



Pioneer Telephone Company

P.O. Box 207 • LaCrosse, WA 99143
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Serving LaCrosse, Endicott, Winona, Hooper, Dusty, and Hay

August 31, 2021

Mr. Mark L. Johnson, Executive Director and Secretary
Washington Utilities and Transportation Commission
621 Woodland Square Loop SE
Lacey, WA 98503

Re: Supplemental Information for Petition to Receive Support from the State Universal
Communications Services Program Pursuant to WAC 480-123-100 and 480-123-110
Docket UT-210582

Received
Records Management
08/31/21 12:35
State Of WASH.
UTIL. AND TRANSP.
COMMISSION

CLAIM OF CONFIDENTIALITY

Dear Mr. Johnson:


Pioneer Telephone Company ("Company") hereby submits to the Washington Utilities and Transportation Commission ("WUTC") pursuant to WAC 480-123-100 and WAC 480-123-110 supplemental information to the petition based on discussion with commission staff to receive support from the State Universal Communications Services Program for the Program year 2022.

The Company has revised the petition at paragraph II. 6. and exhibits 3 Broadband Plan and 7 Certification of Eligibility. The petition for support and exhibits in its entirety that are specified in WAC 480-123-100 and WAC 480-123-110 accompany this letter and, together with this letter, are being filed electronically.

The revision on the petition provides additional information on the number of broadband connections that the Company is capable of providing. The number of locations showing in the FCC HUBB site were only uploaded with the Company's existing subscriber locations and not all the locations it is capable of providing service to within its serving area. The Company is now aware that they are allowed to upload all capable locations to the HUBB with speeds at or above 25/3 Mbps.

Please note that portions of the information in the accompanying exhibits are being filed on a confidential basis pursuant to WAC 480-07-160, in that certain of the information contained therein constitutes valuable and confidential commercial information, including financial information. In addition to the Company, its parent company, Pioneer Telephone Holding Company, Inc., might be directly affected by disclosure of the confidential information. Both confidential (unredacted) and redacted versions accompany this letter.

Sincerely,


Stephen P. Schmick
President

Enclosures

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7 **BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

8 IN RE

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10 PETITION OF PIONEER TELEPHONE
11 COMPANY TO RECEIVE SUPPORT
12 FROM THE UNIVERSAL SERVICE
13 COMMUNICATIONS PROGRAM

DOCKET NO. UT-210582

PETITION FOR SUPPORT

14 COMES NOW Pioneer Telephone Company (the "Company") and, pursuant to Chapter
15 480-123 of the Washington Administrative Code ("WAC"), including, but not limited to, WAC
16 480-123-110, hereby petitions the Washington Utilities and Transportation Commission (the
17 "Commission") to receive support from the Universal Service Communications Program (the
18 "Program") for the Program year 2022.

19
20 **I. Demonstration of Eligibility under WAC 480-123-100**

- 21 1. WAC 480-123-100(1)(a): The Company is a local exchange company as defined in WAC
22 480-120-021 that serves fewer than forty-thousand access lines within the state.
- 23 2. WAC 480-123-100(1)(b): The Company is an incumbent local exchange carrier as defined
24 in 47 U.S.C. Sec. 251(h).

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

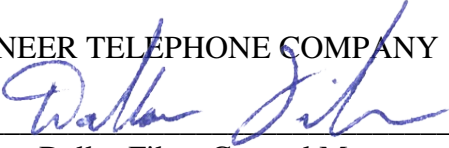
10 **II. Demonstration of Eligibility under WAC 480-123-110**

- 11 1. WAC 480-123-110(1)(a): The name of the legal entity that provides communications
12 services and is seeking Program support is as follows: Pioneer Telephone Company.
- 13 2. WAC 480-123-110(1)(b): A corporate organization chart showing the relationship between
14 the Company and affiliates as defined in RCW 80.16.010 is attached hereto as Exhibit 1. A
15 detailed description of any transactions between the Company and the affiliates named in
16 Exhibit 1 recorded in the Company's operating accounts is attached hereto as Exhibit 2.
- 17 3. WAC 480-123-110(1)(c): A service area map for the Company can be found at Sheet No.
18 2.2 in Section IV of the Company's Tariff WN U-3.
- 19 4. WAC 480-123-110(1)(d): The Company's broadband plan to provide, maintain, or enhance
20 broadband services in its service area is attached hereto as Exhibit 3.
- 21 5. WAC 480-123-110(1)(f): A sworn statement by a Company officer certifying that the
22 Company complies with state and federal accounting, cost allocation, and cost adjustment
23 rules pertaining to incumbent local exchange carriers is attached as Exhibit 4.
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- 1 6. WAC 480-123-110(1)(g): The number of residential local exchange access lines served by
2 the Company as of December 31, 2020, was 417. The number of residential local exchange
3 access lines served by the Company as of December 31, 2019, was 420. The number of
4 business local exchange access lines served by the Company as of December 31, 2020, was
5 134. The number of business local exchange access lines served by the Company as of
6 December 31, 2019, was 141. The Company as of December 31, 2020, is capable of serving
7 616 locations with broadband speeds at or above 25/3 Mbps. The number of broadband
8 connections served by the Company as of December 31, 2020, was 396. The number of
9 broadband connections served by the Company as of December 31, 2019, was 357. The
10 unbundled monthly recurring rate charged by the Company for residential local exchange
11 access service on December 31, 2020 and 2019, was \$18.00. The unbundled monthly rate
12 charged by the Company for single line business local exchange access service on December
13 31, 2020 and 2019, was \$18.00. (The Company has other business local exchange service
14 rates, but the Company understands that WAC 480-123-110(1)(g) is requesting the single
15 line business local exchange access service rate.) The unbundled monthly rate charged for
16 broadband service as of December 31, 2020, and as of December 31, 2019, is set out in the
17 attached Exhibit 5.
- 18 7. WAC 480-123-110(1)(h): The requested statements are attached as Exhibit 6.
- 19 8. WAC 480-123-110(1)(h)(i): A sworn statement by a Company officer certifying that the
20 Company is in compliance with the Federal Communications Commission's obligation for
21 deployment of broadband at speeds specified by the Federal Communications Commission
22 applicable to the Company and that the Company meets one of the eligibility criteria set out
23 in WAC 480-123-110(1)(j)(ii), (iii) or (iv) is attached at Exhibit 7.
- 24 9. All exhibits attached hereto are incorporated into this Petition as though fully set forth.
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Respectfully submitted this 31st day of August, 2021.

PIONEER TELEPHONE COMPANY
By 
Dallas Filan, General Manager

CERTIFICATION

I, Stephen P. Schmick, an officer of the Company who is responsible for the Company's business and financial operations, hereby certify under penalty of perjury that the information and representations set forth in the Petition, above, are accurate and the Company has not knowingly withheld any information required to be provided to the Commission pursuant to the rules governing the Program.

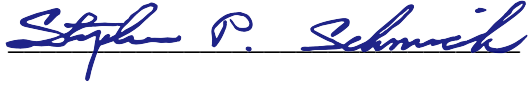

Stephen P. Schmick, President

EXHIBIT 1
CORPORATE ORGANIZATION CHART

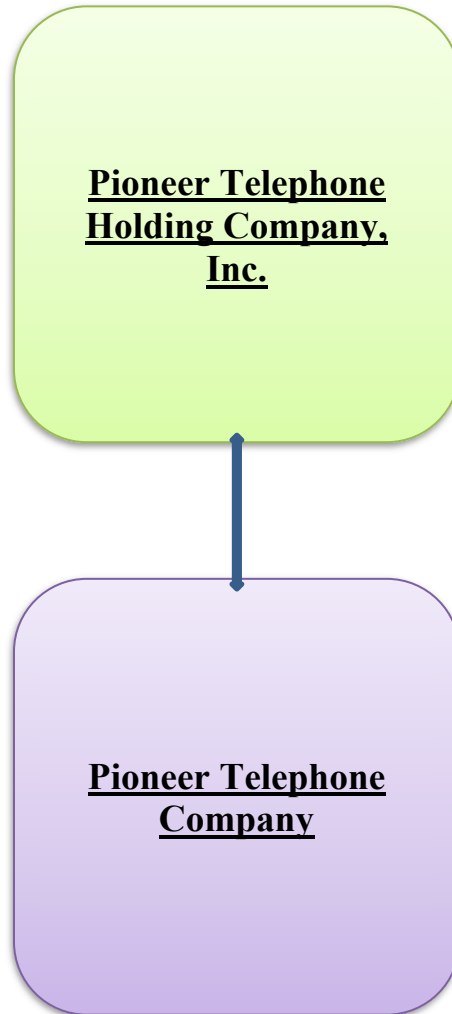


EXHIBIT 2

AFFILIATED TRANSACTIONS

Pioneer Telephone Company ("Company") has affiliated transactions with its parent holding company Pioneer Telephone Holding Company, Inc. During 2020, these transactions consisted of the following:

- The Company provides wholesale DSL service to the parent and charges the parent for such services at rates set forth in the applicable tariff of the National Exchange Carrier Association, Inc. ("NECA").
- The Company provides the parent with special access service, for which the parent is charged by the Company at applicable NECA tariff rates.
- The Company provides customer service support on behalf of the parent with respect to services furnished by the parent to end user customers. The Company is reimbursed by the parent for such services, based on time devoted to such service, to which fully loaded labor rates are applied.
- The Company provides billing and collection services to the parent with respect to retail internet access service furnished by the parent to the Company's end user customers. The cost of these services is identified through the Company's FCC Part 64 procedures as a reduction of operating expenses.
- The Company purchases from the parent web hosting service, email delivery and internet access at rates equivalent to the rates the parent charges to its similarly situated retail customers.
- The parent pays federal income taxes due with respect to income earned by the Company and is reimbursed by the Company for the Company's allocated share of such taxes.

EXHIBIT 3

BROADBAND PLAN

This Broadband Plan is being submitted by Pioneer 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 Services 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.

Pioneer Telephone Company has constructed sufficient facilities for it to fall into either criterion three or criterion four of WAC 480-123-110 and as a result has constructed substantial broadband infrastructure throughout much or all of its service territory. This means that the company is looking for program support to allow it to continue to provide telecommunications services and broadband services at the levels that are provided today, with enhancements becoming available where appropriate. Pioneer Telephone Company's plan anticipates that for 2022 planned investment and expenses will be [REDACTED] for gross capital expenditures, [REDACTED] for repair and maintenance expenses and [REDACTED] towards the outstanding payable amount of [REDACTED] to the fiber-to-the-home construction vendor.

Capital expenditures projected for 2022 will be used to continue to convert existing subscribers from copper to the fiber from the newly constructed fiber-to-the-home plant, the Company anticipates 100 customers to be hooked up. Repair and maintenance estimated expenditures include plant specific related repair and maintenance support costs for existing outside plant and central office equipment plus land, building and vehicle expenses. As well as non-specific related expenses for plant administration and operations.

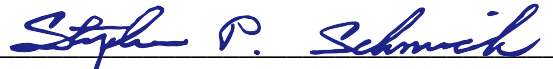
The foregoing Broadband Plan was adopted by Pioneer Telephone Company on July 30, 2020.

EXHIBIT 4

CERTIFICATION RELATING TO ACCOUNTING STANDARDS

I, Stephen P. Schmick, am an officer of Pioneer 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 28th day of July, 2021.

A handwritten signature in blue ink that reads "Stephen P. Schmick". The signature is written in a cursive style and is positioned above a horizontal line.

By: Stephen P. Schmick
Title: President

EXHIBIT 5
UNBUNDLED MONTHLY RATE CHARGE FOR BROADBAND SERVICES

PIONEER TELEPHONE COMPANY

Download Speed*	Upload Speed*	Type	w/Voice or Data Only	Prior Year End of Year Rate 2019	Current Year End of Year Rate 2020	Res/Bus/Both
3.2	1	DSL	w/Voice	\$ 39.95	\$ 39.95	Both
3.2	1	DSL	Data Only	\$ 60.00	\$ 60.00	Both
5	3	FTTH	w/Voice	\$ 39.95	\$ 39.95	Both
5	3	FTTH	Data Only	\$ 55.00	\$ 55.00	Both
5.1	1	DSL	w/Voice	\$ 49.95	\$ 49.95	Both
5.1	1	DSL	Data Only	\$ 70.00	\$ 70.00	Both
7.5	1	DSL	w/Voice	\$ 69.95	\$ 69.95	Both
7.5	1	DSL	Data Only	\$ 85.00	\$ 85.00	Both
10	1	DSL	w/Voice	\$ 85.00	\$ 85.00	Both
10	1	DSL	Data Only	\$ 95.00	\$ 95.00	Both
10	3	FTTH	w/Voice	\$ 49.95	\$ 49.95	Both
10	3	FTTH	Data Only	\$ 65.00	\$ 65.00	Both
15	3	FTTH	w/Voice	\$ 65.00	\$ 65.00	Both
15	3	FTTH	Data Only	\$ 80.00	\$ 80.00	Both
25	3	FTTH	w/Voice	\$ 85.00	\$ 85.00	Both
25	3	FTTH	Data Only	\$ 100.00	\$ 100.00	Both

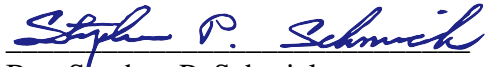
*mbps

EXHIBIT 6

CONTINUED OPERATIONS CERTIFICATE

I, Stephen P. Schmick, an officer of Pioneer Telephone Company (the Company as set out in the Petition to which this is an Exhibit), under penalty of perjury, hereby certify that if the Company receives Program support, the Company will continue to provide communications services pursuant to its tariffs on file with the Commission and will continue through its affiliate to provide broadband services throughout its service territory in Washington for which the Company is seeking and receives Program support during the entirety of 2022.

Dated at LaCrosse, Washington this 28th day of July, 2021.



By: Stephen P. Schmick

Title: President

EXHIBIT 7

CERTIFICATION OF ELIGIBILITY

I, Stephen P. Schmick, am an officer of Pioneer Telephone Company (the Company as set out in the Petition to which this is an Exhibit), hereby certify that Pioneer Telephone Company has constructed fiber that reaches every location within the Pioneer Telephone Company service area except for four locations, which cannot be reached without an extraordinary commitment of resources or construction costs exceeding an ordinary service activation fee. I have estimated to meet three locations would cost in excess of approximately \$5,000,000. The fourth location that has voice service is a hunting lodge that is used one week a year and the cost to extend fiber to that location is approximately \$200,000.

I further certify that, as described above, all locations within the service area are provided with fiber and that if a customer does not already have service but requests service in the future, the company is capable of providing that service within ten days of the date of request unless extraordinary circumstances intervene.

Under the ACAM goals set for Pioneer Telephone Company, the FCC has listed 263 locations that are at a 25/3 service level goal. The company has met more than that number of locations. A substantial portion of the locations listed by the FCC are at service goals of 10/1 or 4/1. However, as noted above, almost all locations in the company's service area have fiber which would provide 25/3 or better service. Therefore, the number of service locations at 25/3 as set out in the FCC goals and the Staff's benchmark have been exceeded.

For WAC 480-123-110 (1)(j)(iii): Further, I certify that the Company has already met the Federal Communications Commission's total deployment obligations associated with federal high-cost program support as of the date of the Petition to which this is an Exhibit. Further, I certify that since January 1, 2018, the Company has been deploying broadband to additional locations and certifies that it has deployed broadband to the remaining number of locations as determined by the Washington Utilities and Transportation Commission 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 31st day of August, 2021.



By: Stephen P. Schmick

Title: President