



August 9, 2005

Ms. Carole J. Washburn, Executive Secretary
 Washington Utilities and Transportation Commission
 1300 South Evergreen Park Drive SW
 Olympia, WA 98504-7250

Re: Docket No. UT-043067

Dear Ms. Washburn:

Pursuant to the requirements contained in the Commission's Order entered in Docket No. UT-043067, Hood Canal Telephone Company hereby submits the Affidavit concerning the offering of services and the use of funds under 47 C.F.R. §54.314. The purpose of this filing is to allow the Washington Utilities and Transportation Commission to certify to the Federal Communications Commission and the Universal Service Administrative Company that Hood Canal Telephone Company qualifies for continued receipt of federal support during 2006.

Copies of advertisements concerning the availability of supported services and Lifeline and Link Up are attached.

If there are any questions concerning the foregoing, please contact the undersigned.

Sincerely,

A handwritten signature in cursive script that reads "Richard F. Buechel".

RICHARD F. BUECHEL

Enclosures

cc: Betty Erdahl (WUTC Staff)
 Rick Finnigan



HOOD CANAL

COMMUNICATIONS

Hood Canal Communications has been the local telecommunications company serving the Union, Washington, area since 1934. Since its inception, the company has been dedicated to developing and operating a modern, state-of-the-art communications network that provides high quality customer services and products at reasonable rates.

The company has accomplished these objectives, notwithstanding the higher costs of serving rural areas in the State of Washington and when few, if any, other telephone companies were interested in serving our communities. It has served, and intends to continue to serve both residential and business customers in our service area with high quality telecommunications services at rates that are competitive and affordable.

In addition to our basic telephone services, Hood Canal Communications offers advanced telecommunications services to its rural communities, including Internet access, high speed data services, special calling features and voice mail service. Such basic services are comprised of several components, which at a minimum include:

Services Offered	Monthly Charge *	
Single-party, voice grade access to the public switched network, including an unlimited amount of local calling	Residence \$13.75 **/**	Business \$19.50 **
	Charge *	
Touch calling (dual tone multi-frequency signaling, or its functional equivalent)	There is no charge by Hood Canal Communications for this capability.	
Access to operator services	There is no additional charge by Hood Canal Communications to end user customers for the ability to call the operator. However, the call may involve a charge depending on the service requested and the rates of the company whose operator handled the call.	
Access to Emergency 911 service	There is no additional charge by Hood Canal Communications to end user customers for the ability to access Emergency 911 service.	
Access to Directory Assistance	There is no additional charge by Hood Canal Communications to end user customers for the ability to call Directory Assistance. However, the call may involve a Directory Assistance charge, the amount of which depends on the area called and the rates of the company whose operator provided the directory information.	
Access to interexchange (long distance) service provider(s)	There is no additional charge by Hood Canal Communications to end user customers for the ability to place and receive toll calls through long distance networks of long distance carriers that offer service through the company's local network. However, toll calls may involve a charge from the long distance carrier depending on the type of call.	
Toll limitation service for qualifying low-income customers	There is no additional charge by Hood Canal Communications to qualifying low-income customers for toll blocking service. Qualifying low-income customers are generally participating in the Lifeline program.	

- * The charges set forth are subject to change, and in some instances are subject to change without notice. Certain non-recurring charges may also apply to installation or change of service.
- ** In addition to these charges, a Federally-mandated end user surcharge and other Federal, state and county taxes and surcharges apply.
- *** Discounts off of this rate are available to qualifying low-income customers.
- **** State and county taxes apply (currently \$0.70 per line, per month) to fund the provision of this capability.

Hood Canal Communications participates in the Federal Lifeline and Link-Up Programs, as well as the Washington Telephone Assistance Program ("WTAP"). Under these programs, Hood Canal Communications offers to qualifying low-income customers a discount off the monthly rate for basic residential exchange service. Hood Canal Communications current discounted monthly rate for Lifeline residential service is \$8.00, while basic installation charges for such service may be paid through the Link-Up Program and WTAP.

These services are available to all qualifying customers of Hood Canal Communications. The charges associated with these services are reflected each month on the regular telephone bill along with other charges for services provided by the company. Other telecommunications services are available by contacting the Hood Canal Communications Business Office at (360) 898-2481 or 1-800-356-9989 if calling from outside the company's local calling area.

**AFFIDAVIT CERTIFYING USE OF FEDERAL
HIGH-COST UNIVERSAL SERVICE SUPPORT FUNDS**

I, Richard F. Buechel, being of lawful age and duly sworn, on oath state that I am President of Hood Canal Telephone Co., Inc. dba Hood Canal Communications, 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. 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 during the calendar year 2004, the Company provided the supported services required by 47 U.S.C. § 214(e) and described in the Commission Order granting the Company Eligible Telecommunications Carrier ("ETC") status;

(2) that during the 2004 calendar year, the Company advertised the availability of supported services and the charges for them as required by 47 U.S.C. § 214(e) and as described in the Commission Order granting the Company ETC status;

(3) that the Company is eligible to receive federal high-cost universal service support from the sources described in 47 C.F.R. § 54.314;

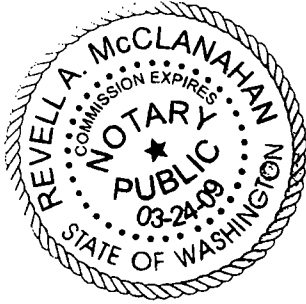
(4) that funds from the sources described in 47 C.F.R. § 54.314 received by the Company will be used only for the provision, maintenance, and upgrading of the facilities and services for which the support is intended;

(5) that the amount of federal high-cost universal service fund support received by the Company through September 2005 for the calendar year 2004 was \$697,812.00; and

(6) the loop counts on which federal high-cost universal service support received by the Company for the calendar year 2004 was based were as follows: for the first quarter of the calendar year 2004, 1503; for the second quarter of the calendar year 2004, 1492; for the third quarter of the calendar year 2004, 1464; and for the fourth quarter of the calendar year 2004, 1483.

[continued on page 2]

DATED this 10th day of August, 2005.



Hood Canal Telephone Co., Inc.
dba Hood Canal Communications

By: Richard F. Buechel

Its: President

SUBSCRIBED AND SWORN to before me this 10th day of August, 2005.

Revella A. McClanahan
Notary Public in and for the State of Washington,
residing at Union WA
My commission expires: 3-24-09