

**BEFORE THE  
WASHINGTON UTILITIES AND TRANSPORTATION  
COMMISSION**

**PETITION OF INLAND TELEPHONE COMPANY  
TO RECEIVE SUPPORT FROM THE STATE UNIVERSAL  
COMMUNICATIONS SERVICES PROGRAM**

**INLAND TELEPHONE COMPANY - SAC 522423  
DUE AUGUST 3, 2020**

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6 **BEFORE THE WASHINGTON**  
7 **UTILITIES AND TRANSPORTATION COMMISSION**

8 IN RE

9 PETITION OF INLAND TELEPHONE  
10 COMPANY TO RECEIVE SUPPORT  
11 FROM THE UNIVERSAL SERVICE  
12 COMMUNICATIONS PROGRAM

DOCKET NO.

PETITION FOR SUPPORT

13  
14 COMES NOW INLAND TELEPHONE COMPANY (*d/b/a* Inland Networks)(the  
15 "Company") and, pursuant to Chapter 480-123 of the Washington Administrative Code ("WAC"),  
16 including, but not limited to, WAC 480-123-110, hereby petitions the Washington Utilities and  
17 Transportation Commission (the "Commission") to receive support from the Universal Service  
18 Communications Program (the "Program") for the Program year 2021.

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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 fewer 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  
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26 PETITION OF INLAND TELEPHONE  
COMPANY TO RECEIVE SUPPORT FROM  
THE UNIVERSAL SERVICE  
COMMUNICATIONS PROGRAM - 1

1 the Federal Communications Commission.

2 3. WAC 480-123-100(1)(c): The Company offers basic residential and business exchange  
3 telecommunications services as set forth in WAC 480-120-021 and RCW 80.36.630.

4 4. WAC 480-123-100(1)(d): The Company has established a plan, as described in WAC 480-  
5 123-110, to provide, maintain or enhance broadband service (See II.4, below).

6 5. WAC 480-123-100(1)(e): The Company has been designated by the Commission as an  
7 eligible telecommunications carrier ("ETC") for purposes of receiving federal universal  
8 services support pursuant to 47 C.F.R. Part 54 Subpart D - Universal Service Support for  
9 High Cost Areas with respect to the service areas for which the Company is seeking  
10 Program support.

11  
12 **II. Demonstration of Eligibility under WAC 480-123-110**

13 1. WAC 480-123-110(1)(a): The name of the legal entity that provides communications  
14 services and is seeking Program support is as follows: Inland Telephone Company

15 2. WAC 480-123-110(1)(b): A corporate organization chart showing the relationship between  
16 the Company and affiliates as defined in RCW 80.16.010 is attached hereto as Exhibit 1. <sup>1</sup>  
17 A detailed description of any transactions between the Company and the affiliates named in  
18 Exhibit 1 recorded in the Company's operating accounts is attached hereto as Exhibit 2. <sup>2</sup>

19 3. WAC 480-123-110(1)(c): Service area maps for the Company can be found at Sheet Nos.  
20 501, 502, 503, and 504 of the Company's Tariff WN U-7.

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23 <sup>1</sup> Pursuant to agreement with Commission Staff, Exhibit 1 is limited to those affiliates having transactions  
with the Company that are to be identified in Exhibit 2.

24 <sup>2</sup> Pursuant to agreement with the Commission Staff, Exhibit 2 is limited to transactions other than  
25 employment compensation and benefits pursuant to employ benefit plans.


- 1 4. WAC 480-123-110(1)(d): The Company's broadband plan to provide, maintain, or enhance  
2 broadband services in its service area is attached hereto as Exhibit 3.
- 3 5. WAC 480-123-110(1)(f): A sworn statement by a Company officer certifying that the  
4 Company complies with state and federal accounting, cost allocation, and cost adjustment  
5 rules pertaining to incumbent local exchange carriers is attached as Exhibit 4.
- 6 6. WAC 480-123-110(1)(g): The number of residential local exchange access lines served by  
7 the Company as of December 31, 2019, was 1,619. The number of residential local  
8 exchange access lines served by the Company as of December 31, 2018, was 1,959. The  
9 number of business local exchange access lines served by the Company as of December 31,  
10 2019, was 439. The number of business local exchange access lines served by the Company  
11 as of December 31, 2018, was 446. The number of broadband connections served by the  
12 Company in its regulated service areas as of December 31, 2019, was 1,962. The number of  
13 broadband connections served by the Company in its regulated service areas as of December  
14 31, 2018, was 1,811. The unbundled monthly recurring rate charged by the Company for  
15 residential local exchange access service on December 31, 2019, was: Dewatto exchange -  
16 \$22.00; Prescott exchange - \$18.00; Roslyn exchange - \$18.00; and, Uniontown exchange -  
17 \$18.00. The unbundled monthly recurring rate charged by the Company for residential local  
18 exchange access service on December 31, 2018, was: Dewatto exchange - \$22.00; Prescott  
19 exchange - \$18.00; Roslyn exchange - \$18.00; and, Uniontown exchange - \$18.00. The  
20 unbundled monthly rate charged by the Company for single line business local exchange  
21 access service on December 31, 2019, was: Dewatto exchange - \$27.00; Prescott exchange -  
22 \$26.50; Roslyn exchange - \$24.00; and, Uniontown exchange - \$25.00. The  
23 unbundled monthly rate charged by the Company for single line business local exchange  
24 access service on December 31, 2018, was: Dewatto exchange - \$27.00; Prescott exchange -  
25

1 \$26.50; Roslyn exchange - \$24.00; and, Uniontown exchange - \$25.00. The unbundled  
2 monthly rate charged for broadband service as of December 31, 2019, and as of December  
3 31, 2018, is set out in the attached Exhibit 5.

- 4 7. WAC 480-123-110(1)(h): The requested statements are attached as Exhibit 6.
- 5 8. WAC 480-123-110(1)(h)(i): A sworn statement by a Company officer certifying that the  
6 Company is in compliance with the Federal Communications Commission's obligation for  
7 deployment of broadband at speeds specified by the Federal Communications Commission  
8 applicable to the Company and that the Company meets one of the eligibility criteria set out  
9 in WAC 480-123-110(1)(j)(ii), (iii) or (iv) is attached at Exhibit 7.
- 10 9. All exhibits attached hereto are incorporated into this Petition as though fully set forth.

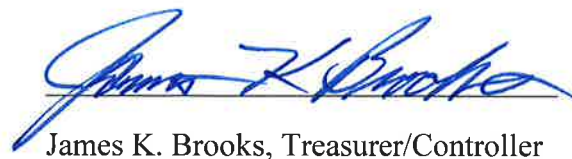
11  
12 Respectfully submitted this 22<sup>nd</sup> day of July, 2020.

13 INLAND TELEPHONE COMPANY

14 By   
15 James K. Brooks, Treasurer/Controller

16 **CERTIFICATION**

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

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23   
24 James K. Brooks, Treasurer/Controller

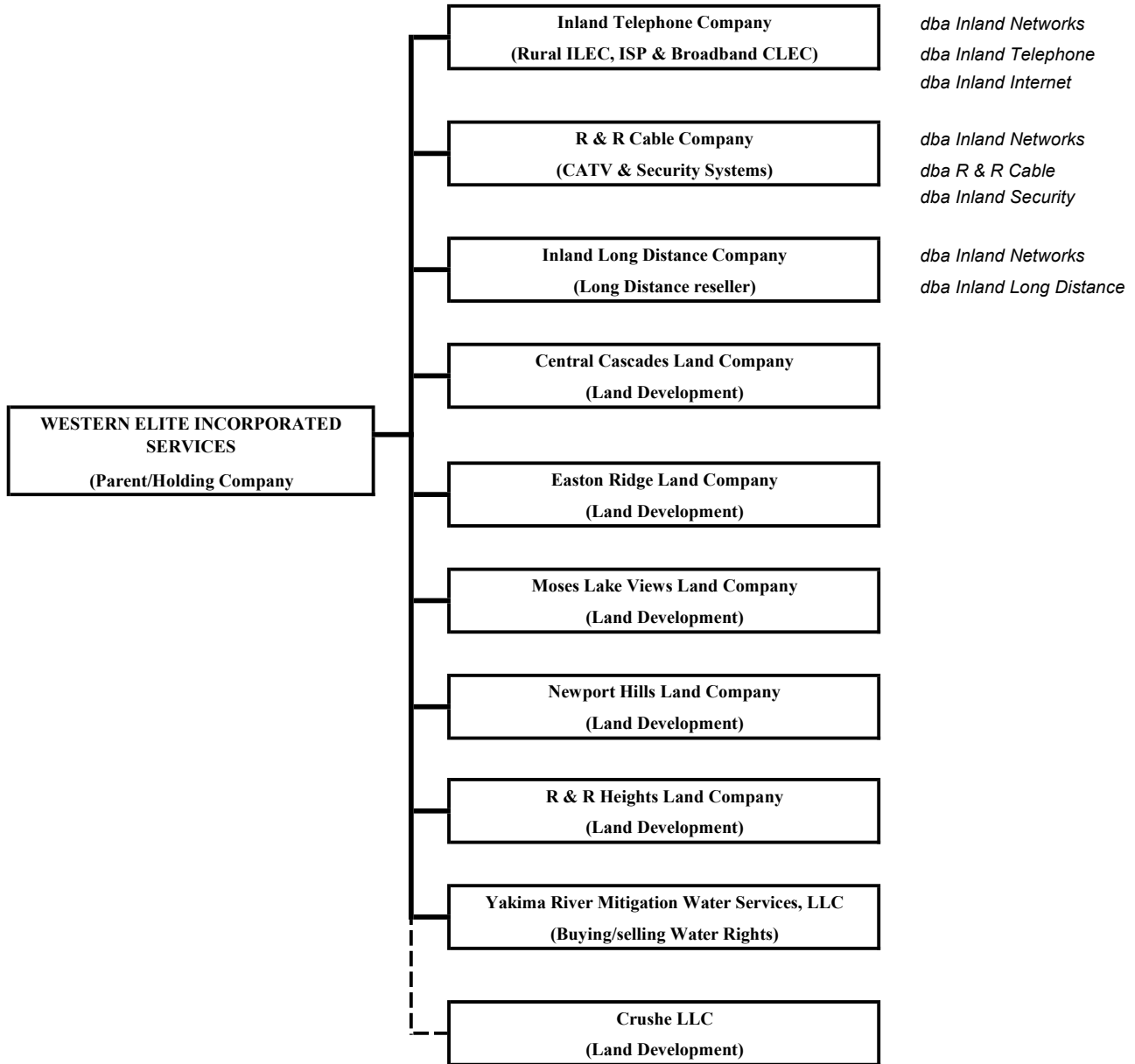
**EXHIBIT 1**

**CORPORATE STRUCTURE  
WAC 480-123-110(1)(b)**

**INLAND TELEPHONE COMPANY - SAC 522423**

EXHIBIT 1

CORPORATE ORGANIZATION CHART  
AS OF DECEMBER 31, 2019



NOTE: All of the entities shown above are wholly owned subsidiaries of Western Elite Incorporated Services and are either C-Corporations or limited liability companies. The members of Crushe LLC are also the shareholders of W.E.I.S.

**EXHIBIT 2**

**AFFILIATED TRANSACTIONS  
WAC 480-123-110(1)(b)**

**INLAND TELEPHONE COMPANY - SAC 522423**



## EXHIBIT 2

### AFFILIATED TRANSACTIONS

Other than the purchase of tariffed services at tariffed rates, Inland Telephone Company reports the following affiliate transactions for the year ended December 31, 2019:

**Shareholders** – There are shareholders holding five percent or more of the stock, directly or indirectly, of the Company who are also employees of the Company and receive from the Company employment compensation together with employment associated benefits in accordance with the benefits plan that governs all employees.

**Related Party Transactions:**

R & R Cable Company (“R & R”) –

- R & R paid Inland Telephone Company (“ITC”) for contracted services for managing R & R’s Internet service via cable modem outside of the ITC service area.
- ITC paid R & R for wholesale cable television service provisioned on ITC’s fiber-to-the-premise network.

**EXHIBIT 3**

**BROADBAND PLAN  
WAC 480-123-110(1)(d)**

**INLAND TELEPHONE COMPANY - SAC 522423**

## EXHIBIT 3

### BROADBAND PLAN

As they are known to the Company at the date of this Report, the following projects exist or are planned by Inland Telephone Company in order to further its broadband footprint. The “Current Projects” are those that the Company is presently working on completing; many have already been mentioned in previous filings (i.e. ETC Filing and SUSF Compliance).

#### **Current Projects:**

Roslyn Exchange – Although the Company completed construction under its Rural Utilities Service loan in 2016, the Company did not complete its planned fiber-to-the-premise (“FTTP”) and ended the project at the Kittitas County Fire District 7 station on Salmon La Sac road. Part of the decision in 2016, was based on the number of platted but unoccupied lots and the other was based on the mountainous rocky terrain. As of the date of this report, the estimated 3.5 mile main fiber build has started. When completed, the Company will have the ability of providing fiber service to an estimated 100+ homes/lots. The Company anticipates the build from the fire station through the area known as Anna Belle to be completed (main line and homes connected) by this fall and will conclude when it reaches the area known as Morgan Creek by the summer of 2021. Exhibit A – 1 and A – 2 attached hereto illustrates the main line path. Estimated cost of approximately \$350,000.

Uniontown Exchange – The FTTP construction started in November 2019; the Company is using a contractor to build the main line and installing conduit to the homes. The construction started in the town of Colton, targeting the customers that are served out of the carrier cabinet located at Colton. As of the date of this report, the Company has successfully tested the system and connectivity to the Colton build to a port on the Colton splitter cabinet; provisioned 100 Mbps upstream and 100 Mbps downstream with a solid connection. As of the date of this report, the Company has spent \$719,000 which includes the cost of the contractor, construction materials (fiber cable, conduit, fiber drop cable, and splitter cabinet), Adtran fiber transmission equipment, optical network terminals, and Company personnel time. The Company still has splicing to perform prior to Company personnel performing customer installs in the Colton area which the Uniontown Manager estimates the middle of August. The contractor will be working on Uniontown (all customers served directly out of the Uniontown central office); installing any main line fiber and conduit as well as conduit for drops while Company personnel are working in Colton. The Company does not anticipate the Uniontown/Colton areas to be fully completed (all homes and businesses fiber connected) until the summer of 2021 at an estimated cost for the Uniontown/Colton build of approximately \$1,200,000. The Company must still address the more rural customers (90) that are currently provided service by 11 VDSL cabinets. The Company did have some foresight when it built this portion of the network as it was built in a fiber ring configuration and we are confident that FTTP can be achieved in these areas using Company personnel at an estimated cost of approximately \$200,000. The Company does not have a timeframe for completion.

**Planned Projects:**

Prescott Exchange – Similar to the Uniontown build, the Company plans on first addressing those customers that are currently provided service from the Prescott central office. At this time, the Company plans on building FTTP. The Company will then address the more rural customers (33) that are currently provided service by 7 VDSL cabinets that are connected to the central office with fiber cable. The Company would be performing the construction and does not foresee the need to borrow funds for this project. The Company does not have a timeframe for completion and has estimated the project cost to be approximately \$600,000.

Dewatto Exchange – The Company currently has in place a fiber infrastructure connecting ADSL cabinets (6) to the Dewatto central office. However, the Company believes that in order to achieve FTTP, the Company will need to apply for another RUS loan as it estimates the cost to build to be approximately \$4,000,000. The Company does not have a timeframe for completion and is not planning on applying to the RUS until 2022.

Dated this 22<sup>nd</sup> day of July, 2020 at Roslyn, Washington.

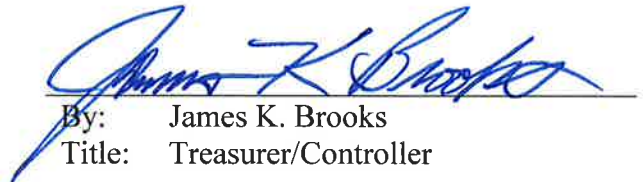
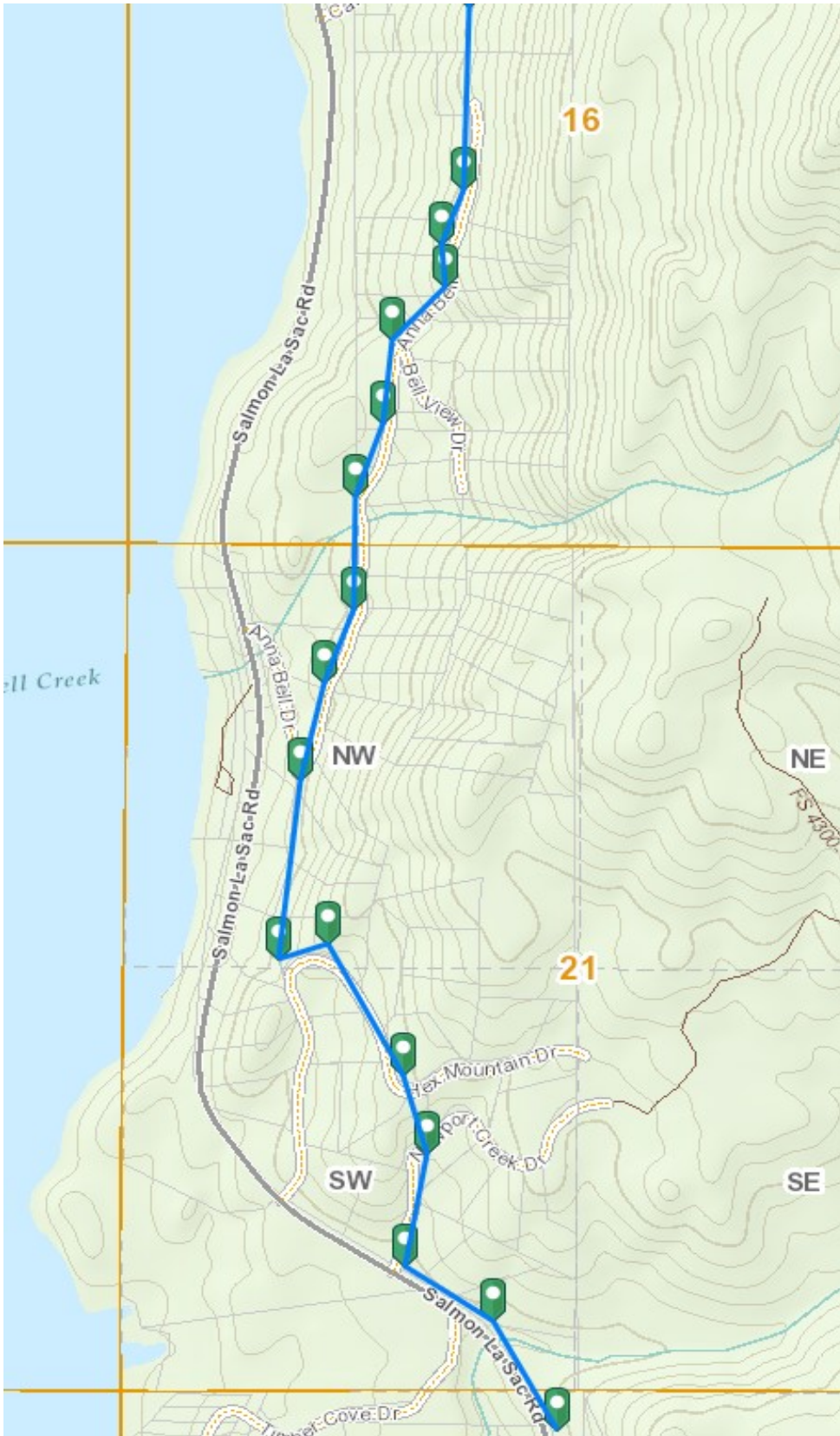
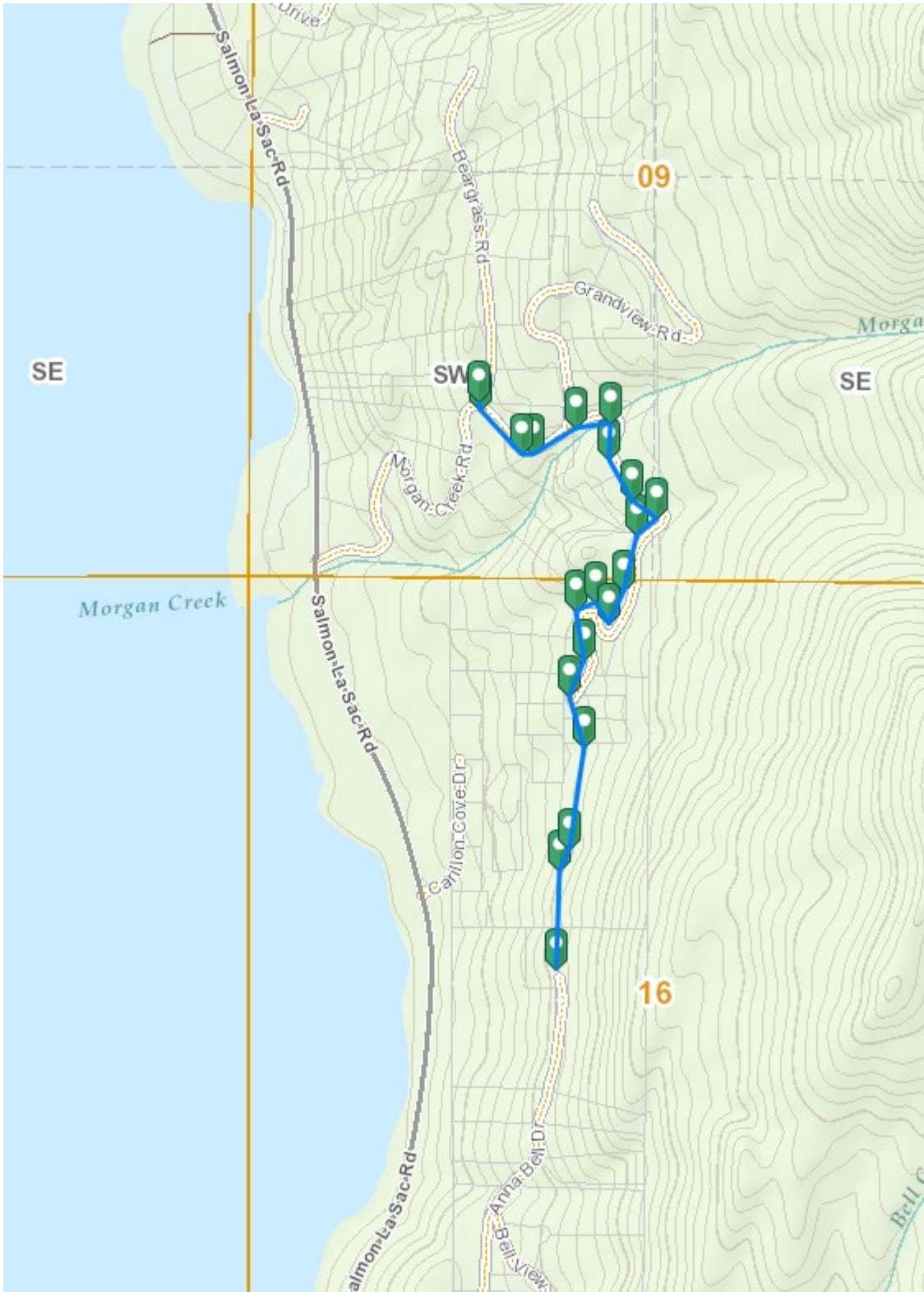
  
By: James K. Brooks  
Title: Treasurer/Controller

EXHIBIT A - 1 TO EXHIBIT 3



PETITION OF INLAND TELEPHONE COMPANY  
TO RECEIVE SUPPORT FROM THE STATE UNIVERSAL  
COMMUNICATIONS SERVICES PROGRAM

EXHIBIT A – 2 TO EXHIBIT 3



PETITION OF INLAND TELEPHONE COMPANY  
TO RECEIVE SUPPORT FROM THE STATE UNIVERSAL  
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**EXHIBIT 4**

**CERTIFICATION RELATED TO  
ACCOUNTING STANDARDS  
WAC 480-123-110(1)(f)**

**INLAND TELEPHONE COMPANY - SAC 522423**

**EXHIBIT 4**

**CERTIFICATION RELATING TO ACCOUNTING STANDARDS**

I, James K. Brooks, am an officer of Inland Telephone Company, (the Company as set out in the Petition to which this is an Exhibit). Thereby, I certify that the Company complies with state and federal accounting, cost allocation, and cost adjustment rules pertaining to an incumbent local exchange carrier for the period of time that the Company will receive support under the Petition to which this is an Exhibit.

This Certification is a sworn statement made under the penalty of perjury as set forth in RCW 9A.72.085 and is made this 22<sup>nd</sup> day of July, 2020.

  
By: James K. Brooks  
Title: Treasurer/Controller



**EXHIBIT 5**

**BROADBAND SERVICE RATES**

**WAC 480-123-110(1)(g)**

**INLAND TELEPHONE COMPANY - SAC 522423**

**EXHIBIT 5**

**UNBUNDLED MONTHLY BROADBAND SERVICE RATES  
(Rates without Telephone Service)**

<b>Exchange</b>	<b>Downstream Bandwidth</b>	<b>Upstream Bandwidth</b>	<b>Monthly Retail Advertised Rate*</b>
Dewatto	4 Mbps	1 Mbps	\$ 55.00
Dewatto	6 Mbps	1 Mbps	\$ 55.00
Dewatto	10 Mbps	1 Mbps	\$ 65.00
Prescott	4 Mbps	1 Mbps	\$ 55.00
Prescott	6 Mbps	1 Mbps	\$ 55.00
Prescott	10 Mbps	1 Mbps	\$ 65.00
Roslyn	6 Mbps	1 Mbps	\$ 55.00
Roslyn	10 Mbps	1 Mbps	\$ 65.00
Roslyn	15 Mbps	3 Mbps	\$ 75.00
Roslyn	50 Mbps	10 Mbps	\$ 85.00
Roslyn	100 Mbps	50 Mbps	\$ 95.00
Uniontown	6 Mbps	1 Mbps	\$ 55.00
Uniontown	10 Mbps	1 Mbps	\$ 65.00

\* This list only reflects rates that are advertised however, if a customer requests a non-advertised speed and the Company finds it to be feasible to provision the requested speed, the Company quotes a rate and if agreeable, proceeds with provisioning the service as requested. Except in the case of a facilities change (e.g. copper to fiber), the Company does not force customers from a speed no longer advertised; their monthly rate and service level is grandfathered until the customer wishes to change.

**EXHIBIT 6**

**CONTINUED OPERATIONS CERTIFICATE  
WAC 480-123-110(1)(h)**

**INLAND TELEPHONE COMPANY - SAC 522423**

**EXHIBIT 6**

**CONTINUED OPERATIONS CERTIFICATE**

I, James K. Brooks, an officer of Inland Telephone Company, under penalty of perjury, hereby certify that if the Company receives Program support, the Company will continue to provide communications services pursuant to its tariffs on file with the Commission throughout its service territory in Washington for which the company is seeking and receives Program support during the entirety of 2021.

Dated this 22<sup>nd</sup> day of July, 2020 at Roslyn, Washington.

  
By: James K. Brooks  
Title: Treasurer/Controller

**EXHIBIT 7**

**CERTIFICATION OF ELIGIBILITY  
WAC 480-123-110(1)(h)(i)**

**INLAND TELEPHONE COMPANY - SAC 522423**

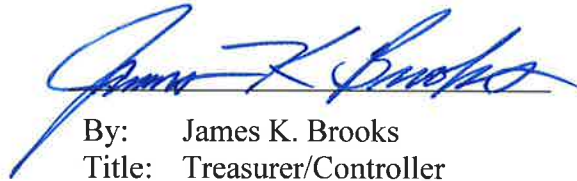
## EXHIBIT 7

### CERTIFICATION OF ELIGIBILITY

I, James K. Brooks, am an officer of Inland Telephone Company (the Company as set out in the Petition to which this is an Exhibit) and thereby certify that the Company is in compliance with the Federal Communications Commission's obligation for deployment of broadband at speeds specified by the Federal Communications Commission that apply to the Company.

Further, I certify that the Company is meeting the milestones set by the Federal Communications Commission's deployment obligations associated with federal high-cost program support – Alternative Connect America Cost Model II (ACAM II) as of the date of the Petition to which this is an Exhibit. Further, I certify that the Company commits to the deployment of broadband to the number of additional locations the Washington Utilities and Transportation Commission determined by order. As such, the Company meets the criterion set out in WAC 480-123-110(1)(j)(ii).

This Certification is a sworn statement made under the penalty of perjury as set forth in RCW 9A.72.085 and is made this 22<sup>nd</sup> day of July, 2020.



By: James K. Brooks  
Title: Treasurer/Controller