

August 4, 2006

Ms. Carole J. Washburn, Executive Secretary Washington Utilities and Transportation Commission 1300 South Evergreen Park Drive SW Olympia, WA 98504-7250

> Re: Request for Certification Pursuant to WAC 480-123-060 and 47 C.F.R. §54.314, and

Claim of confidentiality.

Dear Ms. Washburn:

Pursuant to WAC 480-123-060, Century Tel of Washington, Inc. ("Company") and CenturyTel of Inter-Island, Inc. ("Company") hereby requests that the Washington Utilities and Transportation Commission certify that the Company has met the requirements of 47 C.F.R. §54.314 for eligibility for continued receipt of federal high-cost funds. The certifications and reports that are specified in WAC 480-123-060, WAC 480-123-070 and WAC 480-123-080 are enclosed.

The Company also requests that the attachment entitled "CenturyTel 2006 Planned Investments" be treated as confidential. The schedule contains information that is quite detailed as to type of equipment, location and cost. Therefore, the Company claims that the information on the schedule is confidential under RCW 80.04.095 in that it constitutes valuable commercial information in the form of network configuration and design information.

Sincerely,

Terrance Hinkston Compliance Analyst

CenturyTel

Enclosures

## REPORT AS REQUIRED BY WAC 480-123-070 AND WAC 480-123-080 CENTURYTEL OF WASHINGTON, INC. CENTURYTEL OF INTER-ISLAND, INC.

CenturyTel of Washington, Inc. (the "Company") and CenturyTel of Inter-Island, Inc. (the "Company") hereby submits the following report in accordance with WAC 480-123-070 and WAC 480-123-080.

WAC 480-123-070(1)(a): Attached is a copy of the Company's NECA-1 Report for the calendar year 2005, that, as of the date of this report, the Company has submitted to NECA. The plant investment and expense amounts listed on NECA-1 represent the basis for federal high cost funding support associated with the Company's operations in 2005.

WAC 480-123-070(1)(b): The Company reports that the investment in plant and the expenses reported on the 2005 NECA-1 report submitted herewith provide very direct and substantial benefits to consumers. Over the years the Company has invested hundreds of millions of dollars in building and then maintaining and operating a telecommunications network in the state of Washington. It is the growth, enhancement and continued viability of this network that gives consumers in the Company's service territory access to services that are vital in meeting their telecommunications needs. The expenditures reflected in the Company's NECA-1 report have allowed the Company to provide services that meet the expectations addressed in 47 U.S.C. 254 for consumers in the service area for which the Company is designated as an ETC.

The expenditures reflected in the Company's NECA-1 were directed to assuring that the network is positioned to meet the ever increasing needs and expectations of consumers. The company's expenditures included projects to increase network capacity. For example, projects that added fiber to the network increased the network's capacity. Consumers benefit from increased capacity in that it allows additional consumers to join or access the network, allows additional services to be offered over the network, and reduces the likelihood that calls will be blocked.

Company expenditures have also gone to maintaining and increasing network reliability. For example, expenditures are included for projects that address backup power via batteries and generators. Ability to access the network during periods of power outages clearly benefits the health and safety of consumers. Network reliability also benefits consumers by generally increasing the overall quality of service.

<sup>&</sup>lt;sup>1</sup> The NECA-1 report does not identify expenditures at the project level. The projects underlying the expenditures on NECA-1 would tend to be very similar to those identified in response to WAC 480-123-080 (1) (b) which does identify certain planned expenditures at the project level.

WAC 480-123-070(4): The Company reports that the Company is not aware of any complaints during calendar year 2005 to the Federal Communications Commission or the Consumer Protection Division of the Office of the Attorney General of the State of Washington concerning the services provided to its customers.

WAC 480-123-080(1)(b): The Company submits herewith a schedule entitled "2006 Planned Investment." 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 2006. The schedule 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. 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 the 2005 NECA-1 form submitted in response to WAC 480-123-070(1)(a).

WAC 480-123-080(2): The Company states that federal support will be used only for the provision, maintenance and upgrading of the facilities and services for which the support is intended under 47 U.S.C. 254. The federal support will be used to fund operation of and improvements to the network including various projects included on the 2006 Planned Investment schedule as well as expenses at a level similar to that indicated on the 2005 NECA-1 form submitted in response to WAC 480-123-070(1)(a). The Company's use of federal support in this manner will benefit consumers. As discussed previously in this report, these types of expenditures will serve to sustain and improve network capacity and reliability. This network capacity and reliability is essential to providing the level of service anticipated in 47 U.S.C. 254 and therefore benefits consumers.

For more specific consumer benefits associated with planned expenditures, the Company incorporates by reference the column of the 2006 Planned Investment schedule that is entitled "Narrative." The narrative for each project on the schedule identifies specific improvements that will benefit consumers in specific areas.

<sup>&</sup>lt;sup>2</sup> The schedule includes projects for CenturyTel of Washington, Inc., CenturyTel of Inter-Island, Inc and CenturyTel of Cowiche, Inc.

## AFFIDAVIT CONTAINING CERTIFICATIONS AS REQUIRED BY WAC 480-123-060 AND WAC 480-123-070

I, Jeffrey Glover, being of lawful age and duly sworn, on my oath state that I am Vice President External Relations of CenturyTel of Washington, Inc. ("Company") and CenturyTel of Inter-Island, Inc. ("Company"), that I am authorized to execute this Affidavit on behalf of the Company, and that the facts set forth in this Affidavit are true to the best of my knowledge, information and belief. On this basis, I hereby certify to the Washington Utilities and Transportation Commission ("Commission") for use by the Commission in providing the certification to the Federal Communications Commission and Universal Service Administrative Company required by 47 C.F.R. §54.314, as follows:

- (1) That the funds from the sources described in 47 C.F.R. §54.314 received by the Company will be used only for the provision, maintenance and upgrading of the facilities and services for which the support is intended;
- (2) That during the 2005 calendar year, the Company met substantially the applicable service quality standard found in WAC 480-123-030(1)(h);
- (3) That during the 2005 calendar year, the Company maintained the ability to function in emergency situations under the standard found in WAC 480-123-030(1)(g), as such standard relates to functionality of wireline carriers in emergency situations; and
- (4) That during the 2005 calendar year, the Company publicized the availability of its applicable telephone assistance programs in a manner reasonably designed to reach those likely to qualify for service and in a manner which, in the Company's judgment, included advertisements likely to reach those who are not current customers of the Company within the Company's designated service area.

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

Dated this 4th day of August, 2006

Company: CenturyTel of Washington, Inc and CenturyTel of Inter-Island, Inc.

By: Offrey S. Llover

Its: Vice President External Relations

SUBSCRIBED AND SWORN to before me this  $\underline{4^{1/2}}$  day of August, 2006 at Monroe, Louisiana.

Gary Maxwell Cox Louisiana Bar Roll No. 27419 Notary Public, Ouachita Parish, Louisiana My Commission is for Life

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