

# Washington Exchange Carrier Association

1104 Main Street, Suite 300 • Vancouver, WA 98660 • (360) 690-4537 • FAX (360) 690-4536

June 28, 2013

Steve King, Acting Executive Director and Secretary  
Washington State Utilities & Transportation Commission  
1300 S. Evergreen Park Drive SW  
P.O. Box 47250  
Olympia, WA 98504-7250

RE: WAC 480-120-399(1)(a)  
WAC 480-120-352(5)

Dear Mr. King;

Enclosed is a report (Attachment 4, dated 06/19/13) showing WECA fund collections and distributions to each member company for the 2012 WECA administered pools. The report also shows 2012 originating and terminating CCL access minutes by company. **Attachment 4 is filed on a confidential basis pursuant to WAC 480-07-160 because it contains company-specific proprietary financial data, the disclosure of which could be detrimental to the company and provide competitors with access to competitively sensitive data. The information should not be disclosed to other parties without the written consent of the affected companies.** The persons that might be affected by disclosure include the individual companies listed on Attachment 4. Pursuant to the Commission's rule under WAC 480-07-160(3) (c), the original and a redacted copy of Attachment 4 are enclosed. WECA respectfully requests waiver of the requirement to submit twelve copies of the unredacted version required by WAC 480-07-160(3)(c)(iii). One copy of the unredacted version is submitted in a sealed envelope along with this letter. The sealed envelope is marked as confidential.

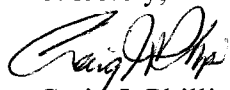
WECA pool access revenues are collected from interexchange carriers (IXCs) providing intrastate toll services in the state of Washington. The IXCs pay access charges that are assessed per WECA Tariff WN U-1. In addition to the WECA access charges, all non-WECA local exchange carriers operating within the state of Washington are supposed to assess the USF rate at \$.00152 per access minute on all intrastate originating and terminating access minutes and remit the resulting revenues to WECA.

Pool distributions are based upon each company's respective revenue objective. Effective May 29, 2011 CenturyTel of Washington including CenturyTel of Inter-Island, and CenturyTel of Cowiche exited the Interim USF Pool and the CCL Pool. Accordingly, WECA member companies' revenue objectives were updated at that time to reflect 2010 actual pool distributions. As a result, the 2012 revenue objectives reflect 12 months of 2010 pool distributions.

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OFFICE OF THE  
ATTORNEY GENERAL  
COMMUNICATIONS  
DIVISION

Also enclosed, as supplemental information, is a copy of our latest annual report that covers the 2011 WECA pool year. The report lists the member companies, WECA board and committee members and information related to WECA activities.

Sincerely,

A handwritten signature in black ink, appearing to read "Craig J. Phillips". The signature is written in a cursive style with a large initial "C".

Craig J. Phillips  
Administrator  
Enclosures

CONFIDENTIAL PER 480-07-160  
REDACTED VERSION

2012 WASHINGTON USF/NTS POOLS  
YTD DECEMBER 2012

06/19/2013

ATTACHMENT 4  
PAGE 1 OF 6

COMPANY ASOTIN BEAVER CREEK ELLENSBURG HAT ISLAND HOOD CANAL INLAND KALAMA LEWIS RIVER

NTS Base Data:

12 months @ 2010 Revenues

1. USF Revenue Objective
2. USF Distribution Ratio
3. Interim USF Revenue Objective
4. ORIG CCL Revenue Objective
5. ORIG CCL Distribution Ratio
6. Total Revenue Objective

REPORTED ACCESS MOU:

7. Premium Terminating
8. Premium Originating
9. Total Access Minutes Reported

USF POOLED REVENUES:

10. USF Per Access Minute
11. Supplemental Service Area
12. Uncollectibles
13. Total USF Pooled Revenue

INTERIM USF REVENUES:

14. Premium Term Per Access MOU
15. Uncollectibles
16. Total Interim USF Pooled Revenue

ORIG CCL POOLED REVENUES:

17. Premium Orig Per Access MOU
18. Uncollectibles
19. Total ORIG CCL Pooled Revenue

USF/NTS DISTRIBUTIONS:

20. Administration Expense
21. USF Distribution
22. Interim USF Distribution
23. ORIG CCL Distribution
24. Total Distributions (Lines 21+22+23)

NET DISTRIBUTIONS:

25. Due Company (Lines 24-14-11-8)

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06/19/2013

2012 WASHINGTON USF/NTS POOLS  
YTD DECEMBER 2012

COMPANY LOCAL TEL MASHELL MCDANIEL PEND OREILLE PIONEER SKYLINE ST JOHN TENINO

**NTS Base Data:**

12 months @ 2010 Revenues

1. USF Revenue Objective
2. USF Distribution Ratio
3. Interim USF Revenue Objective
4. ORIG CCL Revenue Objective
5. ORIG CCL Distribution Ratio
6. Total Revenue Objective

**REPORTED ACCESS MOU:**

7. Premium Terminating
8. Premium Originating
9. Total Access Minutes Reported

**USF POOLED REVENUES:**

10. USF Per Access Minute
11. Supplemental Service Area
12. Uncollectibles
13. Total USF Pooled Revenue

**INTERIM USF REVENUES:**

14. Premium Term Per Access MOU
15. Uncollectibles
16. Total Interim USF Pooled Revenue

**ORIG CCL POOLED REVENUES:**

17. Premium Orig Per Access MOU
18. Uncollectibles
19. Total ORIG CCL Pooled Revenue

**USF/NTS DISTRIBUTIONS:**

20. Administration Expense
21. USF Distribution
22. Interim USF Distribution
23. ORIG CCL Distribution
24. Total Distributions (Lines 21+22+23)

**NET DISTRIBUTIONS:**

25. Due Company (Lines 24-14-11-8)

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REDACTED VERSION**

2012 WASHINGTON USF/NTS POOLS  
YTD DECEMBER 2012

06/19/2013

ATTACHMENT 4  
PAGE 3 OF 6

COMPANY	TOLEDO	WAHIAKUM	WEAV TEL	WHIDBEY	YCOM	ADMIN	WECA TOTAL
<b>NTS Base Data:</b>							
12 months @ 2010 Revenues							
1. USF Revenue Objective							1,631,683
2. USF Distribution Ratio							0.399014
3. Interim USF Revenue Objective							1,603,721
4. ORIG CCL Revenue Objective							710,021
5. ORIG CCL Distribution Ratio							1.000000
6. Total Revenue Objective							3,945,425
<b>REPORTED ACCESS MOU:</b>							
7. Premium Terminating				0			49,319,751
8. Premium Originating				0			30,716,543
9. Total Access Minutes Reported							80,036,294
<b>USF POOLED REVENUES:</b>							
10. USF Per Access Minute				(134,360)			(12,705)
11. Supplemental Service Area				0			2,866
12. Uncollectibles				0			0
13. Total USF Pooled Revenue				(134,360)			(9,838)
<b>INTERIM USF REVENUES:</b>							
14. Premium Term Per Access MOU				(35,113)			1,267,289
15. Uncollectibles				0			0
16. Total Interim USF Pooled Revenue				(35,113)			1,267,289
<b>ORIG CCL POOLED REVENUES:</b>							
17. Premium Orig Per Access MOU				(48,290)			478,988
18. Uncollectibles				0			0
19. Total ORIG CCL Pooled Revenue				(\$48,290)			478,988
<b>USFNTS DISTRIBUTIONS:</b>							
20. Administration Expense				217,763			217,763
21. USF Distribution				0			1,191,971
22. Interim USF Distribution							1,267,289
23. ORIG CCL Distribution				0			478,988
24. Total Distributions (Lines 21+22+23)				\$217,763			3,156,011
<b>NET DISTRIBUTIONS:</b>							
25. Due Company (Lines 24-14-11-8)				\$217,763			1,201,809

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**2012 WASHINGTON USF/NTS POOLS  
YTD DECEMBER 2012**

06/19/2013

ATTACHMENT 4  
PAGE 4 OF 6

COMPANY	ADVANCED	AT&T	BullsEye	CENTURYTEL	COWICHE	CHARTER	COMCAST
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**NTS Base Data:**

12 months @ 2010 Revenues

1. USF Revenue Objective
2. USF Distribution Ratio
3. Interim USF Revenue Objective
4. ORIG CCL Revenue Objective
5. ORIG CCL Distribution Ratio
6. Total Revenue Objective

**REPORTED ACCESS MOU:**

7. Premium Terminating
8. Premium Originating
9. Total Access Minutes Reported

**USF POOLED REVENUES:**

10. USF Per Access Minute
11. Supplemental Service Area
12. Uncollectibles
13. Total USF Pooled Revenue

**INTERIM USF REVENUES:**

14. Premium Term Per Access MOU
15. Uncollectibles
16. Total Interim USF Pooled Revenue

**ORIG CCL POOLED REVENUES:**

17. Premium Orig Per Access MOU
18. Uncollectibles
19. Total ORIG CCL Pooled Revenue

**USF/NTS DISTRIBUTIONS:**

20. Administration Expense
21. USF Distribution
22. Interim USF Distribution
23. ORIG CCL Distribution
24. Total Distributions (Lines 21+22+23)

**NET DISTRIBUTIONS:**

25. Due Company (Lines 24-14-11-8)

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2012 WASHINGTON USF/NTS POOLS  
YTD DECEMBER 2012

06/19/2013

ATTACHMENT 4  
PAGE 5 OF 6

COMPANY	ELI	ESCHELON	FRONTIER	INTEGRA	MCI METRO	BIISoft	QWEST
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**NTS Base Data:**

12 months @ 2010 Revenues

1. USF Revenue Objective
2. USF Distribution Ratio
3. Interim USF Revenue Objective
4. ORIG CCL Revenue Objective
5. ORIG CCL Distribution Ratio
6. Total Revenue Objective

**REPORTED ACCESS MOU:**

7. Premium Terminating
8. Premium Originating
9. Total Access Minutes Reported

**USF POOLED REVENUES:**

10. USF Per Access Minute
11. Supplemental Service Area
12. Uncollectibles
13. Total USF Pooled Revenue

**INTERIM USF REVENUES:**

14. Premium Term Per Access MOU
15. Uncollectibles
16. Total Interim USF Pooled Revenue

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17. Premium Orig Per Access MOU
18. Uncollectibles
19. Total ORIG CCL Pooled Revenue

**USFNTS DISTRIBUTIONS:**

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**NET DISTRIBUTIONS:**

25. Due Company (Lines 24-14-11-8)

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REDACTED VERSION**

6/19/2013

**2012 WASHINGTON USF/NTS POOLS  
YTD DECEMBER 2012**

ATTACHMENT 4  
PAGE 6 OF 6

COMPANY	RAINIER	SPRINT	TCG	TW	UNITED NW	XO	YMax	TOTAL
<b>NTS Base Data:</b>								
12 months @ 2010 Revenues								
1. USF Revenue Objective								4,089,291
2. USF Distribution Ratio								1,000,000
3. Interim USF Revenue Objective								1,603,721
4. ORIG CCL Revenue Objective								710,021
5. ORIG CCL Distribution Ratio								1,000,000
6. Total Revenue Objective								6,403,033
<b>REPORTED ACCESS MOU:</b>								
7. Premium Terminating								1,150,011,335
8. Premium Originating								922,204,121
9. Total Access Minutes Reported								2,072,215,456
<b>USF POOLED REVENUES:</b>								
10. USF Per Access Minute								3,015,408
11. Supplemental Service Area								2,866
12. Uncollectibles								(30,981)
13. Total USF Pooled Revenue								2,987,293
<b>INTERIM USF REVENUES:</b>								
14. Premium Term Per Access MOU								1,267,289
15. Uncollectibles								0
16. Total Interim USF Pooled Revenue								1,267,289
<b>ORIG CCL POOLED REVENUES:</b>								
17. Premium Orig Per Access MOU								478,988
18. Uncollectibles								0
19. Total ORIG CCL Pooled Revenue								478,988
<b>USF/NTS DISTRIBUTIONS:</b>								
20. Administration Expense								217,763
21. USF Distribution								2,987,293
22. Interim USF Distribution								1,267,289
23. ORIG CCL Distribution								478,988
24. Total Distributions (Lines 21+22+23)								4,951,334
<b>NET DISTRIBUTIONS:</b>								
25. Due Company (Lines 24-14-11-8)								0



**Washington Exchange Carrier  
Association  
2011 Annual Report**

**FOREWORD**

The Washington Exchange Carrier Association (WECA), a non-profit corporation, was formed May 28, 1987. For the first portion of 2011, WECA's membership consisted of 24 Local Exchange Telecommunications Companies (LECs) operating within the state of Washington. Effective July 1, 2011, WECA's membership consisted of 23 such members. Please see the following page for more information on WECA's 2011 membership.

WECA is involved in the development and filing of intrastate carrier common line and universal service fund access tariffs, pooling the revenues which are derived from those tariffs, and distributing those revenues to the member companies.

Effective May 27, 1992 the Washington Utilities & Transportation Committee approved rules of procedure allowing WECA to operate as a tariff bureau. Pursuant to these rules of procedure WECA provides an open forum for member companies and other interested parties to discuss and consider proposals affecting Washington intrastate telecommunications services.

On October 1, 1996 WECA became responsible for the administration of the Data Distribution Center (DDC) in the state of Washington. The DDC receives intralata originating access records from participating companies and produces and distributes intralata terminating access records to all participating LECs. These records are used to bill terminating access to certain intralata carriers. Prior to the implementation of the DDC, intralata terminating access was billed based upon terminating to originating minute ratios. With the advent of the DDC, intralata terminating access is now billed based upon actual usage.



**WECA  
2011 ANNUAL REPORT**

**WECA MEMBER COMPANIES**

Asotin Telephone Company  
Beaver Creek Telephone Company (1)  
CenturyTel of Cowiche, Inc. (2)  
CenturyTel of Inter-Island, Inc. (2)  
CenturyTel of Washington, Inc. (2)  
Computers 5\*, Inc. d/b/a LocalTel Communications  
Ellensburg Telephone Company  
Hat Island Telephone Company  
Hood Canal Telephone Co., Inc.  
Inland Telephone Company  
Kalama Telephone Company  
Lewis River Telephone Company, Inc.  
Mashell Telecom, Inc.  
McDaniel Telephone Company  
Pend Oreille Telephone Company  
Pioneer Telephone Company  
Skyline Telecom, Inc. (1)  
St. John Cooperative Telephone and Telegraph Company  
Tenino Telephone Company  
The Toledo Telephone Co., Inc.  
Western Wahkiakum County Telephone Company  
Westgate Communications, LLC  
Whidbey Telephone Company  
YCOM Networks, Inc.

(1) Beaver Creek Telephone Company and Skyline Telecom, Inc. were merged on July 1, 2011 with the surviving corporation becoming Skyline Telecom, Inc.

(2) As of May 29, 2011 the CenturyTel companies ceased to participate in the WECA Interim USF Pool or the WECA CCL Pool. However, these companies still participate in the Traditional USF Pool.

**WECA  
2011 ANNUAL REPORT**

**2011-2012 BOARD OF DIRECTORS**

The Board of Directors shall determine the number of Directors, up to ten, that will be elected at the next annual membership meeting. Each member of the Board of Directors shall be an employee of a member or of a commonly controlled corporation providing substantial management or operating assistance to a member, or an individual providing substantial management or operating assistance to a member. Each Director shall be elected for a term of one year and until his or her successor is duly elected and qualified. The following nine individuals were elected to Board positions at the June 8, 2011 annual membership meeting:

<b><u>INDIVIDUAL</u></b>	<b><u>AFFILIATION</u></b>
STEVE APPELO	WESTERN WAHKIAKUM COUNTY TELEPHONE COMPANY
JAMES BROOKS	INLAND TELEPHONE COMPANY
RICHARD BUECHEL	HOOD CANAL TELEPHONE CO. INC.
STEVE HANSON (WECA SECRETARY/TREASURER)	TENINO TELEPHONE COMPANY
GAIL LONG	LEWIS RIVER TELEPHONE CO., INC
JANA MANTEROLA	ELLENSBURG TELEPHONE COMPANY
DALE MERTEN	THE TOLEDO TELEPHONE CO., INC.
BOB SMITH (WECA PRESIDENT)	KALAMA TELEPHONE COMPANY
ROB SNYDER (WECA VICE-PRESIDENT)	WHIDBEY TELEPHONE COMPANY

**WECA  
2011 ANNUAL REPORT**

**2012-2013 BOARD OF DIRECTORS**

The following nine individuals were elected to Board positions at the May 23, 2012 annual membership meeting:

<b><u>INDIVIDUAL</u></b>	<b><u>AFFILIATION</u></b>
STEVE APPELO	WESTERN WAHAKIAKUM COUNTY TELEPHONE COMPANY
JAMES BROOKS	INLAND TELEPHONE COMPANY
RICHARD BUECHEL	HOOD CANAL TELEPHONE CO., INC.
STEVE HANSON (WECA SECRETARY/TREASURER)	TENINO TELEPHONE COMPANY
GAIL LONG	LEWIS RIVER TELEPHONE CO., INC
JANA MANTEROLA	ELLENSBURG TELEPHONE COMPANY
DALE MERTEN	THE TOLEDO TELEPHONE CO., INC.
BOB SMITH (WECA PRESIDENT)	KALAMA TELEPHONE COMPANY
ROB SNYDER (WECA VICE-PRESIDENT)	WHIDBEY TELEPHONE COMPANY

**WECA  
2011 ANNUAL REPORT**

**UNIVERSAL SERVICE FUND AND NON-TRAFFIC SENSITIVE FUND COMMITTEES:**

Committee members for the pool year ended December 31, 2011 were:

Bob Smith, Chairman  
Steve Appelo  
James Brooks  
Richard Buechel  
Steve Hanson  
Gail Long  
Jana Manterola  
Dale Merten  
Rob Snyder

The USF and the NTS Committees, which meet monthly, oversee the activities of the Traditional USF, the Interim USF and the CCL Pool, respectively.

**Intrastate Telecommunications Plan (1987-2000)**

The Washington Utilities and Transportation Commission (WUTC) adopted the Intrastate Telecommunications Plan (ITP) on December 30, 1986. WECA tariffs filed in accordance with the ITP became effective on April 1, 1987. The ITP established the USF and NTS Funds to provide for the pooling of revenues and expenses relating to the intrastate portion of non-traffic sensitive (NTS) costs. The NTS revenue requirements for the pools were based upon projected investment, expenses and separation factors. The revenues were collected through carrier common line and universal service fund access charges billed to long-distance carriers for access to the local network. On September 1, 2000, a new access plan, the Washington Access Carrier Plan (WCAP) was implemented.

**Washington Access Carrier Plan (WCAP)**

The WCAP, which replaced the ITP, was approved by the WUTC to become effective on September 1, 2000. The WCAP established three voluntary pools related to intrastate NTS costs. The first of these pools is the universal service support pool created in the ITP, which is referred to in the WCAP as the "Traditional USF." The second of these pools involves the interim universal fund element created to comply with the WUTC's terminating access rule. This pool is referred to in the WCAP as the "Interim USF." The third pool deals with revenues produced by the originating carrier common line (CCL) rates assessed by participating companies. This pool is referred to in the WCAP as the "CCL Pool."

**WECA  
2011 ANNUAL REPORT**

**Traditional USF**

The Traditional USF pool is not open to new participants. The Traditional USF rate will remain frozen at \$.00152, except as it may be modified by the withdrawal of a participating LEC. The distributions from the Traditional USF are based upon distribution ratios calculated using the actual distributions received by participating LECs for the 1999 pool year. Distribution ratios will be adjusted to reflect the exit of any participating LEC who leaves the Traditional USF pool.

All LECs operating within the state of Washington shall assess the Traditional USF rate at \$.00152 per access minute on all intrastate originating and terminating CCL access minutes and shall remit the resulting revenues to WECA.

**Interim USF**

All Washington LECs are eligible to participate in the Interim USF. The distributions from the Interim USF are based upon distribution ratios calculated using the actual distributions received by participating LECs for the prior pool year. Distribution ratios will be adjusted to reflect the entry of a new participant, or the exit of any participating LEC from the Interim USF pool. Distribution ratios are also adjusted to reflect any changes in a participant's Revenue Objective as a result of an order by the WUTC. CenturyTel of Cowiche, Inc., CenturyTel of Inter-Island, Inc. and CenturyTel of Washington, Inc exited the Interim USF pool effective May 29, 2011.

The Interim USF rate is applied to the terminating rated intrastate CCL access minutes of pool participants. The resulting revenues are remitted to WECA and distributed to Interim USF pool participants monthly.

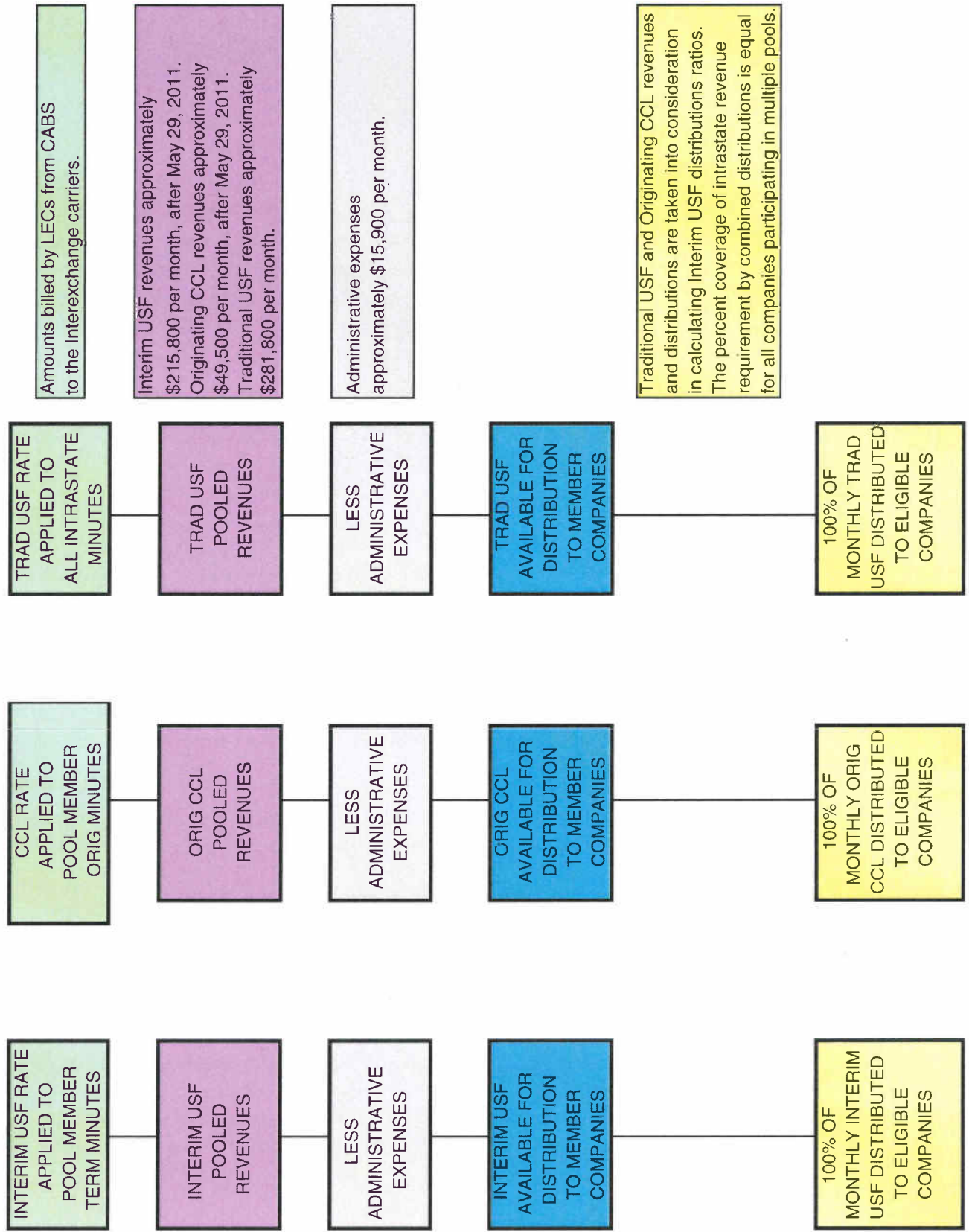
**CCL Pool**

All Washington LECs are eligible to participate in the CCL Pool. The distributions from the CCL Pool are based upon distribution ratios calculated using the actual distributions received by participating LECs for the prior pool year. Distribution ratios will be adjusted to reflect the entry of a new participant, or the exit of any participating LEC from the CCL Pool. Distribution ratios are also adjusted to reflect any changes in a participant's Revenue Objective as a result of an order by the WUTC. CenturyTel of Cowiche, Inc., CenturyTel of Inter-Island, Inc. and CenturyTel of Washington, Inc exited the Interim USF pool effective May 29, 2011.

The CCL Pool rate is applied to the originating rated intrastate CCL access minutes of pool participants. The resulting revenues are remitted to WECA and distributed to CCL Pool participants monthly.



# 2011 WASHINGTON SETTLEMENTS PROCESS



**POOL SUMMARY**  
**For Year Ended December 31, 2011**

**POOLED REVENUES**

TRADITIONAL USF POOL	\$ 3,381,661
INTERIM USF POOL	4,584,086
CCL POOL	<u>914,795</u>

**TOTAL REVENUES** **\$ 8,880,542**

**DISTRIBUTIONS**

TRADITIONAL USF DISTRIBUTIONS TO MEMBERS	\$3,264,016
INTERIM USF DISTRIBUTIONS TO MEMBERS	4,525,168
CCL DISTRIBUTIONS TO MEMBERS	900,685
ADMINISTRATIVE EXPENSES	<u>190,673</u>

**TOTAL DISTRIBUTIONS** **\$8,880,542**

(UNAUDITED – FOR INTERNAL USE ONLY)

**WECA  
2011 ANNUAL REPORT**

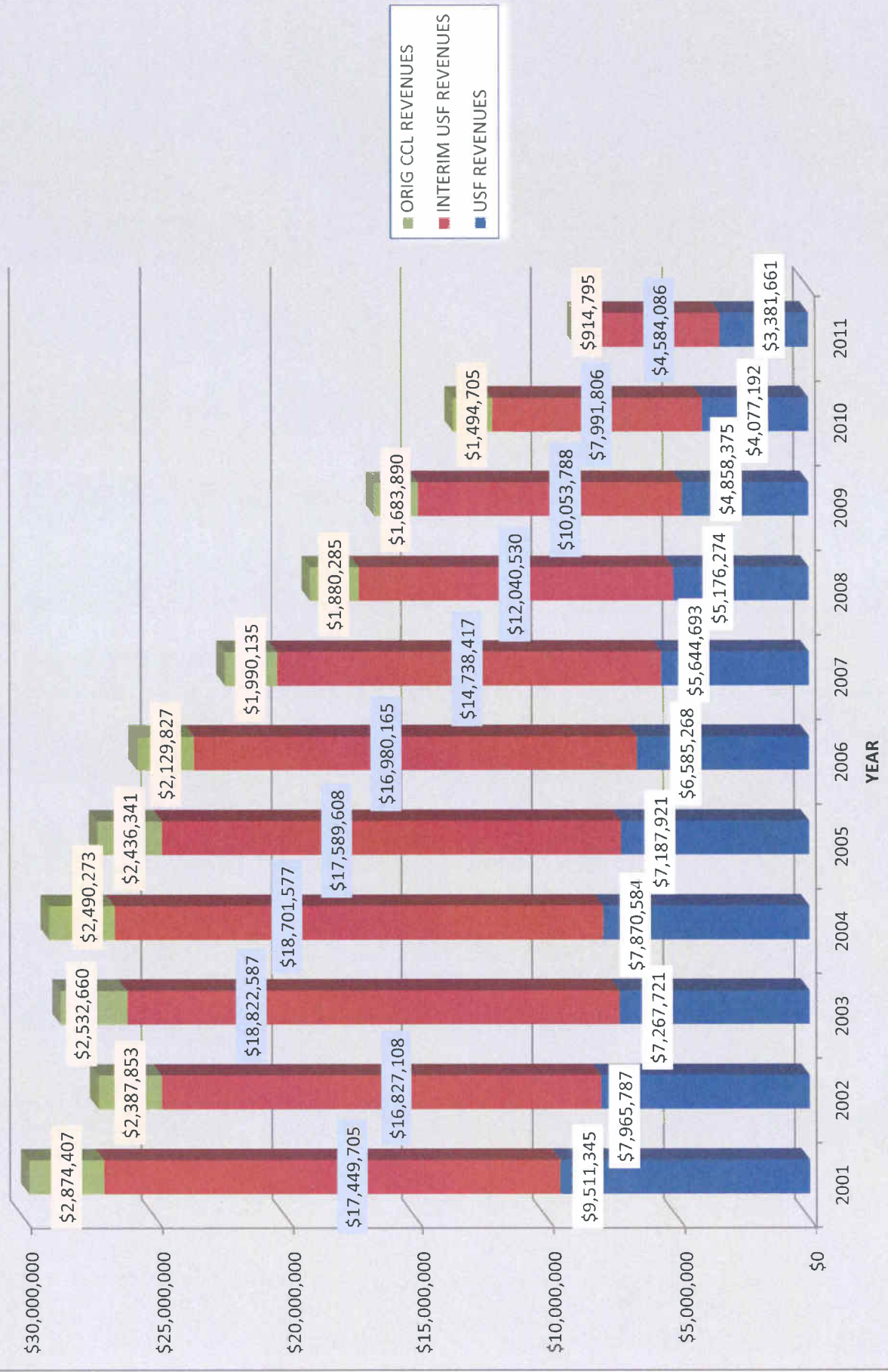
**WCAP MINUTE & REVENUE GROWTH**

<u>YEAR</u>	<u>USF MINUTES</u>	<u>GROWTH FROM PRIOR YEAR</u>	<u>USF REVENUES</u>	<u>GROWTH FROM PRIOR YEAR</u>
2001	6,259,068,183	N/A	\$9,511,345	N/A
2002	5,240,157,419	(16.28%)	\$7,965,787	(16.25%)
2003	4,780,654,328	(8.77%)	\$7,267,721	(8.76%)
2004	5,177,143,838	8.29%	\$7,870,584	8.30%
2005	4,727,000,994	(8.69%)	\$7,187,921	(8.67%)
2006	4,330,502,268	(8.39%)	\$6,585,268	(8.38%)
2007	3,711,217,320	(14.30%)	\$5,644,693	(14.28%)
2008	3,412,768,075	(8.04%)	\$5,176,274	(8.30%)
2009	3,208,301,380	(5.99%)	\$4,858,375	(6.14%)
2010	2,707,146,063	(15.62%)	\$4,077,192	(16.08%)
2011	2,244,957,736	(17.07%)	\$3,381,661	(17.06%)
<b>2001- 2011</b>	<b>(4,014,092,447)</b>	<b>(64.13%)</b>	<b>(\$6,129,684)</b>	<b>(64.45%)</b>

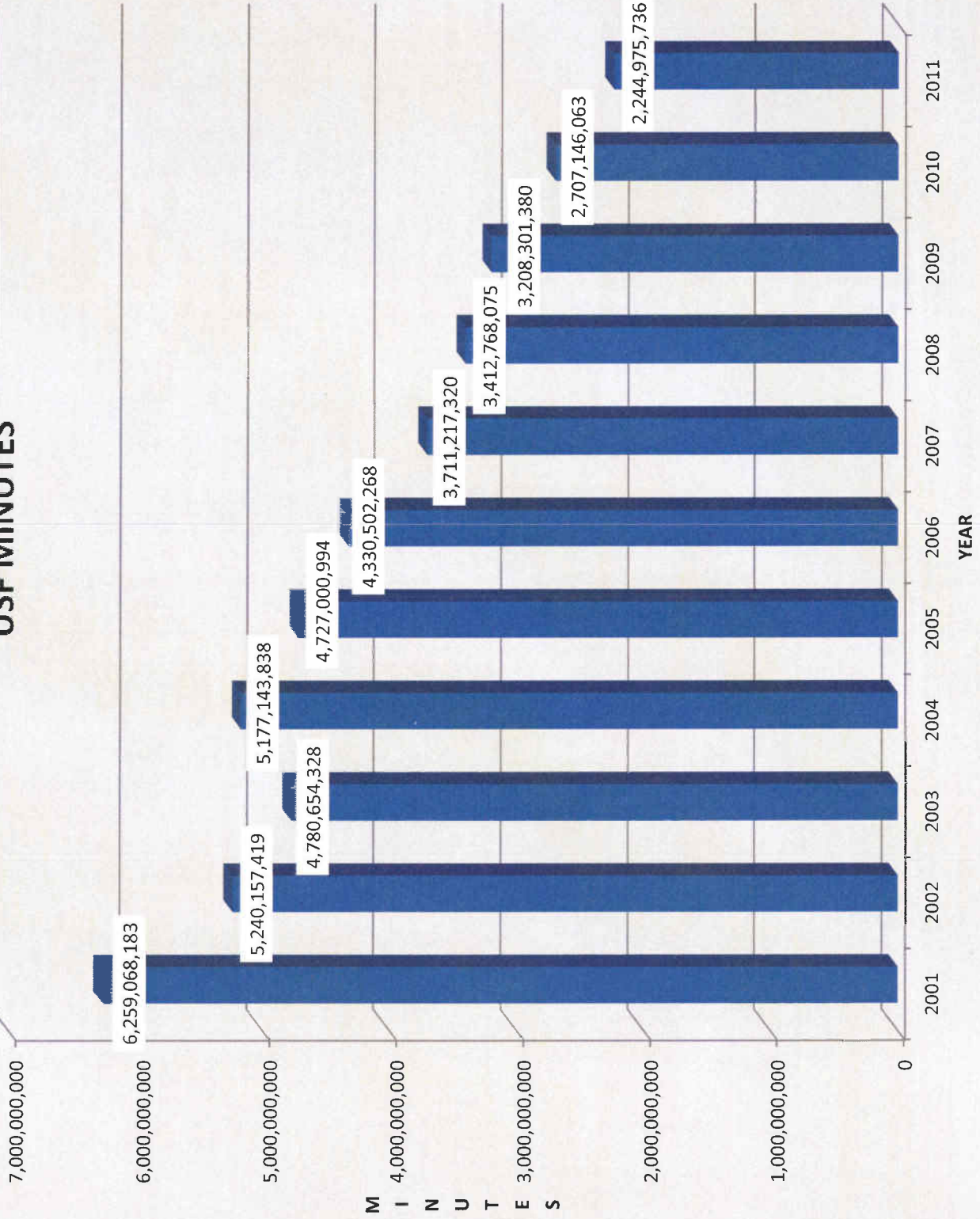
<u>YEAR</u>	<u>INTERIM USF MINUTES</u>	<u>GROWTH FROM PRIOR YEAR</u>	<u>INTERIM USF REVENUES</u>	<u>GROWTH FROM PRIOR YEAR</u>
2001	305,789,252	N/A	\$17,449,705	N/A
2002	294,695,392	(3.63%)	\$16,827,108	(3.57%)
2003	327,219,846	11.04%	\$18,822,587	11.86%
2004	325,171,614	(0.63%)	\$18,701,577	(0.64%)
2005	305,693,571	(5.99%)	\$17,589,608	(5.95%)
2006	293,006,052	(4.15%)	\$16,980,165	(3.46%)
2007	249,819,136	(14.74%)	\$14,738,417	(13.20%)
2008	204,992,707	(17.94%)	\$12,040,530	(18.31%)
2009	173,227,828	(15.50%)	\$10,053,788	(16.50%)
2010	138,003,899	(20.33%)	\$7,991,806	(20.51%)
2011	77,950,884	(43.52%)	\$4,584,086	(42.64%)

<u>YEAR</u>	<u>ORIG CCL MINUTES</u>	<u>GROWTH FROM PRIOR YEAR</u>	<u>ORIG CCL REVENUES</u>	<u>GROWTH FROM PRIOR YEAR</u>
2001	281,874,005	N/A	\$2,874,407	N/A
2002	234,169,956	(16.92%)	\$2,387,853	(16.93%)
2003	216,706,230	(7.46%)	\$2,532,660	6.06%
2004	212,321,258	(2.02%)	\$2,490,273	(1.67%)
2005	207,833,951	(2.11%)	\$2,436,341	(2.17%)
2006	181,701,125	(12.57%)	\$2,129,827	(12.58%)
2007	169,722,556	(6.59%)	\$1,990,135	(6.56%)
2008	160,432,093	(5.47%)	\$1,880,285	(5.52%)
2009	143,709,808	(10.42%)	\$1,683,890	(10.44%)
2010	127,636,013	(11.18%)	\$1,494,705	(11.23%)
2011	69,466,960	(45.57%)	\$1,494,705	(38.80%)

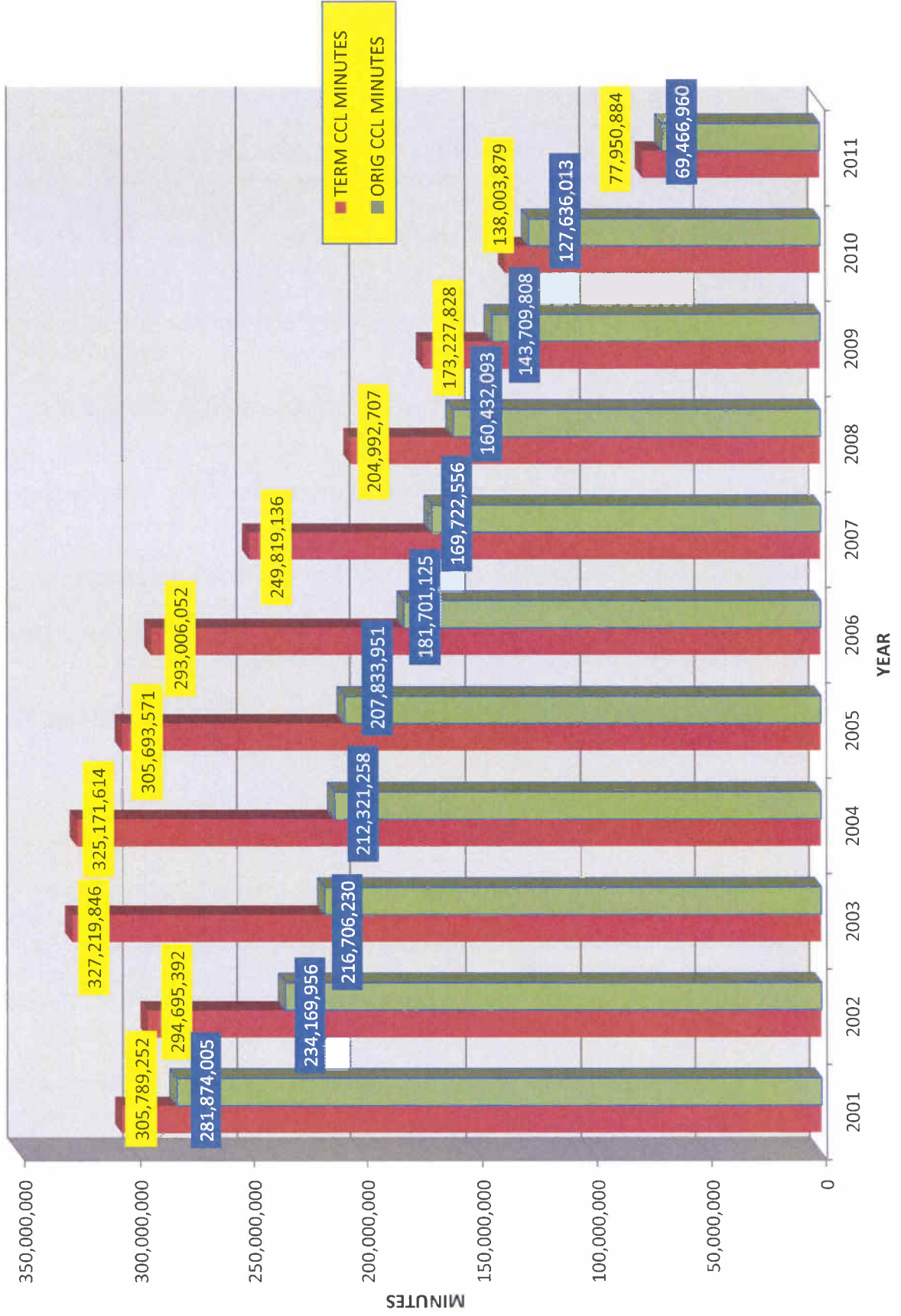
# WECA POOL REVENUES



# USF MINUTES



# WECA ORIGINATING AND TERMINATING MINUTES



**WECA  
2011 ANNUAL REPORT**

**TARIFF BUREAU**

The WECA Tariff Bureau was formed to provide an open forum for member companies and other interested parties to jointly consider proposals for publication, amendment or cancellation of tariff schedules or related orders, rules, regulations and agreements governing Washington intrastate telecommunication services. The Tariff Bureau operates under Rules of Procedure that have been put in place by order of the WUTC. All proposals that are considered by WECA must be subject to WUTC jurisdiction. Any proposals that are approved by WECA, through its Tariff Bureau docket process, must be filed for approval by the WUTC.

The following dockets and tariff filings were addressed by WECA during 2011:

**Docket #92-02 - Implementation and Oversight of the Data Distribution Center (DDC)**

GTE Northwest, Inc. initiated this docket on July 2, 1992, to develop a plan for implementing a Primary Toll Carrier Plan (PTC) environment in the state of Washington. As a result of the meetings held in this docket, the Data Distribution Center (DDC) became operational in Washington on October 1, 1996.

This docket remains open to provide ongoing oversight of DDC operations. Meetings are held quarterly by the Technical Operations Committee.

**Docket #02-01 - Bypass of Terminating Access Charges**

Docket #02-01 was initiated to investigate the bypass of terminating access charges through: (1) use of FGC termination of traffic originating from wireless and other carriers, (2) failure of interexchange carriers to modify PIUs and (3) other causes. At the docket meeting on April 29, 2002 it was determined that the docket would focus on FGC and EAS routing issues, along with wireless issues and PIUs. Docket work sessions were held during 2003, 2004 and early 2005 to address these issues.

A report and recommendation on docket issues was approved by the WECA Board at its September 27, 2005 meeting. The report and recommendation was filed with the WUTC requesting that they act on the report. No action was taken at that time.

In 2011 WECA counsel contacted WUTC Staff about reviving this docket, or opening a new docket on phantom traffic. WUTC Staff indicated some interest in reviewing terminating traffic issues, but has taken no further action at this time.

**WECA  
2011 ANNUAL REPORT**

**WUTC Docket No. UT-110891 – WECA Tariff Filing**

On May 16, 2011 WECA filed tariff revisions to remove the CenturyLink companies (CenturyTel of Cowiche, Inc., CenturyTel of Inter Island, Inc. and CenturyTel of Washington, Inc.) from the WECA Interim USF Pool and the WECA CCL Pool. This action was taken pursuant to the WUTC order issued in its Docket No. UT-100820 relating to the merger of Qwest Communications International, Inc. and CenturyLink, Inc. As a result of these changes the Interim USF rate was decreased from \$.05791 to \$.05205 per terminating rated CCL access minute, and the originating CCL rate was increased from \$.01173 to \$.01662 per originating rated CCL access minute. The revisions became effective on May 29, 2011.

**ADMINISTRATION**

The administrative staff is responsible for managing the pooling and distribution of intrastate carrier common line and universal service fund access revenues, monitoring pool results, preparing and filing access tariffs and providing support to the Board of Directors and various WECA committees. The administrative staff also provides support for the Tariff Bureau activities of WECA, and oversees the administration of the Data Distribution Center. Administrative staff members for the pool year ended December 31, 2011 were:

Craig Phillips	-	Administrator
Bob Kennedy	-	Analyst
Duane Vollrath	-	DDC Coordinator



WASHINGTON EXCHANGE CARRIER ASSOCIATION  
STATEMENT OF FINANCIAL POSITION  
DECEMBER 31, 2011

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**ASSETS**

Cash	\$ 23,335
Accounts Receivable (Note 1)	759,047
Due From Administrator	<u>2,400</u>
<b>TOTAL ASSETS</b>	<b><u>\$784,782</u></b>

**LIABILITIES & NET ASSETS**

Distributions Payable To Members (Note 2)	\$746,623
Administrative Expense Payable	<u>35,659</u>
<b>Total Liabilities</b>	<b>782,282</b>
Net Assets	<u>2,500</u>
<b>TOTAL LIABILITIES &amp; NET ASSETS</b>	<b><u>\$784,782</u></b>

(UNAUDITED – FOR INTERNAL USE ONLY)  
See accompanying notes

NOTES TO FINANCIAL STATEMENTS

Note 1: Accounts Receivable at December 31, 2011 consists of the following:

Traditional USF Pooled Revenues	\$ 193,317
Interim USF Pooled Revenues	526,019
CCL Pooled Revenues	<u>39,711</u>
<b>TOTAL</b>	<b><u>\$759,047</u></b>

Note 2: Distributions Payable To Members at December 31, 2011 consists of the following:

Traditional USF distributions payable	\$ 187,079
Interim USF distributions payable	521,028
CCL distributions payable	<u>38,516</u>
<b>TOTAL</b>	<b><u>\$746,623</u></b>

(UNAUDITED – FOR INTERNAL USE ONLY)