

100 CenturyLink Drive Monroe, La. 71203 Tel: 318-388-9000

July 26, 2013

Mr. Steven King
Executive Director
Washington Utilities and Transportation Commission
1300 S. Evergreen Park Drive SW
Olympia, Washington 98504
(360) 664-1160

Re:

2013 ETC Certification and Request for Certification Pursuant to WAC 480-123-060, WAC 480-123-070, WAC 480-13-080, and 47 C.F.R. §54.314.

Dear Mr. King:

Pursuant to WAC 480-123-060, CenturyTel of Cowiche, Inc. d/b/a CenturyLink ("Company") hereby requests that the Washington Utilities and Transportation Commission certify that the Company has met the requirements of 47 C.F.R. §54.314 for eligibility for continued receipt of federal high-cost funds. The certifications and reports that are specified in WAC 480-123-060, WAC 480-123-070 and WAC 480-123-080 are enclosed.

The Company also requests that the attachments entitled "CONFIDENTIAL EXHIBIT C", "CONFIDENTIAL EXHIBIT D", and "CONFIDENTIAL EXHIBIT E" be treated as confidential. The schedules contain information that is quite detailed as to type of equipment, location, and cost. Therefore, the Company claims that the information on the schedules is confidential under RCW 80.04.095 and WAC 480-07-160 in that it constitutes valuable commercial information in the form of network configuration, design, and financial information.

Should you have any questions, please contact Mark Reynolds at (206) 345-1568 or myself at (318) 362-1246.

Sincerely,

Amy Young

Senior Regulatory Analyst

CenturyLink

**Enclosures** 

## 2013 ELIGIBLE TELECOMMUNICATIONS CARRIER CERTIFICATION REPORT AS REQUIRED BY WAC 480-123-060, WAC 480-123-070, AND WAC 480-123-080 CENTURYTEL OF COWICHE, INC. D/B/A CENTURYLINK

CenturyTel of Cowiche, Inc. d/b/a CenturyLink (the "Company") hereby submits the following report in accordance with WAC 480-123-060, WAC 480-123-070, and WAC 480-123-080.

WAC 480-123-060(1): Each ETC seeking certification of the ETC's use of federal high-cost funds pursuant to 47 C.F.R. §§ 54.307, 54.313, or 54.314 must request certification by July 31 each year. The ETC must certify that it will use federal high-cost universal service fund support only for the provision, maintenance, and upgrading of the facilities and services for which the support is intended. The certification must be submitted by a company officer in the manner required by RCW 9A.72.085.

Response: Certification attached as Exhibit A.

WAC 480-123-060(2): The commission will certify an ETC's use of federal high-cost universal service fund support, pursuant to 47 C.F.R. §§ 54.307, 54.313, or 54.314 only if the ETC complies with the requirements in WAC 480-123-070, and the ETC demonstrates that it will use federal high-cost funds only for the provision, maintenance, and upgrading of facilities and services for which the support is intended through the requirements of WAC 480-123-080

Response: See responses to WAC 480-123-070 and WAC 480-123-080 below.

WAC 480-123-070 Annual certifications and reports.

Not later than July 31 of each year, every ETC that receives federal support from any category in the federal high-cost fund must certify or report as described in this section. The certifications and reports are for activity related to Washington State in the period January 1 through December 31 of the previous year. A company officer must submit the certifications in the manner required by RCW 9A.72.085.

- (1) Report on use of federal funds and benefits to customers.
- (a) For an ETC that receives support based only on factors other than the ETC's investment and expenses, the report must provide a substantive description of investments made and expenses paid with support from the federal high-cost fund.

For ETCs that receive any support based on the ETC's investment and expenses, the report must provide a substantive description of investment and expenses, such as the NECA-1 report, the ETC will report as the basis for support from the federal high-cost fund.

Response: Attached as Exhibit B is a copy of the Company's NECA-1 Report associated with the Company's operations in 2009. The plant investment and expense amounts listed on the report represent the basis for federal high cost funding support received in 2011. The attached report is also the basis of current support levels. Per FCC 11-161, the Connect America Fund order, current universal service funding levels are frozen based on the amount of support that was received by each company in 2011. Additionally, attached as Confidential Exhibit C is a Company report labeled USF 1010, showing the same type of information as the NECA-1 report. This report reflects the Company's continued operations in 2012. Confidential Exhibit C contains confidential financial information as recognized under RCW 80.04.095. Therefore the schedule is being submitted as a CONFIDENTIAL document under WAC 480-07-160 and RCW 80.04.095.

(b) Every ETC must provide a substantive description of the benefits to consumers that resulted from the investments and expenses reported pursuant to (a) of this subsection.

Response: The Company reports that the investment in plant and the expenses reported in Exhibit B and Confidential Exhibit C submitted herewith provide very direct and substantial benefits to consumers. Over the years the Company has invested millions of dollars in building, maintaining, and operating a telecommunications network in the state of Washington. It is the growth, enhancement, and continued viability of this network that give consumers in the Company's service territory access to services that are vital in meeting their telecommunications needs. The expenditures reflected in the Company's exhibits have allowed the Company to provide services that meet the expectations addressed in 47 U.S.C. 254 for consumers in the service area for which the Company is designated as an Eligible Telecommunication Carrier.

The expenditures reflected in Exhibit B and Confidential Exhibit C were directed to assuring that the network is positioned to meet the ever increasing needs and expectations of consumers. The company's expenditures included projects to increase network capacity. (1) For example, projects that added fiber or cable to the network increased the network's capacity. Consumers benefit from increased capacity in that it allows additional consumers to join or access the network, allows additional services to be offered over the network, and reduces the likelihood that calls will be blocked.

Company expenditures have also gone to maintaining and increasing network reliability. Ability to access the network during periods of power outages clearly benefits the health and safety of consumers. Network reliability also benefits consumers by generally increasing the overall quality of service.

(2) Local service outage report. ETCs not subject to WAC 480-120-412 and 480-120-439(5) are required to report local service outages pursuant to this subsection. The report must include detailed information on every local service outage thirty minutes or longer

<sup>&</sup>lt;sup>1</sup> Exhibit B and Confidential Exhibit C do not identify expenditures at the project level. The projects underlying the expenditures on these reports would tend to be very similar to those identified in response to WAC 480-123-080 (1) (b) which does identify certain planned expenditures at the project level.

in duration experienced by the ETC. The report must include:

- (a) The date and time of onset and duration of the outage;
- (b) A brief description of the outage and its resolution;
- (c) The particular services affected, including whether a public safety answering point (PSAP) was affected;
- (d) The geographic areas affected by the outage;
- (e) Steps taken to prevent a similar situation in the future; and
- (f) The estimated number of customers affected.

**Response:** The Company is exempt from this requirement as it is subject to WAC 480-120-412 and WAC 480-120-439(5).

(3) Report on failure to provide service. ETCs not subject to WAC 480-120-439 are required to report failures to provide service pursuant to this subsection. The report must include detailed information on the number of requests for service from applicants within its designated service areas that were unfulfilled for the reporting period. The ETC must also describe in detail how it attempted to provide service to those applicants.

**Response:** The Company is exempt from this requirement as it is subject to WAC 480-120-439(5).

(4) Report on complaints per one thousand handsets or lines. The report must provide separate totals for the number of complaints that the ETC's customers made to the Federal Communications Commission, or the consumer protection division of the office of the attorney general of Washington. The report must also generally describe the nature of the complaints and outcome of the carrier's efforts to resolve the complaints.

**Response:** The Company reports that there were no complaints during calendar year 2012 to the Federal Communications Commission or to the Consumer Protection Division of the Office of the Attorney General of the State of Washington.

(5) Certification of compliance with applicable service quality standards. Certify that it met substantially the applicable service quality standard found in WAC 480-123-030 (1)(h).

Response: Certification attached as Exhibit A.

(6) Certification of ability to function in emergency situations. Certify that it had the ability to function in emergency situations based on continued adherence to the standards found in WAC 480-123-030 (1)(g).

Response: Certification attached as Exhibit A.

(7) Advertising certification, including advertisement on Indian reservations. Certify it has publicized the availability of its applicable telephone assistance programs, such as Lifeline, in a manner reasonably designed to reach those likely to qualify for service, including residents of federally recognized Indian reservations within the ETC's designated service area. Such publicity should include advertisements likely to reach those who are not current customers of the ETC within its designated service area.

Response: Certification attached as Exhibit A.

WAC 480-123-080 Annual plan for universal service support expenditures.

- (1) Not later than July 31 of each year, every ETC that receives federal support from any category in the federal high-cost fund must report on:
- (a) The planned use of federal support related to Washington state that will be received during the period October 1 of the current year through the following September; or
- (b) The planned investment and expenses related to Washington state which the ETC expects to use as the basis to request federal support from any category in the federal high-cost fund.

Response: The Company submits herewith Confidential Exhibit D. The schedule is not all-inclusive of the Company's planned capital expenditures but does list some of the more significant projects the Company is undertaking in 2013. The exhibit also includes a 2014 plan. The exhibit is quite detailed with regard to equipment, location, and cost and therefore constitutes valuable commercial information in the form of network configuration and design information as recognized under RCW 80.04.095. Therefore the schedule is being submitted as a CONFIDENTIAL document under WAC 480-07-160 and RCW 80.04.095. The Company also expects to incur expenses associated with maintaining and operating its network in the state of Washington at a level that will be similar to the expenses indicated on Exhibit B and Confidential Exhibit C submitted in response to WAC 480-123-070(1)(a). The Company also submits Confidential Exhibit E. The exhibit describes the status of construction projects during 2012 and is being submitted as a CONFIDENTIAL document under WAC 480-07-160 and RCW 80.04.095.

(2) The report must include a substantive plan of the investments and expenditures to be made with federal support and a substantive description of how those investments and expenditures will benefit customers.

**Response:** The Company states that federal support will be used only for the provision, maintenance, and upgrading of the facilities and services for which the support is intended under 47 U.S.C. 254. The federal support will be used to fund operation of, and

improvements to, the network, including some of the various projects included in Confidential Exhibit D as well as expenses at a level similar to that indicated in Exhibit B and Confidential Exhibit C submitted in response to WAC 480-123-070(1)(a). The Company's use of federal support in this manner will benefit consumers. As discussed previously in this report, these types of expenditures will serve to sustain and improve network capacity and reliability. This network capacity and reliability is essential to providing the level of service anticipated in 47 U.S.C. 254 and therefore benefits consumers.

For more specific consumer benefits associated with planned expenditures, the Company incorporates by reference the column of the Confidential Exhibit D schedule that is entitled "Narrative." The narrative for each project on the schedule identifies specific improvements that will benefit consumers in specific areas.

(3) As part of the filing required by this section to be submitted in 2007, and at least once every three years thereafter, a wireless ETC must submit a map in .shp format that shows the general location where it provides commercial mobile radio service signals.

Response: This is not applicable to the Company, as it is not a wireless ETC.

### EXHIBIT A

#### AFFIDAVIT CONTAINING CERTIFICATIONS AS REQUIRED BY WAC 480-123-060 AND WAC 480-123-070

I, David D. Cole, being of lawful age and duly sworn, on my oath state that I am Senior Vice President and Controller for CenturyLink, Inc. and an officer of CenturyTel of Cowiche, Inc. d/b/a CenturyLink ("Company"), that I am authorized to execute this affidavit on behalf of the Company, and that the facts set forth in this affidavit and the accompanying reports are true to the best of my knowledge, information, and belief. On this basis, 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:

- That any federal high-cost universal service fund support received by the Company (1)within Washington was used in the preceding calendar year and will be used in the coming calendar year only for the provision, maintenance, and upgrading of facilities and services for which the support is intended;
- That during the 2012 calendar year, the Company met the applicable service quality standard found in WAC 480-123-030(1)(h);
- That during the 2012 calendar year, the Company maintained the ability to function in emergency situations under the standard found in WAC 480-123-030(1)(g), as such standard relates to functionality of wire line carriers in emergency situations; and
- That during the 2012 calendar year, the Company publicized the availability of its applicable telephone assistance programs in a manner reasonably designed to reach those likely to qualify for service, including residents of any federally recognized Indian Reservations within the Company's service territory and, in a manner which, in the Company's judgment, included advertisements likely to reach those who are not current customers of the Company within the Company's designated service area.

I certify under penalty of perjury under the laws of the State of Washington that the foregoing is true and correct.

FURTHER AFFIANT SAYETH NOT.

Dated this 26 day of July, 2013

Company: CenturyTel of Cowiche, Inc. d/b/a CenturyLink

David D. Cole. Senior Vice President and Controller

Subscribed to and sworn before me this do day of July, 2013 in Monroe, Louisiana.

Notary Public

Printed Name of Notary

My Commission Expires:

TERRI GUICE STATE OF LOUISIANA Union Parish Louisiana Bar Roll No. 8622

My Commission Expires at Death

### EXHIBIT B



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#### **USF1010 ERROR REPORT**

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SOUTHERN Year End Reg: 12/2010 Applies to Period: 000021047 Marilyn Stewart MSM: Donnie Aultman Contact Name: CenturyTel, Inc. dba CenturyLink 00: 200000016 (318)-388-9497 Ext: Contact Phone: CenturyTel, Inc. dba CenturyLink Co: 300000440 Not Released Release Status: CENTURYTEL-COWICHE Failed Edit SAR: 522410 Soft Edit Status: Pending View Message Description 1,781 Total Loops 060 1,761 Cat. 1.3 Loops 070 7,776,167 Account 2001 160 2,424 Account 1220 170 6,502,713 Account 3100 190 0 Account 3400 195 212,091 Account 4340 210 Net Plant Investment 1,063,787 220 2,163,862 Account 2210 230 0 235 Account 2220 1,052,466 Account 2230 240 3,216,328 Total Central Office 245 532,946 Ckt Equip Cat 4.13 250 3,964,969 255 Account 2410 2,068,934 Account 3100 (2210) 260 . 0 Account 3100 (2220) 265 768,711 Account 3100 (2230) 270 2,837,645 Account 3100 (2210-2230) 275 3,221,868 Account 3100 (2410) 280 59,018 Account 4340 (2210) 310 0 Account 4340 (2220) 315 28,705 320 Account 4340 (2230) 87,723 Account 4340 (2210-2230) 325 108,143 Account 4340 (2410) 330 Account 6110 Total 1,367 335 177 Account 6110 Benefits 340 15 345 Account 6110 Rents 39,895 Account 6120 Total 350 1,326 Account 6120 Benefits 355 Account 6120 Rents 4,295 360 154,087 Account 6210 Total 365 35,780 370 Account 6210 Benefits 1,983 Account 6210 Rents 375 0 380 Account 6220 Total 0 Account 6220 Benefits 385 0 Account 6220 Rents 390 31,292 Account 6230 Total 395 264 400 Account 6230 Benefits 4,036 Account 6230 Rents 405 185,379 410 Account 6210-6230 143,027 430 Account 6410 Total 19,776 435 Account 6410 Benefits 58,098 Account 6410 Rents 440 369,668 445 Total Plant Specific 89,089 450 Account 6530 Total 10.424 Account 6530 Benefits 455 12,803 510 Account 6560 (2210)

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#### **USF1010 ERROR REPORT**

7/1/2011 12:05:37 pm Page 2 of 2

Applies to Period: Contact Name: Contact Phone: Release Status: Soft Edit Status:	Year End 12/2010 Donnie Aultman (318)-388-9497 Ext: Not Released Failed Edit	Reg: MSM: OO: Co: SAR:	2 000021047 200000016 300000440 522410	SOUTHERN Marilyn Stewart CenturyTel, Inc. dba Century CenturyTel, Inc. dba Century CENTURYTEL-COWICHE		2
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## CONFIDENTIAL EXHIBIT C

#### USF1010

#### Study Area: CenturyTel of Cowiche

(SAC 522410)

#### Year End 12/31/2012

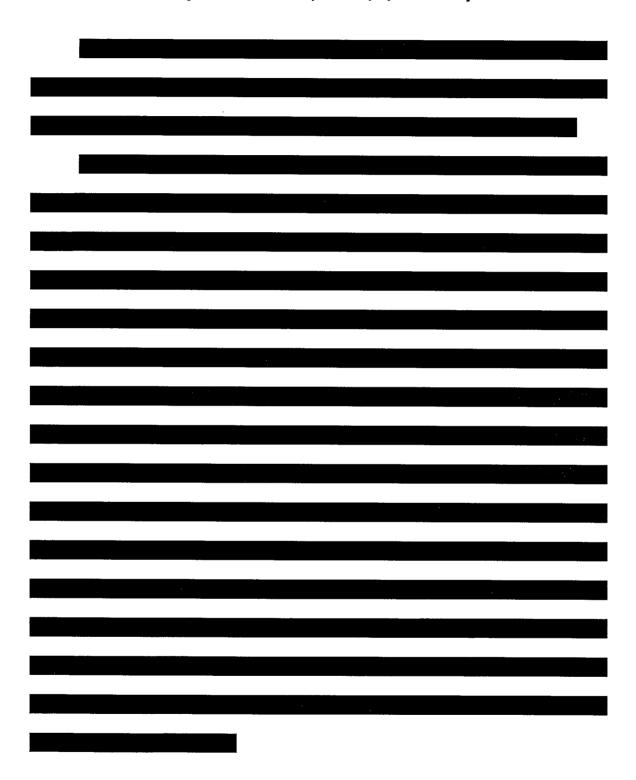
Description		
(060)	Total Loops	
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(160)	a. Acct 2001	
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(240)	c. Acct 2230	
(245)	d. Total Central Office	
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(280)	k. Acct 3100(2410)	
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(315) (320)	r. Acct 4340(2220) s. Acct 4340(2230)	
(325)	t. Acct 4340(2210-2230)	
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(335)	a. Acct 6110	
(340)	b. Acct 6110 (benefits)	
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(355) (360)	e. Acct 6120 (benefits) f. Acct 6120 (rents)	
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(810)	Acct. 2680 (Cat. 4.13) COE Trans	
(815)	Acct. 2680 (2410) Total CWF	
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(830)	Acct. 6560 (2680) Dep & Amort	
	Control Total	

# CONFIDENTIAL EXHIBIT D

### CenturyLink 2013 Planned Investments WAC 480-123-080 (1)(B) CenturyTel of Cowiche, Inc. d/b/a CenturyLink

NARRATIVE	Budget	ESTIMATED START DATE	ESTIMATED END DATE

#### CenturyLink 2014 Planned Investments WAC 480-123-080 (1)(B) CenturyTel of Cowiche, Inc. d/b/a CenturyLink



#### CenturyLink 2014 Planned Investments WAC 480-123-080 (1)(B) CenturyTel of Cowiche, Inc. d/b/a CenturyLink

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## CONFIDENTIAL EXHIBIT E

## CenturyLink 2012 Planned Investments Progress Report WAC 480-123-080 (1)(B) CenturyTel of Cowiche, Inc. d/b/a CenturyLink

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