



January 31, 2011

Envelope Contents

Account Information

Number
of Pages

Starting Page
Number

Account Information

Number
of Pages

Starting Page
Number

FRONTIER COMMUNICATIONS WASHINGTON
[REDACTED]

2

1 of 2

000160 XB0154M1 100000
WASHINGTON UTILITIES & TRANSPORTION
MR. DAVID DANNER
ATTN DOCKET UT-090842
1300 S EVERGREEN PARK DR SW
OLYMPIA WA 98504



2011 FEB -9 AM 8:07

This Page Intentionally Blank



WASHINGTON UTILITIES & TRANSPORTION
 MR. DAVID DANNER
 ATTN DOCKET UT-090842
 1300 S EVERGREEN PARK DR SW
 OLYMPIA WA 98504

BNY Mellon has a team of professionals devoted exclusively to arbitrage compliance services for tax-exempt bond issuers and conduit borrowers. For additional information, please contact your Relationship Manager.

If you are interested in accessing your Account Statement on-line, please contact your Relationship Manager about our web-based INFORM product.

Visit us at www.bnymellon.com

Account Statement

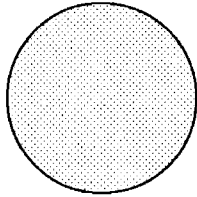
Statement Period 01/01/2011 Through 01/31/2011

Account XXXXXXXXXX
 FRONTIER COMMUNICATIONS WASHINGTON

ADMINISTRATIVE CONTACT: CAST-LYONS TEAM A ESCROW
 MELISSA MILEY 525 WILLIAM PENN PLACE
 PITTSBURGH PA 15230
 412-234-3151
 LYONSTEAMA@BNYMELLON.COM

ADMINISTRATIVE CONTACT: F. PHIL TRIOLO
 101 BARCLAY STREET, FL 8W
 NEW YORK, NY 10286
 212-815-3229
 FILIPPO.TRIOLO@BNYMELLON.COM

Account Overview



| Percent of all Investments | Asset Classification | Market Value |
|----------------------------|--------------------------|---------------|
| 100% | CASH AND SHORT TERM | 40,035,005.38 |
| 100% | TOTAL OF ALL INVESTMENTS | 40,035,005.38 |

Summary of Assets Held

| Asset Classification | Market Value | Cost | Accrued Income | Est Annual Income | Market Yield |
|----------------------|---------------|---------------|----------------|-------------------|--------------|
| CASH AND SHORT TERM | 40,035,005.38 | 40,035,005.38 | 0.00 | 64,056.01 | 0.16% |
| ACCOUNT TOTALS | 40,035,005.38 | 40,035,005.38 | 0.00 | 64,056.01 | 0.16% |

Summary of Cash Transactions

| Transaction Category | Current Period | | | Year-to-Date | |
|--------------------------|----------------|-----------|-----------------------|--------------|-----------|
| | Income | Principal | Realized Gains/Losses | Income | Principal |
| OPENING BALANCE | 0.00 | 0.00 | | 0.00 | 0.00 |
| DIVIDENDS | 5,838.60 | 0.00 | 0.00 | 5,838.60 | 0.00 |
| OTHER CASH DISBURSEMENTS | 5,838.60 - | 0.00 | 0.00 | 5,838.60 - | 0.00 |
| CLOSING BALANCE | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |

The above cash transactions summary is provided for information purposes only and may not reflect actual taxable income or deductible expenses as reportable under the Internal Revenue Code.

000160 XB0154M1 001553

c
q 8968
m
i PD3 s 212,792

Statement of Assets Held

| Shares / Par Value | Asset Description | Market Price Average Cost | Market Value Cost | Accrued Income Est Annual Income | Market Yield |
|----------------------------------|--------------------------------------|---------------------------|----------------------|----------------------------------|--------------|
| CASH AND SHORT TERM | | | | | |
| 40,000,000.000 | FEDERATED PRIME OBLIGATIONS FUND #10 | 1.00000 | 40,000,000.00 | 0.00 | 0.16% |
| | CUSIP: S99996510 | 1.00000 | 40,000,000.00 | 64,000.00 | |
| 35,005.380 | FEDERATED PRIME OBLIGATIONS FUND #10 | 1.00000 | 35,005.38 | 0.00 | 0.16% |
| | CUSIP: S99996510 | 1.00000 | 35,005.38 | 56.01 | |
| Total CASH AND SHORT TERM | | | 40,035,005.38 | 0.00 | 0.16% |
| | | | 40,035,005.38 | 64,056.01 | |

ACCOUNT TOTALS

Total Market Value Plus Total Accrued Income 40,035,005.38

40,035,005.38 **0.00** **0.16%**
40,035,005.38 **64,056.01**

Statement of Transactions

| Transaction Date | Transaction Description | Income | Principal | Cost | Realized Gains/Losses |
|------------------|---|------------|-----------|---------------|-----------------------|
| 01/01/11 | OPENING BALANCE | 0.00 | 0.00 | 40,029,166.78 | |
| 01/04/11 | Purchase FEDERATED PRIME OBLIGATIONS FUND #10 5,838.60 SHARES | 5,838.60 - | 0.00 | 5,838.60 | 0.00 |
| 01/04/11 | Dividend FEDERATED PRIME OBLIGATIONS FUND #10 DIVIDEND | 5,838.60 | 0.00 | 0.00 | 0.00 |
| 01/04/11 | DAILY ENDING BALANCE | 0.00 | 0.00 | 40,035,005.38 | 0.00 |
| 01/31/11 | CLOSING BALANCE | 0.00 | 0.00 | 40,035,005.38 | 0.00 |

Cumulative realized capital gain and loss position from 12/31/2010 for securities held in principal of account:

Short Term: 0.00 * Long Term: 0.00 *

* The above gain and loss position does not include transactions where tax cost information is incomplete or unavailable.

The Bank of New York Mellon may utilize subsidiaries and affiliates to provide services and certain products to the Account. Subsidiaries and affiliates may be compensated for their services and products.

The value of securities set forth on this Account Statement are determined by The Bank of New York Mellon for Global Corporate Trust on the basis of market prices and information obtained by The Bank of New York Mellon from unaffiliated third parties (including independent pricing vendors) ("third party pricing services"). The Bank of New York Mellon has not verified such market values or information and makes no assurances as to the accuracy or correctness of such market values or information or that the market values set forth on this Account Statement reflect the value of the securities that can be realized upon the sale of such securities. In addition, the market values for securities set forth in this Account Statement may differ from the market prices and information for the same securities used by other business units of The Bank of New York Mellon or its subsidiaries or affiliates based upon market prices and information received from other third party pricing services utilized by such other business units. Global Corporate Trust does not compare its market values with those used by, or reconcile different market values used by, other business units of The Bank of New York Mellon or its subsidiaries or its affiliates. The Bank of New York Mellon shall not be liable for any loss, damage or expense incurred as a result of or arising from or related to the market values or information provided by third party pricing services or the differences in market prices or information provided by other third party pricing services.

IMPORTANT NOTICE

This notice pertains to the collection and receipt of debt service payments. Please disregard this notice if you do not make debt service payments.

RE: DTCC P&I Payment Refinement – A Move to Further Reduce Payment Risk

In November 2009, DTCC announced a revision of the methodology for allocating principal and interest payments due on DTC-eligible securities. Effective February 7, 2011, DTC* will only allocate a payment when its receipt can be confirmed at a CUSIP level and it is received at DTC by the prescribed cut-off time.

Delays in funding may result in late payments to holders and the loss of DTCC eligibility. To avoid potential delays and related compensation claims, and to ensure timely payments by DTC, BNY Mellon must receive your debt service payments no later than the time stated in your agreement with BNY Mellon. Payments can also be made to BNY Mellon on the business day prior to the payable date.

The DTCC changes are explained in its White Paper, *P&I Payment Refinement: A Move to Further Reduce Payment Risk*, which is available in the Thought Leadership/White Papers section of the DTCC website at www.dtcc.com.

Please do not hesitate to contact your Relationship Manager if you have any questions or concerns about the revised allocation methodology or to verify the cut-off time for your payments.

* The Depository Trust Company (“DTC”) is a subsidiary of The Depository Trust & Clearing Corporation (“DTCC”).