



908 West Frontview
Dodge City, Kansas 67801

Telephone: 620 227 4400
Facsimile: 620 227 8576
www.fairpoint.com

August 10, 2012

Mr. David A. Danner, Secretary
Washington Utilities and Transportation Commission
P. O. Box 47250
1300 South Evergreen Park Drive SW
Olympia, WA 98504-7250

Dear Mr. Danner:

Re: 2012 ETC Certification
Request for Certification Pursuant to
WAC 480-123-060 and 47 C.F.R. § 54.314

Pursuant to WAC 480-123-060, Ellensburg Telephone Company ("Company") hereby requests that the Washington Utilities and Transportation Commission certify to the Federal Communications Commission and the Universal Service Administrative Company 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.¹ In addition, please grant the Company a waiver of the filing date requirement contained in rule. Due to a reorganization of responsibilities, the filing was not made by July 31. The Company is taking steps to be sure that does not happen again.

Sincerely,

A handwritten signature in black ink, appearing to read "Patrick L. Morse", with a long horizontal line extending to the right.

Patrick L. Morse
SR Vice President – Governmental Affairs

¹ Item (1) of the enclosed certifications also includes a certification (in addition to those that have been furnished in prior years) that corresponds to a new certification required of the Commission by 47 C.F.R. § 54.314(a).

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

I, Patrick L. Morse, being of lawful age, state that I am the Senior Vice President, Governmental Affairs of Ellensburg Telephone 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 all federal high-cost support provided to the Company within the State of Washington has been used in the preceding calendar year and will be used in the coming calendar year only for the provision, maintenance and upgrading of facilities and services for which the support is intended;

(2) That during the 2011 calendar year, the Company met substantially the applicable services quality standard found in WAC 480-123-030(1)(h);


(3) That during the 2011 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 2011 calendar year, the Company publicized the availability of its applicable telephone assistance programs in a manner reasonable 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 30 day of July, 2012, at Dodge City, Kansas

Company: Ellensburg Telephone Company

By: 
Patrick L. Morse

Its: Senior Vice President, Governmental Affairs

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

Ellensburg Telephone 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): Per Paragraph 133 of the USF/ICC Transformation Order and further clarified in Footnote 212, "As a consequence of this action, rate-of-return operating companies that will be treated as price cap areas will no longer be required to perform cost studies for purposes of calculating HCLS or LSS, as their support will be frozen on a study area basis as of year-end 2011."

Therefore, Ellensburg Telephone Company did not file a Report 1 for 12/2011.

Report 2: WAC 480-123-070(1)(b): The Company reports that the investments and expenses made in 2011, 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 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 expenditures and 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 below, generally benefit all customers receiving the federal high-cost fund supported services³ from the Company within its designated service area. In addition, during 2011, the Company was engaged in a number of major investment projects within its designated ETC service area, including the following:

- (1) The Company installed broadband upgrades and augmentations to the network totaling over \$1,000,000. This provided growth capacity and improved service for all subscribers.
- (2) The Company installed outside plant equipment at a cost of approximately \$600,000. This provided growth capacity and improved service for all subscribers served.
- (3) The Company installed new Softswitch overlays at a cost of over \$900,000. This project improved dial tone services and allows for future growth.

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 herein with the same meaning as the term is used in Chapter 480-123 WAC.

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

Report 3: WAC 480-123-070(4): The Company reports that during the calendar year 2011, the Company did not receive from 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 to them by the Company's customers.

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, 2012, through December 31, 2012, that the Company expects to use as a basis to request federal high-cost support are expected to be relatively similar to those investments and expenses the Company has set forth in its information for calendar year 2011, taking into account normal fluctuations in investment and expense levels. Due to the heavy amount of investment made in calendar year 2011, levels of expense could drop in 2012, 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 during calendar year 2012 it will have relatively the same level of expenditure and investment related to maintenance, replacement and minor upgrades of equipment and plant as occurred in calendar year 2011.

Report 4: WAC 480-123-080(2):

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, 2013, through December 31, 2013, that the Company expects to use as a basis to request federal high-cost support are expected to be relatively similar to those investments and expenses the Company has set forth in its information for calendar year 2011, taking into account normal fluctuations in investment and expense levels. The Company expects that levels of expenses will remain relatively the same as those it experienced in calendar year 2011, 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's investment plans for calendar year 2013 directly affecting federal high-cost supported services offered by it in its designated ETC service area do not include a major construction project at the present time. 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 2011. The Company has not completed its budgeting process and does not have final numbers prepared for investment and expense levels for 2013.

The expected benefit to customers from the anticipated investment and expenditures is that customers will continue to receive a high level of telecommunications service. The Company further 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 reasonably comparable to the rates for such service 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 reasonably comparable to the telecommunications services offered in urban areas at rates that are reasonably comparable to the rates for such services in urban areas.

Dated: July 30, 2012