **\$59.95 to \$199.95, based on requested services**
 - Will you require long-term contracts for services? **2 Years**
 - Do you impose early termination fees? **Yes, if terminated before the end of the initial term.**
 - Are customers required to buy or lease CPE? **Lease**
 - If so, at what terms? **\$5.95 per month**
- 4) Please provide representative samples of *advertising* information related to the following:
 - Voice services in the designated area(s). **Available on mailers. See Question 6.**
 - Broadband services in the designated area(s). **Available on mailers. See Question 6.**
 - Lifeline services to reach low-income consumers in the designated area(s). **See Question 6.**
 - Packages or Bundles of services in the designated area(s). **Each service is required and provided separately. Requires a Broadband connection.**
- 5) Does the Company plan to offer both Lifeline voice (and Lifeline broadband) service(s) throughout the designated area on both a stand-alone and a bundled basis? **CELLC offers VoIP services which require a broadband connection for internet and VoIP service.**

- 6) Please provide samples of representative *direct marketing* information related to the following:
- Voice services in the designated area(s). **New services in the designated area.**
 - Broadband services in the designated area(s). **New services in the designated area**
 - Lifeline services to reach low-income consumers in the designated area(s). **New service only offered in the designated area.**
 - Packages or Bundles of services in the designated area(s). **Fiber Internet and VoIP will be offered.**

Exhibit A: Designated area




 **Premier
VOIP
Phone Service**

NOW AVAILABLE IN THE TOUCHET AREA!
Crystal-Clear Home Phone Service For Only \$14.99/Month*


**Bundle your internet and home phone service and
experience the *iConnect* difference**

- Unlimited calling in the U.S.
- Superior voice quality and reliability with Ooma PureVoice™ HD technology.
- No extra charge for caller-ID, call-waiting, voicemail, and 911.
- Keep your current phone and phone number or pick a new number at no charge.
- Lifeline Services available to qualifying customers.
- Block telemarketers, robocallers, and phone spammers.
- Make or take two simultaneous calls with the Instant Second Line™. Perfect for a home office!
- Never miss a call when you ring your home and mobile phone simultaneously with Multi-Ring.
- Unlimited inbound and outbound calls with the Ooma mobile app.
- Works with your high-speed **Columbia iConnect** internet connection and regular home phone.

Contact **Columbia**  **iConnect** today.
The Speed you Need. The Service you Deserve.
509-526-4041 • www.columbiainet.com

*Plus required taxes and fees billed as Ooma Services.

Exhibit B: Generic




*Premier
VOIP
Phone Service*

CRYSTAL-CLEAR HOME PHONE SERVICE, AMAZING VOICE TECHNOLOGY AND A TOP-RATED PHONE SYSTEM FOR ONLY
\$14.99/MONTH*

Bundle your internet and home phone service and experience the *iConnect* difference

- Unlimited calling in the U.S.
- Superior voice quality and reliability with Ooma PureVoice™ HD technology.
- No extra charge for caller-ID, call-waiting, voicemail, and 911.
- Receive a text alert when 911 is called from your home.
- Keep your current phone and phone number or pick a new number at no charge.
- Block telemarketers, robocallers, and phone spammers.
- Make or take two simultaneous calls with the Instant Second Line™. Perfect for a home office!
- Never miss a call when you ring your home and mobile phone simultaneously with Multi-Ring.
- Unlimited inbound and outbound calls with the Ooma mobile app.
- Works with your high-speed *Columbia iConnect* internet connection and regular home phone.

Contact *Columbia*  *iConnect* today.
The Speed you Need. The Service you Deserve.
509-526-4041 • www.columbiainet.com

*Plus required taxes and fees billed as Ooma Services.

- 7) Please provide samples of *customer service script* information related to the following:
- Voice services in the designated area(s).
 - Broadband services in the designated area(s).
 - Lifeline services to reach low-income consumers in the designated area(s).
 - Packages or Bundles of services in the designated area(s).

We have a Customer Service line operating seven days per week, 24 hours a day to support our services. Samples of the "scripts" are below. For new and existing accounts, our representatives receive internal sales training, and do not utilize scripts.

Customer Service Support Script for all services - Sample

All calls are answered using the following opening.

“Thank you for calling Columbia iConnect, My name is _____. How can I help you today?”

The customer will then advise us of the issue and we transition to gathering information.

“I would be glad to help you with that today. Can I start by getting the first and last name on the account?”

“Thank you, Customer first name. Have you called in with this issue previously?” If yes we ask for a ticket number if not we proceed with gathering information.

“And may I get the phone number on the account?” “Is that a good number to contact you at?”

For no connectivity troubleshooting we would proceed as follows.

“Is this issue happening on one device, or all devices?” Individual device issues check for wireless button toggles, physical Ethernet connections, reboot, browser issues, etc. All devices, continue.

“Can I please have you power down the POE and the router?”

“When did this issue start?” “Is there anything you can associate with the service going down?” “Is there any damage to the equipment?”

We would then power up the POE then the router if they had one and see if the issue was resolved.

If POE lights indicate connectivity, bypassing of routers, if physically able.

For slow speeds we would start with the same power-cycle but ask the questions before.

“How many devices are on your network?”

“What are those device used for IE browsing or streaming?”

“Does the issue occur all the time or certain times of the day?” We are asking these questions to determine that the customer as the proper package for how they use the internet.

After the equipment comes back online we would see if the speeds seemed to improve for the customer. We do not run speed test off the bat because we do not want the customer continuously going to run speed test. When most of the time slow speed issues are issues with how many devices are connected etc.

If the speeds are still slow we make sure all other devices are not streaming and we would run a speed test. If the speeds were slow we would bypass the router and hardwire one device and run the speed test again. If the speeds improved we would troubleshoot the router. If the

speeds were still poor we would run a continuous ping to verify that there is no packet loss and send a ticket to local support to review.

- 8) Will all voice and all broadband pricing be consistent across RDOF and non-RDOF locations within Washington State? Please explain all commonalities and differences. Service locations are anticipated to have the same pricing plans as available in CELLC's service area. See Question 9.
- 9) Please provide pricing information (to the extent not already provided above) for each of the following:
 - Voice services in the designated area(s).
 - \$14.99 + OOMA Services + Equipment
 - Broadband services in the designated area(s).
 - \$129.95 Residential + 5.95 Equipment Lease
 - Business Services vary by contract and business size
 - Lifeline services to reach low-income consumers in the designated area(s).
 - Standard Rates Less \$9.95 for service.
 - Packages or Bundles of services in the designated area(s).
 - \$129.95 Residential + VoIP \$14.99 + \$5.95 for equipment lease.
- 10) Please identify any written agreements with other entities that the Company is relying upon in order to meet its obligations associated with the RDOF, to the extent it has not already provided that information in the petition on file with the Commission. Supply Agreement with Ooma, Inc., a Delaware corporation (provides VOIP services). Provided to FCC.
- 11) Please provide a copy of the Company's most recent audited financial statements (or provide a date certain when they will become available and then provide them at that time). Attached as confidential. See Attachment 2.
- 12) Please provide the location where the records of the Company will be maintained under normal retention schedules. 2929 Melrose St. Walla Walla, WA 99362
- 13) If the Company is seeking ETC Designation in other states please provide the docket number and ongoing status updates regarding progress made in each state as of:
 - January 31, 2021
 - March 31, 2021 N/A
 - April 30, 2021
- 14) Please indicate the timeframes in which the results of broadband speed testing and voice latency testing will become available, and when the first report(s) will be filed with the FCC.
 - March 2023.

ATTACHMENT 1
CONFIDENTIAL INFORMATION

COLUMBIA ENERGY, LLC

RDOF TECHNOLOGY SYSTEM DESIGN

Note: This was provided as "FCC Long Form" information.

Description of Technology and System Design

Overall Network Design

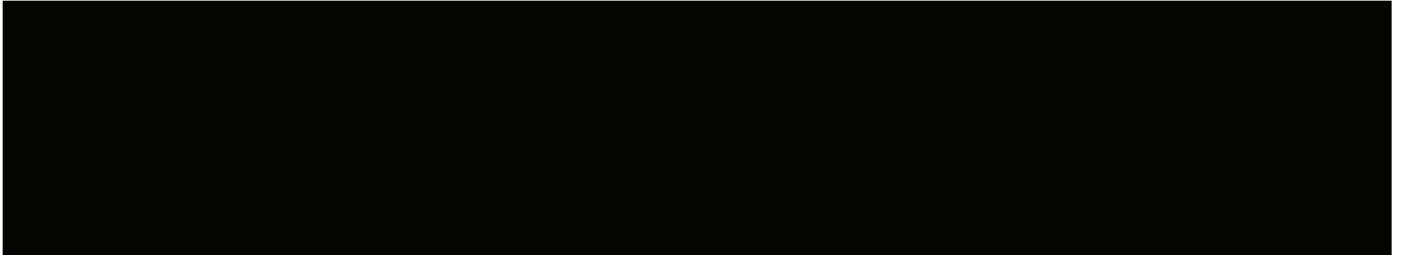


Table 1 - Census Block Groups Addressed

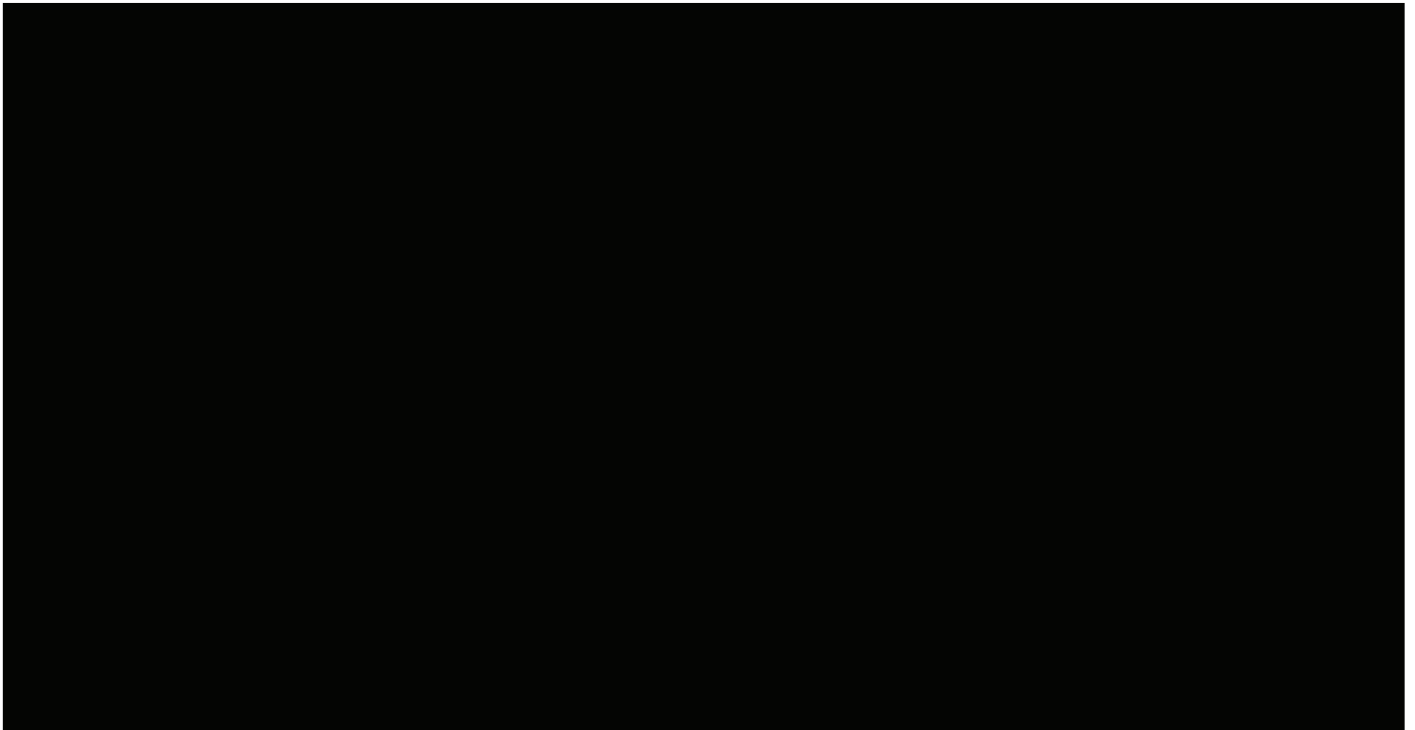
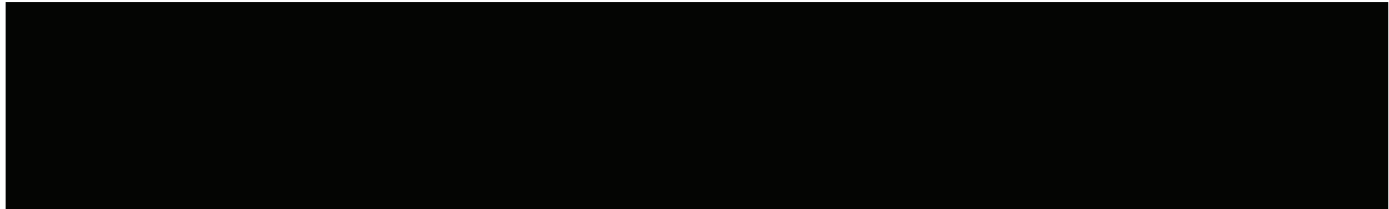
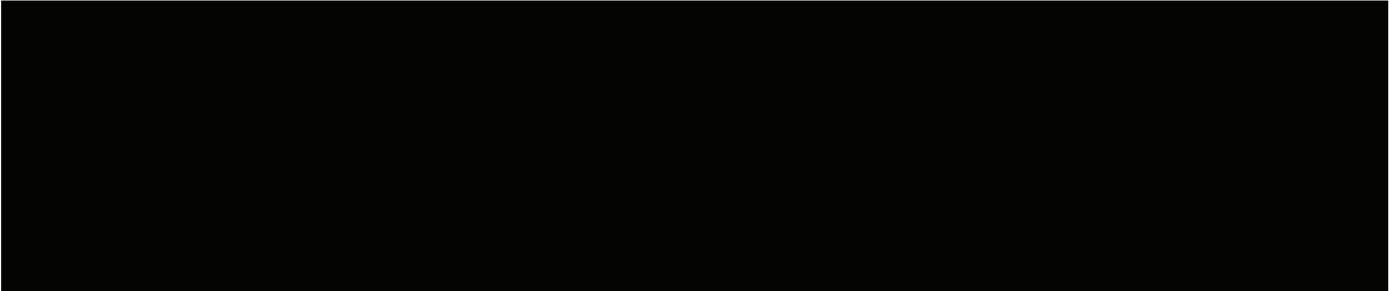


Figure 1 – Overall Network Architecture Overview





1.1. Last Mile Fiber to the Premises (FTTP) Architecture:

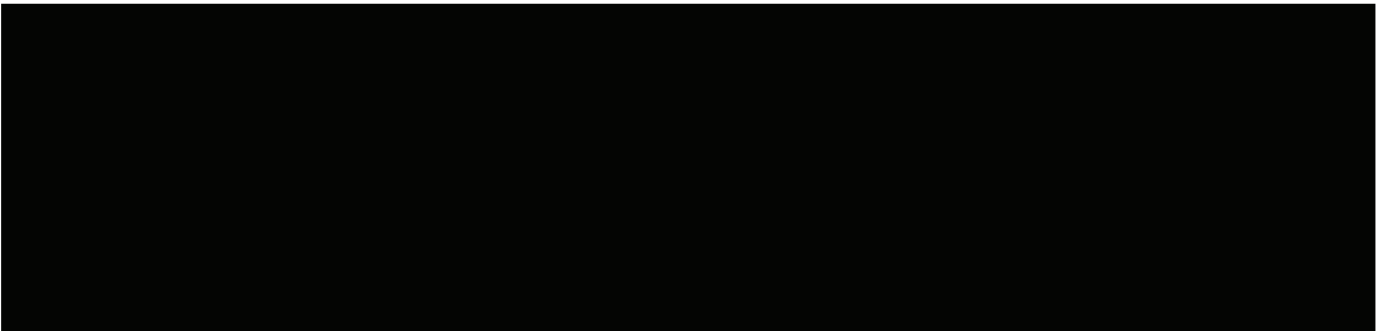


Figure 2 – Typical Last Mile Architecture



[Redacted]

[Redacted]

[Redacted]

[Redacted]

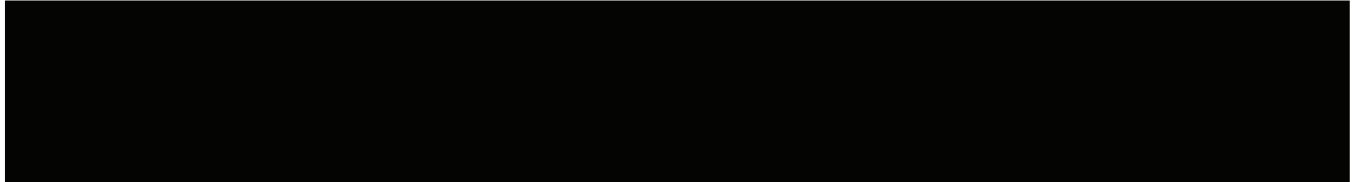
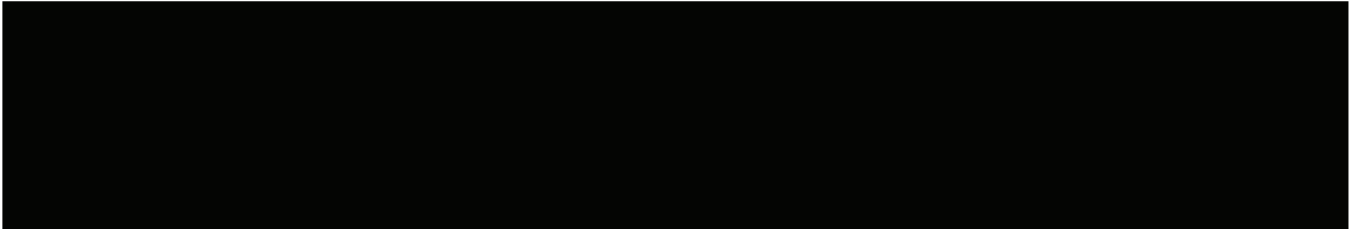
[Redacted]

1.2. Middle Mile / Transport Architecture:

[Redacted]



Figure 3 - Middle-Mile Transport Architecture



1.3. Interconnection Architecture:



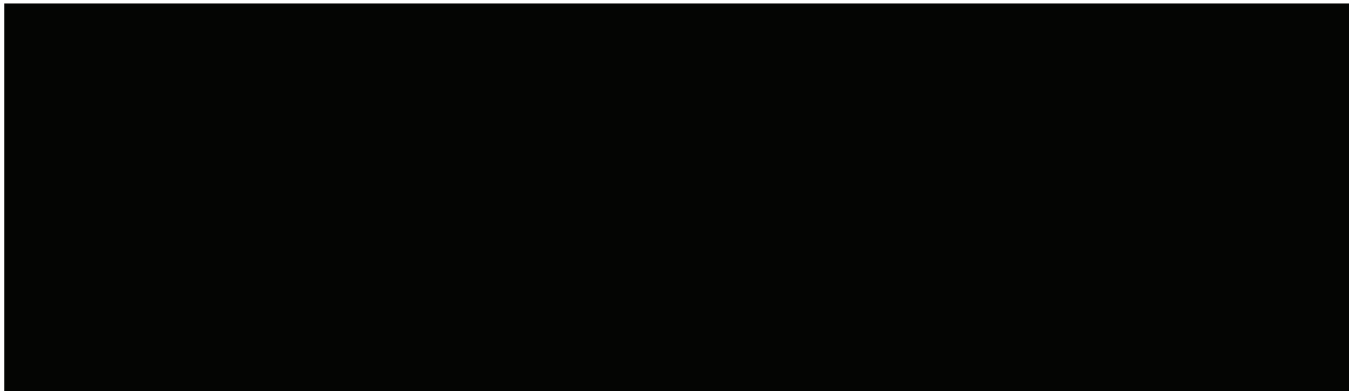
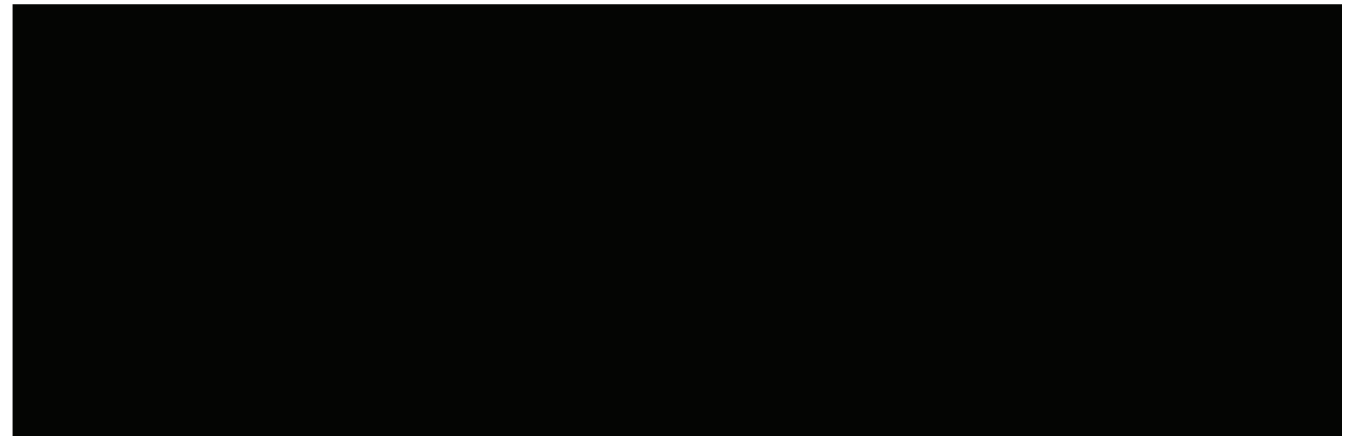


Figure 4 - Services Edge Architecture

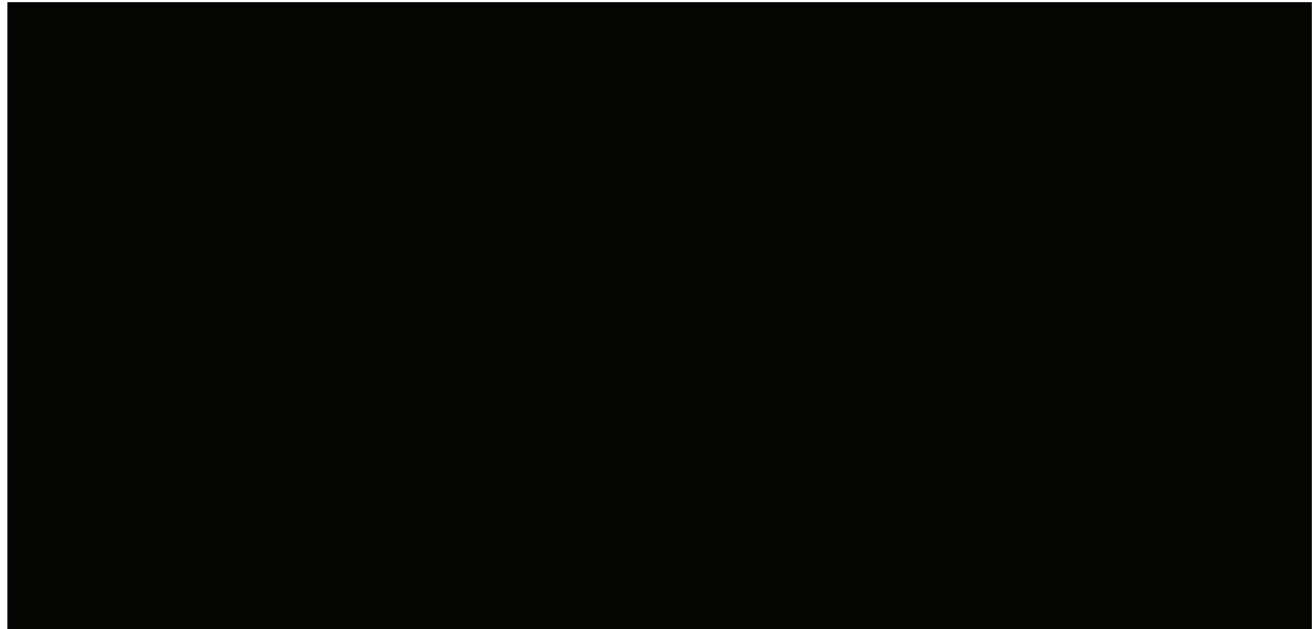


1.3.1 Layer 2 Aggregation Switches

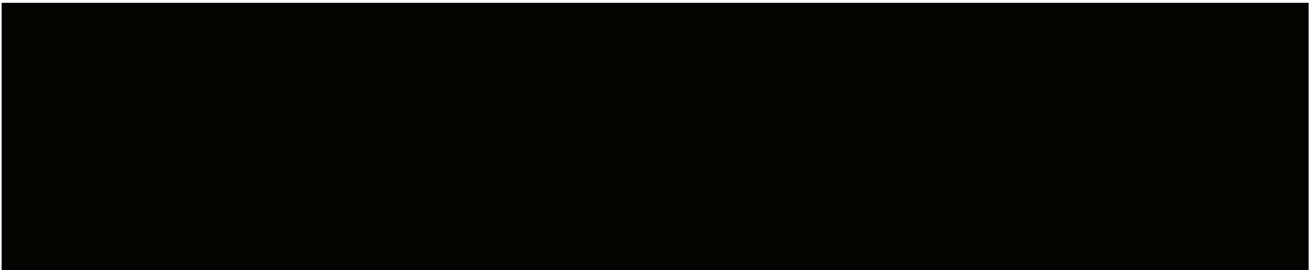




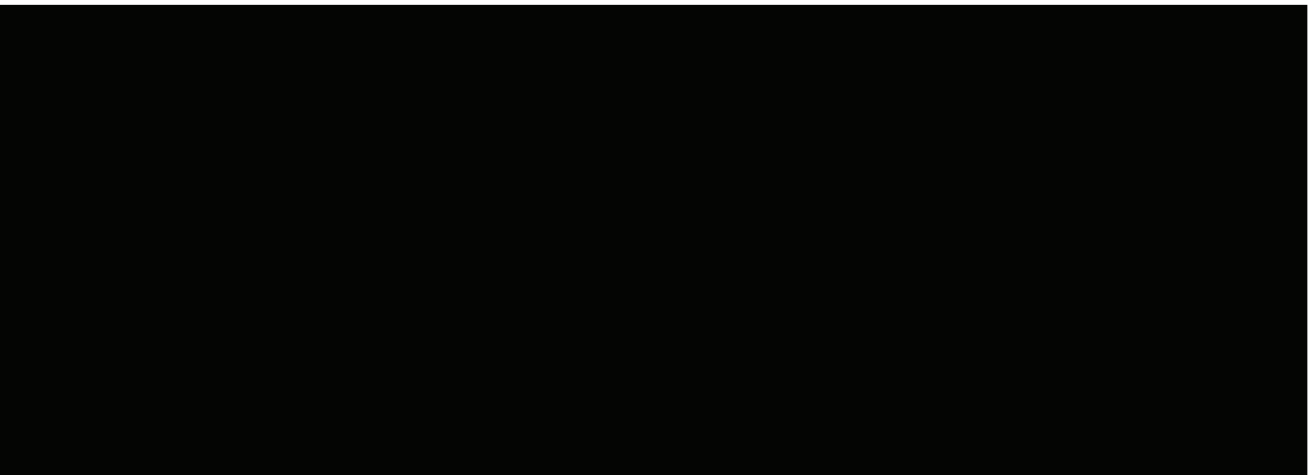
1.3.2 Core Routers



1.4 Internet Services:

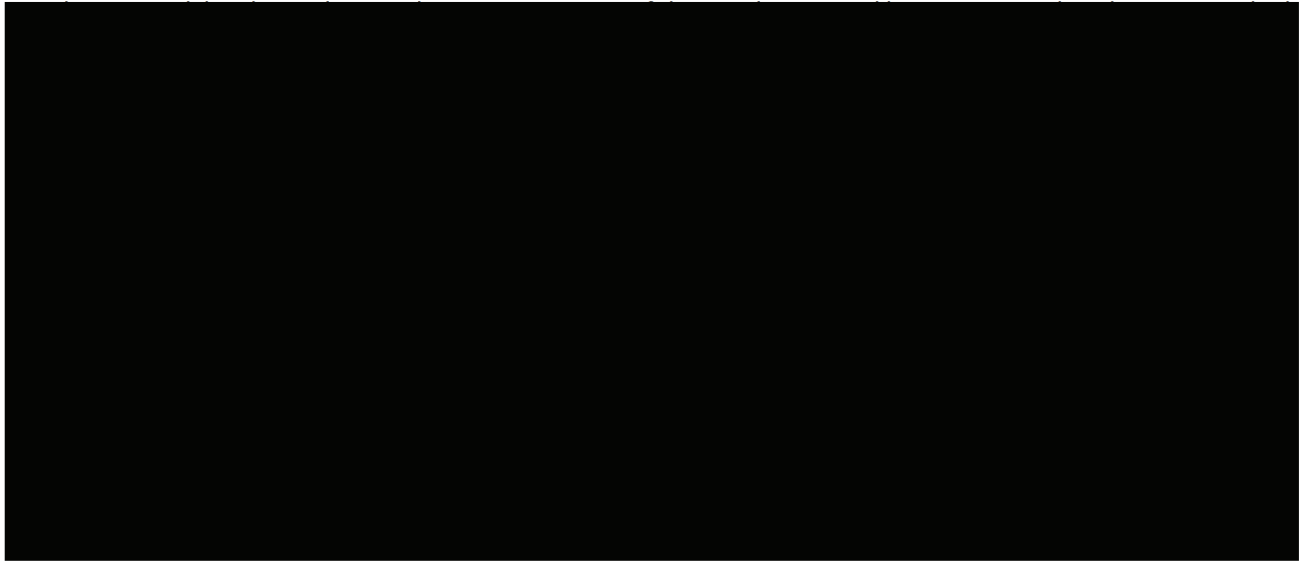


1.5 Voice Services:

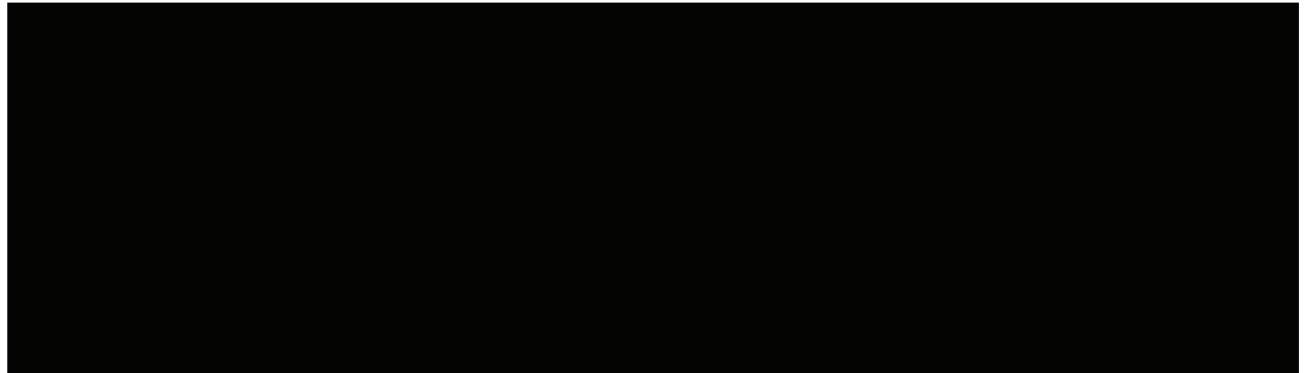


1.6 Network Scalability:

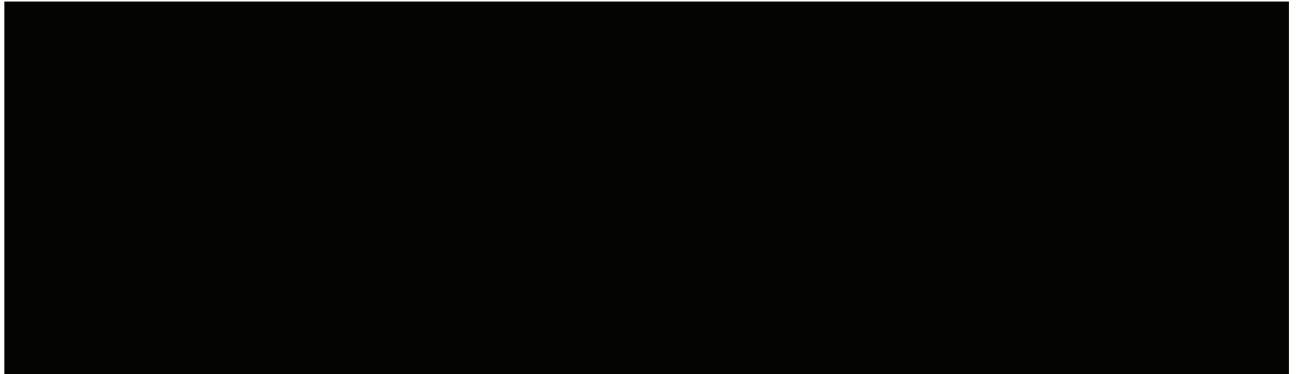
1.6.1 Subscriber Growth:



1.6.2 Network Data Usage:

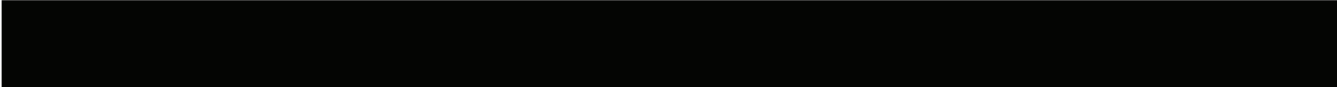


1.6.3 Latency:





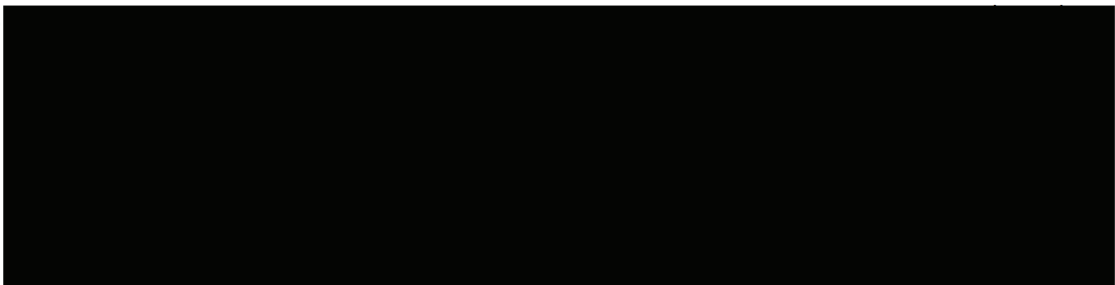
1.7 Network Reliability:



1.7.1 Network Diversity



1.7.1.1



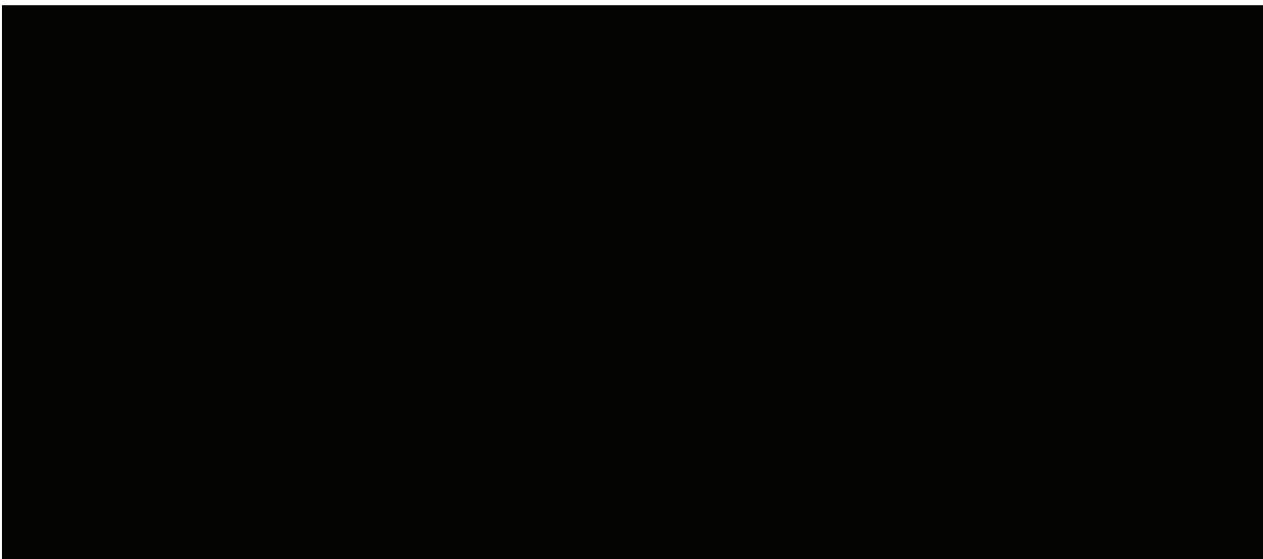
1.7.1.2



1.7.1.3



1.7.2 Protection Switching & Routing



[Redacted]

[Redacted]

[Redacted]

1.7.3 Equipment redundancy

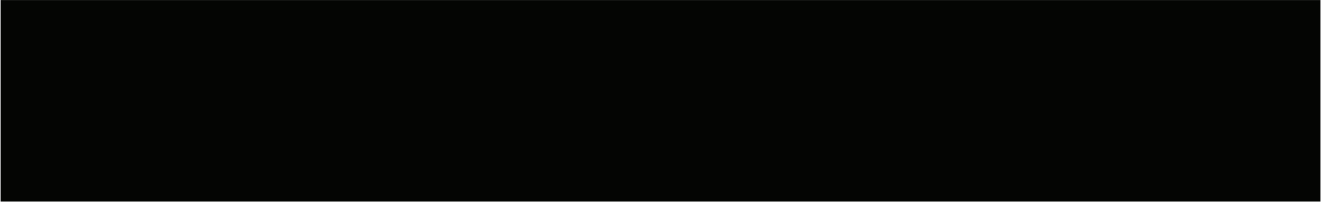
1.7.3.1

[Redacted]

1.7.3.2

[Redacted]

1.7 Ownership:



1.8 Rules of Thumb and Engineering Assumptions:

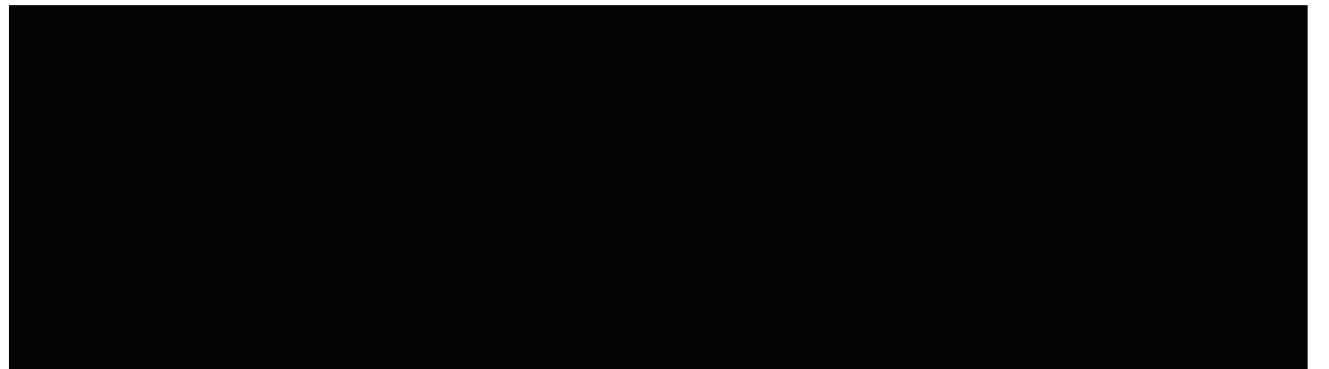
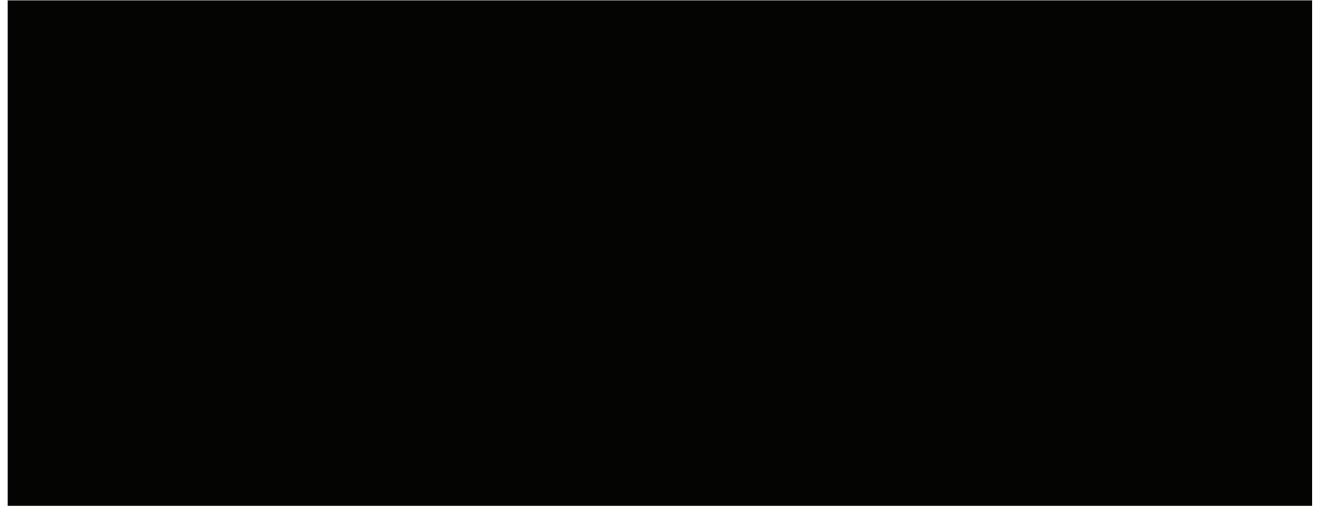
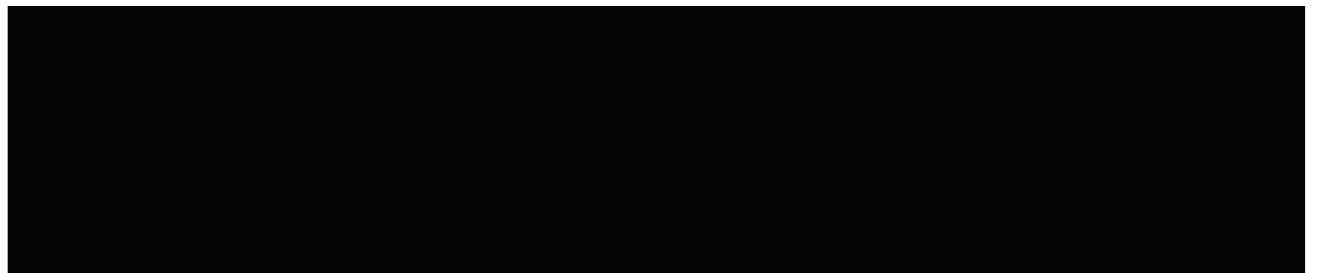
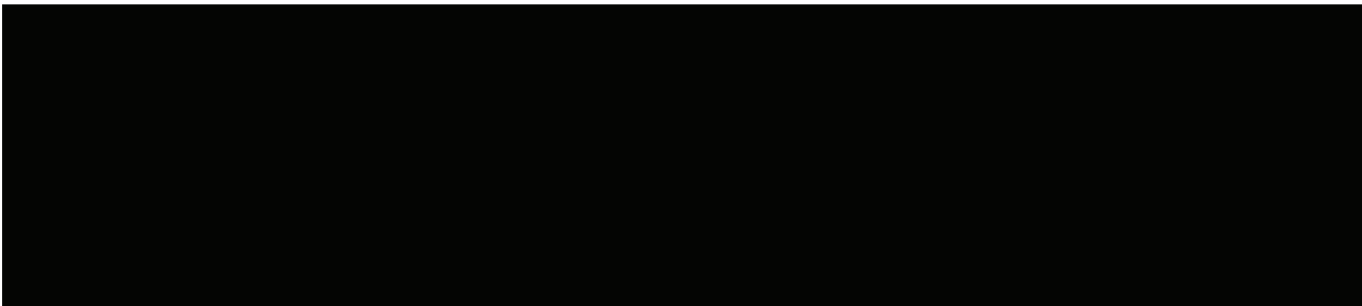


Figure 5 – Oversubscription Ratios





1.9 Peak Performance:



Table 2 - Average Monthly Data Usage per household

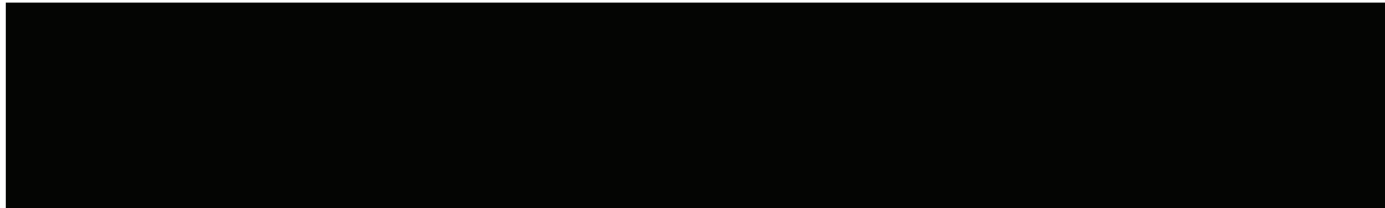
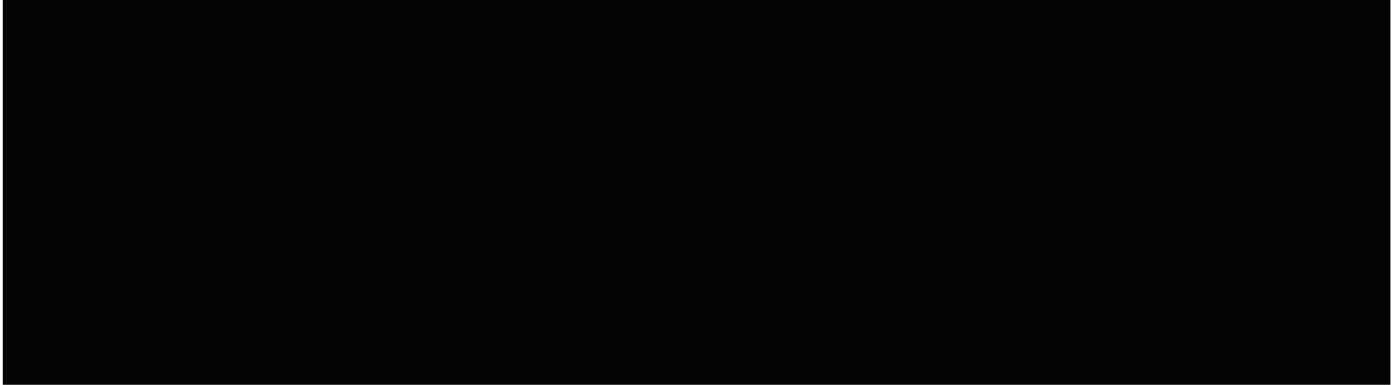
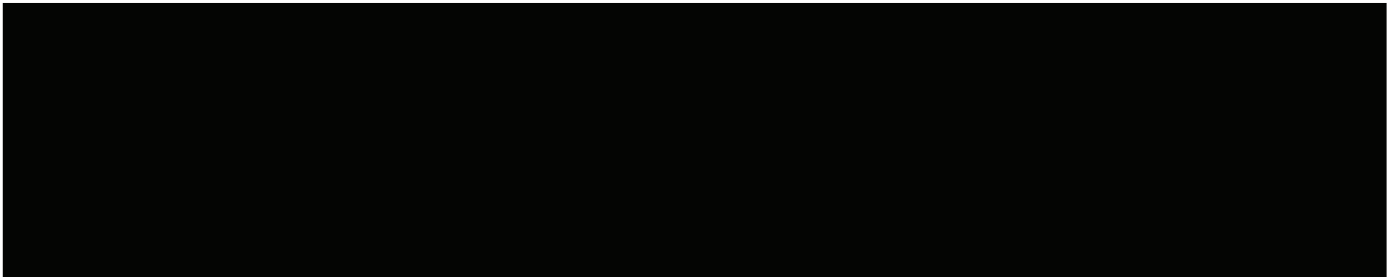
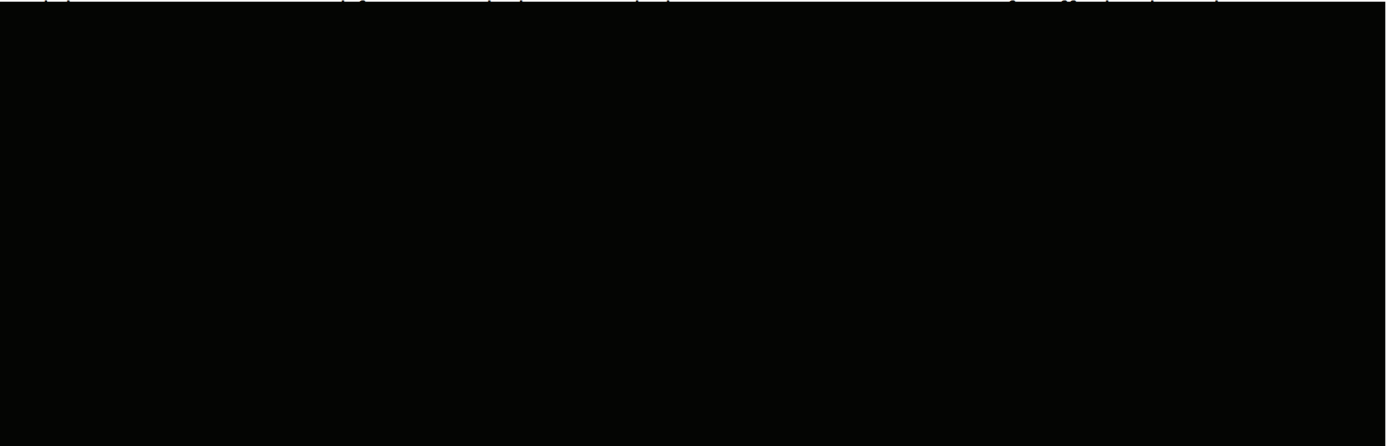
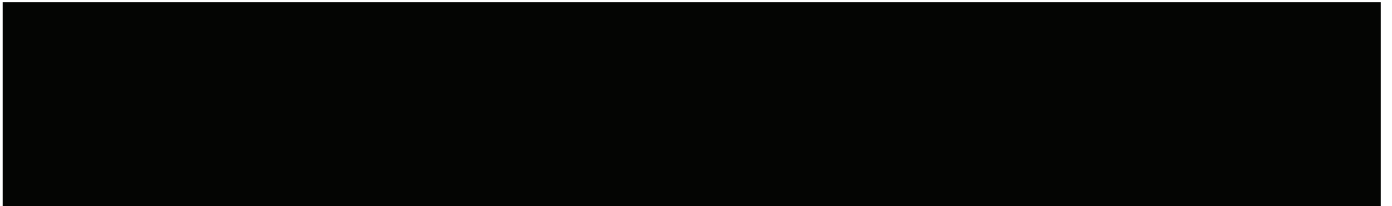


Table 3 - Per Household 24 Hour Average in (Kbps)

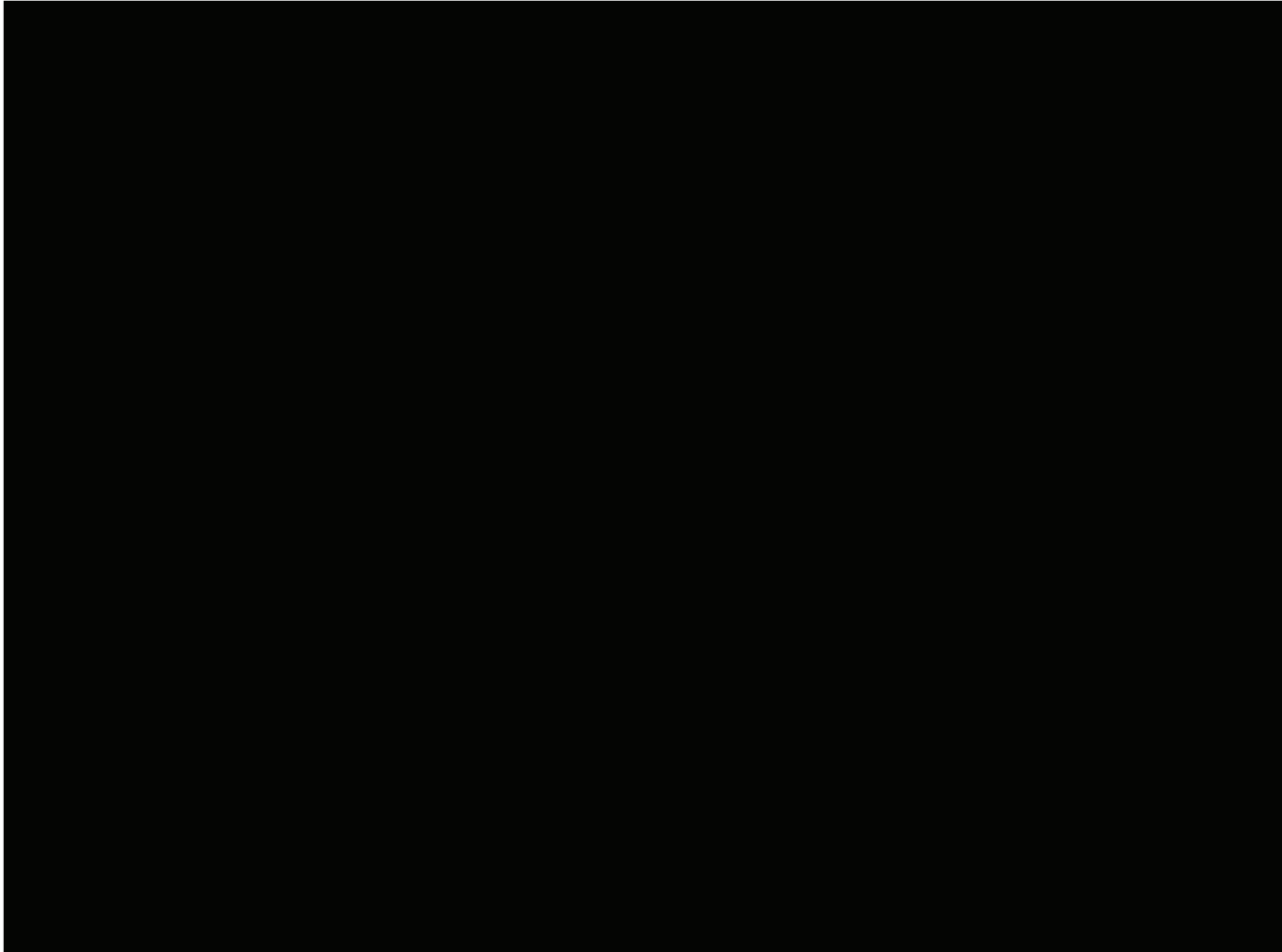


Table 4 - Per Household Peak Period Traffic

A large black rectangular redaction box covering the top portion of the table content.A large black rectangular redaction box covering the second portion of the table content.A large black rectangular redaction box covering the third portion of the table content.A large black rectangular redaction box covering the fourth and largest portion of the table content.A large black rectangular redaction box covering the bottom portion of the table content.



Project Plan





Network Diagram



NETWORK DIAGRAM COVER LETTER
Professional Engineer's Certification
Columbia Energy, LLC
FRN [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Printed Name – Network Engineer

[REDACTED]

Signature – Network Engineer

[REDACTED]

Date

February 9, 2021

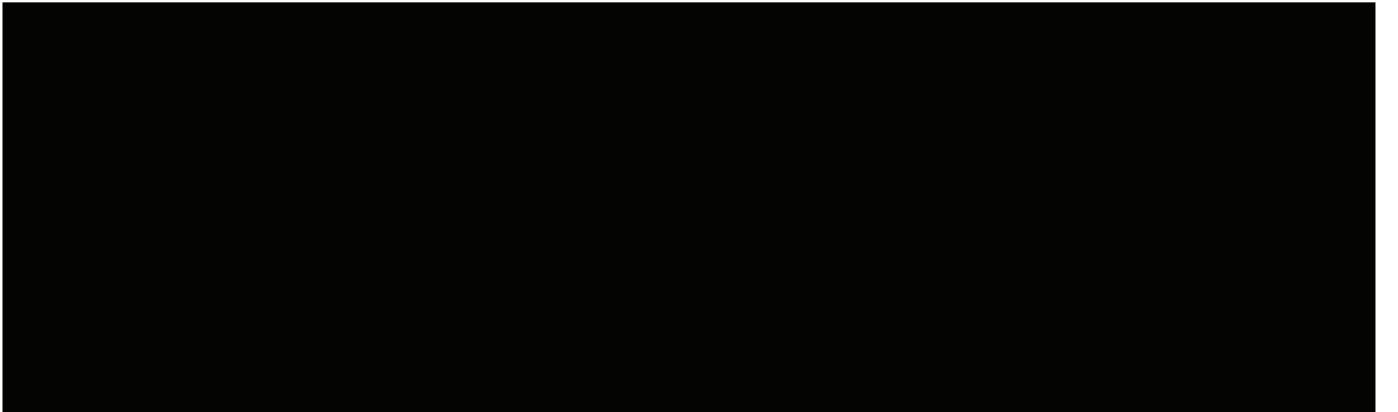
Network Management & Operations



Network Monitoring and Reporting



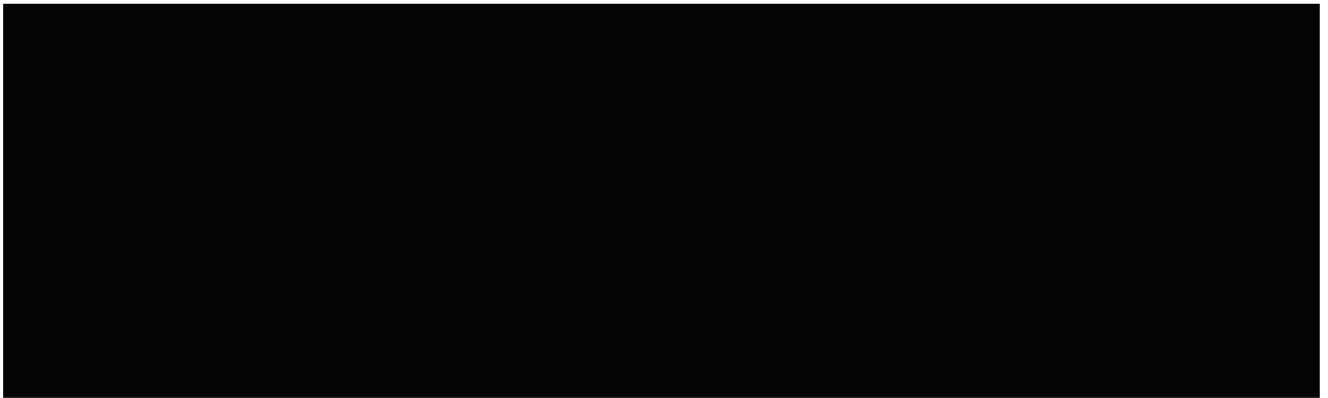
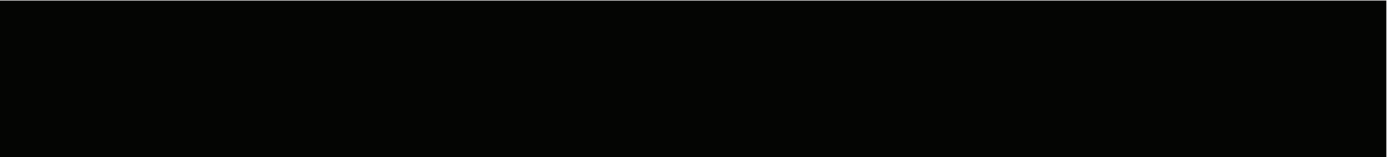
Network Traffic Analysis and Management



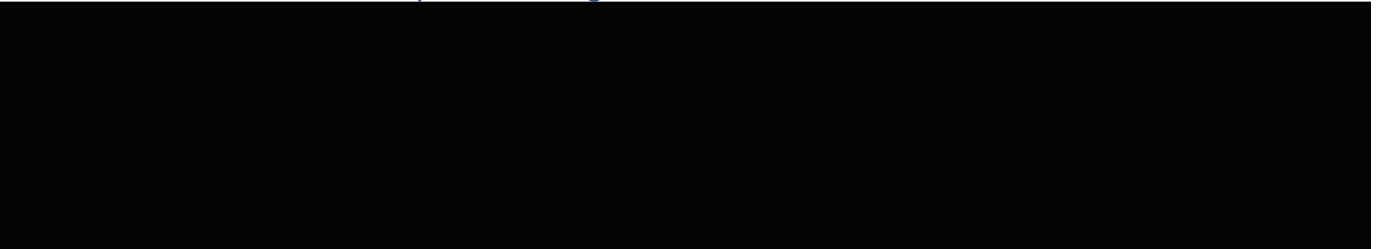
Core Network Security Management



Core and Aggregate Network Management



Access Network and Backhaul Systems Management



Circuit and Upstream Management



FCC Performance Testing Management





ATTACHMENT 2
CONFIDENTIAL INFORMATION

COLUMBIA ENERGY, LLC

RESPONSE TO DATA REQUEST NO. 11

Columbia Energy, LLC

Financial Report

December 31, 2019

Columbia Energy, LLC
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December 31, 2019

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Financial Statements:	
Balance Sheets	3
Statements of Operations.....	4
Statements of Cash Flows.....	5
Notes to Financial Statements	6 - 10



Review Report of Independent Accountants

Directors and Member
Columbia Energy, LLC
Walla Walla, Washington

We have reviewed the accompanying financial statements of Columbia Energy, LLC (a wholly-owned subsidiary), which are comprised of the balance sheets as of December 31, 2019 and 2018, and the related statements of operations, and cash flows for the years then ended, and the related notes to the financial statements. A review primarily includes applying analytical procedures to management's financial data and making inquiries of Company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

Accountant's Responsibility

Our responsibility is to conduct the review engagements in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

DeCoria, Maichel & Teague, P.S.

DeCoria, Maichel & Teague, P.S.
Spokane, Washington

March 6, 2020

Columbia Energy, LLC
Balance Sheets
December 31, 2019 and 2018

	2019	2018
ASSETS		
Current assets:		
Cash and cash equivalents (Note 3)		
Accounts receivable (Note 4)		
Materials and supplies inventory		
Other current assets		
Total current assets		
Noncurrent assets:		
Property, plant and equipment, net (Note 5)		
Total noncurrent assets		
Deferred charges		
Total assets		
LIABILITIES AND MEMBER'S EQUITY		
Current liabilities:		
Accounts payable		
Federal income taxes payable		
Due to parent (Note 6)		
Consumer deposits		
Total liabilities		
Member's equity:		
Member's contributions		
Retained earnings		
Total member's equity		
Total liabilities and member's equity		

Columbia Energy, LLC
Statements of Operations
Years Ended December 31, 2019 and 2018

	2019	2018
Revenue:		
Broadband internet service revenue		
Cost of revenue:		
Cost of broadband internet service revenue		
Gross profit		
Operating expenses:		
Administrative and general expense		
Depreciation and amortization expense		
Interest expense		
Lease expense		
Maintenance		
Marketing		
Taxes		
Training		
Total operating expenses		
Net income		
Retained earnings, beginning of year		
Retained earnings, end of year		

Columbia Energy, LLC
Statements of Cash Flows
Years Ended December 31, 2019 and 2018

	2019	2018
Cash flows from operating activities:		
Net income		
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization expense		
Changes in:		
Accounts receivable		
Materials and supplies inventory		
Other current assets		
Deferred charges		
Accounts payable		
Federal income taxes payable		
Net cash provided by operating activities		
Cash flows from investing activities:		
Additions to property, plant and equipment		
Net cash used by investing activities		
Cash flows from financing activities		
Net borrowings of amounts due to parent		
Net cash provided by financing activities		
Net increase (decrease) in cash and cash equivalents		
Cash and cash equivalents, beginning of year		
Cash and cash equivalents, end of year		
Supplemental disclosures of cash flow information		
Cash paid during the year for interest		

Columbia Energy, LLC
Notes to Financial Statements
December 31, 2019 and 2018

1. Organization

The financial statements include the accounts of Columbia Energy, LLC (“Columbia Energy” or “the Company”), a wholly-owned subsidiary of Columbia Rural Electric Association (“the Association”), a Washington not-for-profit corporation. Columbia Energy was organized during 2000.

The Company is involved in the marketing and sales of broadband internet products and services to customers who are in the same general geographic area served by the Association. During 2002, Columbia Energy began operations and has since continued to expand its broadband internet service infrastructure.

2. Summary of Significant Accounting Policies

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Cash and Cash Equivalents

The Company considers all short-term deposits and highly liquid investments with original maturities of three months or less when purchased to be cash equivalents.

Accounts Receivable

Accounts receivable are stated at the amount that management of the Company expects to collect from outstanding balances. Management has elected to record bad debts using the direct write-off method. Accounting principles generally accepted in the United States of America require that the allowance method be used to record bad debts. However, the effect of using the direct write-off method is not materially different from the results that would have been obtained had the allowance method been used. For the years ended December 31, 2019 and 2018, the Company had direct write-offs of \$1,200 for both years and no recoveries of amounts previously written off.

Materials and Supplies Inventory

Materials and supplies inventory consists primarily of items needed for the construction and maintenance of non-utility plant and is recorded at the lower of weighted average cost or net realizable value. Useable material salvaged from plant retirements is returned to inventory at current weighted average cost.

Columbia Energy, LLC
Notes to Financial Statements, Continued
December 31, 2019 and 2018

2. Summary of Significant Accounting Policies, Continued

Property, Plant and Equipment

Property, plant and equipment are carried at cost. All acquisitions of property, plant and equipment in excess of \$2,500 are capitalized. Expenditures for repairs and maintenance that represent betterments or substantially prolong the useful lives of assets are also capitalized. Normal maintenance and repairs are charged to expense as incurred. When property, plant and equipment are sold or otherwise disposed of, the cost and accumulated depreciation are removed from the accounts and any gain or loss is recognized in the Statements of Operations. Depreciation is computed using the straight-line method based upon estimated useful lives of 5 to 20 years.

Valuation of Long-Lived Assets

Management of the Company periodically reviews the net carrying value of its assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset might not be recoverable. These reviews consider the net realizable value of each asset to determine whether an impairment in value has occurred, and whether there is a need for any asset impairment write-down. Impaired assets are reported at the lower of cost or net realizable value. At December 31, 2019 and 2018, no assets were considered to be impaired.

Financial Instruments

ASC Topic 825, *Financial Instruments*, permits entities to choose to measure many financial assets and liabilities at fair value. The fair value of a financial instrument is the amount at which the instrument could be exchanged in a current transaction between willing parties, other than a forced liquidation sale. At December 31, 2019 and 2018, the carrying value of financial instruments, such as receivables, accounts payable and other current liabilities, approximated their fair values based on the short-term maturities of those instruments.

Fair Value Measurements

ASC Topic 820, *Fair Value Measurements and Disclosures*, establishes a fair value hierarchy for those assets and liabilities measured at fair value, that distinguishes between assumptions based on market data (observable inputs) and the organization's own assumptions (unobservable inputs). The hierarchy consists of: Level 1 – quoted market prices in active markets for identical instruments; Level 2 – inputs other than Level 1 inputs that are observable; and Level 3 – unobservable inputs developed using estimates and assumptions determined by the organization. ASC Topic 820 defines fair value as the amount that would be received from the sale of an asset or paid for the transfer of a liability in an orderly transaction between market participants. The inputs and methodology used for valuing the Company's financial assets and liabilities are not indicators of the risks associated with those instruments. At December 31, 2019 and 2018, there were no assets or liabilities that were measured at fair value on a recurring basis.

Columbia Energy, LLC
Notes to Financial Statements, Continued
December 31, 2019 and 2018

2. Summary of Significant Accounting Policies, Continued

Fair Value Measurements, Continued

Certain assets are measured at fair value on a nonrecurring basis; that is, the instruments are not measured at fair value on an ongoing basis but are subject to fair value adjustments only in certain circumstances (for example, when there is evidence of impairment). The Company had no assets measured at fair value on a nonrecurring basis during 2019 or 2018.

Revenue Recognition

The Company recognizes revenue billed to its customers when services are provided.

Income Taxes

The Company is a wholly-owned taxable subsidiary of the Association that files a separate Form 990-T tax return for federal purposes. As such, the Company has recorded a liability for federal income taxes in the accompanying financial statements.

Credit Risk

Financial instruments which potentially subject the Company to concentration of credit risk consist principally of cash and cash equivalents and receivables.

The Company maintains its cash and cash equivalents in bank deposit accounts which, at times, may exceed federally insured limits. The Company has not experienced any losses in such accounts and management of the Company believes it is not exposed to any significant credit risk on cash and cash equivalents.

Concentrations of credit risk with respect to trade receivables are limited due to the Company's large number of customers. Credit is extended to customers without collateral requirements.

Columbia Energy, LLC
Notes to Financial Statements, Continued
December 31, 2019 and 2018

2. Summary of Significant Accounting Policies, Continued

Accounting Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management of the Company to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Accordingly, actual results could differ from those estimates and affect the amounts reported in the financial statements.

Subsequent Events

The Company has evaluated subsequent events through March 6, 2020, the date as of which these financial statements were available to be issued. No material subsequent events have occurred since December 31, 2019 that required recognition or disclosure in these financial statements.

3. Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand and deposits held in checking accounts with a local bank. Custodial credit risk is the risk that in the event of a bank failure, the Company's deposits may not be returned to it. At December 31, 2019, the Company's deposits are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000.

The combined carrying amount of cash and cash equivalents on the Company's books at December 31, 2019 was [REDACTED]. The differences between the carrying amount of cash and cash equivalents on the Company's books and the bank balances consisted of outstanding checks and deposits not processed by the bank as of December 31, 2019. At December 31, 2019, the Company's bank deposits were fully insured by FDIC.

4. Accounts Receivable

Accounts receivable are summarized as follows at December 31, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Billed accounts receivable	[REDACTED]	[REDACTED]
Due from parent		

Columbia Energy, LLC
Notes to Financial Statements, Continued
December 31, 2019 and 2018

5. Property, Plant and Equipment

Property, plant and equipment, which consists of Columbia Energy’s investment in its broadband internet service infrastructure, is summarized as follows at December 31, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Structures		
Equipment		
Less: Accumulated depreciation		
Construction in progress		

Depreciation and amortization expense was [REDACTED] and [REDACTED] for 2019 and 2018, respectively.

6. Due to Parent

The balances recorded as due to parent represent amounts incurred by the Association on behalf of the Company for the purchase of property, plant and equipment, payroll and benefits, and other operating expenses. There are no formal repayment terms for the balances owed, but they do accrue interest at a variable rate, which is currently 3.9%.