BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

IN RE

PETITION OF THE TOLEDO TELEPHONE CO., INC. COMPANY [D/B/A TOLEDOTEL] TO RECEIVE SUPPORT FROM THE STATE UNIVERSAL COMMUNICATIONS SERVICES PROGRAM DOCKET NO. UT-151612

PETITION FOR SUPPORT

COMES NOW The Toledo Telephone Co., Inc. [d/b/a ToledoTel] (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.

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.

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- 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

- 1. WAC 480-123-110(1)(a): The name of the legal entity that provides communications services and is seeking Program support is as follows: The Toledo Telephone Company, Inc.[d/b/a ToledoTel].
- 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.

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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

- 3. WAC 480-123-110(1)(c): [A service area map] [Service area maps] for the Company can be found at Sheet 20 of the Company's Tariff WN U-1.
- 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.
- 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.

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. [Note: Drop this footnote if not applicable. Please be sure to include the same Exhibit 1 that was provided last year, modified for addition of new affiliates and deletion of affiliates that no longer exist.]

² [Exhibit 2 also includes transactions between the Company and ________. [Note: This may not apply for all companies.] Pursuant to agreement with the Commission Staff, Exhibit 2 is limited to transactions other than employment compensation and benefits pursuant to employee benefit plans.

- 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): [A statement under penalty of perjury from a Company officer with personal knowledge and responsibility certifying that no corporate operations adjustment to existing high-cost loop and interstate common line support mechanisms required by the Federal Communications Commission applied to the Company for the two prior years is attached hereto as Exhibit 7.] Alternative: [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.

- 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 1425, 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 1390, 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 269 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 285, 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 \$16.00. The rate charged by the Company for single line business local exchange access service on December 31, 2013, was \$14.00. (The Company has other business local exchange service rates, but the Company understands that

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1 WAC 480-123-110(1)(g) is requesting the single line business local exchange access service 2 rate.) 3 15. WAC 480-123-110(1)(h): The requested statement is attached as Exhibit 9. 4 16. All exhibits attached hereto are incorporated in this Petition as though fully set forth. 5 Respectfully submitted this 30th day of July, 2015. 6 7 The Toledo Telephone Company, Inc. 8 d/b/a ToledoTel 9 10 **CERTIFICATION** 11 I Dale Merten, 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 12 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 13 Program. 14 15 By: He Hosta 16 Title: C.O.O. 17 18 19 20 21 22 23 24 25 26 PETITION OF THE TOLEDO TELEPHONE CO., INC. D/B/A [TOLEDOTEL] TO RECEIVE SUPPORT FROM THE STATE UNIVERSAL COMMUNICATIONS SERVICES PROGRAM -