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**BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

IN RE

PETITION OF MCDANIEL TELEPHONE  
COMPANY D/B/A TDS TELECOM, TO  
RECEIVE SUPPORT FROM THE STATE  
UNIVERSAL COMMUNICATIONS  
SERVICES PROGRAM

DOCKET NO.  
  
PETITION FOR SUPPORT

COMES NOW McDaniel Telephone Company d/b/a TDS Telecom (the "Company"), and, pursuant to Chapter 480-123 of the Washington Administrative Code ("WAC") including, but not limited to, WAC 480-123-110, hereby petitions the Washington Utilities and Transportation Commission (the "Commission") to receive support from the State Universal Communications Services Program established in RCW 80.36.650 (the "Program") for the fiscal year ending June 30, 2019.

**I. Demonstration of Eligibility under WAC 480-123-100**

- 1. WAC 480-123-100(1)(a): The Company is a local exchange company as defined in WAC 480-120-021 that serves less than forty thousand access lines within the state.

- 1        2. WAC 480-123-100(1)(b): The Company is an incumbent local exchange carrier as defined
- 2            in 47 U.S.C. Sec. 251(h).
- 3        3. WAC 480-123-100(1)(c): The Company offers basic residential and business exchange
- 4            telecommunications services as set forth in WAC 480-120-021 and RCW 80.36.630.
- 5        4. WAC 480-123-100(1)(d): The Company's rates for residential local exchange service, plus
- 6            mandatory extended area service charges, are no lower than the local urban rate floor
- 7            established by the Commission as the benchmark rate based on the Federal Communications
- 8            Commission's national local urban rate floor pursuant to 47 C.F.R. Sec. 54.318 in effect on
- 9            the date of this Petition.
- 10       5. WAC 480-123-100(1)(e): The Company has been designated by the Commission as an
- 11            eligible telecommunications carrier for purposes of receiving federal universal services
- 12            support pursuant to 47 C.F.R. Part 54 Subpart D - Universal Service Support for High Cost
- 13            Areas with respect to the service area for which the Company is seeking Program support.
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**II.        Demonstration of Eligibility under WAC 480-123-110**

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- 18       1. WAC 480-123-110(1)(a): The name of the legal entity that provides communications
- 19            services and is seeking Program support is as follows: McDaniel Telephone Company d/b/a
- 20            TDS Telecom..
- 21       2. WAC 480-123-110(1)(b): A corporate organization chart showing the relationship between
- 22            the Company and all affiliates as defined in RCW 80.16.010 is attached hereto as Exhibit 1.
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1 A detailed description of any transactions between the Company and the affiliates named in  
2 Exhibit 1 recorded in the Company's operating accounts is attached hereto as Exhibit 2.

- 3 3. WAC 480-123-110(1)(c): A service area map for the Company can be found at Schedule  
4 14, Sheets No. 150-152 of the Company's Tariff WN U-4.
- 5 4. WAC 480-123-110(1)(d): A demonstration that the Company's customers are at risk of rate  
6 instability or service interruption or cessation in the absence of support from the Program is  
7 attached as Exhibit 3.
- 8 5. WAC 480-123-110(1)(e)(i): On the Commission's prescribed form, attached as Exhibit 4,  
9 are copies of the Company's balance sheet as of December 31, 2017, and December 31,  
10 2016, and copies of the Company's statements of income and retained earnings or margin for  
11 the years ended December 31, 2017 and December 31, 2016.
- 12 6. WAC 480-123-110(1)(e)(ii): A copy of the Company's consolidated annual financial  
13 statements for the years ended December 31, 2017 and December 31, 2016, are attached as  
14 Exhibit 5.
- 15 7. WAC 480-123-110(1)(e)(iii): Information demonstrating the Company's earned rate of  
16 return on a total Washington unseparated regulated operations basis for the prior year,  
17 calculated in the manner prescribed by the Commission, is provided in Exhibit 4.
- 18 8. WAC 480-123-110(1)(e)(iv): Information demonstrating the earned return on equity on a  
19 total company (regulated and non-regulated) basis for each of the two prior years, calculated  
20 in the manner prescribed by the Commission, is 3.17% (2017) and 0.91% (2016) using the  
21 consolidated information provided in Exhibit 5.  
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- 1 9. WAC 480-123-110(1)(e)(v): Information detailing all of the Company's revenues from the  
2 statements of income and retained earnings or margin in the same format and detail as is  
3 required to complete RUS Form 479 for the prior two years is presented on Exhibit 6.
- 4 10. WAC 480-123-110(1)(e)(vi): A statement under penalty of perjury from a Company officer  
5 with personal knowledge and responsibility certifying that no corporate operations  
6 adjustment required by the Federal Communications Commission applied to the Company  
7 for the two prior years is attached hereto as Exhibit 7.
- 8 11. WAC 480-123-110(1)(e)(vii): Exhibit 4 contains additional supporting information  
9 requested by the Commission.
- 10 12. WAC 480-123-110(1)(e)(viii): A statement under penalty of perjury from a Company  
11 officer with personal knowledge and responsibility certifying that the Company complies  
12 with state and federal accounting, cost allocation, and cost adjustment rules pertaining to  
13 incumbent local exchange companies is attached as Exhibit 8.
- 14 13. WAC 480-123-110(1)(f): A complete copy of the FCC Form 481 filed by the Company or  
15 on its behalf with the Federal Communications Commission for the calendar year preceding  
16 the current year has already been filed with the Commission. See the Company's filing in  
17 Docket No. UT-180004 filed on or about July 16, 2018.
- 18 14. WAC 480-123-110(1)(g): The number of residential local exchange access lines served by  
19 the Company as of December 31, 2017, was 2,719 all of which were within the geographic  
20 area for which the Company is seeking support. The number of residential local exchange  
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1 access lines served by the Company as of December 31, 2016, was 2,884, all of which were  
2 within the geographic area for which the Company is seeking support.

3 The number of business local exchange access lines served by the Company as of December  
4 31, 2017, was 455, all of which were within the geographic area for which the Company is  
5 seeking support. The number of business local exchange access lines served by the  
6 Company as of December 31, 2016, was 469, all of which were within the geographic area  
7 for which the Company is seeking support.  
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9 The monthly recurring rate charged by the Company for residential local exchange access  
10 service on December 31, 2017, was \$18.00. The monthly recurring rate charged by the  
11 Company for residential local exchange access service on December 31, 2016, was \$18.00.  
12 The rate charged by the Company for single line business local exchange access service on  
13 December 31, 2017, was \$20.50. The rate charged by the Company for single line business  
14 local exchange access service on December 31, 2016, was \$20.50. (The Company has other  
15 business local exchange service rates, but the Company understands that WAC 480-123-  
16 110(1)(g) is requesting the single line business local exchange access service rate.)  
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18 15. WAC 480-123-110(1)(h): The requested statement is attached as Exhibit 9.

19 16. The amount on Line 4 labeled 2011 ROR Carrier Base Period Revenue, of the CAF ICC  
20 Data Collection Report for the period 7/1/2018 - 6/30/2019 is \$720,977 and has not changed  
21 from the last filing.

22 17. All exhibits attached hereto are incorporated in this Petition as though fully set forth.  
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Respectfully submitted this 26<sup>th</sup> day of July, 2018.

McDaniel Telephone Company  
d/b/a TDS Telecom

CERTIFICATION

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

DocuSigned by:  
*Joel Dohmeier* 7/26/2018 | 8:33 AM CDT  
45785DD68F8C4D0  
By: Joel P. Dohmeier  
Title: Vice President