



TELEPHONE
TELEVISION

July 1, 2016

STATE OF WASHINGTON
UTILITIES AND TRANSPORTATION
COMMISSION
2016 JUL - 1 PM 4: 01
RECEIVED
REGIONS MANAGEMENT

BY UTC WEB PORTAL

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

Dear Mr. King:

Re: 2016 ETC Certification and Reports -
Request for Certification Pursuant to
WAC 480-123-060 and 47 C.F.R. § 54.314

Pursuant to WAC 480-123-060, Western Wahkiakum County Telephone Company ("Company") hereby requests that the Washington Utilities and Transportation Commission ("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 accompany this letter.

Sincerely,

Steven M. Appelo
President

Accompany documents

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

July 1, 2016

Western Wahkiakum County Telephone Company

I, Steven M. Appelo, being of lawful age, state that I am President of Western Wahkiakum County 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 the Company in 2015 used and in the coming calendar year will use federal high-cost universal service fund support provided to the Company in the State of Washington only for the provision, maintenance and upgrading of the facilities and services for which the support is intended;

(2) That during the 2015 calendar year, the Company met substantially the applicable service quality standard and consumer protection rules found in WAC 480-123-030(1)(h);

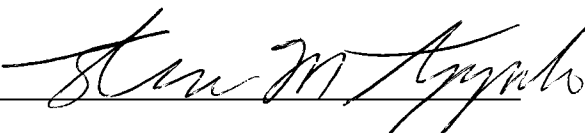
(3) That during the 2015 calendar year, the Company maintained the ability to function in emergency situations under the standard found in WAC 480-123-030(1)(g), as such standard relates to functionality of wireline carriers in emergency situations; and

(4) That during the 2015 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 1 day of July, 2016, at Rosburg, WA.

Company: Western Wahkiakum County Telephone Company

By: 

Type Name: Steven M. Appelo

Its: President

RECEIVED
STATE OF WASHINGTON
UTILITY AND TRANSPORTATION
COMMISSION
2016 JUL -1 PM 4:04
REGISTRATION MANAGEMENT
RECEIVED

ETC ANNUAL REPORTS PER WAC 480-123-070 AND WAC 480-123-080

July 1, 2016
Western Wahkiakum County Telephone Company

Western Wahkiakum County Telephone Company (the "Company") hereby submits the following reports in accordance with WAC 480-123-070 and WAC 480-123-080.

1. Report 1: Report on use of funds: WAC 480-123-070(1)(a):

The Company used support from the federal high-cost fund in the calendar year 2015 as follows: To support investments made by the Company in telecommunications plant used to provide voice services, broadband services and other telecommunications services, and to defray operating expenses incurred by the Company in its provision of those services.

In the calendar year 2015, the Company's gross capital expenditures and operating expenses paid, in whole or in part, with support from the federal high-cost fund were \$2,687,460 and \$2,729,403, respectively.¹

Major projects undertaken or completed in the calendar year 2015 include the following:

- (1) Construction, including new, buried fiber optic routes within the Grays River Exchange, along the far end of Lower Altoona Pillar Rock Rd. The total footage came to approximately 21,554 on this project. This project serves an area of approximately 3 square miles, with an estimated population of 68. This project cost approximately \$169,366. This project has enhanced service reliability and capacity for approximately 68 people in the Grays River Exchange.
- (2) Construction, including new, buried fiber optic routes within the Grays River Exchange, along Hoikka Road (approximately 5,444 feet) and Fossil Creek Road (approximately 6,848 feet) and Altoona Pillar Rock Rd. (approximately 14,706 feet). The total footage on this project came to approximately 26,998 feet. This project serves as area of approximately 6 square miles, with an estimated population of 75. This project cost approximately \$160,933. This project has enhanced service reliability and capacity for approximately 75 people in the Grays River Exchange.
- (3) In addition to the above-described projects, the Company completed work on plowing or boring fiber drops and placing ONT's at homes, businesses and

¹ The amounts shown in this sentence are prior to Part 64 adjustments, if any.

institutions in the Naselle Exchange. This project's cost came to approximately \$229,677. It will allow the Company to make fiber connections to these homes, businesses and institutions, thereby enhancing service reliability and capacity to an estimated population of 263.

Attached is a copy of the Company's NECA-1 Report² for the calendar year 2014. Per direction of Commission Staff, a copy of the Company's NECA -1 report for the calendar year 2015, that, as of the date of the report, the Company will have reported as the basis for support from the federal high-cost fund, will be provided to the Commission when it becomes available and no later than August 1, 2016.

2. Report 2: WAC 480-123-070(1)(b): The Company reports that the investments and expenses reported under Report 1, above, benefited consumers as follows:

Consumers served by the Company, as well as those consumers of other telecommunications service providers who may have communicated with the Company's customers utilizing telecommunications services provided by the Company, benefited from the use of high-cost fund support by continuing to receive high quality telecommunications services. Direct benefits within the Company's service area of specific projects are detailed in Report 1 above.

Through the expenditure of the federal high-cost support 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 quality telecommunications services to customers in the service area for which the Company is designated as an ETC.³ 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 ETC service area. The Company has expanded its network over the past several years so that it is capable of providing access to broadband services throughout most of the Company's designated ETC service area. The Company offers services that are comparable to services offered in urban areas at rates that are comparable to rates for such services in urban areas.

3. Report 3: Local Services Outage Report: WAC 480-123-070(2):

None

² The Company understands the reference to the "NECA-1 report" to refer to the values reported by the Company in response to the National Exchange Carrier Association, Inc. Universal Service Data Collection Form or its on-line equivalent pertaining to the subject year.

³ The term "ETC" is used herein with the same meaning as the term is used in Chapter 480-123 WAC.

4. Report 4: Report on Failure to Provide Service: WAC 480-123-070(3):

None

5. Report 5: Report on Complaints per 1000 Connections: WAC 480-123-070(4):

None

6. Report 6: Annual Plan: WAC 480-123-080(1):

As they are known to the Company at the date of this Report, the Company's planned gross capital expenditures and operating expenses to be made, in whole or in part, with federal high-cost support to be received by the Company during the calendar year 2016 are projected to be \$832,000 and \$2,766,000, respectively.

Major projects planned to be undertaken or completed in the calendar year 2016 include the following:

2016:

- (1) Construction, including new, buried fiber optic routes within the Grays River Exchange, along Cottardi Heights Road for a total footage of fiber optic cable of approximately 7,684 feet, and along Shannon Road for a total fiber optic cable footage of approximately 13,550 feet, together with additional drops to residences. This project, which has been completed, serves an area of approximately 8 square miles with an estimated population of 85. This project cost approximately \$223,008. This project has enhanced service reliability and capacity for approximately 85 people in the Grays River Exchange.
- (2) Construction, including new, buried fiber optic routes within the Naselle Exchange, along Salmon Creek Road (approximately 8,000 feet), Tienhhaara Road (approximately 5,256 feet), State Route 4 (approximately 560 feet), together with installation of hand holes and two fiber distribution hubs. This project serves an area of approximately 7 square miles with an estimated population of 39. This project cost approximately \$186,420. This project has enhanced service reliability and capacity for approximately 39 people in the Naselle Exchange.
- (3) Acquisition and installation of software-enabled switching apparatus to serve the Naselle and Grays River wire centers, to replace existing digital switching facilities. The cost of this is expected to be approximately 232,000., plus cost of staff training. This project is expected to serve an area of approximately 314 square miles, with an estimated population of 2,082. This project is expected to enhance service offerings, reliability and capacity for the above-mentioned population.

The Company expects that levels of expenses in 2016 will be higher than those it experienced in calendar year 2015, subject to the effects of inflation, other commonly experienced changes in cost of labor and materials, and increased depreciation on new investment placed in service. The Company does not anticipate major adjustments in staffing levels for the relevant period.

7. Report 7: Plan of Investments and Expenditures: WAC 480-123-080(2):

As they are known to the Company at the date of this Report, apart from major projects, the planned investment and expenditures to be made with federal high-cost support related to Washington state for the calendar year 2017, are planned to remain relatively the same as those the Company experienced in calendar year 2015, subject to the effects of inflation, other commonly experienced changes in cost of labor and materials, and increased depreciation on new investment placed in service. The Company does not anticipate major adjustments in staffing levels for the relevant period. Planned major projects are as described or referenced in Report 6, above. The Company has not completed its budgeting process for the calendar year 2017, so the investment and expense figures presented in Report 6, above, for calendar year 2017 are not yet final. 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 that are comparable to the rates for such services 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 comparable to the telecommunications services offered in urban areas at rates that are comparable to the rates for such services in urban areas.