

July 23, 2015

Mr. Steven V. King, Executive Director and Secretary Washington Utilities and Transportation Commission 1300 South Evergreen Park Drive SW Olympia, WA 98504-7250 STATE OF WAS UTIL. AND TRANG COMMISSION HECORDS MANAGEMENT

Re: Petition to Receive Support from the Universal Communications

Services Program Pursuant to WAC 480-123-100 and 480-123-110

CLAIM OF CONFIDENTIALITY

Dear Mr. King:

Pursuant to WAC 480-123-100 and WAC 480-123-110, Western Wahkiakum County Telephone Company ("Company") hereby petitions the Washington Utilities and Transportation Commission to receive support from the Universal Communications Services Program for the Program year 2015.

The petition for support and exhibits that are specified in WAC 480-123-100 and WAC 480-123-110 accompany this letter and are being filed both on paper. In addition a copy of this letter in both .pdf and .doc format and a copy of the confidential (unredacted) version of Exhibit 4, in .xlsx format, are being filed electronically.

Please note that portions of the information in the Petition and accompanying exhibits, including the above-mention electronic version of Exhibit 4, 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 financial information. In addition to the Company, its parent company, Wahkiakum West, Inc. and the Company's affiliates, Wahkiakum West Long Distance, Inc., and Wahkiakum West Television, Inc., might be directly affected by disclosure of the confidential information. Both confidential (unredacted) and redacted versions of the petition and its exhibits accompany this letter. In the filing being made on paper, the original of the confidential (unredacted) version is included in a separate envelope marked "Confidential per WAC 480-07-160", and an original of the redacted version is also included, albeit not enclosed in a separate envelope. Pursuant to agreement with the

[continued on page 2]

Mr. Steven V. King, Executive Director and Secretary Washington Utilities and Transportation Commission July 23, 2015

Commission Staff, in the paper version of this filing, only the original of the confidential (unredacted) version of the petition and exhibits is being provided, notwithstanding WAC 480-07-163(3)(c)(iii).

Sincerely,

Steven M. Appel

President

Enclosures

RECORDS MANAGEMEN 2015 JUL 23 PM 12: 1

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

IN RE

PROGRAM

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PETITION OF WESTERN WAHKIAKUM COUNTY TELEPHONE COMPANY, D/B/A WAHKIAKUM WEST TELEPHONE, TO RECEIVE SUPPORT FROM THE STATE UNIVERSAL COMMUNICATIONS SERVICES PROGRAM - 1

PETITION OF WESTERN WAHKIAKUM

COUNTY TELEPHONE COMPANY,

TELEPHONE, TO RECEIVE SUPPORT FROM THE STATE UNIVERSAL

D/B/A WAHKIAKUM WEST

COMMUNICATIONS SERVICES

DOCKET NO.

PETITION FOR SUPPORT

COMES NOW Western Wahkiakum County Telephone Company, d/b/a Wahkiakum West Telephone, (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 State Universal Communications Services Program established in RCW 80.36.650 (the "Program") for the Program year 2016.

[continued on page 2]

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

- WAC 480-123-100(1)(a): The Company is a local exchange company as defined in WAC 480-120-021 that serves less than forty thousand access lines within the state.
- 2. WAC 480-123-100(1)(b): The Company is an incumbent local exchange carrier as defined in 47 U.S.C. Sec. 251(h).
- 3. WAC 480-123-100(1)(c): The Company offers basic residential and business exchange telecommunications services as set forth in WAC 480-120-021 and RCW 80.36.630.
- 4. WAC 480-123-100(1)(d): The Company's rates for residential local exchange service, plus mandatory extended area service charges, are no lower than the local urban rate floor established by the Commission as the benchmark rate based on the Federal Communications Commission's national local urban rate floor pursuant to 47 C.F.R. Sec. 54.318 in effect on the date of this Petition.
- 5. WAC 480-123-100(1)(e): The Company has been designated by the Commission as an eligible telecommunications carrier for purposes of receiving federal universal services support pursuant to 47 C.F.R. Part 54 Subpart D Universal Service Support for High Cost Areas with respect to the service area for which the Company is seeking Program support.

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

- WAC 480-123-110(1)(a): The name of the legal entity that provides communications services and is seeking Program support is as follows: Western Wahkiakum County Telephone Company, D/B/A Wahkiakum West Telephone.
- PETITION OF WESTERN WAHKIAKUM COUNTY TELEPHONE COMPANY, D/B/A WAHKIAKUM WEST TELEPHONE, TO RECEIVE SUPPORT FROM THE STATE UNIVERSAL COMMUNICATIONS SERVICES PROGRAM - 2

- 2. WAC 480-123-110(1)(b): A corporate organization chart showing the relationship between the Company and all affiliates as defined in RCW 80.16.010 is attached hereto as Exhibit 1. A detailed description of any transactions between the Company and the affiliates named in Exhibit 1¹ recorded in the Company's operating accounts is attached hereto as Exhibit 2.²
- WAC 480-123-110(1)(c): Service area maps for the Company can be found at Sheet Nos.
 and 21.1 of the Company's Tariff WN U-4.
- 4. WAC 480-123-110(1)(d): A demonstration that the Company's customers are at risk of rate instability or service interruption or cessation in the absence of support from the Program is attached as Exhibit 3.
- 5. WAC 480-123-110(1)(e)(i): On the Commission's prescribed form, attached as Exhibit 4, are copies of the Company's balance sheet as of December 31, 2014, and December 31, 2013, and copies of the Company's statements of income and retained earnings or margin for the years ended December 31, 2014 and December 31, 2013.
- 6. WAC 480-123-110(1)(e)(ii): A copy of the Company's consolidated annual financial statements for the years ended December 31, 2014 and December 31, 2013, is attached as Exhibit 5.

PETITION OF WESTERN WAHKIAKUM COUNTY TELEPHONE COMPANY, D/B/A WAHKIAKUM WEST TELEPHONE, TO RECEIVE SUPPORT FROM THE STATE UNIVERSAL COMMUNICATIONS SERVICES PROGRAM - 3

¹ Pursuant to agreement with the Commission Staff, Exhibit 1 is limited to those affiliates having transactions with the Company that are to be identified in Exhibit 2. Also, in addition to the affiliates shown on Exhibit 1, the Company has five members on its board of directors who, as described in Exhibit 2, receive compensation as Company Directors.

² Pursuant to agreement with the Commission Staff, Exhibit 2 is limited to transactions other than employment compensation and benefits pursuant to employee benefit plans.

- 7. WAC 480-123-110(1)(e)(iii): Information demonstrating the Company's earned rate of return on a total Washington unseparated regulated operations basis for each of the two prior years, calculated in the manner prescribed by the Commission, is provided in Exhibit 4.
- 8. WAC 480-123-110(1)(e)(iv): Information demonstrating the Company's earned return on equity on a total company (regulated and non-regulated) Washington basis for each of the two prior years, calculated in the manner prescribed by the Commission, is provided in Exhibit 4.
- 9. WAC 480-123-110(1)(e)(v): Information detailing all of the Company's revenues from the statements of income and retained earnings or margin in the same format and detail as is required to complete RUS Form 479 for the prior two years is presented on Exhibit 6.
- 10. WAC 480-123-110(1)(e)(vi): Information detailing the amounts of any corporate operations adjustment to existing high-cost loop and interstate common line support mechanisms required of the Company by the Federal Communications Commission for the past two years is attached as Exhibit 7.
- 11. WAC 480-123-110(1)(e)(vii): Exhibit 4 contains additional supporting information requested by the Commission.
- 12. WAC 480-123-110(1)(e)(viii): A statement under penalty of perjury from a Company officer with personal knowledge and responsibility certifying that the Company complies with state and federal accounting, cost allocation, and cost adjustment rules pertaining to incumbent local exchange companies is attached as Exhibit 8.

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- 13. WAC 480-123-110(1)(f): A complete copy of the FCC Form 481 filed by the Company or on its behalf with the Federal Communications Commission for the calendar year preceding the current year has already been filed with the Commission. See the Company's filing in Docket No. UT-150063 filed on or about July 1, 2015.
- 14. WAC 480-123-110(1)(g): The number of residential local exchange access lines served by the Company as of December 31, 2014, was 835, all of which were within the geographic area for which the Company is seeking support. The number of residential local exchange access lines served by the Company as of December 31, 2013, was 826, all of which were within the geographic area for which the Company is seeking support. The number of business local exchange access lines served by the Company as of December 31, 2014, was 218, all of which were within the geographic area for which the Company is seeking support. The number of business local exchange access lines served by the Company as of December 31, 2013, was 215, all of which were within the geographic area for which the Company is seeking support. The monthly recurring rate charged by the Company for residential local exchange access service on December 31, 2014, was \$16.00. The monthly recurring rate charged by the Company for residential local exchange access service on December 31, 2013, was \$14.00. The rate charged by the Company for single line business local exchange access service on December 31, 2014, was \$16.80. The rate charged by the Company for single line business local exchange access service on December 31, 2013, was \$16.80. (The Company has other business local exchange service rates, but the Company

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understands that WAC 480-123-110(1)(g) is requesting the single line business local exchange access service rate.)

- 15. WAC 480-123-110(1)(h): The requested statement is attached as Exhibit 9.
- 16. All exhibits attached hereto are incorporated in this Petition as though fully set forth.

Respectfully submitted this 23day of July, 2015.

Western Wahkiakum County Telephone Company d/b/a Wahkiakum West Telephone

By: Ster M. Typuto

CERTIFICATION

I Steven M. Appelo, an officer of the Company that 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.

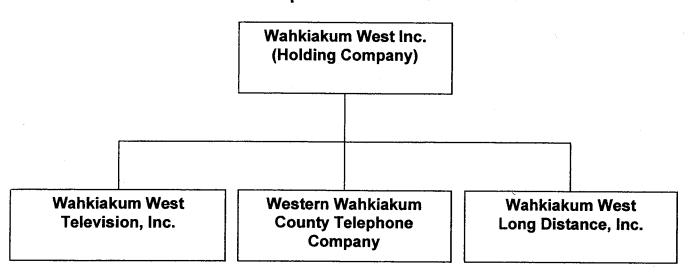
Title: President

PETITION OF WESTERN WAHKIAKUM COUNTY TELEPHONE COMPANY, D/B/A WAHKIAKUM WEST TELEPHONE, TO RECEIVE SUPPORT FROM THE STATE UNIVERSAL COMMUNICATIONS SERVICES PROGRAM - 6

EXHIBIT 1

CORPORATE ORGANIZATION CHART

Western Wahkiakum County Telephone Company Corporate Structure



Retail Broadband Internet

Access –
over WW Tel DSL/FTTH

Exede/WildBlue Local Dealer -

xede/WildBlue Local Deale Broadband Data over satellite Incumbent Local Exchange Carrier (ILEC)

POTS

Broadband Local Loop &

Transport

Long Distance switchless reseller

PETITION OF WESTERN WAHKIAKUM COUNTY TELEPHONE COMPANY TO RECEIVE SUPPORT FROM THE STATE UNIVERSAL COMMUNICATIONS SERVICES PROGRAM — EXHIBIT 1