

June 8, 2011

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 WA 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") herby 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.

<u>Report 1</u>: WAC 480-123-070(1)(a): Attached is a copy of the Company's NECA-1 Report for the calendar year 2010, that, as of the date of the report, the Company has reported as the basis for support from the federal high-cost fund.

<u>Report 2</u>: 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 several 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 buried cable as needed due to winter weather damage and state road issues. The Company also continued to provide and maintain DSL to the exchange in 2010

<u>Report 3</u>: WAC 480-123-070(4): The Company reports that the Company is not aware of any complaints during calendar year 2010 to the Federal Communications Commission or the Consumer Protection Division of the Office of the Attorney General of the State of Washington concerning the services provided to its customers.

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

<u>Report 4</u>: WAC 480-123-080(1)(b): 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 2010. The Company expects to continue to advertise these services throughout 2011.

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 levels for the relevant period. Customers will continue to receive the high level of telecommunications services 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 2012 and therefore does not have the final numbers prepared for investments and expense levels for 2012. The Company does not anticipate major adjustments to staffing levels in 2012. 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.



# 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, Finance 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 2010 calendar year, the Company met substantially the applicable service quality standard found in WAC 480-123-030(1)(h);
- (3) That during the 2010 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 2010 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 foregoing is true and correct.	the laws of the State of Washington that
Dated this 15th day of June	2011 at no VUnon, OK.
Company: Beaver Creek Telephone dba Timb	perline Telecom

By: Johnda D W

Its: Vice President, Manager

#### National Exchange Carrier Association Universal Service Fund 2011 Data Collection Form

09-Jun-11 10:19 AM

CS File: 033CS10 SAC: 520581 SAC NAME: BCT dba TIMBERLINE TELECOM REGION: WESTERN Filename: W:\CARSTEN\2010 CS\BCT-TT\[033 USF 041208.xls]USFFORM **EXCHANGE CARRIER/DATA IDENTIFICATION** I, (010)Study Area Code 520581 (010)(020)Contact Name (020)CARSTEN KOLDSBAEK (030)Contact Telephone Number (030)503-612-4400 (040) USF Data Collection Period (040)2011-1 Data Latest View Data Enter Data Line Description 2010 Line Source WORKING LOOPS 11. (060)Total Loops (Cal 1.1, 1.2 and 1.3) 0 (060) 30 F303:H31 (070)Category 1.3 Loops (Excluding Cat 1.3 TWX Loops) 0 (070) 30 F303:H20 (080)Reserved 111. INVESTMENT, EXPENSE AND TAXES Net Plant Investment

(160)	Acct 2001 -		
	Telephone Plant in Service	0 (160)	2,161,421 F310:P25-Input G24
(170)	Acct 1220 -		
	Material and Supplies	0 (170)	0 F310:P37
(190)	Acci 3100 -		
	Accumulated Depreciation	0 (190)	614,942 F310:P30-input G25
(195)	Acct 3400 - Accumulated		
	Amortization Tangible	0 (195)	0 F310:P32
(200)	Reserved		
(205)	Reserved		
(210)	Acct 4340 - Net Noncurrent De-		
., .,	ferred Operating Income Taxes	0 (210)	22,950 F300.5:P25
(220)	Net Plant Investment		
	(Sum Line 160+170 less lines 190 to 2	0 (220)	1,523,529

SAC: SAC NAME:	520581 BCT dba TIMBERLINE TELECOM W:\CARSTEN\2010 CS\BCT-TT\[033 U	SF 041208.xls)U	SEFÖRM	REGION:	WESTERN
Data Line ====	Description	Latest View 0	Data Line	Enter 2010 	Data Source
Selected Pla	ant 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)	61,060	F304:AJ33-Input G29
(255)	Acct 2410 - Cable and Wire Facilities Total		0 (255)	1;504,445	F310:P19-Input G30
(260)	Acct 3100 (2210) - Accumulated Depreciation Central Office Switching Equipment		0 (260)	165,846	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)	39,899	F300.4:P16-Input G33
(275)	Acct 3100 (2210-2230) - Total Accumulated Depreciation Central Office Equipment (Sum of Lines 260 - 270)		0 (275)	.205,745	
(280)	Acct 3100 (2410) - Accumulated Depreciation Cable and Wire Facilities		0 (280)	.391,491	F300.4:P19-Input G34

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Data Line	Description	Latest View Data 0 Line	Enter 2010	Dala 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 <u>)</u>	4,46	9 F300.5:P14+P17
(315)	Acci 4340 (2220) - Nei 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)	1,12	e F300.5;P16
(325)	Acct 4340 (2210-2230) Net Noncurrent Deferred Operating Income taxes - Central Office Equipment (Sum of Lines 310 - 320)	0 (325)	5,58	o5
(330)	Acct 4340 (2410 - Net Noncurrent Deferred Operating Income Taxes - Cable and Wire Facilities	0 (330)	15,97	'5 F300.5:P19

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Data Line	Description	Latest View Data 0 Line	Enter 2010	Data Source
Plant Spec	ific Operation Expense			
(335)	Acct 6110 - Network Support Expense Total	0. (335)	3;000 F	320:113
(340)	Acct 6110 - Benefits Portion of Network Support Expense	0 (340)	0 F	302:E18
(345)	Acct 6110 - Rents Portion of Network Support Expense	0 (345)	3,000 F	302:G18
(350)	Acct 6120 - General Support Expense Total	0 (350)	6,768 F	320:114-178
(355)	Acct 6120 - Benefits Portion of General Support Expense	0 (355)	161 F	302:E19
(360)	Acct 6120 - Rents Portion of General Support Expense	0 (360)	0 F	302:G19
(365)	Acct 6210 - Central Office Switching Expense - Total	0 (365)	.51,576 F	320:115-179
(370)	Acct 6210 - Benefits Portion of Central Office Switching Expense	0 (370)	150 F	302:E20
(375)	Acct 6210 - Rents Portion of Central Office Switching Expense	0 (375)	0 F	302:G20
(380)	Acct 6220 - Operator System Expense - Total	0 (380)	0 F	320:116
(385)	Acct 6220 - Benefits Portion Operator System Expense	0, (385)	0 F	302:E21
(390)	Acct 6220 - Rents Portion of Operator System Expense	0 (390)	0 <sup>-</sup> F	302:G21
(395)	Acct 6230 - Central Office Expense - Transmission Equipment - Total	0 (395)	2,415 F	320:117-180

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Data Line	Description	Latest View Data 0 Line	Enter Data 2010 Source
(400)	Acct 6230 - Benefits Portion of Central Office Expense - Transmission Equipment	0 (400)	138 F302:E22
(405)	Acct 6230 - Rents Portion of Central Office Expense - Transmission Equipment	0 (405)	0 F302:G22
(410)	Accls 6210 - 6230 - Central Office Expense Total (Sum of Lines 365 + 380 + 395)	0 (410)	53,991
(415)	Reserved	No Entry Required	No Entry Required
(420)	Reserved	No Entry Required	No Entry Required
(425)	Reserved	No Entry Required	No Entry Required
(430)	Acct 6410 - Cable and Wire Facilities Expense - Total	0 (430)	62,189 F320:l20-l81
(435)	Acct 6410 - Benefits Portion Cable and Wire Facilities Expense	0 (435)	89 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 <u>)</u>	125,948
Plant Non S	Specific Expense		
(450)	Acct 6530 - Network Operations Expense - Total	0 (450)	52,130 F320:123
(455)	Acct 6530 - Benefits Portion Network Operations Expense	0 (455)	33 F302:E26

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Data Line =====	W:\CARSTEN\2010 CS\BCT-TT\[033  Description	Latest View Data 0 Line	Enler 2010 ==================================	Data Source =====
Customer	Operations Expense			
(460)	Reserved	No Entry Required	No Entry Re	quired
(470)	Reserved	No Entry Required	No Entry Re	quired
(480)	Reserved	No Entry Required	No Entry Re	equired
(485 <u>)</u>	Reserved	No Entry Réquiréd	No Entry Re	quired
(500)	Reserved	No Entry Required	No Entry Re	quired
(505)	Reserved	No Entry Required	No Entry Re	equire d
Depreciation	on & Amort. Expenses			
(510)	Acct 6560 (2210)-Depreciation and Amortization Expense - Central Office Switching Equip	0 (510)	37,878 F32	0:127+130-Input G35
(515 <u>)</u>	Acct 6560 (2220)-Depreciation and Amortization Expense - Operator System Equipment	0 (515)	0 F32	0:l28-Input G36
(520)	Acct 6560 (2230)-Depreciation and Amortization Expense - Central Office Transmission Equipment	0 (520)	11,837 F32	0:l29-Input G37
(525)	Acct 6560 (2210-2230) - Depreciation and Amortization Central Office Equipment (Sum of Lines 510 through 520)	0 (525)	49,715	
(530)	Acct 6560 (2410)-Depreciation and Amortization Expense - Cable and Wire Facilities	0 (530)	88,639 F32	0;132-Input G38
Corporate	Operating Expenses			
(535)	Acct 6710 - Executive and Planning Expense - Total	0 (535)	0 F32	0:159
(540)	Acct 6710 - Benefits Portion Executive and Planning Expense	O' (540)	0 F30	2:E29

SAC: SAC NAME:	520581 BCT dba TIMBERLINE TELECOM W:\CARSTEN\2010 CS\BCT-TT\[033	USF 041208.xls]	USFFORM	REGION:	WESTERN
Data Line =====	Description	Latest View 0	Data Line	Enter 2010	Dala Source
(550)	Acct 6720 - General Administrative Expense - Total		0 (550)		F320:l61
(555)	Acct 6720 - Benefits Portion - General Administrative Expense		0 (555)	2,678	F302:E30
(565)	Total Corporate Operations Expense (Sum of Lines 535 + 550)		0 (565)	120,314	
Other Expe	nses and Revenues				
(600)	Benefits Portion of All Operating Expenses - Total		0. (600).	3,249	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)	13,479	F367:E11+Input G21
(655)	Reserved				
IV.	PART 36 - COST STUDY DATA				
(700)	Cost Study Average Cable and Wire Facilities Acct 2410		0 (700)	1,481,354	F310:R19
(710)	Cost Study Average Cable and Wire Facilities Cat 1 - Total Exchange Line C&WF Excluding Wide Band		0 (710)	1,252,023	INPUT G8

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Data Line	Description	Latest View 0	Data Line	Enler 2010	Data Source
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 INPÚT G13
(810)	Acct 2680 (2230) - Amortizable Tangible Assets - Central Office Transmission Equipment Allocated to Category 4.13		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
VĪ.	COMMENTS / SIGNIFICANT CHANGE	EXPLANATION	Ü		