



525 Junction Rd
Madison, WI 53717
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UT-131422-CT
om-9/12/13
Consent

July 29, 2013

Mr. Steven V. King
Acting Executive Director and Secretary
Washington Utilities and Transportation Commission
1300 South Evergreen Park Drive SW
Olympia, WA 98504-7250

Re: 2013 ETC Certification
Request for Certification Pursuant to WAC 480-123-060, 070 and 080

Dear Mr. King:

Pursuant to WAC 480-123-060, 070 and 080 **Lewis River 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,

Bruce Schiefelbein
Manager – Regulatory Compliance
TDS Telecom

Enclosures

cc: Gail Long

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WASHINGTON UTILITIES
COMMUNICATIONS

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

Lewis River 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 2012, 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 2012, 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 2012, the Company was engaged in major investment projects within its designated ETC service area as described below:

1. Complete - LaCenter - Upgrade Transport at DSA 41605 – \$276,600.
2. Complete - Amboy – Replace Batteries at DSA 41403 – \$23,200.
3. Complete - LaCenter – Install Network Management Software – \$64,600.
4. Complete - LaCenter – Road Move at Pacific Hwy and Bolen St – \$62,600.

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 no complaints made during calendar year 2012 to the Federal Communications Commission and two complaints to the Washington Utilities and Transportation Commission 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.

UTC Complaints:

One customer filed a complaint because they were unable to receive calls on their Magic Jack, and another customer filed a complaint because she is unhappy with the Lewis River expanded local calling area plans.

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 2013 and 2014 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 Lewis River 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 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 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 2012.

In addition to the foregoing, the Company is planning projects for 2013 as follows:

- Replace Existing Roof with Metal Roof at LaCenter – estimated \$39,000.
- Replace AnyMedia Equipment at DSA 41401 at Amboy – estimated \$201,800 – some investment may carry over into 2014.
- Replace AnyMedia Equipment at DSA 41604 at LaCenter – estimated \$49,500 – some investment may carry over into 2014.
- Replace AnyMedia Equipment at DSA 41701 at Yale – estimated \$31,500 – some investment may carry over into 2014.
- Replace AnyMedia Equipment at DSA 41609 at LaCenter – estimated \$41,500 – some investment may carry over into 2014.
- Replace AnyMedia Equipment at DSA 41403 at LaCenter – estimated \$30,000 – some investment may carry over into 2014.
- Replace AnyMedia Equipment at DSA 41606 at LaCenter – estimated \$53,600 – some investment may carry over into 2014.
- Replace AnyMedia Equipment at DSA 41600 at LaCenter – estimated \$71,900 – some investment may carry over into 2014.
- Replace AnyMedia Equipment at DSA 41501 at Cougar – estimated \$35,500 – some investment may carry over into 2014.
- Purchase Midtronics CTU 6000 Battery Tester at LaCenter – estimated \$5,600.
- Replace AnyMedia Equipment at 5 DSAs at LaCenter – estimated \$12,500.
- Buried Drop Additions – estimated \$11,100.

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.

The Company expects that the continued receipt of federal high-cost support will aide the Company's efforts to continue to provide the supported services at rates that are comparable to the rates for such services in urban areas. However, the Company projects that with reductions in intercarrier compensation and associated federal support, those efforts will need to be supplemented by support from the state universal service fund for the Company to be able to continue to maintain reasonably comparable rates. All customers in the Company's designated ETC service area will benefit from the expected level of support and other factors, such as support from the state fund, continuing to aide efforts to have available to the customers 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.

**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 Lewis River 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 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 2012 calendar year, the Company met substantially the applicable service quality standard found in WAC 480-123-030(1)(h);

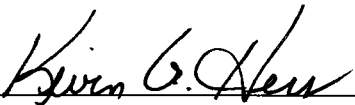
(3) That during the 2012 calendar year, the Company maintained the ability to function in emergency situations under the standard found in WAC 480-123-030(1)(g), as such standard relates to functionality of wireline carriers in emergency situations; and

(4) That during the 2012 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, 2013 at Madison, WI.

Company: Lewis River Telephone Company, d/b/a TDS Telecom

By: 
Kevin G. Hess

Its: Senior Vice President, Government & Regulatory Affairs

NATIONAL EXCHANGE CARRIER ASSOCIATION
 UNIVERSAL SERVICE FUND
 2013 DATA COLLECTION FORM (13-1)

RUN DATE: 26-Jul-13
 Based on Financials Ending: 12/31/12
 Submitted to NECA: 7/31/2013
 Compensation Commences: 01/01/14

SAC NAME Lewis River Telephone Co

SAC: 522427

Comp # 669

I. EXCHANGE CARRIER/DATA IDENTIFICATION

(010)	Study Area Code Name	Lewis River Telephone Co
(020)	Contact Name	Jeffrey M. Johnson
(030)	Contact Telephone Number	(608) 664-4197
(040)	USF Data Collection Period	2013-1

Data LN	Description	Data Source	Data Line	2013-1	Amount
II. WORKING LOOPS					
(060)	Total Loops - (Cat 1.1, 1.2 and 1.3)	OSP Records	(060)		4,876
(070)	Category 1.3 Loops - (Excluding Cat 1.3 TWX Loops)	OSP Records	(070)		4,860
(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)		19,226,301
(170)	Acct 1220 - Material and Supplies	General Ledger W. Adj	(170)		57,513
(190)	Acct 3100 - Accumulated Depreciation	General Ledger W. Adj	(190)		14,952,514
(195)	Acct 3400 - Accumulated Amortization Tangible	General Ledger W. Adj	(195)		0
(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)		448,394
	(220) Net Plant Investment (Sum of Lines 160+170 minus Lines 190 through 210)			(220)	3,882,906
Selected Plant Accounts					
(230)	Acct 2210 - Central Office Switching Equipment	General Ledger W. Adj	(230)		1,451,417
(235)	Acct 2220 - Operator System Equipment	General Ledger W. Adj	(235)		0
(240)	Acct 2230 - Central Office Transmission Equipment	General Ledger W. Adj	(240)		5,196,735
	(245) Total Central Office Equipment (Sum of Lines 230 through 240)			(245)	6,648,152
(250)	Circuit Equipment Category 4.13	Prorate per CS	(250)		2,930,045
(255)	Acct 2410 - Cable & Wire Facilities Total	General Ledger W. Adj	(255)		11,408,158
(260)	Acct 3100 (2210) - Accumulated Depreciation Central Office Switching	General Ledger W. Adj	(260)		1,019,091
(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)		3,163,124
	(275) Acct 3100 (2210-2230) - Total Accumulated Depreciation Central Office Equipment (Sum of Lines 260 thru 270)			(275)	4,182,215
(280)	Acct 3100 (2410) - Accumulated Depreciation C&WF	General Ledger W. Adj	(280)		10,047,167
(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)		33,261
(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)		119,090
	(325) Acct 4340 (2210-2230) - Net Noncurrent Deferred Operating Income Taxes - Central Office Equipment (Sum of Lines 310 through 320)			(325)	152,351
(330)	Acct 4340 (2410) - Net Noncurrent Deferred Operating Income Taxes - C&WF	General Ledger W. Adj	(330)		258,549
Plant Specific Operation Expense					
(335)	Acct 6110 - Network Support Expense Total	General Ledger W. Adj	(335)		23,897
(340)	Acct 6110 - Benefits Portion of Network Support Expense	General Ledger W. Adj	(340)		710
(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)		171,211
(355)	Acct 6120 - Benefits Portion of General Support Expense	General Ledger W. Adj	(355)		8,867
(360)	Acct 6120 - Rents Portion of General Support Expense	General Ledger W. Adj	(360)		59,119
(365)	Acct 6210 - Central Office Switching Expense - Total Switching Expense - Total	General Ledger W. Adj	(365)		66,849
(370)	Acct 6210 - Benefits Portion of COE Switching Expense	General Ledger W. Adj	(370)		4,928
(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)		91,485
(400)	Acct 6230 - Benefits Portion of Central Office Expense - Transmission	General Ledger W. Adj	(400)		7,029

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I. EXCHANGE CARRIER/DATA IDENTIFICATION

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

Lewis River Telephone Co
 Jeffrey M. Johnson
 (608) 664-4197
 2013-1

Data LN	Description	Data Source	Data Line	2013-1	Amount
(405)	Acct 6230 - Rents Portion of Central Office Expense - Transmission	General Ledger W. Adj	(405)		9
	(410) Accts 6210 - 6230 - Cental Office Expense Total (Sum of Lines 365+380+395)	General Ledger W. Adj		(410)	158,334
(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)		197,945
(435)	Acct 6410 - Benefits Portion Cable and Wire Facilities Expense	General Ledger W. Adj	(435)		40,137
(440)	Acct 6410 - Rents Portion Cable and Wire Facilities Expense	General Ledger W. Adj	(440)		7,333
	(445) Total Plant Specific Expense (Sum of Lines 335+350+365+380+395+430)	General Ledger W. Adj		(445)	551,387
Plant Non Specific Expense					
(450)	Acct 6530 - Network Operations Expense - Total	General Ledger W. Adj	(450)		546,008
(455)	Acct 6530 - Benefits Portion Network Operations Expense	General Ledger W. Adj	(455)		98,764
(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)		134,149
(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)		493,132
	(525) Acct 6560 (2210-2230) - Depreciation and Amortization Central Office Equipment (Sum of Lines 510 thru 520)	General Ledger W. Adj		(525)	627,281
(530)	Acct 6560 (2410) - Depreciation and Amortization Expense - C&W Facilities	General Ledger W. Adj	(530)		262,318
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)		902,881
(555)	Acct 6720 - Benefits Portion - General Administrative Expense	General Ledger W. Adj	(555)		72,035
	(565) Total Corporate Operations Expense (Sum of Lines 535 + 550)	General Ledger W. Adj		(565)	902,881
Other Expenses and Revenues					
(600)	Benefits Portion of All Operating Expenses - Total Operating Expenses - Total	General Ledger W. Adj	(600)		315,886
(610)	Rents Portion of All Operating Expenses - Total	General Ledger W. Adj	(610)		66,461
(620)	Reserved - NO ENTRY REQUIRED		(620)		
(630)	Reserved - NO ENTRY REQUIRED		(630)		
Taxes					
(650)	Acct 7200 - Operating Taxes	General Ledger W. Adj	(650)		143,237
(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)		11,342,748
(710)	Cost Study Average Cable and Wire Facilities Cat. 1 - Total Exchange Line C&WF Excluding Wide Band	Cost Study	(710)		10,573,189
V. AMORTIZABLE TANGIBLE ASSETS (Refer to instructions prior to completing this section)					
(800)	Acct 2680 - Amortizable Tangible Assets	General Ledger W. Adj	(800)		0
(805)	Acct 2680 (2230) - Amortizable Tangible Assets - CO Transmission	General Ledger W. Adj	(805)		0
(810)	Acct 2680 (2230) - Amortizable Tangible Assets - CO Transmission Allocated to 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
(820)	Acct 2680 (2410) - Amortizable Tangible Assets - Cable and Wire Facilities Allocated to Category 1	General Ledger W. Adj	(820)		0
(830)	Acct 6560 (2680) - Depreciation & Amortization Expense - Amortizable Tangible Ass	General Ledger W. Adj	(830)		0
VI. COMMENTS / SIGNIFICANT CHANGE EXPLANATION				Hash Total	113,056,929
Reconciled with 2012 study.					