



Service Since 1913

July 17, 2014

P. O. Box 268
St. John, Washington 99171
(509) 648-3322
FAX 648-9900

Mr. Steven King, Executive Director and Secretary
Washington Utilities and Transportation Commission
1300 South Evergreen Park Drive SW
Olympia, WA 98504-7250

Re: Eligible Telecommunications Carriers' Annual Certification on High Cost
Fund Pursuant to WAC 480-123-060, 070, 080 and 47 C.F.R. §54.314

Dear Mr. King:

Pursuant to WAC 480-123-060, St John Co-operative Telephone and Telegraph Company ("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 attached and will be filed electronically. Report 1 is filed on a confidential basis pursuant to WAC 480-07-160 because it contains company-specific proprietary financial data. Please note both confidential and redacted versions of the report are attached.

For the Commission's information, in addition to the Lifeline advertisement covered in the enclosed certification, St. John Co-operative Telephone and Telegraph Company posts the Lifeline/WTAP information in its St. John business office, lists the Lifeline/WTAP services available in the Company's phone book and provides the Lifeline/WTAP information to all new customers at the time the customer subscribes for telephone service. Also, the Company experienced no major outages for 2013 and had no requests for service from applicants within the Company's designated service area that were unfilled for the calendar year 2013.

Sincerely,

A handwritten signature in black ink that reads "Greg Morasch".

Greg Morasch
General Manager

Enclosures

OFFICERS

Patrick Gordon • *President*
Mac W. Mills • *Vice President*
Jerry Schauble • *Secretary*

DIRECTORS

Paul Heglar
Gary Bailey

**AFFIDAVIT CONTAINING CERTIFICATIONS
PURSUANT TO WAC 480-123-060 AND WAC 480-123-070**

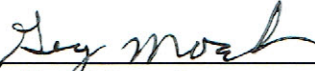
I, Greg Morasch, being of lawful age, state that I am the General Manager of St. John Co-operative Telephone and Telegraph Company ("Company"), that I am authorized to execute this Affidavit on behalf of the Company, and that the facts set forth in this Affidavit are true to the best of my knowledge, information and belief. 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:

- (1) That the Company 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;
- (2) That during the 2013 calendar year, the Company met substantially the applicable service quality standard found in WAC 480-123-030(1)(h);
- (3) That during the 2013 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 wireline carriers in emergency situations; and
- (4) That during the 2013 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 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.

Dated this 17 day of July 2014, at St. John, Washington.

Company: St. John Co-operative Telephone and Telegraph Company

By: 
Greg Morasch

Its: General Manager

**REPORTS AS REFERENCED IN WAC 480-123-070
AND WAC 480-123-080**

St. John Co-operative Telephone and Telegraph Company (the "Company") hereby submits the following reports in accordance with WAC 480-123-070 and WAC 480-123-080.¹

Report 1: WAC 480-123-070(1)(a): Attached is a copy of the Company's NECA-1 Reports for the calendar years 2013 and 2012, that, as of the date of the reports, the Company has reported as the basis for support from the federal high-cost fund.

Report 2: WAC 480-123-070(1)(b): The Company reports that the investments and expenses reported under Report 1, above, benefited customers as follows:

Through the expenditure of these funds, the Company was able to continue to provide services at a level that the Company believes meets the intent set forth in 47 U.S.C. §254 of providing quality telecommunications services to customers in the service area for which the Company is designated as an ETC.² The Company has made substantial investments over the past several years which allow it to provide quality telecommunications services to its customers in its designated ETC service area. Those expenditures and investments, including those reflected in Report 1 above; generally benefit all customers receiving the federal high-cost fund supported services from the Company within its designated ETC service area. The Company has expanded its network over the past several years so that it is capable of providing access to broadband services throughout all of the Company's designated ETC service area. The Company offers services that are comparable to services offered in urban areas at rates that are comparable to rates for such services in urban areas.

Report 3: WAC 480-123-070(4): The Company reports that during the calendar year 2013, the Company did not receive from either the Federal Communications Commission or the Consumer Protection Division of the Office of the Attorney General of the State of Washington any complaints against the Company made by the Company's customers.

Report 4: WAC 480-123-080(1)(b): The Company reports as follows:

As they are known to the Company at the date of this Report, the planned investment and expenses related to Washington state for the period January 1, 2014, through December 31, 2014, that the Company expects to use as a basis to request federal high-cost support are expected to be approximately the same due to those investments and expenses the Company has set forth in its information filed under Report 1, above, taking in account

¹ It is the Company's understanding that it is not required to submit the reports described in WAC 480-123-070(2) and (3).

² The term "ETC" is used in the same sense as the term is used in Chapter 480-123 WAC.

normal fluctuations in investment and expense levels. The Company expects that levels of expenses will remain relatively the same as those it experienced in calendar year 2013, subject to the effects of inflation, other commonly experienced changes in cost of labor and materials, and depreciation on investment placed in service. The Company does not anticipate major adjustments in staffing levels for the relevant period. The Company's investment plans directly affecting federal high-cost supported services offered by it in its designated ETC service area do not include a major construction project at the present time. The Company expects that it have a similar level of investment related to maintenance, replacement and minor upgrades of equipment and plant as occurred in calendar year 2013.

Report 5: WAC 480-123-080(1)(a) and WAC 480-123-080(2): The Company reports as follows:

As they are known to the Company at the date of this Report, the planned investment and expenses related to Washington state for the period January 1, 2015, through December 31, 2015, that the Company expects to use as a basis to request federal high-cost support are expected to be relatively the same as those investments and expenses the Company has set forth in its information filed under Report 1, above, taking into account normal fluctuations in investment and expense levels. The Company expects that levels of expenses will remain relatively the same as those it experienced in calendar year 2013, subject to the effects of inflation and other commonly experienced changes in cost of labor and materials. The Company does not anticipate major adjustments in staffing levels for the relevant period. The Company's investment plans directly affecting federal high-cost supported services offered by it in its designated ETC service area do not include a major construction project at the present time. The Company's budgeted 2015 investment and expenses are expected to be relatively the same as those investments and expenses the Company has set forth in its information filed under Report 1, above, taking into account normal fluctuations in investment and expense levels. The Company expects that the continued receipt of federal high-cost support will aide the Company's efforts to continue to provide the supported services at rates that are comparable to the rates for such services in urban areas. However, the Company projects that with reductions in intercarrier compensation and associated federal support, those efforts will need to be supplemented by support from the state universal service fund for the Company to be able to continue to maintain reasonable comparable rates. All customers in the Company's designated ETC service area will benefit from the expected level of support and other factors, such as support from the state fund, continuing to aide efforts to have available to the customer services that are comparable to the telecommunications services offered in urban areas at rates that are comparable to the rates for such services in urban areas.



USF1010 PENDING VIEW REPORT

Applies to Period:	Year End 12/2013	Reg: 6	WESTERN	Subset 3
Contact Name:	Gregory W. Morasch	MSM: 020007494	Melody Crane	
Contact Phone:	(509)-648-3322 Ext:	OO: *****		
Release Status:	Released	Co: 000002442	St. John Tel. Co.	
Soft Edit Status:	Failed Edit	SAR: 522442	ST JOHN TEL CO	

Description	Pending View	Source
060 Total Loops		EC
070 Cat. 1.3 Loops		EC
160 Account 2001		EC
170 Account 1220		EC
190 Account 3100		EC
195 Account 3400		EC
210 Account 4340		EC
220 Net Plant Investment		EC
230 Account 2210		EC
235 Account 2220		EC
240 Account 2230		EC
245 Total Central Office		EC
250 Ckt Equip Cat 4.13		EC
255 Account 2410		EC
260 Account 3100 (2210)		EC
265 Account 3100 (2220)		EC
270 Account 3100 (2230)		EC
275 Account 3100 (2210-2230)		EC
280 Account 3100 (2410)		EC
310 Account 4340 (2210)		EC
315 Account 4340 (2220)		EC
320 Account 4340 (2230)		EC
325 Account 4340 (2210-2230)		EC
330 Account 4340 (2410)		EC
335 Account 6110 Total		EC
340 Account 6110 Benefits		EC
345 Account 6110 Rents		EC
350 Account 6120 Total		EC
355 Account 6120 Benefits		EC
360 Account 6120 Rents		EC
365 Account 6210 Total		EC
370 Account 6210 Benefits		EC
375 Account 6210 Rents		EC
380 Account 6220 Total		EC
385 Account 6220 Benefits		EC
390 Account 6220 Rents		EC
395 Account 6230 Total		EC
400 Account 6230 Benefits		EC
405 Account 6230 Rents		EC
410 Account 6210-6230		EC
430 Account 6410 Total		EC
435 Account 6410 Benefits		EC
440 Account 6410 Rents		EC
445 Total Plant Specific		EC
450 Account 6530 Total		EC
455 Account 6530 Benefits		EC
510 Account 6560 (2210)		EC
515 Account 6560 (2220)		EC
520 Account 6560 (2230)		EC

REDACTED



USF1010 PENDING VIEW REPORT

Applies to Period:	Year End 12/2013	Reg: 6	WESTERN	Subset 3
Contact Name:	Gregory W. Morasch	MSM: 020007494	Melody Crane	
Contact Phone:	(509)-648-3322 Ext:	OO: *****		
Release Status:	Released	Co: 000002442	St. John Tel. Co.	
Soft Edit Status:	Failed Edit	SAR: 522442	ST JOHN TEL CO	

Description	Pending View	Source
525 Account 6560 (2210-2230)		EC
530 Account 6560 (2410)		EC
535 Account 6710 Total		EC
540 Account 6710 Benefits		EC
550 Account 6720 Total		EC
555 Account 6720 Benefits		EC
565 Sum of Lines 535 + 550		EC
600 Ben. Por. of all Op. Exp.		EC
610 Rent Por. of all Op. Exp.		EC
650 Account 7200 Other Taxes		EC
700 2410 (C S Total CWF - AV)		EC
710 2410 (C S CWF - Cat.1)		EC
800 Account 2680 Total		EC
805 Account 2680 (2230)		EC
810 Account 2680 (Cat. 4.13)		EC
815 Acc 2680 (2410) Total CWF		EC
820 Acc 2680 (2410)CWF-Cat1		EC
830 Account 6560 (2680)		EC

Comments:

Date: 6/4/2014

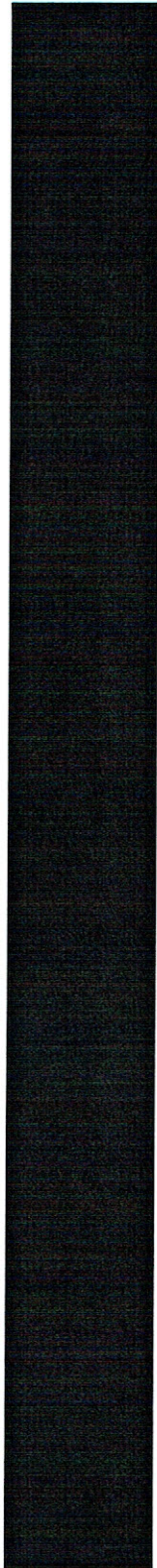
- Line 700 Average Cable & Wire Facilities of [REDACTED] is higher than line 255
 Yearend Cable & Wire Facilities of [REDACTED] by [REDACTED] due to prior year balance of Cable & Wire
 Facilities being higher then current year in the amount of [REDACTED].



Applies to Period:	Year End 12/2012	Reg: 6	WESTERN	Subset 3
Contact Name:	Gregory W. Morasch	MSM: 020007494	Melody Crane	
Contact Phone:	(509)-648-3322 Ext:	OO: *****		
Release Status:	Released	Co: 000002442	St. John Tel. Co.	
Soft Edit Status:	Failed Edit	SAR: 522442	ST JOHN TEL CO	

Description	Official View
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- 060 Total Loops
- 070 Cat. 1.3 Loops
- 160 Account 2001
- 170 Account 1220
- 190 Account 3100
- 195 Account 3400
- 210 Account 4340
- 220 Net Plant Investment
- 230 Account 2210
- 235 Account 2220
- 240 Account 2230
- 245 Total Central Office
- 250 Ckt Equip Cat 4.13
- 255 Account 2410
- 260 Account 3100 (2210)
- 265 Account 3100 (2220)
- 270 Account 3100 (2230)
- 275 Account 3100 (2210-2230)
- 280 Account 3100 (2410)
- 310 Account 4340 (2210)
- 315 Account 4340 (2220)
- 320 Account 4340 (2230)
- 325 Account 4340 (2210-2230)
- 330 Account 4340 (2410)
- 335 Account 6110 Total
- 340 Account 6110 Benefits
- 345 Account 6110 Rents
- 350 Account 6120 Total
- 355 Account 6120 Benefits
- 360 Account 6120 Rents
- 365 Account 6210 Total
- 370 Account 6210 Benefits
- 375 Account 6210 Rents
- 380 Account 6220 Total
- 385 Account 6220 Benefits
- 390 Account 6220 Rents
- 395 Account 6230 Total
- 400 Account 6230 Benefits
- 405 Account 6230 Rents
- 410 Account 6210-6230
- 430 Account 6410 Total
- 435 Account 6410 Benefits
- 440 Account 6410 Rents
- 445 Total Plant Specific
- 450 Account 6530 Total
- 455 Account 6530 Benefits
- 510 Account 6560 (2210)
- 515 Account 6560 (2220)
- 520 Account 6560 (2230)



REDACTED



USF1010 OFFICIAL VIEW REPORT

Applies to Period:	Year End 12/2012	Reg: 6	WESTERN	Subset 3
Contact Name:	Gregory W. Morasch	MSM: 020007494	Melody Crane	
Contact Phone:	(509)-648-3322 Ext:	OO: *****		
Release Status:	Released	Co: 000002442	St. John Tel. Co.	
Soft Edit Status:	Failed Edit	SAR: 522442	ST JOHN TEL CO	

Description	Official View
525 Account 6560 (2210-2230)	
530 Account 6560 (2410)	
535 Account 6710 Total	
540 Account 6710 Benefits	
550 Account 6720 Total	
555 Account 6720 Benefits	
565 Sum of Lines 535 + 550	
600 Ben. Por. of all Op. Exp.	
610 Rent Por. of all Op. Exp.	
650 Account 7200 Other Taxes	
700 2410 (C S Total CWF - AV)	
710 2410 (C S CWF - Cat.1)	
800 Account 2680 Total	
805 Account 2680 (2230)	
810 Account 2680 (Cat. 4.13)	
815 Acc 2680 (2410) Total CWF	
820 Acc 2680 (2410)CWF-Cat1	
830 Account 6560 (2680)	

Comments:

Date: 6/19/2013

- Line 700 higher than Line 255 by Line 700 is an average figure, prior year figure higher than current year causing the average figure to be higher than Line 255. Also, line 255 decrease due to removing non-regulated costs and have fewer additions in 2012 compared to 2011.