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**BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

IN RE

PETITION OF PIONEER TELEPHONE  
COMPANY TO RECEIVE SUPPORT  
FROM THE UNIVERSAL SERVICE  
COMMUNICATIONS PROGRAM

DOCKET NO.

PETITION FOR SUPPORT

COMES NOW Pioneer Telephone Company (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 Universal Service Communications Program (the "Program") for the Program year 2021.

**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 fewer than forty-thousand access lines within the state.
2. WAC 480-123-100(1)(b): The Company is an incumbent local exchange carrier as defined in 47 U.S.C. Sec. 251(h).

- 1 3. WAC 480-123-100(1)(c): The Company offers basic residential and business exchange  
2 telecommunications services as set forth in WAC 480-120-021 and RCW 80.36.630.
- 3 4. WAC 480-123-100(1)(d): The Company has established a plan, as described in WAC 480-  
4 123-110, to provide, maintain or enhance broadband service (See II.4, below).
- 5 5. WAC 480-123-100(1)(e): The Company has been designated by the Commission as an  
6 eligible telecommunications carrier ("ETC") for purposes of receiving federal universal  
7 services support pursuant to 47 C.F.R. Part 54 Subpart D - Universal Service Support for  
8 High Cost Areas with respect to the service areas for which the Company is seeking  
9 Program support.


## 10 **II. Demonstration of Eligibility under WAC 480-123-110**

- 11 1. WAC 480-123-110(1)(a): The name of the legal entity that provides communications  
12 services and is seeking Program support is as follows: Pioneer Telephone Company.
- 13 2. WAC 480-123-110(1)(b): A corporate organization chart showing the relationship between  
14 the Company and affiliates as defined in RCW 80.16.010 is attached hereto as Exhibit 1. A  
15 detailed description of any transactions between the Company and the affiliates named in  
16 Exhibit 1 recorded in the Company's operating accounts is attached hereto as Exhibit 2.
- 17 3. WAC 480-123-110(1)(c): A service area map for the Company can be found at Sheet No.  
18 2.2 in Section IV of the Company's Tariff WN U-3.
- 19 4. WAC 480-123-110(1)(d): The Company's broadband plan to provide, maintain, or enhance  
20 broadband services in its service area is attached hereto as Exhibit 3.
- 21 5. WAC 480-123-110(1)(f): A sworn statement by a Company officer certifying that the  
22 Company complies with state and federal accounting, cost allocation, and cost adjustment  
23 rules pertaining to incumbent local exchange carriers is attached as Exhibit 4.
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- 1 6. WAC 480-123-110(1)(g): The number of residential local exchange access lines served by  
2 the Company as of December 31, 2019, was 420. The number of residential local exchange  
3 access lines served by the Company as of December 31, 2018, was 445. The number of  
4 business local exchange access lines served by the Company as of December 31, 2019, was  
5 141. The number of business local exchange access lines served by the Company as of  
6 December 31, 2018, was 159. The number of broadband connections served by the  
7 Company as of December 31, 2019, was 357. The number of broadband connections served  
8 by the Company as of December 31, 2018, was 323. The unbundled monthly recurring rate  
9 charged by the Company for residential local exchange access service on December 31,  
10 2019 and 2018, was \$18.00. The unbundled monthly rate charged by the Company for  
11 single line business local exchange access service on December 31, 2019 and 2018, was  
12 \$18.00. (The Company has other business local exchange service rates, but the Company  
13 understands that WAC 480-123-110(1)(g) is requesting the single line business local  
14 exchange access service rate.) The unbundled monthly rate charged for broadband service  
15 as of December 31, 2019, and as of December 31, 2018, is set out in the attached Exhibit 5.
- 16 7. WAC 480-123-110(1)(h): The requested statements are attached as Exhibit 6.
- 17 8. WAC 480-123-110(1)(h)(i): A sworn statement by a Company officer certifying that the  
18 Company is in compliance with the Federal Communications Commission's obligation for  
19 deployment of broadband at speeds specified by the Federal Communications Commission  
20 applicable to the Company and that the Company meets one of the eligibility criteria set out  
21 in WAC 480-123-110(1)(j)(ii), (iii) or (iv) is attached at Exhibit 7.
- 22 9. All exhibits attached hereto are incorporated into this Petition as though fully set forth.


1 Respectfully submitted this 30th day of July, 2020.

2 PIONEER TELEPHONE COMPANY

3 By   
4 Dallas Filan, General Manager

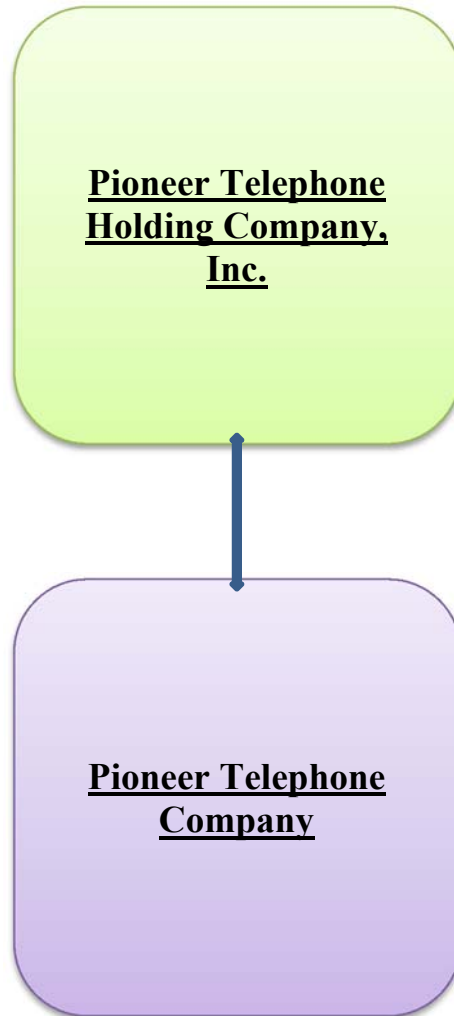
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7 CERTIFICATION

8 I, Stephen Schmick, an officer of the Company who is responsible for the Company's  
9 business and financial operations, hereby certify under penalty of perjury that the information and  
10 representations set forth in the Petition, above, are accurate and the Company has not knowingly  
11 withheld any information required to be provided to the Commission pursuant to the rules  
12 governing the Program.  
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17 Stephen P. Schmick, Interim President

# EXHIBIT 1

## CORPORATE ORGANIZATION CHART



## **EXHIBIT 2**

### **AFFILIATED TRANSACTIONS**

Pioneer Telephone Company ("Company") has affiliated transactions with its parent holding company Pioneer Telephone Holding Company, Inc. During 2019, these transactions consisted of the following:

- The Company provides wholesale DSL service to the parent and charges the parent for such services at rates set forth in the applicable tariff of the National Exchange Carrier Association, Inc. ("NECA").
- The Company provides the parent with special access service, for which the parent is charged by the Company at applicable NECA tariff rates.
- The Company provides customer service support on behalf of the parent with respect to services furnished by the parent to end user customers. The Company is reimbursed by the parent for such services, based on time devoted to such service, to which fully loaded labor rates are applied.
- The Company provides billing and collection services to the parent with respect to retail internet access service furnished by the parent to the Company's end user customers. The cost of these services is identified through the Company's FCC Part 64 procedures as a reduction of operating expenses.
- The Company purchases from the parent web hosting service, email delivery and internet access at rates equivalent to the rates the parent charges to its similarly situated retail customers.
- The parent pays federal income taxes due with respect to income earned by the Company, and is reimbursed by the Company for the Company's allocated share of such taxes.

### EXHIBIT 3

#### BROADBAND PLAN

This Broadband Plan is being submitted by Pioneer Telephone Company in compliance with RCW 80.36.650(3)(a)(ii) and WAC 480-123-110(1)(d). Under the terms of the legislation incorporated into RCW 80.36.650(3), a recipient of support from the state Universal Communications Services Program is to submit a broadband plan showing how the provider will provide, maintain, or enhance broadband services in its service area. As set out in WAC 480-123-110(1)(d), the broadband plan is to include specific elements, but only to the extent applicable to that particular broadband plan. The broadband plan does not have to include all elements but it can include any of the following elements: (1) a multi-year investment plan; (2) specific projects that are projected to provide or enhance broadband service at speeds required by the Commission or the Federal Communications Commission; (3) a plan for maintenance of broadband services in the provider's service area; (4) a description of how the provider will enhance broadband services in its service area; and (5) any other information that the Commission may request to assist in the Commission's review and analysis of the provider's broadband plan. Where there are specific projects, the project information is to include an estimated timeline, geographic location, number of locations passed, and upload and download speeds that are projected to be produced by the project.

Pioneer Telephone Company has constructed sufficient facilities for it to fall into either criterion three or criterion four of WAC 480-123-110 and as a result has constructed substantial broadband infrastructure throughout much or all of its service territory. This means that the company is looking for program support to allow it to continue to provide telecommunications services and broadband services at the levels that are provided today, with enhancements becoming available where appropriate. Pioneer Telephone Company's plan anticipates for 2021 planned investment and expenses to be projected at [REDACTED] for gross capital expenditures, [REDACTED] for repair and maintenance expenses and [REDACTED] towards the outstanding payable amount of [REDACTED] to the fiber-to-the-home construction vendor.

The foregoing Broadband Plan was adopted by Pioneer Telephone Company on July 30, 2020.

**EXHIBIT 4**

**CERTIFICATION RELATING TO ACCOUNTING STANDARDS**

I, Stephen Schmick, am an officer of Pioneer Telephone Company (the Company as set out in the Petition to which this is an Exhibit). Thereby, I certify that the Company complies with state and federal accounting, cost allocation, and cost adjustment rules pertaining an incumbent local exchange carrier for the period of time that the Company will receive support under the Petition to which this is an Exhibit.

This Certification is a sworn statement made under the penalty of perjury as set forth in RCW 9A.72.085 and is made this 30th day of July, 2020.

A handwritten signature in blue ink that reads "Stephen P. Schmick". The signature is written in a cursive style and is positioned above a horizontal line.

By: Stephen P. Schmick  
Title: Interim President



**EXHIBIT 5**  
**UNBUNDLED MONTHLY RATE CHARGE FOR BROADBAND SERVICES**

PIONEER TELEPHONE COMPANY

Download Speed*	Upload Speed*	Type	w/Voice or Data Only	Prior Year End of Year Rate 2018	Current Year End of Year Rate 2019	Res/Bus/Both
3.2	1	DSL	w/Voice	\$ 39.95	\$ 39.95	Both
3.2	1	DSL	Data Only	\$ 60.00	\$ 60.00	Both
5	3	FTTH	w/Voice	\$ 39.95	\$ 39.95	Both
5	3	FTTH	Data Only	\$ 55.00	\$ 55.00	Both
5.1	1	DSL	w/Voice	\$ 49.95	\$ 49.95	Both
5.1	1	DSL	Data Only	\$ 70.00	\$ 70.00	Both
7.5	1	DSL	w/Voice	\$ 69.95	\$ 69.95	Both
7.5	1	DSL	Data Only	\$ 85.00	\$ 85.00	Both
10	1	DSL	w/Voice	\$ 85.00	\$ 85.00	Both
10	1	DSL	Data Only	\$ 95.00	\$ 95.00	Both
10	3	FTTH	w/Voice	\$ 49.95	\$ 49.95	Both
10	3	FTTH	Data Only	\$ 65.00	\$ 65.00	Both
15	3	FTTH	w/Voice	\$ 65.00	\$ 65.00	Both
15	3	FTTH	Data Only	\$ 80.00	\$ 80.00	Both
25	3	FTTH	w/Voice	\$ 85.00	\$ 85.00	Both
25	3	FTTH	Data Only	\$ 100.00	\$ 100.00	Both

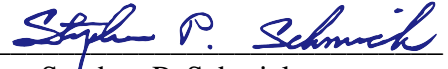
\*mbps

**EXHIBIT 6**

**CONTINUED OPERATIONS CERTIFICATE**

I, Stephen Schmick, an officer of Pioneer Telephone Company (the Company as set out in the Petition to which this is an Exhibit), under penalty of perjury, hereby certify that if the Company receives Program support, the Company will continue to provide communications services pursuant to its tariffs on file with the Commission and will continue through its affiliate to provide broadband services throughout its service territory in Washington for which the Company is seeking and receives Program support during the entirety of 2021.

Dated at LaCrosse, Washington this 30<sup>th</sup> day of July, 2020.



By: Stephen P. Schmick

Title: Interim President

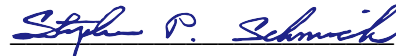
## EXHIBIT 7

### CERTIFICATION OF ELIGIBILITY

I, Stephen Schmick, am an officer of Pioneer Telephone Company (the Company as set out in the Petition to which this is an Exhibit) and thereby certify that the Company is in compliance with the Federal Communications Commission's obligation for deployment of broadband at speeds specified by the Federal Communications Commission that apply to the Company.

For WAC 480-123-110 (1)(j)(iii): Further, I certify that the Company has already met the Federal Communications Commission's total deployment obligations associated with federal high-cost program support as of the date of the Petition to which this is an Exhibit. Further, I certify that since January 1, 2018, the Company has been deploying broadband to additional locations and certifies that it will deploy broadband to the remaining number of locations as determined by the Washington Utilities and Transportation Commission by order.

This Certification is a sworn statement made under the penalty of perjury as set forth in RCW 9A.72.085 and is made this 30th day of July, 2020.

  
By: Stephen P. Schmick  
Title: Interim President