

UT-240520

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VIA E-FILING

Mr. Jeff Killip, Executive Director and Secretary Washington Utilities and Transportation 621 Woodland Square Loop Southeast Lacey, WA 98503

Re: 2024 ETC Certification - Request for Certification Pursuant to WAC 480-123-060 and

47C.F.R. §54.314

Dear Mr. Killip:

Pursuant to WAC 480-123-060, Consolidated Communications of Washington Company, LLC ("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 47C.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.

If there are any questions concerning the foregoing, please contact the undersigned at 360-832-4130.

Sincerely,

Danielle Clausen

Enclosures

ETC ANNUAL REPORT PER WAC 480-123-070 AND WAC 480-123-080 Contains Certifications Required by WAC 480-123-060 and 070 July 1, 2024

Consolidated Communications of Washington Company, LLC (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 2023 as follows:

The funds from the universal service communication program are contributing to the Company's ongoing provision of high-quality basic telecommunications service to customers residing in the area the Company serves.

The Company invested \$150 thousand in general support assets, including buildings, tools and other work equipment and computers to allow the company to install, maintain and test subscriber data connections.

In addition, the Company undertook several construction and maintenance projects. Switching, circuit equipment and customer premise equipment, and cable and wire facility investments totaling in excess of \$4 million were made to maintain infrastructure stability and provide the company with additional transport capacity and redundancy. The construction and maintenance projects were related to our Fiber to the Premise platform, allowing us to reduce subscriber loop lengths and improve quality and speed of service.

The funds received from the universal service communications program can be viewed as contributing to the Company's ability to perform this project, including, without limitation, the repayment of loan funds.

For 2023, the Company's gross capital expenditures were \$4,287,329. The Company's 2023 operating expenses were \$13,957.975. Recent major projects include the above.

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

The customers served by the Company benefited from the use of high-cost fund support by continuing to receive high quality telecommunications services.

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 quality telecommunications services to customers in the service area for

which the Company is designated as an ETC.¹ 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

4. Er 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):

The Company reports that during the calendar year 2023, the Company received four complaints made by the Company's customers to the Federal Communications Commission (FCC) and the Consumer Protection Division (CPD) of the Office of the Attorney General of the State of Washington against the Company.

All four complaints were addressed in a timely manner and subsequently closed.

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

As they are known to the Company at the date of this Report, the planned investment and expenses related to Washington state for the calendar year 2024 are projected to be \$1,200,000 for gross capital expenditures and \$21,909,694 for operating expenses. Major projects include overbuilding DSL with fiber to three CSAs, providing fiber to the premise and transport network electronics, and other miscellaneous system improvements associated with fiber to premise services.

The Company expects that levels of expenses to increase relative to those it experienced in calendar year 2023, 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):

¹ The term "ETC" is used in the same sense as the term is used in Chapter 480-123 WAC.

As they are known to the Company at the date of this Report, the planned investment and expenses related to Washington state for the calendar year 2025, will remain relatively the same as those it experienced in calendar year 2023, 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.

In addition to the foregoing, the Company will continue developing the FTTP network architecture to provide customers in the Ellensburg, Selah, and Yelm exchanges of the Company access to voice, multimedia, and data services over one unified access platform.

The Company continues to review the technology utilized across the network (e.g., GPON, XGS-PON) for potential upgrades and evaluate the current network infrastructure and its suitability for an upgrade to fiber to expand service to underserved areas of the service area.

The Company does not anticipate major adjustments in staffing levels for the relevant period. Major projects are referenced in Report 6, above. The Company has not completed its budgeting process and does not have final numbers prepared for investment and expense levels for 2025. 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 customer 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.

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

I, DANIELLE CLAUSEN being of lawful age, state that I am SENIOR VICE PRESIDENT, FINANCE of CONSOLIDATED COMMUNICATIONS OF WASHINGTON COMPANY, LLC., ("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 2023 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 2023 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 2023 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 2023 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 1st day of July, 2024, at 2516 Holgate Street, Tacoma, WA 98402.

Company: Consolidated Communications of Washington Company, LLC.

By:

Danielle Clausen

Its: Senior Vice President, Finance