

1  
2  
3  
4  
5  
6 **BEFORE THE WASHINGTON**  
7 **UTILITIES AND TRANSPORTATION COMMISSION**

8 IN RE

9  
10 PETITION OF ST. JOHN TELEPHONE,  
11 INC. TO RECEIVE SUPPORT FROM THE  
12 STATE UNIVERSAL COMMUNICATIONS  
SERVICES PROGRAM

DOCKET NO.  
PETITION FOR SUPPORT

13 COMES NOW St. John Telephone, Inc. (the "Company") and, pursuant to Chapter 480-123  
14 of the Washington Administrative Code ("WAC") including, but not limited to, WAC 480-123-110,  
15 hereby petitions the Washington Utilities and Transportation Commission (the "Commission") to  
16 receive support from the State Universal Communications Services Program established in RCW  
17 80.36.650 (the "Program") for the Program year 2016.  
18

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).  
25  
26

- 1 3. WAC 480-123-100(1)(c): The Company offers basic residential and business exchange  
2 telecommunications services as set forth in WAC 480-120-021 and RCW 80.36.630.
- 3 4. WAC 480-123-100(1)(d): The Company's rates for residential local exchange service, plus  
4 mandatory extended area service charges, are no lower than the local urban rate floor  
5 established by the Commission as the benchmark rate based on the Federal Communications  
6 Commission's national local urban rate floor pursuant to 47 C.F.R. Sec. 54.318 in effect on  
7 the date of this Petition.
- 8 5. WAC 480-123-100(1)(e): The Company has been designated by the Commission as an  
9 eligible telecommunications carrier for purposes of receiving federal universal services  
10 support pursuant to 47 C.F.R. Part 54 Subpart D - Universal Service Support for High Cost  
11 Areas with respect to the service area for which the Company is seeking Program support.  
12

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

- 14 1. WAC 480-123-110(1)(a): The name of the legal entity that provides communications  
15 services and is seeking Program support is as follows: St. John Telephone, Inc.
- 16 2. WAC 480-123-110(1)(b): A corporate organization chart showing the relationship between  
17 the Company and all affiliates as defined in RCW 80.16.010 is attached hereto as Exhibit 1.  
18 A detailed description of any transactions between the Company and the affiliates named in  
19 Exhibit 1 recorded in the Company's operating accounts is attached hereto as Exhibit 2.
- 20 3. WAC 480-123-110(1)(c): A service area map for the Company can be found at Sheet No.  
21 20 of the Company's Tariff WN U-1.  
22  
23  
24  
25  
26

- 1 4. WAC 480-123-110(1)(d): A demonstration that the Company's customers are at risk of rate  
2 instability or service interruption or cessation in the absence of support from the Program is  
3 attached as Exhibit 3.
- 4 5. WAC 480-123-110(1)(e)(i): On the Commission's prescribed form, attached hereto as  
5 Exhibit 4, are copies of the Company's balance sheet as of December 31, 2014, and  
6 December 31, 2013, and copies of the Company's statements of income and retained  
7 earnings or margin for the years ended December 31, 2014 and December 31, 2013.
- 8 6. WAC 480-123-110(1)(e)(ii): A copy of the Company's consolidated annual financial  
9 statements for the years ended December 31, 2014 and December 31, 2013, is attached  
10 hereto as Exhibit 5.
- 11 7. WAC 480-123-110(1)(e)(iii): Information demonstrating the Company's earned rate of  
12 return on a total Washington unseparated regulated operations basis for each of the two prior  
13 years, calculated in the manner prescribed by the Commission, is provided in Exhibit 4  
14 hereto.
- 15 8. WAC 480-123-110(1)(e)(iv): Information demonstrating the Company's earned return on  
16 equity on a total company (regulated and non-regulated) Washington basis for each of the  
17 two prior years, calculated in the manner prescribed by the Commission, is provided in  
18 Exhibit 4 hereto.
- 19 9. WAC 480-123-110(1)(e)(v): Information detailing all of the Company's revenues from the  
20 statements of income and retained earnings or margin in the same format and detail as is  
21  
22  
23  
24  
25  
26

1 required to complete USDA-RUS Operating Report for the prior two years is presented on  
2 Exhibit 6 attached hereto.

3 10. WAC 480-123-110(1)(e)(vi): A statement under penalty of perjury from a Company officer  
4 with personal knowledge and responsibility certifying that no corporate operations  
5 adjustment to existing high-cost loop and interstate common line support mechanisms  
6 required by the Federal Communications Commission applied to the Company for the two  
7 prior years is attached hereto as Exhibit 7.  
8

9 11. WAC 480-123-110(1)(e)(vii): Exhibit 4 contains additional supporting information  
10 requested by the Commission.

11 12. WAC 480-123-110(1)(e)(viii): A statement under penalty of perjury from a Company  
12 officer with personal knowledge and responsibility certifying that the Company complies  
13 with state and federal accounting, cost allocation, and cost adjustment rules pertaining to  
14 incumbent local exchange companies is attached hereto as Exhibit 8.  
15

16 13. WAC 480-123-110(1)(f): A complete copy of the FCC Form 481 filed by the Company or  
17 on its behalf with the Federal Communications Commission for the calendar year preceding  
18 the current year has already been filed with the Commission. See the Company's filing in  
19 Docket No. UT-150063 filed on or about July 1, 2015.

20 14. WAC 480-123-110(1)(g): The number of residential local exchange access lines served by  
21 the Company as of December 31, 2014, was 412, all of which were within the geographic  
22 area for which the Company is seeking support. The number of residential local exchange  
23 access lines served by the Company as of December 31, 2013, was 431, all of which were  
24  
25  
26

1 within the geographic area for which the Company is seeking support. The number of  
2 business local exchange access lines served by the Company as of December 31, 2014, was  
3 137, all of which were within the geographic area for which the Company is seeking  
4 support. The number of business local exchange access lines served by the Company as of  
5 December 31, 2013, was 139, all of which were within the geographic area for which the  
6 Company is seeking support. The monthly recurring rate charged by the Company for  
7 residential local exchange access service on December 31, 2014, was \$16.00. The monthly  
8 recurring rate charged by the Company for residential local exchange access service on  
9 December 31, 2013, was \$14.00. The rate charged by the Company for single line business  
10 local exchange access service on December 31, 2014, was \$16.00. The rate charged by the  
11 Company for single line business local exchange access service on December 31, 2013, was  
12 \$16.00. (The Company has other business local exchange service rates, but the Company  
13 understands that WAC 480-123-110(1)(g) is requesting the single line business local  
14 exchange access service rate.)  
15

16  
17 15. WAC 480-123-110(1)(h): The requested statement is attached hereto as Exhibit 9.

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

19 Respectfully submitted this 29th day of July, 2015.

20 ST. JOHN TELEPHONE, INC.

21 CERTIFICATION

22 I, Greg Morasch, an officer of St. John Telephone, Inc. (the "Company") that is responsible  
23 for the Company's business and financial operations, hereby certify under penalty of perjury that the  
24 information and representations set forth in the Petition, above, are accurate and the Company has  
25  
26

1 not knowingly withheld any information required to be provided to the Commission pursuant to the  
2 rules governing the Program.

3 Dated at St. John, Washington this 29<sup>th</sup> day of July, 2015.

4 By: \_\_\_\_\_

5 Title: Greg Morasch, General Manager  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26