

**BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION
COMMISSION**

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

**INLAND TELEPHONE COMPANY - SAC 522423
DUE AUGUST 2, 2021**

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6 **BEFORE THE WASHINGTON**
7 **UTILITIES AND TRANSPORTATION COMMISSION**

8 IN RE

9 PETITION OF INLAND TELEPHONE
10 COMPANY TO RECEIVE SUPPORT
11 FROM THE UNIVERSAL SERVICE
12 COMMUNICATIONS PROGRAM

DOCKET NO. UT-210546

PETITION FOR SUPPORT

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14 COMES NOW INLAND TELEPHONE COMPANY (*d/b/a* Inland Networks)(the
15 "Company") and, pursuant to Chapter 480-123 of the Washington Administrative Code ("WAC"),
16 including, but not limited to, WAC 480-123-110, hereby petitions the Washington Utilities and
17 Transportation Commission (the "Commission") to receive support from the Universal Service
18 Communications Program (the "Program") for the Program year 2022.

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

- 21 1. WAC 480-123-100(1)(a): The Company is a local exchange company as defined in WAC
22 480-120-021 that serves fewer than forty thousand access lines within the state.
23 2. WAC 480-123-100(1)(b): The Company is an incumbent local exchange carrier as defined
24 in 47 U.S.C. Sec. 251(h) or has been designated as an incumbent local exchange carrier by
25

1 the Federal Communications Commission.

2 3. WAC 480-123-100(1)(c): The Company offers basic residential and business exchange
3 telecommunications services as set forth in WAC 480-120-021 and RCW 80.36.630.

4 4. WAC 480-123-100(1)(d): The Company has established a plan, as described in WAC 480-
5 123-110, to provide, maintain or enhance broadband service (See II.4, below).

6 5. WAC 480-123-100(1)(e): The Company has been designated by the Commission as an
7 eligible telecommunications carrier ("ETC") for purposes of receiving federal universal
8 services support pursuant to 47 C.F.R. Part 54 Subpart D - Universal Service Support for
9 High Cost Areas with respect to the service areas for which the Company is seeking
10 Program support.

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

13 1. WAC 480-123-110(1)(a): The name of the legal entity that provides communications
14 services and is seeking Program support is as follows: Inland Telephone Company

15 2. WAC 480-123-110(1)(b): A corporate organization chart showing the relationship between
16 the Company and affiliates as defined in RCW 80.16.010 is attached hereto as Exhibit 1. ¹

17 A detailed description of any transactions between the Company and the affiliates named in
18 Exhibit 1 recorded in the Company's operating accounts is attached hereto as Exhibit 2. ²

19 3. WAC 480-123-110(1)(c): Service area maps for the Company can be found at Sheet Nos.
20 501, 502, 503, and 504 of the Company's Tariff WN U-7.

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23 ¹ 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.

24 ² Pursuant to agreement with the Commission Staff, Exhibit 2 is limited to transactions other than
25 employment compensation and benefits pursuant to employ benefit plans.

- 1 4. WAC 480-123-110(1)(d): The Company's broadband plan to provide, maintain, or enhance
2 broadband services in its service area is attached hereto as Exhibit 3.
- 3 5. WAC 480-123-110(1)(f): A sworn statement by a Company officer certifying that the
4 Company complies with state and federal accounting, cost allocation, and cost adjustment
5 rules pertaining to incumbent local exchange carriers is attached as Exhibit 4.
- 6 6. WAC 480-123-110(1)(g): The number of residential local exchange access lines served by
7 the Company as of December 31, 2020, was 1,405. The number of residential local
8 exchange access lines served by the Company as of December 31, 2019, was 1,619. The
9 number of business local exchange access lines served by the Company as of December 31,
10 2020, was 294. The number of business local exchange access lines served by the Company
11 as of December 31, 2019, was 439. The number of broadband subscribers served by the
12 Company in its regulated service areas as of December 31, 2020, was 2,252. The total
13 number of broadband locations identified where service can be provided by the Company in
14 its regulated service areas as of December 31, 2020, was 3,680; 2,424 locations that are
15 capable of speeds greater than or equal to 25/3 Mbps of which 1,134 are ACAM supported.
16 The number of broadband subscribers served by the Company in its regulated service areas
17 as of December 31, 2019, was 1,962. The total number of broadband locations identified
18 where service can be provided by the Company in its regulated service areas as of December
19 31, 2019, was 3,097; 1,994 locations that are capable of speeds greater than or equal to 25/3
20 Mbps of which 806 are ACAM supported. The unbundled monthly recurring rate charged by
21 the Company for residential local exchange access service on December 31, 2020, was:
22 Dewatto exchange - \$22.00; Prescott exchange - \$18.00; Roslyn exchange - \$18.00; and,
23 Uniontown exchange - \$18.00. The unbundled monthly recurring rate charged by the
24 Company for residential local exchange access service on December 31, 2019, was: Dewatto
25

1 exchange - \$22.00; Prescott exchange - \$18.00; Roslyn exchange - \$18.00; and, Uniontown
2 exchange - \$18.00. The unbundled monthly rate charged by the Company for single line
3 business local exchange access service on December 31, 2020, was: Dewatto exchange -
4 \$27.00; Prescott exchange - \$26.50; Roslyn exchange - \$24.00; and, Uniontown exchange -
5 \$25.00. The unbundled monthly rate charged by the Company for single line business local
6 exchange access service on December 31, 2019, was: Dewatto exchange - \$27.00; Prescott
7 exchange - \$26.50; Roslyn exchange - \$24.00; and, Uniontown exchange - \$25.00. The
8 unbundled monthly rates charged for broadband services as of December 31, 2020, and as of
9 December 31, 2019, are in the attached Exhibit 5.

- 10 7. WAC 480-123-110(1)(h): The requested statements are attached as Exhibit 6.
- 11 8. WAC 480-123-110(1)(h)(i): A sworn statement by a Company officer certifying that the
12 Company is in compliance with the Federal Communications Commission's obligation for
13 deployment of broadband at speeds specified by the Federal Communications Commission
14 applicable to the Company and that the Company meets one of the eligibility criteria set out
15 in WAC 480-123-110(1)(j)(ii), (iii) or (iv) is attached at Exhibit 7.
- 16 9. All exhibits attached hereto are incorporated into this Petition as though fully set forth.

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18 Respectfully submitted this 27th day of August, 2021.

19 INLAND TELEPHONE COMPANY

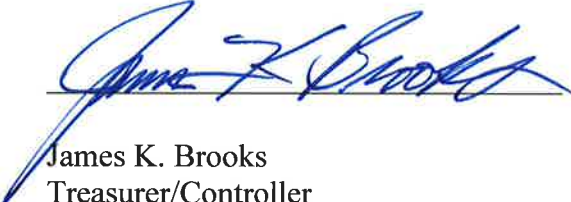
20 By 

21 James K. Brooks
22 Treasurer/Controller

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CERTIFICATION

I, James K. Brooks, 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.



James K. Brooks
Treasurer/Controller
Inland Telephone Company

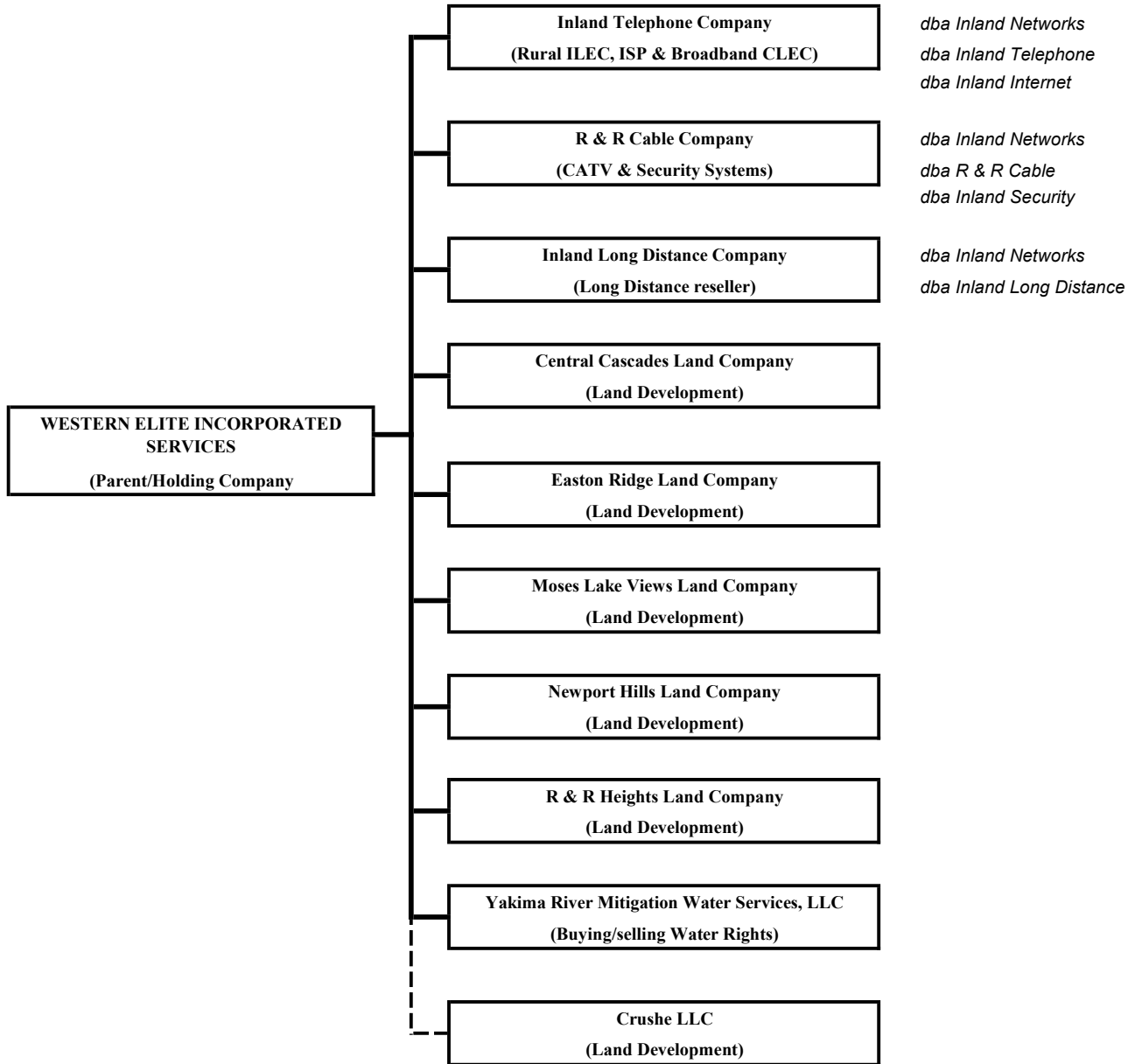
EXHIBIT 1

**CORPORATE STRUCTURE
WAC 480-123-110(1)(b)**

INLAND TELEPHONE COMPANY - SAC 522423

EXHIBIT 1

**CORPORATE ORGANIZATION CHART
AS OF DECEMBER 31, 2020**



NOTE: All of the entities shown above are wholly owned subsidiaries of Western Elite Incorporated Services and are either C-Corporations or limited liability companies. The members of Crushe LLC are also the shareholders of W.E.I.S.

EXHIBIT 2

**AFFILIATED TRANSACTIONS
WAC 480-123-110(1)(b)**

INLAND TELEPHONE COMPANY - SAC 522423

EXHIBIT 2

AFFILIATED TRANSACTIONS

Other than the purchase of tariffed services at tariffed rates, Inland Telephone Company reports the following affiliate transactions for the year ended December 31, 2020:

Shareholders – There are shareholders holding five percent or more of the stock, directly or indirectly, of the Company who are also employees of the Company and receives from the Company employment compensation together with employment associated benefits in accordance with the benefits plan that governs all employees.

Related Party Transactions:

R & R Cable Company (“R & R”) –

- R & R paid Inland Telephone Company (“ITC”) for contracted services for managing R & R’s Internet service via cable modem outside of the ITC service area.
- ITC paid R & R for wholesale cable television service provisioned on ITC’s fiber-to-the-premise network.

EXHIBIT 3

**BROADBAND PLAN
WAC 480-123-110(1)(d)**

INLAND TELEPHONE COMPANY - SAC 522423

EXHIBIT 3

BROADBAND PLAN

As they are known to the Company at the date of this Report, the following projects exist or are planned by Inland Telephone Company in order to further its broadband footprint. The “Current Projects” are those that the Company is presently working on completing; many have already been mentioned in previous filings (i.e. ETC Filing and SUSF Compliance).

Current Projects:

Roslyn Exchange – In the 2020 filing, it was explained that there was an estimated 3.5 mile main fiber transmission line build required for the Company to have the ability of providing fiber service to the Anna Belle development to the Night Sky development (the last development before entering the Wenatchee National Forest). According to the Kittitas County Assessor’s website, there are currently 139 platted lots that are affected of which 50 have homes on them. As of the date of this report, the main fiber transmission line has been completed and a VDSL Cabinet has been placed. The Company anticipates the transition from DSL to VDSL to be completed by the end of September. The Company has experimented in its Uniontown exchange with the VDSL and found that VDSL can be provisioned at 10 Mbps upstream and 50 Mbps downstream at approximately a mile. There is no estimated cost to complete the transition from DSL to VDSL as this will be labor only and the difficulty in the differing cabinet locations has not been assessed however, the cumulative balance of the workorder as of April 30, 2021, was \$28,739. Although 10/50 is a somewhat adequate speed, the Company continues to have plans for fiber-to-the-premise (“FTTP”) in and around the developments of Anna Belle and Morgan Creek, even though the existing premise drops were direct buried (no conduit) and there is now infrastructure to avoid and boring would be difficult and costly in this rocky and mountainous area. There is no timeline for conversion from VDSL to FTTP in and around the Anna Belle/Morgan Creek developments. As of June 30, 2021, there were 2,304 locations in the Roslyn exchange identified where service can be provided; 2,243 locations that are capable of speeds greater than or equal to 25/3 Mbps of which 948 ACAM supported.

Uniontown Exchange – The construction of FTTP in the Uniontown exchange started in November 2019; starting with the Town of Colton. Although COVID slowed construction, the construction was fully completed in the Town of Colton by December 31, 2020. As of the June 30, 2021, there were 571 locations in the Uniontown exchange identified where service can be provided; 196 locations within Colton and 117 locations within Uniontown that are capable of receiving service speeds greater than or equal to 25/3 Mbps of which 265 are ACAM supported. The Company is continuing construction of FTTP in the Town of Uniontown and anticipates completion by the end of September. As of the date of this report, the Company has capitalized \$996,702 for this FTTP project which includes the cost of the contractor, construction materials (fiber cable, conduit, fiber drop cable, and splitter cabinet), Adtran fiber transmission equipment, central office fiber termination equipment, optical network terminals, and Company personnel time. As of April 30, 2021, the Company had \$91,400 in open workorders for this continuing

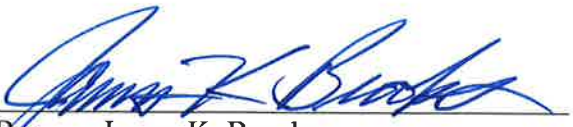
FTTP project. The Company must still address the more rural customers (approximately 90) that are currently provided service by eleven (11) VDSL cabinets currently running in DSL mode. The Company anticipates that by the end of 2021, the conversion from DSL to VDSL will be completed. The Company is already upgrading the central office equipment to optimize these cabinets and run them as VDSL until FTTP can be installed. The Company did have some foresight when it built this portion of the network as it was built in a fiber ring configuration and we are confident that FTTP can be achieved in these areas using Company personnel at an estimated cost of approximately \$200,000. The Company does not have a timeframe for completion.

Planned Projects:

Prescott Exchange – The Company plans on first addressing those customers that are currently provided service from the Prescott central office; the greater Town of Prescott. At the time of this report, the Company has already purchased the Adtran TA5000 for the central office; racked and ready to go. The Company will then address the more rural customers (approximately 33) that are currently provided service by seven (7) VDSL cabinets (currently running in DSL mode) that are connected to the central office with fiber cable. The Company is already upgrading the central office equipment to optimize these cabinets and run them as VDSL which should be accomplished by the end of September. The Company would be performing the construction and does not foresee the need to borrow funds for this project. The Company has estimated the initial project cost to be approximately \$250,000 however, should the Company decide to commence FTTP, this approximate cost could be upwardly of \$600,000; as adequate funds and personnel availability are a factor. As of June 30, 2021, there were 253 locations in the Prescott exchange identified where service can be provided of which none are capable of speeds greater than or equal to 25/3 Mbps.

Dewatto Exchange – The Company currently has in place fiber infrastructure connecting ADSL cabinets (6) to the Dewatto central office. At the time of this report, the Company has placed the order for an Adtran TA5000 for the central office in order to commence the upgrade. After running trials in its Uniontown exchange with VDSL from the TA5000, the Company will initially replace the ADSL cabinets with VDSL and add more VDSL cabinets to lessen distances to the subscribers; initially two additional cabinets. The Adtran/VDSL project will commence in September and it is anticipated to be completed by June of 2022. The Company would be performing the construction and does not foresee the need to borrow funds for this project. The Company has estimated the initial project cost to be approximately \$400,000. The Company believes that in order to achieve FTTP, the Company will need to apply for another RUS loan as it estimates the cost to build FTTP would be approximately \$4,000,000. The Company does not have a timeframe for completion and is not planning on applying to the RUS until 2023. As of June 30, 2021, there were 594 locations in the Dewatto exchange identified where service can be provided of which none are capable of speeds greater than or equal to 25/3 Mbps.

Dated this 27th day of August, 2021 at Roslyn, Washington.


By: James K. Brooks
Title: Treasurer/Controller

PETITION OF INLAND TELEPHONE COMPANY
TO RECEIVE SUPPORT FROM THE STATE UNIVERSAL
COMMUNICATIONS SERVICES PROGRAM –
EXHIBIT 3

EXHIBIT 4

**CERTIFICATION RELATED TO
ACCOUNTING STANDARDS
WAC 480-123-110(1)(f)**

INLAND TELEPHONE COMPANY - SAC 522423

EXHIBIT 4

CERTIFICATION RELATING TO ACCOUNTING STANDARDS

I, James K. Brooks, am an officer of Inland 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 to 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 27th day of August, 2021.

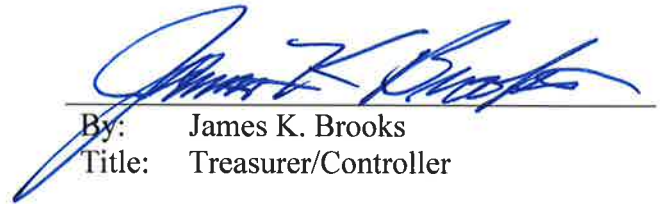

By: James K. Brooks
Title: Treasurer/Controller

EXHIBIT 5

BROADBAND SERVICE RATES

WAC 480-123-110(1)(g)

INLAND TELEPHONE COMPANY - SAC 522423

EXHIBIT 5

**UNBUNDLED MONTHLY BROADBAND SERVICE RATES
(Rates without Telephone Service)**

Exchange	Downstream Bandwidth	Upstream Bandwidth	2019 Monthly Retail Advertised Rate*	2020 Monthly Retail Advertised Rate*	Data Only Subscribers as of 12/31/20
Dewatto	4 Mbps	1 Mbps	\$ 55.00	\$ 55.00	8
Dewatto	6 Mbps	1 Mbps	\$ 55.00	\$ 55.00	15
Dewatto	10 Mbps	1 Mbps	\$ 65.00	\$ 65.00	35
Prescott	4 Mbps	1 Mbps	\$ 55.00	\$ 55.00	0
Prescott	6 Mbps	1 Mbps	\$ 55.00	\$ 55.00	5
Prescott	10 Mbps	1 Mbps	\$ 65.00	\$ 65.00	9
Roslyn	6 Mbps	1 Mbps	\$ 55.00	\$ 55.00	11
Roslyn	10 Mbps	1 Mbps	\$ 65.00	\$ 60.00	246
Roslyn	15 Mbps	3 Mbps	\$ 75.00	\$ 65.00	151
Roslyn	25 Mbps	5 Mbps	N/A	\$ 75.00	12
Roslyn	50 Mbps	10 Mbps	\$ 85.00	\$ 85.00	155
Roslyn	100 Mbps	50 Mbps	\$ 95.00	\$ 95.00	202
Uniontown	6 Mbps	1 Mbps	\$ 55.00	\$ 55.00	15
Uniontown	10 Mbps	1 Mbps	\$ 65.00	\$ 60.00	44
Uniontown	15 Mbps	3 Mbps	\$ 65.00	\$ 65.00	11
Uniontown	25 Mbps	5 Mbps	N/A	\$ 75.00	7
Uniontown	50 Mbps	10 Mbps	N/A	\$ 85.00	0
Uniontown	100 Mbps	50 Mbps	N/A	\$ 95.00	5

* This list only reflects rates that are advertised however, if a customer requests a non-advertised speed and the Company finds it to be feasible to provision the requested speed, the Company quotes a rate and if agreeable, proceeds with provisioning the service as requested. Except in the case of a facilities change (e.g. copper to fiber), the Company does not force customers from a speed no longer advertised; their monthly rate and service level is grandfathered until the customer wishes to change.

EXHIBIT 6

**CONTINUED OPERATIONS CERTIFICATE
WAC 480-123-110(1)(h)**

INLAND TELEPHONE COMPANY - SAC 522423

EXHIBIT 6

CONTINUED OPERATIONS CERTIFICATE

I, James K. Brooks, an officer of Inland Telephone Company, under penalty of perjury, hereby certify that if the Company receives Program support, the Company will continue to provide communications and broadband services pursuant to its tariffs (as/if applicable) on file with the Commission throughout its service territory in Washington for which the company is seeking and receives Program support during the entirety of the year for which the Company is applying for support from the Program.

Dated this 27th day of August, 2021 at Roslyn, Washington.

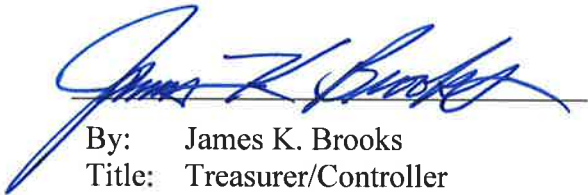

By: James K. Brooks
Title: Treasurer/Controller

EXHIBIT 7

**CERTIFICATION OF ELIGIBILITY
WAC 480-123-110(1)(h)(i)**

INLAND TELEPHONE COMPANY - SAC 522423

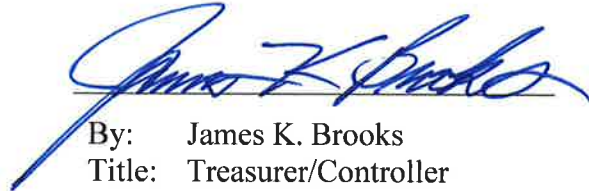
EXHIBIT 7

CERTIFICATION OF ELIGIBILITY

I, James K. Brooks, am an officer of Inland 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.

Further, I certify that the Company is meeting the milestones set by the Federal Communications Commission's deployment obligations associated with federal high-cost program support – Alternative Connect America Cost Model II (ACAM II) as of the date of the Petition to which this is an Exhibit. Further, I certify that the Company commits to the deployment of broadband to the number of additional locations the Washington Utilities and Transportation Commission determined by order. As such, the Company meets the criterion set out in WAC 480-123-110(1)(j)(ii).

This Certification is a sworn statement made under the penalty of perjury as set forth in RCW 9A.72.085 and is made this 27th day of August, 2021.



By: James K. Brooks
Title: Treasurer/Controller