1 2 3 4 5 6 BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION 7 8 IN RE DOCKET NO. 9 PETITION OF INLAND TELEPHONE COMPANY TO RECEIVE SUPPORT PETITION FOR SUPPORT 10 FROM THE UNIVERSAL SERVICE COMMUNICATIONS PROGRAM 11 12 13 14 COMES NOW Inland Telephone Company (the "Company") and, pursuant to Chapter 480-15 123 of the Washington Administrative Code ("WAC"), including, but not limited to, WAC 480-16 123-110, hereby petitions the Washington Utilities and Transportation Commission (the 17 "Commission") to receive support from the Universal Service Communications Program (the 18 "Program") for the Program year 2015. 19 20 I. Demonstration of Eligibility under WAC 480-123-100 21 1. WAC 480-123-100(1)(a): The Company is a local exchange company as defined in WAC 22 480-120-021 that serves less than forty thousand access lines within the state. 23 2. WAC 480-123-100(1)(b): The Company is an incumbent local exchange carrier as defined 24 in 47 U.S.C. Sec. 251(h) or has been designated as an incumbent local exchange carrier by 25 26 TION OF INLAND TELEPHONE

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the Federal Communications Commission.

- 3. WAC 480-123-100(1)(c): The Company offers basic residential and business exchange telecommunications services as set forth in WAC 480-120-021 and RCW 80.36.630.
- 4. WAC 480-123-100(1)(d): The Company's rates for residential local exchange service, plus mandatory extended area service charges, are no lower than the local urban rate floor established by the Commission as the benchmark rate based on the Federal Communications Commission's national local urban rate floor pursuant to 47 C.F. R. Sec. 54.318 in effect on the date of this Petition.
- 5. WAC 480-123-100(1)(e): The Company has been designated by the Commission as an eligible telecommunications carrier for purposes of receiving federal universal services support pursuant to 47 C.F.R. Part 54 Subpart D Universal Service Support for High Cost Areas with respect to the service areas for which the Company is seeking Program support.

## II. Demonstration of Eligibility under WAC 480-123-110

- 1. WAC 480-123-110(1)(a): The name of the legal entity that provides communications services and is seeking Program support is as follows: Inland Telephone Company
- 2. WAC 480-123-110(1)(b): A corporate organization chart showing the relationship between the Company and all affiliates as defined in RCW 80.16.010 is attached hereto as Exhibit 1. A detailed description of any transactions between the Company and the affiliates named in Exhibit 1 recorded in the Company's operating accounts is attached hereto as Exhibit 2.
- 3. WAC 480-123-110(1)(c): A service area maps for the Company can be found at Sheet Nos. 501, 502, 503, and 504 in Schedule 200 of the Company's Tariff WN U-7.
- 4. WAC 480-123-110(1)(d): A demonstration that the Company's customers are at risk of rate instability or service interruption or cessation in the absence of support from the Program is attached as Exhibit 3.

- 5. WAC 480-123-110(1)(e)(i): On the Commission's prescribed form, attached as Exhibit 4, are copies of the Company's balance sheet as of December 31, 2013, and December 31, 2012, and copies of the Company's statements of income and retained earnings or margin for the years ended December 31, 2013, and December 31, 2012.
- 6. WAC 480-123-110(1)(e)(ii): A copy of the Company's audited financial statements for the years ended December 31, 2012, and December 31, 2013, are attached as Exhibit 5.
- 7. WAC 480-123-110(1)(e)(iii): Information demonstrating the Company's earned rate of return on a total Washington unseparated regulated operations basis for each of the two prior years, calculated in the manner prescribed by the Commission, is provided in Exhibit 4.
- 8. WAC 480-123-110(1)(e)(iv): Information demonstrating the Company's earned return on equity on a total company (regulated and non-regulated) Washington basis for each of the two prior years, calculated in the manner prescribed by the Commission, is provided in Exhibit 4.
- 9. WAC 480-123-110(1)(e)(v): Information detailing all of the Company's revenues from the statements of income and retained earnings or margin section of the RUS Form 479 for the prior two years is attached as Exhibit 6.
- 10. WAC 480-123-110(1)(e)(vi): A statement under penalty of perjury from a Company with personal knowledge and responsibility certifying that no corporate operations adjustment to existing high-cost loop and interstate common line support mechanisms required by the Federal Communications Commission applied to the Company for the two prior years is attached hereto as Exhibit 7.
- 11. WAC 480-123-110(1)(e)(vii): Exhibit 4 contains additional supporting information requested by the Commission.

12. WAC 480-123-110(1)(e)(viii): A statement under penalty of perjury from a Company officer with personal knowledge and responsibility certifying that the Company complies with state and federal accounting, cost allocation, and cost adjustment rules pertaining to incumbent local exchange companies is attached as Exhibit 8.

- 13. WAC 480-123-110(1)(f): A complete copy of the FCC Form 481 filed by the Company or on its behalf with the Federal Communications Commission for the calendar year preceding the current year has already been filed with the Commission. See the Company's filing in Docket No. UT-143013 filed on or about July 1, 2014.
- 14. WAC 480-123-110(1)(g): The number of residential local exchange access lines served by the Company as of December 31, 2013, was 1,736. The number of residential local exchange access lines served by the Company as of December 31, 2012, was 1,780. The number of business local exchange access lines served by the Company as of December 31, 2013, was 633. The number of business local exchange access lines served by the Company as of December 31, 2012, was 614. The monthly recurring rates charged by the Company for residential local exchange access service on December 31, 2013, was; Dewatto \$22.00, Prescott \$16.50, Roslyn \$14.00, and Uniontown \$15.00. The monthly recurring rates charged by the Company for residential local exchange access service on December 31, 2012, was; Dewatto \$22.00, Prescott \$16.50, Roslyn \$13.80, and Uniontown \$15.00. The rates charged by the Company for single line business local exchange access service on December 31, 2013, was; Dewatto \$27.00, Prescott \$26.50, Roslyn \$24.00, and Uniontown \$25.00. The rates charged by the Company for single line business local exchange access service on December 31, 2013.
- 15. WAC 480-123-110(1)(h): The requested statement is attached as Exhibit 9.

16. All exhibits attached hereto are incorporated into this Petition as though fully set forth.

Respectfully submitted this 29th day of July, 2014.

Inland Telephone Company

By

James K. Brooks Treasurer/Controller

## **CERTIFICATION**

I James K. Brooks, an officer of Inland Telephone Company that is responsible for the Company's business and financial operations, hereby certify under penalty of perjury that the information and representations set forth in the Petition, above, are accurate and the Company has not knowingly withheld any information required to be provided to the Commission pursuant to the rules governing the Program.

James K. Brooks Treasurer/Controller

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