

August 11, 2015

Mr. Steven V. King
Executive Director and Secretary
Washington Utilities and Transportation Commission
1300 S. Evergreen Park Drive SW
Olympia, Washington 98504
(360) 664-1160

Re: 2014 ETC Certification and Request for Certification Pursuant to WAC 480-123-060, WAC 480-123-070, WAC 480-13-080, and 47

C.F.R. §54.314.

Dear Mr. King:

Attached for filing is redacted supplemental information for United Telephone Company of the Northwest d/b/a CenturyLink ("Company") as requested by Commission Staff outlining the 2014 operating expenses and gross capital additions and the 2016 planned use of universal service funds.

Should you have any questions, please contact Mark Reynolds at (206) 345-1568 or myself at (318) 330-6616.

Sincerely,

Khurram Shakir

Senior Regulatory Analyst

CenturyLink

**Enclosures** 

# 2015 ELIGIBLE TELECOMMUNICATIONS CARRIER CERTIFICATION REPORT AS REQUIRED BY WAC 480-123-060, WAC 480-123-070, AND WAC 480-123-080 UNITED TELEPHONE COMPANY OF THE NORTHWEST D/B/A CENTURYLINK (WASHINGTON)

United Telephone Company of the Northwest d/b/a CenturyLink (Washington) ("Company") hereby submits the following supplemental report per Commission Staff request.

#### WAC 480-123-070 Annual certifications and reports.

Not later than July 1st of each year, every ETC that receives federal support from any category in the federal high-cost fund must certify or report as described in this section. The certifications and reports are for activity related to Washington State in the period January 1st through December 31st of the previous year. A company officer must submit the certifications in the manner required by RCW 9A.72.085.

#### (1) Report on use of federal funds and benefits to customers.

(a) The report must provide a substantive description of investments made and expenses paid with support from the federal high-cost fund.

The report must include the company's gross capital expenditures and operating expenses made with federal high-cost support received by the ETC in the preceding calendar year along with a description of major projects and affected exchanges. A rate-of-return wireline ETC must also include a copy of its NECA-1 report for the preceding calendar year.

**Response:** Attached as Exhibit B is a copy of the Company's NECA-1 Report associated with the Company's operations in 2010. The plant investment and expense amounts listed on the report represent the basis for federal high cost funding support received in 2011. The attached report is also the basis of current support levels. Per FCC 11-161, the Connect America Fund order, current universal service funding levels are frozen based on the amount of support that was received by each company in 2011. Additionally, attached as Confidential Exhibit C is a Company report labeled USF 1010, showing the same type of information as the NECA-1 report. This report reflects the Company's continued operations in 2014. Confidential Exhibit C contains confidential financial information as recognized under RCW 80.04.095. Therefore the schedule is being submitted as a CONFIDENTIAL document under WAC 480-07-160 and RCW 80.04.095.

**Supplemental Response:** See supplemental attachment Redacted Exhibit F showing the company's operating expenses and gross capital expenditures in 2014. Redacted Exhibit F contains redacted financial information as recognized under RCW 80.04.095. Therefore the schedule is being submitted as a REDACTED

### WAC 480-123-080 Annual plan for universal service support expenditures.

(1) Not later than July 1st of each year, every ETC that receives federal support from any category in the federal high-cost fund must report the planned use of federal support related to Washington state that will be received during the coming calendar year. The report must include the company's planned gross capital expenditures and operating expenses made with federal high-cost support received by the ETC for the coming calendar year along with a description of major projects and affected exchanges.

Response: The Company submits herewith Confidential Exhibit D. The schedule is not all-inclusive of the Company's planned capital expenditures but does list some of the more significant projects the Company is undertaking in 2015. The exhibit also includes a 2015 plan. The exhibit is quite detailed with regard to equipment, location, and cost and therefore constitutes valuable commercial information in the form of network configuration and design information as recognized under RCW 80.04.095. Therefore the schedule is being submitted as a CONFIDENTIAL document under WAC 480-07-160 and RCW 80.04.095. The Company also expects to incur expenses associated with maintaining and operating its network in the state of Washington at a level that will be similar to the expenses indicated on Exhibit B and Confidential Exhibit C submitted in response to WAC 480-123-070(1)(a). The Company also submits Confidential Exhibit E. The exhibit describes the status of construction projects during 2014 and is being submitted as a CONFIDENTIAL document under WAC 480-07-160 and RCW 80.04.095.

**Supplemental Response:** See supplemental attachment Redacted Exhibit G showing the company's planned use of federal support that will be received during 2016. The exhibit is quite detailed with regard to equipment, location, and cost and therefore constitutes valuable commercial information in the form of network configuration and design information as recognized under RCW 80.04.095. Therefore the schedule is being submitted as a REDACTED document under WAC 480-07-160 and RCW 80.04.095.

## REDACTED EXHIBIT F

### Centurylink 2014 Operating Expenses and Gross Capital Additions WAC 480-123-070 (1) (a) United Telephone Company of the Northwest d/b/a CenturyLink

Expenditures For Provision, Maintenance, and Upgrading of Facilities and Services Supported by Federal Universal Service Funding

Reporting Period
2014

## REDACTED EXHIBIT G

### CenturyLink 2016 Planned Investments WAC 480-123-080 (1)

United Telephone Company of the Northwest d/b/a CenturyLink (Washington)



REDACTED Per RCW 80.04.095

## CenturyLink 2016 Planned Investments WAC 480-123-080 (1) United Telephone Company of the Northwest d/b/a CenturyLink (Washington)

