



July 21, 2010

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

Re: Request for 2010 ETC Certification Pursuant to WAC 480-123-060 and  
47 C.F.R §54.314

Dear Ms. Washburn:

Pursuant to WAC 480-123-060, Beaver Creek Telephone Company, dba  
Timberline Telecom ("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.

Sincerely,

Delinda Kluser

Enclosures



## REPORTS AS REQUIRED BY WAC 480-123-070 AND WAC 480-123-080

Beaver Creek Telephone Co. dba Timberline Telecom (the "Company") hereby submits the following reports in accordance with WAC 480-123-070 and WAC 480-123-080<sup>1</sup>.

Report 1: WAC 480-123-070 (1)(a): Attached is a copy of the NECA-1 for the calendar year 2009 that 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 of providing quality telecommunications services to customers in the service area for which the Company is designated as an ETC<sup>2</sup>. The Company has made substantial investments over the past few years which allow it to provide quality telecommunications services to all of its customers even before the Company began to receive federal high-cost funds. These expenditures and investments benefit all customers within the designated ETC service area. The Company offers services comparable to services offered in urban areas at rates comparable to such urban areas.

Throughout 2010 the Company has also continued to provide maintenance to the buried cable as needed due to the nature of the wet climate and state road repairs.

Report 3: WAC 480-123-070(4): The Company reports that during calendar year 2009, the Company did not receive from 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.

Report 4: WAC 480-123-070(7): The Company reports that newspaper advertisements detailing basic supported services as well as the Lifeline and Link-Up programs were run in The Daily Herald throughout 2009. The Company expects to continue to advertise these services throughout 2010.

Report 5: WAC 480-123-080(1)(b): The Company expects investments and expenditures to remain fairly consistent with prior years in relation to maintenance, replacement and upgrades to our plant. The Company does not anticipate major adjustments in staffing levels for the relevant period. Customers will continue to receive the high level of telecommunications service that they have experienced over the past few years with the possibility of increased services.

Report 6: WAC 480-123-080(2): The Company expects investments and expenditures to remain fairly consistent with prior years in relation to maintenance, replacement and upgrades to our plant. The Company has not yet started the budgeting process for 2011 and therefore does not have final numbers prepared for investments and expense levels for 2011. The Company does not anticipate major adjustments to staffing levels in 2011. Customers will continue to receive the high level of telecommunications service that they have experienced over the past few years with the possibility of increased services. 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 comparable to the rates for such services in urban areas to all customers in the designated ETC service area.

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

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



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

I, Delinda Kluser, being of lawful age, state that I am Vice-Pres, Manager of Beaver Creek Telephone dba Timberline Telecom ("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 2009 calendar year, the Company met substantially the applicable service quality standard found in WAC 480-123-030(1)(h);


(3) That during the 2009 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 2009 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 21<sup>st</sup> day of July, 2010, at MT Vernon, OR.

Company: Beaver Creek Telephone dba Timberline Telecom

By: 

Its: Vice-pres. Manager

National Exchange Carrier Association  
 Universal Service Fund  
 2010 Data Collection Form

30-Jun-10  
 02:36 PM

CS File: 033CS09

SAC: 520581

SAC NAME: BEAVER CREEK TELEPHONE dba TIMBERLINE TELECOM

REGION: WESTERN

Filename: S:\10 USF\CARSTEN\033 USF 041208.xls\USFFORM

I. EXCHANGE CARRIER/DATA IDENTIFICATION

(010) Study Area Code (010) 520581  
 (020) Contact Name (020) CARSTEN KOLDSBAEK  
 (030) Contact Telephone Number (030) 503-612-4400  
 (040) USF Data Collection Period (040) 2010-1

Data Line	Description	Latest View	Data Line	Enter 2009	Data Source
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II. WORKING LOOPS

(060) Total Loops (Cat 1.1, 1.2 and 1.3) 0 (060) 27 F303:H31  
 (070) Category 1.3 Loops (Excluding Cat 1.3 TWX Loops) 0 (070) 27 F303:H20  
 (080) Reserved

III. INVESTMENT, EXPENSE AND TAXES

Net Plant Investment

(160) Acct 2001 - Telephone Plant in Service 0 (160) 2,151,066 F310:P25-Input G24  
 (170) Acct 1220 - Material and Supplies 0 (170) 0 F310:P37  
 (190) Acct 3100 - Accumulated Depreciation 0 (190) 472,505 F310:P30-Input G25  
 (195) Acct 3400 - Accumulated Amortization Tangible 0 (195) 0 F310:P32  
 (200) Reserved  
 (205) Reserved  
 (210) Acct 4340 - Net Noncurrent Deferred Operating Income Taxes 0 (210) 19,178 F300.5:P25  
 (220) Net Plant Investment (Sum Line 160+170 less lines 190 to 210) 0 (220) 1,659,383

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REGION: WESTERN

Data Line	Description	Latest View 0	Data Line	Enter 2009	Data Source
Selected Plant Accounts					
(230)	Acct 2210 - Central Office Switching Equipment	0 (230)		420,864	F310:P14+P17-Input G26
(235)	Acct 2220 - Operator System Equipment	0 (235)		0	F310:P15-Input G27
(240)	Acct 2230 - Central Office Transmission Equipment	0 (240)		106,065	F310:P16-Input G28
(245)	Total Central Office Equipment (Sum of Lines 230 - 240)	0 (245)		526,929	
(250)	Circuit Equip. Category 4.13	0 (250)		70,747	F304:AJ33-Input G29
(255)	Acct 2410 - Cable and Wire Facilities Total	0 (255)		1,458,262	F310:P19-Input G30
(260)	Acct 3100 (2210) - Accumulated Depreciation Central Office Switching Equipment	0 (260)		127,968	F300.4:P14+P17-Input G31
(265)	Acct 3100 (2220) - Accumulated Depreciation Operator System Equipment	0 (265)		0	F300.4:P15-Input G32
(270)	Acct 3100 (2230) - Accumulated Depreciation Central Office Transmission Equipment	0 (270)		28,062	F300.4:P16-Input G33
(275)	Acct 3100 (2210-2230) - Total Accumulated Depreciation Central Office Equipment (Sum of Lines 260 - 270)	0 (275)		156,030	
(280)	Acct 3100 (2410) - Accumulated Depreciation Cable and Wire Facilities	0 (280)		302,852	F300.4:P19-Input G34

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Data Line	Description	Latest View 0	Data Line	Enter 2009	Data Source
(285)	Reserved	No Entry Required			
(290)	Reserved	No Entry Required			
(295)	Reserved	No Entry Required			
(300)	Reserved	No Entry Required			
(305)	Reserved	No Entry Required			
(310)	Acct 4340 (2210) - Net Noncurrent Deferred Operating Income Taxes - Central Office Switching Equipment	0 (310)		3,877	F300.5:P14+P17
(315)	Acct 4340 (2220) - Net Noncurrent Deferred Operating Income Taxes - Operator System Equipment	0 (315)		0	F300.5:P15
(320)	Acct 4340 (2230) - Net Noncurrent Deferred Operating Income Taxes - Central Office Transmission Equipment	0 (320)		977	F300.5:P16
(325)	Acct 4340 (2210-2230) Net Noncurrent Deferred Operating Income taxes - Central Office Equipment (Sum of Lines 310 - 320)	0 (325)		4,854	
(330)	Acct 4340 (2410) - Net Noncurrent Deferred Operating Income Taxes - Cable and Wire Facilities	0 (330)		13,435	F300.5:P19



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Data Line	Description	Latest View 0	Data Line	Enter 2009	Data Source
Plant Specific Operation Expense					
(335)	Acct 6110 - Network Support Expense Total	0 (335)		3,000	F320:I13
(340)	Acct 6110 - Benefits Portion of Network Support Expense	0 (340)		0	F302:E18
(345)	Acct 6110 - Rents Portion of Network Support Expense	0 (345)		3,000	F302:G18
(350)	Acct 6120 - General Support Expense Total	0 (350)		8,499	F320:I14-I78
(355)	Acct 6120 - Benefits Portion of General Support Expense	0 (355)		410	F302:E19
(360)	Acct 6120 - Rents Portion of General Support Expense	0 (360)		0	F302:G19
(365)	Acct 6210 - Central Office Switching Expense - Total	0 (365)		37,606	F320:I15-I79
(370)	Acct 6210 - Benefits Portion of Central Office Switching Expense	0 (370)		421	F302:E20
(375)	Acct 6210 - Rents Portion of Central Office Switching Expense	0 (375)		0	F302:G20
(380)	Acct 6220 - Operator System Expense - Total	0 (380)		0	F320:I16
(385)	Acct 6220 - Benefits Portion Operator System Expense	0 (385)		0	F302:E21
(390)	Acct 6220 - Rents Portion of Operator System Expense	0 (390)		0	F302:G21
(395)	Acct 6230 - Central Office Expense - Transmission Equipment - Total	0 (395)		1,090	F320:I17-I80

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Data Line	Description	Latest View 0	Data Line	Enter 2009	Data Source
(400)	Acct 6230 - Benefits Portion of Central Office Expense - Transmission Equipment	0 (400)		0	F302:E22
(405)	Acct 6230 - Rents Portion of Central Office Expense - Transmission Equipment	0 (405)		0	F302:G22
(410)	Accts 6210 - 6230 - Central Office Expense Total (Sum of Lines 365 + 380 + 395)	0 (410)		38,696	
(415)	Reserved	No Entry Requirec		No Entry Requirec	
(420)	Reserved	No Entry Requirec		No Entry Requirec	
(425)	Reserved	No Entry Requirec		No Entry Requirec	
(430)	Acct 6410 - Cable and Wire Facilities Expense - Total	0 (430)		44,714	F320:I20-I81
(435)	Acct 6410 - Benefits Portion Cable and Wire Facilities Expense	0 (435)		765	F302:E24
(440)	Acct 6410 - Rents Portion Cable and Wire Facilities Expense	0 (440)		0	F302:G24
(445)	Total Plant Specific Expense (Sum of Lines 335 + 350 + 365 + 380 + 395 + 415 + 430)	0 (445)		94,909	
Plant Non Specific Expense					
(450)	Acct 6530 - Network Operations Expense - Total	0 (450)		1,504	F320:I23
(455)	Acct 6530 - Benefits Portion Network Operations Expense	0 (455)		5	F302:E26

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Customer Operations Expense

(460)	Reserved	No Entry Required		No Entry Required	
(470)	Reserved	No Entry Required		No Entry Required	
(480)	Reserved	No Entry Required		No Entry Required	
(485)	Reserved	No Entry Required		No Entry Required	
(500)	Reserved	No Entry Required		No Entry Required	
(505)	Reserved	No Entry Required		No Entry Required	

Depreciation & Amort. Expenses

(510)	Acct 6560 (2210)-Depreciation and Amortization Expense - Central Office Switching Equip	0 (510)		37,878	F320:I27+I30-Input G35
(515)	Acct 6560 (2220)-Depreciation and Amortization Expense - Operator System Equipment	0 (515)		0	F320:I28-Input G36
(520)	Acct 6560 (2230)-Depreciation and Amortization Expense - Central Office Transmission Equipment	0 (520)		8,536	F320:I29-Input G37
(525)	Acct 6560 (2210-2230) - Depreciation and Amortization Central Office Equipment (Sum of Lines 510 through 520)	0 (525)		46,414	
(530)	Acct 6560 (2410)-Depreciation and Amortization Expense - Cable and Wire Facilities	0 (530)		88,640	F320:I32-Input G38

Corporate Operating Expenses:

(535)	Acct 6710 - Executive and Planning Expense - Total	0 (535)		0	F320:I59
(540)	Acct 6710 - Benefits Portion Executive and Planning Expense	0 (540)		0	F302:E29

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Data Line	Description	Latest View 0	Data Line	Enter 2009	Data Source
(550)	Acct 6720 - General Administrative Expense - Total	0 (550)		123,194	F320:I61
(555)	Acct 6720 - Benefits Portion - General Administrative Expense	0 (555)		0	F302:E30
(565)	Total Corporate Operations Ex- pense (Sum of Lines 535 + 550)	0 (565)		123,194	
Other Expenses and Revenues					
(600)	Benefits Portion of All Operating Expenses - Total	0 (600)		1,601	F302:E32
(610)	Rents Portion of All Operating Expenses - Total	0 (610)		3,000	F302:G32
(620)	Reserved				
(630)	Reserved				
Taxes					
(650)	Acct 7200 - Operating Taxes	0 (650)		44,732	F367:E11+Input G21
(655)	Reserved				
IV. PART 36 - COST STUDY DATA					
(700)	Cost Study Average Cable and Wire Facilities Acct 2410	0 (700)		1,458,262	F310:R19
(710)	Cost Study Average Cable and Wire Facilities Cat 1 - Total Exchange Line C&WF Excluding Wide Band	0 (710)		1,227,631	INPUT G8

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Data Line	Description	Latest View 0	Data Line	Enter 2009	Data Source
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V.	AMORTIZABLE TANGIBLE ASSETS (Refer to instructions prior to completing this section)				
(800)	Acct 2680 - Amortizable Tangible Assets		0 (800)		0 INPUT G12
(805)	Acct 2680 (2230) - Amortizable Tangible Assets - Central Office Transmission Equipment		0 (805)		0 INPUT G13
(810)	Acct 2680 (2230) - Amortizable Tangible Assets - Central Office Transmission Equipment Allocated to Category 4.12		0 (810)		0 INPUT G14
(815)	Acct 2680 (2410) - Amortizable Tangible Assets - Cable and Wire Facilities		0 (815)		0 INPUT G15
(820)	Acct 2680 (2410) - Amortizable Tangible Assets - Cable and Wire Facilities Allocated to Category 1		0 (820)		0 INPUT G16
(830)	Acct 6560 (2680)-Depreciation and Amortization Expense - Amortizable Tangible Assets		0 (830)		0 INPUT G17

VI. COMMENTS / SIGNIFICANT CHANGE EXPLANATION

Match USF System Control Total	0	10,920,809
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