



525 Junction Rd
Madison, WI 53717
www.tdstelecom.com

WT-101293-CT
OM 9-30-10
Regular Agenda

July 30, 2010

Dave Danner, Executive Director/Secretary
Washington Utilities and Transportation Commission
1300 South Evergreen Park Drive SW
Olympia, WA 98504-7250

RECEIVED
REGULATORY MANAGEMENT
2010 JUL 30 AM 8:52
STATE OF WASHINGTON
UTILITY AND TRANSPORTATION
COMMISSION

Re: 2010 ETC Certification
Request for Certification Pursuant to WAC 480-123-060, 070 and 080

Dear Ms. Washburn:

Pursuant to WAC 480-123-060, 070 and 080 **Asotin Telephone Company, d/b/a TDS 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,

Karen Fehrman
Manager – Compliance and Tariffs

Enclosures

Cc: Gail Long

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

Asotin Telephone Company d/b/a TDS Telecom (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): Report On Use Of Federal Funds And Benefits To Customers

Attached is a copy of the Company’s NECA-1 Report for the calendar year 2009, that as of the date of the report, the Company has reported as the basis for support from the federal high-cost fund. The amounts on the NECA-1 report include any cost study adjustments that have been made to the financial data.

Also attached is a report titled “Attachment to Affidavit” which includes the financial data before any cost study adjustments and is used to show the use of federal funds. For the year 2009, refer to “Report #1 Column Actual”.

Report 2: WAC 480-123-070(1)(b): Substantive Description of Benefits to Consumers Resulting from Report Number 1

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 high 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 service area.³

In addition, during 2009, the Company was engaged in major investment projects within its designated ETC service area as described below:

1. Complete Asotin backhaul upgrade to provide network stability –\$2,300.
2. Complete Asotin Snake River Road Bridge replacement - \$7,200.
3. Complete cable replacement to increase capacity in Anatone - \$5,300.

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.

³ The references to the services supported by the federal high-cost fund is to the services designated for support as set forth in 47 C.F.R. §54.101(a).

Report 3: WAC 480-123-070(4): Report on Complaints per One Thousand Lines.

The Company reports that it is aware of zero complaints made during calendar year 2009 to the Federal Communications Commission and no complaints to the Consumer Protection Division of the Office of the Attorney General of the State of Washington concerning the services provided to its customers by the Company that are either subject to the regulatory jurisdiction of the Washington Utilities and Transportation Commission or among the services supported by the federal high-cost fund.

Report 4: WAC 480-123-080(1)(b): Annual Plan for Universal Service Support Expenditures.

As part of its participation in the pooling processes of the National Exchange Carrier Association, Inc. ("NECA"), the Company does prepare annual forecasts of anticipated investment and expense levels on a calendar year basis.

Attachment to Affidavit, Report #4 Column includes estimates of expenditures for the years 2010 and 2011 for the provision, maintenance and upgrading of facilities and services supported by federal universal service.

Report 5: WAC480-123-080 (2): Substantive Plan and Description of Investments & Expenditures and Benefits to Customers.

The expected benefit to customers from the anticipated investment and expenditures is that customers will continue to receive a high level of telecommunications service, rates for its local exchange services will be maintained so that they are affordable and reasonably comparable to rates being charged for the same services in urban areas and Asotin will continue to upgrade its telecommunications facilities and equipment as necessary to meet evolving service requirements and maintain high quality service. The use of federal universal service support for these purposes is clearly consistent with the federal universal service principals

The Company expects that levels of expenses will remain relatively the same as those it experienced in calendar year 2009, subject to the effects of inflation and other commonly experienced changes in cost of labor and materials. The Company does not anticipate major adjustments in staffing levels for the relevant period. The Company expects that it will have relatively the same level of investment related to maintenance, replacement and minor upgrades of equipment and plant as occurred in calendar year 2009.

In addition to the foregoing, the Company is planning on several large projects for 2010. The large projects are as follows:

- Replace a section of aged poles and sagging aerial cable in Asotin– estimated \$16,000
- Cable replacement across river to allow for growth in Anatone – estimated \$8,000

- Upgrade transport facilities in Asotin to allow for growth – estimated \$5,000
- Other capitol projects are under consideration, but at this time, the company is focused on Semi-annual preventative maintenance performed at all DLC sites, CO's and remotes. Semi-annual checks are completed to ensure batteries, cabinets, grounding, cross connects and generators are all in good working order to ensure we maintain reliable local exchange service.
- Continue to maintain existing facilities by inspecting, testing, repairing and performing preventative maintenance on outside plant. This includes, but is not limited to: materials, pedestal repair, repair drop wire, protectors, grounding, storm damage cleanup, repair and restoration.

All of the aforementioned projects will allow the company to continue to maintain and improve the level of service provided as well as increase bandwidth for future growth and advance services.

Customers will benefit from these investment and expenditures through their continued ability to maintain their high quality level of telecommunications service. As to the specific investment project identified above, it is expected that customers will benefit by increased reliability of service and the increased availability of a broader range of telecommunications services, including, but not limited to, advanced services.

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

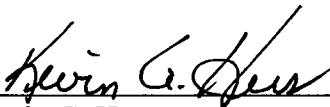
I, Kevin G. Hess, being of lawful age, state that I am Senior Vice President, Government & Regulatory Affairs of TDS Telecommunications Corporation, parent company of Asotin Telephone Company d/b/a TDS Telecom ("Company"), that I am authorized to execute this Affidavit on behalf of the Company, and that 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 29th day of July, 2010 at Madison, WI.

Company: Asotin Telephone Company, d/b/a TDS Telecom

By: 
Kevin G. Hess

Its: Senior Vice President, Government & Regulatory Affairs

USF Certification for 2010
Attachment to Affidavit

ASOTIN TELEPHONE CO. , d/b/a/ TDS Telecom OCN SAC
Access Lines Exchange CLLI Code 2404 522404
992 ASOTIN ASOTWAXADS1
203 ANATONE ANATWAXXRS1

Year 2009 Federal Universal Service Receipts Subject To Certification.

High Cost Loop Support	\$ 174,444	See FCC Part 54.904
ICLS Support	-	Not Applicable
Safety Net Additive	\$ -	
Safety Value Additive	\$ -	
Local Switching Support	\$ 116,328	
TOTAL	\$ 290,772	

Expenditures For Provision, Maintenance, and Upgrading Of Facilities and Services Supported By Federal Universal Service Funding

	Report #1 2009	Report #4 2010	Report #4 2011
Plant Specific Operations Expenses			
Network support (Accts. 6100s)	\$ 395	\$ 400	\$ 400
General support (Accts. 6120s)	\$ 60,489	\$ 61,000	\$ 60,000
Central office switching (Accts. 6210s)	\$ 36,124	\$ 36,000	\$ 35,000
Central office transmission (Accts. 6230s)	\$ 32,562	\$ 33,000	\$ 32,000
Cable and wire facilities (Accts. 6410s)	\$ 100,858	\$ 101,000	\$ 99,000
Network operations (Accts. 6530s)	\$ 90,680	\$ 91,000	\$ 89,000
Depreciation and amortization (Accts. 6560s)	\$ 518,272	\$ 530,000	\$ 529,000
Customer operations expenses			
Customer services (Accts. 6610-20s)	\$ 112,102	\$ 112,000	\$ 110,000
Corporate operations expenses			
Executive, general and corporate (Accts. 6710-20s)	\$ 149,610	\$ 150,000	\$ 147,000
Total Year Supported Expenses, Before Return On Investment	\$ 1,101,092	\$ 1,114,400	\$ 1,101,400
Additions			
Central Office Equipment (Acct. 2200s)	\$ 2,289	\$ 7,600	\$ -
Cable and wire (Acct. 2400s)	\$ 17,646	\$ 23,400	\$ 7,000
TOTAL	\$ 19,935	\$ 31,000	\$ 7,000
Total Year Supported Expenditures, Before Return On Investment	\$ 1,121,027	\$ 1,145,400	\$ 1,108,400

NATIONAL EXCHANGE CARRIER ASSOCIATION
 UNIVERSAL SERVICE FUND
 2010 DATA COLLECTION FORM (10-1)

RUN DATE: 22-Jul-10
 Based on Financials Ending: 12/31/09
 Submitted to NECA: 7/31/2010
 Compensation Commences: 01/01/11

SAC NAME ASOTIN (WA) TELEPHONE COMPANY

SAC: 522404

Comp # 64

I. EXCHANGE CARRIER/DATA IDENTIFICATION

(010) Study Area Code Name
 (020) Contact Name
 (030) Contact Telephone Number
 (040) USF Data Collection Period

ASOTIN (WA) TELEPHONE COMPANY
 Jeffrey M. Johnson
 (608) 664-4197
 2010-1

Data LN	Description	Data Source	Data Line	2010-1	Amount
II. WORKING LOOPS					
(060)	Total Loops - (Cat 1.1, 1.2 and 1.3)	OSP Records	(060)		1,201
(070)	Category 1.3 Loops - (Excluding Cat 1.3 TWX Loops)	OSP Records	(070)		1,195
(080)	Reserved - NO ENTRY REQUIRED		(080)		
III. INVESTMENT, EXPENSES, AND TAXES					
Net Plant Investment					
(160)	Acct 2001 - Telephone Plant in Service	General Ledger W. Adj	(160)		8,087,306
(170)	Acct 1220 - Material and Supplies	General Ledger W. Adj	(170)		4,386
(190)	Acct 3100 - Accumulated Depreciation	General Ledger W. Adj	(190)		5,166,064
(195)	Acct 3400 - Accumulated Amortization Tangible	General Ledger W. Adj	(195)		5,918
(200)	Reserved - NO ENTRY REQUIRED		(200)		
(205)	Reserved - NO ENTRY REQUIRED		(205)		
(210)	Acct 4340 - Net Noncurrent Deferred Operating Income Taxes	General Ledger W. Adj	(210)		228,484
	(220) Net Plant Investment (Sum of Lines 160+170 minus Lines 190 through 210)	General Ledger W. Adj		(220)	2,691,226
Selected Plant Accounts					
(230)	Acct 2210 - Central Office Switching Equipment	General Ledger W. Adj	(230)		825,110
(235)	Acct 2220 - Operator System Equipment	General Ledger W. Adj	(235)		0
(240)	Acct 2230 - Central Office Transmission Equipment	General Ledger W. Adj	(240)		1,947,037
	(245) Total Central Office Equipment (Sum of Lines 230 through 240)	General Ledger W. Adj		(245)	2,772,147
(250)	Circuit Equipment Category 4.13	Prorate per CS	(250)		931,039
(255)	Acct 2410 - Cable & Wire Facilities Total	General Ledger W. Adj	(255)		4,652,823
(260)	Acct 3100 (2210) - Accumulated Depreciation Central Office Switching	General Ledger W. Adj	(260)		319,598
(265)	Acct 3100 (2220) - Accumulated Depreciation Operators System	General Ledger W. Adj	(265)		0
(270)	Acct 3100 (2230) - Accumulated Depreciation Central Office Transmission	General Ledger W. Adj	(270)		969,394
	(275) Acct 3100 (2210-2230) - Total Accumulated Depreciation Central Office Equipment (Sum of Lines 260 thru 270)	General Ledger W. Adj		(275)	1,288,992
(280)	Acct 3100 (2410) - Accumulated Depreciation C&WF	General Ledger W. Adj	(280)		3,382,340
(285)	Reserved - NO ENTRY REQUIRED		(285)		
(290)	Reserved - NO ENTRY REQUIRED		(290)		
(295)	Reserved - NO ENTRY REQUIRED		(295)		
(300)	Reserved - NO ENTRY REQUIRED		(300)		
(305)	Reserved - NO ENTRY REQUIRED		(305)		
(310)	Acct 4340 (2210) - Net Noncurrent Deferred Operating Income Taxes - Central Office Switching	General Ledger W. Adj	(310)		22,549
(315)	Acct 4340 (2220) - Net Noncurrent Deferred Operating Income Taxes - Operator System	General Ledger W. Adj	(315)		0
(320)	Acct 4340 (2230) - Net Noncurrent Deferred Operating Income Taxes - Central Office Transmission	General Ledger W. Adj	(320)		53,209
	(325) Acct 4340 (2210-2230) - Net Noncurrent Deferred Operating Income Taxes - Central Office Equipment (Sum of Lines 310 through 320)	General Ledger W. Adj		(325)	75,758
(330)	Acct 4340 (2410) - Net Noncurrent Deferred Operating Income Taxes - C&WF	General Ledger W. Adj	(330)		127,324
Plant Specific Operation Expense					
(335)	Acct 6110 - Network Support Expense Total	General Ledger W. Adj	(335)		395
(340)	Acct 6110 - Benefits Portion of Network Support Expense	General Ledger W. Adj	(340)		0
(345)	Acct 6110 - Rents Portion of Network Support Expense	General Ledger W. Adj	(345)		0
(350)	Acct 6120 - General Support Expense Total	General Ledger W. Adj	(350)		60,502
(355)	Acct 6120 - Benefits Portion of General Support Expense	General Ledger W. Adj	(355)		6,522
(360)	Acct 6120 - Rents Portion of General Support Expense	General Ledger W. Adj	(360)		17,763
(365)	Acct 6210 - Central Office Switching Expense - Total Switching Expense - Total	General Ledger W. Adj	(365)		34,846
(370)	Acct 6210 - Benefits Portion of COE Switching Expense	General Ledger W. Adj	(370)		3,674
(375)	Acct 6210 - Rents Portion of Central Office Switching Expense	General Ledger W. Adj	(375)		0
(380)	Acct 6220 - Operator System Expense - Total	General Ledger W. Adj	(380)		0
(385)	Acct 6220 - Benefits Portion of Operator System Expense	General Ledger W. Adj	(385)		0
(390)	Acct 6220 - Rents Portion of Operator System Expense	General Ledger W. Adj	(390)		0
(395)	Acct 6230 - Central Office Expense - Transmission Equipment - Total	General Ledger W. Adj	(395)		32,562
(400)	Acct 6230 - Benefits Portion of Central Office Expense - Transmission	General Ledger W. Adj	(400)		7,123

NATIONAL EXCHANGE CARRIER ASSOCIATION
 UNIVERSAL SERVICE FUND
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SAC NAME ASOTIN (WA) TELEPHONE COMPANY
 SAC: 522404
 Comp # 64

I. EXCHANGE CARRIER/DATA IDENTIFICATION

(010) Study Area Code Name
 (020) Contact Name
 (030) Contact Telephone Number
 (040) USF Data Collection Period

ASOTIN (WA) TELEPHONE COMPANY
 Jeffrey M. Johnson
 (608) 664-4197
 2010-1

Data LN	Description	Data Source	Data Line	2010-1	Amount
(405)	Acct 6230 - Rents Portion of Central Office Expense - Transmission	General Ledger W. Adj	(405)		480
	(410) 365+380+395)	General Ledger W. Adj		(410)	67,408
(415)	Reserved - NO ENTRY REQUIRED		(415)		
(420)	Reserved - NO ENTRY REQUIRED		(420)		
(425)	Reserved - NO ENTRY REQUIRED		(425)		
(430)	Acct 6410 - Cable and Wire Facilities Expense - Total	General Ledger W. Adj	(430)		100,858
(435)	Acct 6410 - Benefits Portion Cable and Wire Facilities Expense	General Ledger W. Adj	(435)		26,402
(440)	Acct 6410 - Rents Portion Cable and Wire Facilities Expense	General Ledger W. Adj	(440)		7,613
	(445) Total Plant Specific Expense (Sum of Lines 335+350+365+380+395+430)	General Ledger W. Adj		(445)	229,163
Plant Non Specific Expense					
(450)	Acct 6530 - Network Operations Expense - Total	General Ledger W. Adj	(450)		90,764
(455)	Acct 6530 - Benefits Portion Network Operations Expense	General Ledger W. Adj	(455)		14,785
(465)	Reserved - NO ENTRY REQUIRED		(465)		
(470)	Reserved - NO ENTRY REQUIRED		(470)		
(480)	Reserved - NO ENTRY REQUIRED		(480)		
(485)	Reserved - NO ENTRY REQUIRED		(485)		
(500)	Reserved - NO ENTRY REQUIRED		(500)		
(505)	Reserved - NO ENTRY REQUIRED		(505)		
Depreciation and Amortization Expenses					
(510)	Acct 6560 (2210) - Depreciation And Amortization Expense - CO Switching	General Ledger W. Adj	(510)		74,160
(515)	Acct 6560 (2220) - Depreciation And Amortization Expense - Operator System	General Ledger W. Adj	(515)		0
(520)	Acct 6560 (2230) - Depreciation and Amortization Expense - CO Transmission	General Ledger W. Adj	(520)		177,380
	(525) Acct 6560 (2210-2230) - Depreciation and Amortization Central Office Equipment (Sum of Lines 510 thru 520)	General Ledger W. Adj		(525)	251,540
(530)	Acct 6560 (2410) - Depreciation and Amortization Expense - C&W Facilities	General Ledger W. Adj	(530)		243,233
Corporate Operating Expenses					
(535)	Acct 6710 Executive and Planning Expense - Total	General Ledger W. Adj	(535)		0
(540)	Acct 6710 Benefits Portion Executive and Planning Expense	General Ledger W. Adj	(540)		0
(550)	Acct 6720 - General Administrative Expense - Total	General Ledger W. Adj	(550)		149,836
(555)	Acct 6720 - Benefits Portion - General Administrative Expense	General Ledger W. Adj	(555)		11,102
	(565) Total Corporate Operations Expense (Sum of Lines 535 + 550)	General Ledger W. Adj		(565)	149,836
Other Expenses and Revenues					
(600)	Benefits Portion of All Operating Expenses - Total Operating Expenses - Total	General Ledger W. Adj	(600)		86,383
(610)	Rents Portion of All Operating Expenses - Total	General Ledger W. Adj	(610)		25,856
(620)	Reserved - NO ENTRY REQUIRED		(620)		
(630)	Reserved - NO ENTRY REQUIRED		(630)		
Taxes					
(650)	Acct 7200 - Operating Taxes	General Ledger W. Adj	(650)		170,736
(655)	Reserved - NO ENTRY REQUIRED		(655)		
IV. PART 36 - COST STUDY DATA					
(700)	Cost Study Average Cable and Wire Facilities Acct 2410	Cost Study	(700)		4,643,437
	Cost Study Average Cable and Wire Facilities Cat. 1 - Total Exchange Line				
(710)	C&WF Excluding Wide Band	Cost Study	(710)		4,333,186
V. AMORTIZABLE TANGIBLE ASSETS (Refer to instructions prior to completing this section)					
(800)	Acct 2680 - Amortizable Tangible Assets	General Ledger W. Adj	(800)		5,919
(805)	Acct 2680 (2230) - Amortizable Tangible Assets - CO Transmission	General Ledger W. Adj	(805)		5,919
(810)	Acct 2680 (2230) - Amortizable Tangible Assets - CO Transmission Allocated to Category 4.13				
	Category 4.13	General Ledger W. Adj	(810)		0
(815)	Acct 2680 (2410) - Amortizable Tangible Assets - Cable and Wire Facilities	General Ledger W. Adj	(815)		0
	Acct 2680 (2410) - Amortizable Tangible Assets - Cable and Wire Facilities				
(820)	Allocated to Category 1	General Ledger W. Adj	(820)		0
(830)	Acct 6560 (2680) - Depreciation & Amortization Expense - Amortizable Tangible	General Ledger W. Adj	(830)		1,802
VI. COMMENTS / SIGNIFICANT CHANGE EXPLANATION				Hash Total	44,584,285
Reconciled with 2009 study.					