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# BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

IN RE

PETITION OF TENINO TELEPHONE COMPANY TO RECEIVE SUPPORT FROM THE STATE UNIVERSAL COMMUNICATIONS SERVICES PROGRAM DOCKET NO.

PETITION FOR SUPPORT

COMES NOW TENINO 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 state Universal Communications Services Program (the "Program") for the Program year 2024.

### 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).

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

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

- 1. WAC 480-123-110(1)(a): The name of the legal entity that provides communications services and is seeking Program support is as follows: Tenino Telephone Company.
- 2. WAC 480-123-110(1)(b): A corporate organization chart showing the relationship between the Company and affiliates as defined in RCW 80.16.010 is attached hereto as Exhibit 1. 1 A detailed description of any transactions between the Company and the affiliates named in Exhibit 1 recorded in the Company's operating accounts is attached hereto as Exhibit 2.<sup>2</sup>
- 3. WAC 480-123-110(1)(c): A service area map for the Company can be found at Sheet No. 19 of the Company's Tariff W.D.P.U. No. 1.
- 4. WAC 480-123-110(1)(d): The Company's broadband plan to provide, maintain, or enhance broadband services in its service area is attached hereto as Exhibit 3.

<sup>&</sup>lt;sup>1</sup> Pursuant to agreement with Commission Staff, Exhibit 1 is limited to those affiliates having transactions with the Company that are to be identified in Exhibit 2.]

<sup>&</sup>lt;sup>2</sup> Pursuant to agreement with the Commission Staff, Exhibit 2 is limited to transactions other than employment compensation and benefits pursuant to employ benefit plans.

- 5. WAC 480-123-110(1)(f): A sworn statement by a Company officer certifying that the Company complies with state and federal accounting, cost allocation, and cost adjustment rules pertaining to incumbent local exchange carriers is attached hereto as Exhibit 4.
- 6. WAC 480-123-110(1)(g): The number of residential local exchange access lines served by the Company as of December 31, 2022, was 1,491. The number of residential local exchange access lines served by the Company as of December 31, 2021, was 1,637. The number of business local exchange access lines served by the Company as of December 31, 2022, was 291. The number of business local exchange access lines served by the Company as of December 31, 2021, was 432. The number of broadband connections served by the Company or a Company affiliate as of December 31, 2022, was 1,505. The number of broadband connections served by the Company or a Company affiliate as of December 31, 2021, was 1,511. As of June 30, 2023, of the estimated approximately 3,580 potential broadband locations in the Company's service area, approximately of such locations have actually available broadband service with capability of broadband speeds of 25 Mbps downstream/3 Mbps upstream, or better, provided by the Company or a Company affiliate.<sup>3</sup> The unbundled monthly recurring rate charged by the Company for residential local exchange access service on December 31, 2022, was \$22.55. The unbundled monthly recurring rate charged by the Company for residential local exchange access service on December 31, 2021, was \$18.00. The unbundled monthly rate charged by the Company for single line business local exchange access service on December 31, 2022, was \$22.55. The unbundled monthly rate charged by the Company for single line business local exchange

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<sup>&</sup>lt;sup>3</sup> The definition of the term "actually available," as used in the sentence to which this footnote is attached, is consistent with the meaning of that term found in Paragraph 13 of the FCC's Digital Opportunity Data Collection Report and Order (FCC 19-79) – service is actually available in an area (to a location) if the reporting fixed provider has a current broadband connection to such location, or could provide such a connection within ten business days of a customer request, without an extraordinary commitment of resources, and without construction charges or fees exceeding an ordinary service activation fee.

access service on December 31, 2021, was \$21.00. (The Company has other business local exchange service rates, but the Company understands that WAC 480-123-110(1)(g) is requesting the single line business local exchange access service rate.) The unbundled monthly rate charged for broadband service as of December 31, 2022, and as of December 31, 2021, is set out in the attached Exhibit 5.

- 7. WAC 480-123-110(1)(h): The requested statements are attached as Exhibit 6.
- 8. WAC 480-123-110(1)(h)(i): A sworn statement by a Company officer certifying 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 applicable to the Company and that the Company meets one of the eligibility criteria set out in WAC 480-123-110(1)(j)(ii), (iii) or (iv) is attached at Exhibit 7.
- 9. All exhibits attached hereto are incorporated into this Petition as though fully set forth.

Respectfully submitted this 28<sup>th</sup> day of July, 2023.

TENINO TELEPHONE COMPANY

By

Steve Hanson, President

#### **CERTIFICATION**

I, Steve Hanson, 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.

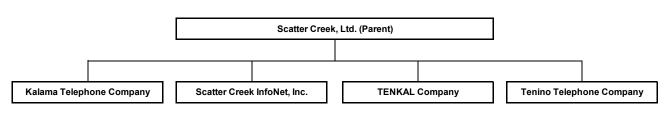
PETITION OF TENINO TELEPHONE COMPANY TO RECEIVE SUPPORT FROM THE STATE UNIVERSAL COMMUNICATIONS SERVICES PROGRAM

I declare under penalty of perjury under the laws of the State of Washington that the foregoing is true and correct. Signed this 28<sup>th</sup> day of July, 2023, at Tenino, Washington. Steve Hanson, President 

#### **EXHIBIT 1**

#### CORPORATE ORGANIZATION CHART

# Corporate Organization Chart for Tenino Telephone Company



#### EXHIBIT 2

#### AFFILIATED TRANSACTIONS

SCATTER CREEK, LTD. (Parent): Scatter Creek, Ltd (Parent) acts as a common paymaster for the Tenino Telephone Company (Company) and some of its affiliates. The Parent also provides billing and operational systems support for the Company. Certain shareholders holding, directly or indirectly, five percent or more of the stock of the Company are also employees of the Company and receive from the Company's employment compensation together with employment-associated benefits in accordance with benefit plans that are in place.

Scatter Creek InfoNet, Inc. (affiliate): Scatter Creek InfoNet, Inc. (SCIN) is an affiliate of the Company that is an internet service provider. SCIN purchases from the Company DSL service on a wholesale basis, Ethernet Transport Service, and Special Access Service. The pricing for these services is set in accordance with National Exchange Carrier Association (NECA) Tariff FCC No. 5. SCIN purchases local business access lines from the Company. These lines are used for customer service and dial-up Internet service. The rates charged to SCIN by the Company for these lines are set forth in the Company's Tariff W.D.P.U. NO. 1. The Company purchases from SCIN web hosting service, email delivery and internet access at rates equivalent to the rates SCIN charges to its similarly situated retail customers.

TENKAL Company (affiliate): TENKAL Company (TENKAL) provides long distance service to customers in the Company's service territory using the DBA of Scatter Creek Communications. TENKAL purchases local business access lines from the Company. These lines are used for customer service. The rates charged to TENKAL by the Company for these lines are set forth in the Company's Tariff W.D.P.U. NO. 1. The Company purchases long distance service from TENKAL at rates equivalent to those TENKAL charges to its similarly situated retail customers. The Company provides billing and collection service for TENKAL. The rates charged to TENKAL by the Company for billing and collection service are set forth in the Company's Tariff W.D.P.U. NO. 1.

Kalama Telephone Company (affiliate): On occasion an employee of either Telephone Company will perform work for the other Telephone Company. The actual payroll and overheads associated with the hours worked are reimbursed by the Telephone Company benefitting from the work performed.

#### EXHIBIT 3

#### **BROADBAND PLAN**

Pursuant to RCW 80.36.650(3)(a)(ii), a recipient of support from the state Universal Communications Services Program established by RCW 80.36.650 is to have adopted a plan to provide, enhance, or maintain 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 potential elements include the following: (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.

Tenino Telephone Company ("Company") has constructed sufficient facilities to qualify for criterion three of WAC 480-123-110 and, as a result, has constructed substantial broadband infrastructure throughout much of its service territory. This means that the Company is seeking program support to allow it to continue to provide telecommunications services and broadband services at or above the levels that are provided today.

In addition, subject to the availability of adequate funding, including support from the Program, the Company is planning to engage in a broadband infrastructure construction program in 2024 and subsequent years. <sup>1</sup> The specific projects planned for 2024 are as follows:

<sup>&</sup>lt;sup>1</sup> The Company's broadband plan may be affected by any number of factors. One such factor is the availability of materials and supplies. Plans are also subject to obtaining building or construction permits, in some cases rights-of-way, and other factors. The Company has little, if any, control over the permitting process. Nor can the Company be certain that rights-of-way will be available on reasonable terms and conditions. Other factors outside of the control of the Company may also affect the broadband plan. For example, epidemic, severe weather, accidents or earthquakes are items that may affect the timing for projects listed below in the broadband plan. If, for example, severe weather damages existing facilities, it may be necessary for the Company to refurbish or rebuild existing facilities rather than continue or engage in a project listed in the broadband plan. The foregoing list of factors that can affect the broadband plan is meant to be illustrative and is not exhaustive.



In addition, the Company plans to maintain its existing voice and broadband network during 2024. The Company's projected annual direct and indirect operational costs associated with its voice and broadband network, including costs of maintenance and repair (but excluding depreciation) of the Company's voice and broadband network, for 2024 is approximately

The infrastructure construction program for 2024 described above was adopted by the Company on May 29, 2023.

Dated: July 29, 2023

#### EXHIBIT 4

#### CERTIFICATION RELATING TO ACCOUNTING STANDARDS

I, Steven D. Hanson, am an officer of Tenino Telephone Company ("Company") and, in that capacity, hereby certify that the Company complies with state and federal accounting, cost allocation, and cost adjustment rules pertaining to incumbent local exchange carriers applicable to the Company.

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

Signed this 28<sup>th</sup> day of July, 2023, at Tenino, Washington.

Steven D. Hanson

President

#### **EXHIBIT 5**

#### UNBUNDLED MONTHLY RATES CHARGED FOR BROADBAND SERVICE

Tenino Telephone Company, through its affiliate, Scatter Creek InfoNet, Inc., offered the following broadband service levels:

	December 31, 2021	December 31, 2022
Broadband Service with Voice Service (nom	inal speeds)	
Starter <sup>1</sup> (640kbps/320kbps)	\$29.95	\$29.95
Starter <sup>1</sup> (2mbps/512kbps)	\$35.95	\$35.95
3Meg <sup>1</sup> (3mbps/512kbps)	\$45.95	\$45.95
Basic (6mbps/1mbps)	\$49.95	\$49.95
Choice (12mbps/2mbps)	\$59.95	\$59.95
Prime (25mbps/5mbps)	\$65.95	\$65.95
Optimal (50mbps/10mbps)	\$75.95	\$75.95
Fiber 100/20 (100mbps/20mbps)	\$99.95	\$99.95
Fiber 200/50 (200mbps/50mbps)	\$124.95	\$124.95
Business Class Fiber 50/50 (50mbps/50m	bps) \$149.95	\$149.95
Business Class Fiber 100/100		
(100mbps/100mbps)	\$249.95	\$249.95
Business Class Fiber 200/200		
(200mbps/200mbps)	\$349.95	\$349.95
Business Class Fiber 1G/1G		
(1 Gigabyte/1 Gigabyte)	\$599.95	\$599.95
Broadband Service without Voice Service (n	ominal speeds)	
Optimal (50mbps/10mbps)	\$99.95	\$99.95
Fiber 100/20 (100mbps/20mbps)	\$124.95	\$124.95
Fiber 200/50 (200mbps/50mbps)	\$154.95	\$154.95
Business Class Fiber 50/50 (50mbps/50m	bps) \$149.95	\$149.95
Business Class Fiber 100/100	_	
(100mbps/100mbps)	\$249.95	\$249.95
Business Class Fiber 200/200		
(200mbps/200mbps)	\$349.95	\$349.95
Business Class Fiber 1G/1G		
(1 Gigabyte/1 Gigabyte)	\$599.95	\$599.95

<sup>&</sup>lt;sup>1</sup> This internet package is grandfathered. Existing subscription to the package may continue. New subscribers are not allowed to subscribe to this package.

#### **EXHIBIT 6**

#### CONTINUED OPERATIONS CERTIFICATE

I, Steven D. Hanson, am an officer of Tenino Telephone Company ("Company"), and, in that capacity, hereby certify that if the Company receives Program support pursuant to the Petition of which this Exhibit 6 is a part, (i) the Company will continue to provide communications services pursuant to its tariffs on file with the Commission throughout its service territory in Washington for which the Company is seeking and receives such Program support and (ii) the Company or its affiliate will continue to provide broadband services in the area for which the Company receives such Program support during the entirety of the Program year 2024.

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

Signed this 28th day of July, 2023, at Tenino, Washington.

Steven D. Hanson

President

#### EXHIBIT 7

#### CERTIFICATION OF ELIGIBILITY

I, Steven D. Hanson, am an officer of Tenino Telephone Company ("Company") and, in that capacity, hereby certify that the Company is in compliance with the Federal Communications Commission's obligations for deployment of broadband at speeds specified by the Federal Communications Commission that apply to the Company.

Further, in that capacity I hereby certify (i) 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 and (ii) that the Company has since January 1, 2018, deployed broadband to the number of locations the Washington Utilities and Transportation Commission has determined by order.

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

Signed this 28th day of July, 2023, at Tenino, Washington.

Steven D. Hanson

President