

LT-091140 CT



ST. JOHN TELEPHONE COMPANY

Service Since 1914

P. O. Box 268
St. John, Washington 99171
(509) 648-3322
FAX 648-9900

July 14, 2009

Ms. Carole J. Washburn, Executive Secretary
Washington Utilities and Transportation Commission
1300 South Evergreen Park Drive SW
Olympia, WA 98504-7250

Re: Request for Certification Pursuant to WAC 480-123-060 and
47 C.F.R. §54.314

RECEIVED
REGIONS MANAGEMENT
2009 JUL 17 PM 2:23
STATE OF WASH.
UTIL. AND TRANSP.
COMMISSION

Dear Ms. Washburn:

Pursuant to WAC 480-123-060, St John Co-operative Telephone and Telegraph Company ("Company") hereby requests that the Washington Utilities and Transportation Commission certify that the Company has met the requirements of 47 C.F.R. §54.314 for eligibility for continued receipt of federal high-cost funds.

The certifications and reports that are specified in WAC 480-123-060, WAC 480-123-070 and WAC 480-123-080 are enclosed.

For the Commission's information, in addition to the Lifeline advertisement covered in the enclosed certification, St. John Co-operative Telephone and Telegraph Company posts the Lifeline/WTAP information in its St. John business office, lists the Lifeline/WTAP services available in the Company's phone book and provides the Lifeline/WTAP information to all new customers at the time the customer subscribes for telephone service. Also, the Company experienced no major outages for 2008 and had no requests for service from applicants within the Company's designated service area that was unfilled for the calendar year 2008.

Sincerely,

Greg Morasch
General Manager

OFFICERS
Patrick Gordon • *President*
Mac W. Mills • *Vice President*
Paul Heglar • *Secretary*

DIRECTORS
Jerry Schauble
Gary Bailey



**AFFIDAVIT CONTAINING CERTIFICATIONS
PURSUANT TO WAC 480-123-060 AND WAC 480-123-070**

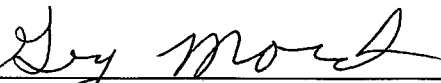
I, Greg Morasch, being of lawful age, state that I am General Manager of St. John Co-operative Telephone and Telegraph Company ("Company"), that I am authorized to execute this Affidavit on behalf of the Company, and that the facts set forth in this Affidavit are true to the best of my knowledge, information and belief. On this basis, I hereby certify to the Washington Utilities and Transportation Commission ("Commission") for use by the Commission in providing the certification to the Federal Communications Commission and Universal Service Administrative Company required by 47 C.F.R. §54.314, as follows:

- (1) That the Company will use federal high-cost universal service fund support only for the provision, maintenance and upgrading of the facilities and services for which the support is intended;
- (2) That during the 2008 calendar year, the Company met substantially the applicable service quality standard found in WAC 480-123-030(1)(h);
- (3) That during the 2008 calendar year, the Company maintained the ability to function in emergency situations under the standard found in WAC 480-123-030(1)(g), as such standard relates to functionality of wireline carriers in emergency situations; and
- (4) That during the 2008 calendar year, the Company publicized the availability of its applicable telephone assistance programs in a manner reasonably designed to reach those likely to qualify for service and in a manner which, in the Company's judgment, included advertisements likely to reach those who are not current customers of the Company within the Company's designated service area.

I certify under penalty of perjury under the laws of the State of Washington that the foregoing is true and correct.

Dated this 14 day of July, 2009, at St. John, Washington.

Company: St John Co-operative Telephone and Telegraph Company

By: 

Greg Morasch

Its: General Manager

**REPORTS AS REFERENCED IN WAC 480-123-070
AND WAC 480-123-080**

St. John Co-operative Telephone and Telegraph Company (the "Company") hereby submits the following reports in accordance with WAC 480-123-070 and WAC 480-123-080.¹

Report 1: WAC 480-123-070(1)(a): Attached is a copy of the Company's NECA-1 Reports for the calendar years 2007 and 2008, that, as of the date of the reports, the Company has reported as the basis for support from the federal high-cost fund.

Report 2: WAC 480-123-070(1)(b): The Company reports that the investments and expenses reported under Report 1, above, benefited customers as follows:

Through the expenditure of these funds, the Company was able to continue to provide services at a level that the Company believes meets the intent set forth in 47 U.S.C. §254 of providing quality telecommunications services to customers in the service area for which the Company is designated as an ETC.² The Company has made substantial investments over the past several years which allow it to provide quality telecommunications services to its customers in its designated ETC service area. Those expenditures and investments, including those reflected in Report 1 above; generally benefit all customers receiving the federal high-cost fund supported services from the Company within its designated ETC service area. The Company has expanded its network over the past several years so that it is capable of providing access to broadband services throughout most of the Company's designated ETC service area. The Company offers services that are comparable to services offered in urban areas at rates that are comparable to rates for such services in urban areas. In addition, during 2008, the Company was engaged in a major investment project within its designated ETC service area as described below:

The Company major construction project was the second phase of a fiber-to-the-home project costing approximately \$4.1 million which covers 130 of the Company's customer in its designated ETC service area. This major addition benefits the Company's customers by providing the Company with state-of-the-art facilities to replace old facilities and to provide even better customer service and broadband capabilities.

Report 3: WAC 480-123-070(4): The Company reports that during the calendar year 2008, the Company did not receive either the Federal Communications Commission or the Consumer Protection Division of the Office of the Attorney General of the State of Washington any complaints against the Company made by the Company's customers.

¹ It is the Company's understanding that it is not required to submit the reports described in WAC 480-123-070(2) and (3).

² The term "ETC" is used in the same sense as the term is used in Chapter 480-123 WAC.

Report 4: WAC 480-123-080(1)(b): The Company reports as follows:

As they are known to the Company at the date of this Report, the planned investment and expenses related to Washington state for the period January 1, 2009, through December 31, 2009, that the Company expects to use as a basis to request federal high-cost support are expected to be higher to those investments and expenses the Company has set forth in its information filed under Report 1, above. The Company expects that levels of expenses will remain relatively the same as those it experienced in calendar year 2008, subject to the effects of inflation, other commonly experienced changes in cost of labor and materials, and increased depreciation on new investment placed in service. The Company does not anticipate major adjustments in staffing levels for the relevant period. The Company's investment plans directly affecting federal high-cost supported services offered by it in its designated ETC service area include a phase three of its major fiber-to-the-home construction project in 2009. The above project will benefit the Company's customers by providing the Company with the state-of-the-art facilities to replace old facilities and provide broadband capabilities.

Report 5: WAC 480-123-080(2): The Company reports as follows:

As they are known to the Company at the date of this Report, the planned investment and expenses related to Washington state for the period January 1, 2010, through December 31, 2010, that the Company expects to use as a basis to request federal high-cost support are expected to be higher to those investments and expenses the Company has set forth in its information filed under Report 1, above. The Company expects that levels of expenses will remain relatively the same as those it experienced in calendar year 2008, subject to the effects of inflation, other commonly experienced changes in cost of labor and materials, and increased depreciation on new investment placed in service. The Company does not anticipate major adjustments in staffing levels for the relevant period. The Company's investment plans directly affecting federal high-cost supported services offered by it in its designated ETC service area includes a major fiber-to-the-home construction project in 2009 at a cost approximately \$1 million. The Company has not completed its budgeting process and does not have final numbers prepared for investment and expense levels for 2010. The Company expects that the continued receipt of federal high-cost support will allow the Company to continue to provide the supported services at rates that are comparable to the rates for such services in urban areas. All customers in the Company's designated ETC service area will benefit from the expected level of support by continuing to have available to them services that are comparable to the telecommunications services offered in urban areas at rates that are comparable to the rates for such services in urban areas.



USF1010 PENDING VIEW REPORT

7/8/2009
3:37:55 pm
Page 1 of 2

Applies to Period: Year End 12/2008
Contact Name: Gregory W. Morasch
Contact Phone: (509)-648-3322 Ext:
Release Status: Special Released
Soft Edit Status: Passed Edit

Reg: 6 WESTERN
MSM: 020007494 Melody Crane
OO: *****
Co: 000002442 St. John Tel. Co.
SAR: 522442 ST JOHN TEL CO

Subset 3

Description	Pending View	Source
060 Total Loops	633	EC
070 Cat. 1.3 Loops	614	EC
160 Account 2001	12,545,528	EC
170 Account 1220	31,043	EC
190 Account 3100	2,953,653	EC
195 Account 3400	0	EC
210 Account 4340	236,162	EC
220 Net Plant Investment	9,386,756	EC
230 Account 2210	892,285	EC
235 Account 2220	0	EC
240 Account 2230	1,476,801	EC
245 Total Central Office	2,369,086	EC
250 Ckt Equip Cat 4.13	1,099,251	EC
255 Account 2410	9,122,876	EC
260 Account 3100 (2210)	525,748	EC
265 Account 3100 (2220)	0	EC
270 Account 3100 (2230)	1,265,509	EC
275 Account 3100 (2210-2230)	1,791,257	EC
280 Account 3100 (2410)	629,532	EC
310 Account 4340 (2210)	16,896	EC
315 Account 4340 (2220)	0	EC
320 Account 4340 (2230)	27,595	EC
325 Account 4340 (2210-2230)	44,491	EC
330 Account 4340 (2410)	173,037	EC
335 Account 6110 Total	3,827	EC
340 Account 6110 Benefits	12	EC
345 Account 6110 Rents	0	EC
350 Account 6120 Total	25,693	EC
355 Account 6120 Benefits	162	EC
360 Account 6120 Rents	1,500	EC
365 Account 6210 Total	43,934	EC
370 Account 6210 Benefits	7,799	EC
375 Account 6210 Rents	0	EC
380 Account 6220 Total	0	EC
385 Account 6220 Benefits	0	EC
390 Account 6220 Rents	0	EC
395 Account 6230 Total	65,579	EC
400 Account 6230 Benefits	12,909	EC
405 Account 6230 Rents	0	EC
410 Account 6210-6230	109,513	EC
430 Account 6410 Total	142,029	EC
435 Account 6410 Benefits	33,935	EC
440 Account 6410 Rents	11,694	EC
445 Total Plant Specific	281,062	EC
450 Account 6530 Total	17,132	EC
455 Account 6530 Benefits	6	EC
510 Account 6560 (2210)	66,272	EC
515 Account 6560 (2220)	0	EC
520 Account 6560 (2230)	63,562	EC



USF1010 PENDING VIEW REPORT

7/8/2009
3:37:55 pm
Page 2 of 2

Applies to Period:	Year End 12/2008	Reg: 6	WESTERN	Subset 3
Contact Name:	Gregory W. Morasch	MSM: 020007494	Melody Crane	
Contact Phone:	(509)-648-3322 Ext:	OO: *****		
Release Status:	Special Released	Co: 000002442	St. John Tel. Co.	
Soft Edit Status:	Passed Edit	SAR: 522442	ST JOHN TEL CO	

Description	Pending View	Source
525 Account 6560 (2210-2230)	129,834	EC
530 Account 6560 (2410)	253,103	EC
535 Account 6710 Total	74,846	EC
540 Account 6710 Benefits	13,689	EC
550 Account 6720 Total	150,818	EC
555 Account 6720 Benefits	5,173	EC
565 Sum of Lines 535 + 550	225,664	EC
600 Ben. Por. of all Op. Exp.	93,131	EC
610 Rent Por. of all Op. Exp.	13,194	EC
650 Account 7200 Other Taxes	3,299	EC
700 2410 (C S Total CWF - AV)	7,438,437	EC
710 2410 (C S CWF - Cat.1)	7,364,742	EC
800 Account 2680 Total	0	EC
805 Account 2680 (2230)	0	EC
810 Account 2680 (Cat. 4.13)	0	EC
815 Acc 2680 (2410) Total CWF	0	EC
820 Acc 2680 (2410)CWF-Cat1	0	EC
830 Account 6560 (2680)	0	EC

Comments:

Date: 7/7/2009

- Increases in plant investment accounts is due to St John Telephone implementing Phase II of their Fiber to the Home project in current year. Increases in depreciation, accumulated depreciation and deferred federal income taxes is due to the completion of Phase I in prior year and Phase II in current year of their Fiber to the Home project.



USF1010 OFFICIAL VIEW REPORT

6/25/2009
3:47:30 pm
Page 1 of 2

Applies to Period: Year End 12/2007
Contact Name: Gregory W. Morasch
Contact Phone: (509)-648-3322 Ext:
Release Status: Special Released
Soft Edit Status: Failed Edit

Reg: 6
MSM: 020007494
OO: *****
Co: 000002442
SAR: 522442

WESTERN
Melody Crane
St. John Tel. Co.
ST JOHN TEL CO

Subset 3

Description	Official View
060 Total Loops	655
070 Cat. 1.3 Loops	636
160 Account 2001	8,751,874
170 Account 1220	32,798
190 Account 3100	2,740,727
195 Account 3400	0
210 Account 4340	55,870
220 Net Plant Investment	5,988,075
230 Account 2210	878,070
235 Account 2220	0
240 Account 2230	1,128,807
245 Total Central Office	2,006,877
250 Ckt Equip Cat 4.13	754,122
255 Account 2410	5,753,997
260 Account 3100 (2210)	613,927
265 Account 3100 (2220)	0
270 Account 3100 (2230)	1,047,496
275 Account 3100 (2210-2230)	1,661,423
280 Account 3100 (2410)	613,759
310 Account 4340 (2210)	5,722
315 Account 4340 (2220)	0
320 Account 4340 (2230)	7,215
325 Account 4340 (2210-2230)	12,937
330 Account 4340 (2410)	36,944
335 Account 6110 Total	2,535
340 Account 6110 Benefits	0
345 Account 6110 Rents	0
350 Account 6120 Total	22,267
355 Account 6120 Benefits	115
360 Account 6120 Rents	0
365 Account 6210 Total	45,009
370 Account 6210 Benefits	8,922
375 Account 6210 Rents	0
380 Account 6220 Total	0
385 Account 6220 Benefits	0
390 Account 6220 Rents	0
395 Account 6230 Total	57,860
400 Account 6230 Benefits	11,469
405 Account 6230 Rents	0
410 Account 6210-6230	102,869
430 Account 6410 Total	150,007
435 Account 6410 Benefits	39,502
440 Account 6410 Rents	7,019
445 Total Plant Specific	277,678
450 Account 6530 Total	13,032
455 Account 6530 Benefits	68
510 Account 6560 (2210)	67,542
515 Account 6560 (2220)	0
520 Account 6560 (2230)	80,789



USF1010 OFFICIAL VIEW REPORT

6/25/2009
3:47:30 pm
Page 2 of 2

Applies to Period:	Year End 12/2007	Reg:	6	WESTERN	Subset 3
Contact Name:	Gregory W. Morasch	MSM:	020007494	Melody Crane	
Contact Phone:	(509)-648-3322 Ext:	OO:	*****		
Release Status:	Special Released	Co:	000002442	St. John Tel. Co.	
Soft Edit Status:	Failed Edit	SAR:	522442	ST JOHN TEL CO	

Description	Official View
525 Account 6560 (2210-2230)	148,331
530 Account 6560 (2410)	34,371
535 Account 6710 Total	71,422
540 Account 6710 Benefits	13,253
550 Account 6720 Total	124,154
555 Account 6720 Benefits	5,267
565 Sum of Lines 535 + 550	195,576
600 Ben. Por. of all Op. Exp.	98,140
610 Rent Por. of all Op. Exp.	7,019
650 Account 7200 Other Taxes	-53,174
700 2410 (C S Total CWF - AV)	3,243,953
710 2410 (C S CWF - Cat.1)	3,169,949
800 Account 2680 Total	0
805 Account 2680 (2230)	0
810 Account 2680 (Cat. 4.13)	0
815 Acc 2680 (2410) Total CWF	0
820 Acc 2680 (2410)CWF-Cat1	0
830 Account 6560 (2680)	0

Comments:

Date: 7/11/2008

- Line 650 - Deferred FIT is a credit balance causing the figure to be negative in 2007.
- St John started a Fiber to Home project in 2007 for \$5M.

Date: 8/19/2008

- Decrease in DL 060 - loops, per Jenifer, due to residential lines decreasing. She assumes the residential lines are switching to cellular.
Increase in DL 255 - Acct 2410, DL 700 and 710 - There are three phases to the Fiber to the Home project. Phase 1 was completed in 2007 for approximately \$5M and it was all related to exchange fiber to the subscriber. Phase 2 will be completed in 2008 and Phase 3 is projected to be completed in 2009.

Council

presented a draft policy Building. A signed aning fee will be re- to use the building ncil meeting before ns with the council

anne Murray for a for an addition to

egarding comments publication on the greed with Anderson ir responses.

about spraying the erk Linda Hayes re- l pay into a group of pment for the job. ividual who would raying. There were eppers and what af- s and fee schedule. d make changes to

Council

aff reports


ad written a letter : Town for his Ea- ade a sign for one wrote a letter for to support her the Washington for school zone

Bilow have re- alley that runs of the alley was t the part that fachon has not is instructed to Stephen Bishop

received about naylor instructed operty lines for t.

l Mitcham had purchasing two e median. The

DAN J. CADAGAN III
Attorney at Law



**Estate Planning
Commercial
Agriculture**

505 W Riverside Ave.
Fernwell Bldg -Ste 500
Spokane, WA 99201
(509) 744-3440 fax 459-0396

NOTICE
St. John
Telephone Co.

The St. John Telephone Company has been serving the St. John area since 1913. We serve both residential and commercial customers in our rural community with quality services at competitive rates. In addition to our basic telephone services, we offer Internet access, both dial up and high speed, special calling features and voice mail. Our basic services are comprised of several components, which at a minimum include:

Service Provided

Residence	\$9.50
Business	\$13.00

Single party voice grade access to the public network

Access to emergency 911 services State/County mandated surcharges

Residence	\$.20/\$.50
Business	\$.20/\$.50

St. John Telephone Company participates in the Federal Lifeline and Link-Up Programs as well as the Washington Telephone Assistance Program (WTAP). Under these programs, St. John Telephone Company offers to qualifying low-income customers a discount off the monthly rate for basic residential exchange service. The current discounted monthly rate for lifeline residential service is up to \$7.50 per month, while the installation charge for service may be discounted under the Link-Up Program and WTAP by \$10.00.

The St. John Telephone Company has been the local telephone company serving the St. John area since 1913. We serve both residential and commercial customers in our rural community with quality services at competitive rates. In addition to our basic telephone services, we offer Internet access, both dial up and high speed, special calling features and voice mail. Our basic services are comprised of several components, which at a minimum include:

<u>Service Provided</u>	<u>Residence</u>	<u>Business</u>
Single party voice grade access to The public network	\$9.50	\$13.00
Access to emergency 911 services State/county mandated surcharges	\$.20/\$.50	\$.20/\$.50

St. John Telephone Company participates in the Federal Lifeline and Link-Up Programs as well as the Washington Telephone Assistance Program (WTAP). Under these programs, St. John Telephone Company offers to qualifying low-income customers a discount off the monthly rate for basic residential exchange service. The current discounted monthly rate for lifeline residential service is up to \$7.50 per month, while the installation charge for service may be discounted under the Link-Up Program and WTAP by \$10.00.

These services are available to all customers of St. John Telephone Company. The costs associated with each are reflected each month on a regular telephone bill along with other charges for services provided by us. Information about these and other services are available by contacting the St. John Telephone Company business office at (509) 648-3322.

WASHINGTON TELEPHONE ASSISTANCE PROGRAM

The Washington Telephone Assistance Program (WTAP) is available to adult recipients of any of the the following Department of Social and Health Service Programs:

Temporary Aid for Needy Families
General Assistance
Medical Assistance
Supplemental Security Income with State Medical
Food Assistance
Community Options Program
DSHS Chore Services

The WTAP Program provides:

A discount on connection fees
A waiver of deposit for local service
A discount on local monthly service

For more information, please call the toll-free number **1-888-700-8880**.

CONSUMER INFORMATION GUIDE (Cont'd)

DEPOSIT REFUNDS

Accounts that have a deposit will be reviewed for six months. The deposit, with interest, will be returned if payments have been made when due. Interest will be paid from the date of receipt to the date of refund.

ORDERING SERVICE

To help speed the ordering of your service, you should have the following information available when you call our Business Office.

1. Complete address.
2. How you would like your name to appear in the directory.
3. Employment status.
4. Information about your previous telephone service.
5. An estimate of your monthly long distance charges.

Payment in advance for installation and one month's service charges may be required. For information about any telephone service, call our Business Office. Your service representative will be glad to help you.

CONSUMER COMPLAINTS AND DISPUTES

When you have a problem with your telephone service or billing, call our Business Office. When your problem cannot be solved by the representative, higher levels of management are available to help you.

A customer may make a formal or informal complaint to the Washington Utilities and Transportation Commission for further review of the complaint or dispute when satisfaction is not received.

DIRECTORY ASSISTANCE INTERSTATE

There will be a charge for each Directory Assistance call. However, there may be credits given for certain Directory Assistance requests. These credits may vary from company to company and carrier to carrier. Contact your local company for further information.

1. When making a request for directory assistance, you are allowed a maximum of two telephone numbers per call.
2. The charge applies whether or not the Directory Assistance Bureau furnished the requested number - such as in the case of non-published numbers.
3. Subscribers who are unable to use a directory because of a visual or physical handicap may apply to the local telephone company to obtain a special waiver from these directory charges.

WRITE DOWN NUMBERS-

DIRECTORY ASSISTANCE CALLS COST YOU MONEY

TELEPHONE DIRECTORIES

One directory for each access line leased through this business office is furnished without charge.

WASHINGTON TELEPHONE ASSISTANCE PROGRAM

The Washington Telephone Assistance Program (WTAP) is available to adult recipients of any of the following Department of Social and Health Service Programs:

- Temporary Aid for Needy Families
 - General Assistance
 - Medical Assistance
 - Supplemental Security Income with State Medical
 - Food Assistance
 - Community Options Program
 - DSHS Chore Services
- The WTAP program provides:
- A discount on connection fees
 - A Waiver of deposit for local service
 - A Discount on local monthly service

For more information, please call the toll-free number 1-888-700-8880.