



August 28, 2015

Sent Via: E-Filing

Mr. Roger Hahn, Regulatory Analyst  
P.O. Box 47250  
1300 S. Evergreen Park Dr. SW  
Olympia, WA 98504-7250

RE: UT-151587 Petition of Lewis River Telephone Company, Inc. d/b/a TDS Telecom to Receive Support from the State Universal Communications Services Program

Dear Mr. Hahn:

Please see the responses below to the questions received via email on August 18, 2015.

- 6. Exhibit 3, Demonstration of Risk – Please provide regulated CapX by year to support the \$2.5 million in paragraph 1.

Response:	2011	\$	822,137
	2012	\$	709,685
	2013	\$	525,578
	2014	\$	455,288
	Total		\$2,512,688

- 7. Exhibit 4, pages 7, 8 and 9, Line 33 & Line 39 - The ending retained earnings balance as of 12/31/2013 of \$3,655,260, Line 39, Page 7, must equal the beginning balance for 2014 retained earnings, Line 33 on page 8 of \$3,645,359. These amounts feed to page 9. (Line 39 for 2013 ending balance must equal Line 33, beginning balance for 2014).

The cause of this issue appears to relate to tying out page 2, line 57, column A, 2013 Balance Sheet to page 7, line 39, column A, 2013 Income Statement. The company included the Part 64 adjustment (Column B, Line 57 of 9,901). Currently Column C of page 2, line 57 of the 2013 Balance Sheet ties to Column A, Line 39 of the 2013 Income statement. If the \$9,901 on Line 34 of the 2013 Income Statement, Page 7 is deleted, this problem will be corrected. This also applies to the 2014 Income Statement. Page 8 for 2014 (delete 5,895 on line 34, column A). Staff has attached a copy of the template with these changes. Please resubmit the financial template.

Response: See revised Exhibit 4 attached.

- 8. Exhibit 4, Page 9 – What caused Misc'l Revenue, Line 5 to decrease from \$234k in 2013 to \$92k in 2014?

Response: Rent revenue decreased \$136,600 (from \$159,100 in 2013 to \$22,500 in 2014) due to the termination of intercompany business office lease effective July 2013.

- 9. Exhibit 4, page 10, Access revenue analysis – What caused interstate switched access, line 2b to increase from 202,360 to 364,117 and line 4, Federal USF to decrease from 652,115 to 399,593 between 2013 and 2014? (Possibly category differences between year's?)

Response: The differences are related to changes in the way the information was reported between years. ICC CAF support was reported as Federal USF for 2013 and interstate switched access for 2014.

10. Exhibit 4 – See McDaniel comment #5.

Response: See revised Exhibit 4 attached.

If there are questions or concerns regarding this information, I can be reached at either 541-516-8210 or [gail.long@tdstelecom.com](mailto:gail.long@tdstelecom.com).

Sincerely,



Gail Long  
Manager, State Government Affairs

Enclosure