



400 Main Street
P.O. Box 89
Filer, ID 83328

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IDAHO PUBLIC
UTILITIES COMMISSION

Phone (208) 326-4331
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AUGUST 14, 2012

GNR-T-12-06

Ms. Jean Jewell
Commission Secretary
Idaho Public Utilities Commission
472 West Washington Street
Boise, ID 83720

RE: State Certification of Filer Mutual Telephone Company, Inc. in Idaho for Federal Universal Service Support

Dear Ms. Jewell,

Filer Mutual Telephone Company, Inc. ("the Company" or "Filer") hereby requests certification by Idaho Public Utilities Commission ("Commission") to the Federal Communications Commission ("FCC") and the Universal Service Administrative Corporation ("USAC") for universal service support, in accordance with 47 U.S.C. 254(e). Filer, Study Area Code 472220, is a rural incumbent local exchange carrier (ILEC) as designated by the FCC, and is eligible to receive federal universal service high-cost support pursuant to the Code of Federal Regulations ("CFR"), Title 47, Sections 54.301, 54.305, 54.901-904, and Part 36, sub-part F.

Filer Mutual Telephone Company, Inc. has filed portions of this report pursuant to the July 2nd FCC deadline and is also including that information as part of this filing.

In accordance with the PUC's order No. 29841 in case No. WST-T-05-1, Filer submits the following information in support of this request.

Section 1: Eligible Telecommunication Carrier Information

Date of ETC Annual Report: 08/14/2012

Company Name: Filer Mutual Telephone Company, Inc.

Address: 400 Main Street
Filer, ID 83328

Company Contact Person/Title: Steve Cowger, General Manager
Telephone Number: 208-326-4331
Email Address: stevec@filertel.com

Service Area Code (SAC): 472220

Number of Idaho Telephone Service Assistance Program (ITSAP) recipients: 71

Commitment to Provide Service

As shown in the past, Filer remains committed to providing high-quality service in the years to come. Filer certifies that it will:

1. Provide service on a timely basis to requesting customers within Filer's service area where Filer's network already passes the potential customer's premises.
2. Provide service within a reasonable period of time, if the potential customer is within Filer's licensed service area but outside its existing network coverage, if service can be provided at reasonable cost, and in accordance with Filer's policies. Service will be extended to these potential customers using the technological mechanisms that are most appropriate given the type of service that Filer is providing, and in light of the features of Filer's existing network.
3. Advertise the availability of its service offerings using media of general distribution. [See enclosure.]

Public Interest Determination

For over 100 years, Filer has provided high-quality telecommunications service that promotes the public interest, convenience, and necessity. Filer is dedicated to meeting its customers' needs for reliable, state-of-the-art telecommunications services. Filer will continue to direct resources to maintaining the high quality of service provided by its existing network, and by its existing processes. In light of Filer's longstanding record of outstanding past service, and its plans to continue upgrading, improving, and maintaining its network for the benefit of its customers, there is no doubt that Filer's status as an ETC is consistent with the public interest, convenience, and necessity.

Tribal Notification

Filer service territory does not include tribal lands, as such, this requirement is inapplicable.

Section 2: Description of Carrier's Local Usage Plan-- Competitive Eligible Telecommunications Carrier (CETC) Only

ETCs must submit information describing the terms and conditions of any voice telephony service plans offered to Lifeline and ITSAP subscribers, including details on the number of minutes provided as part of the plan, additional charges, if any, for toll calls, and rates for each such plan. To the extent the ETC offers plans to Lifeline subscribers that are generally available to the public, it may provide summary information regarding such plans, such as a link to a public website outlining the terms and conditions of such plan. C.F.R. § 54.202(a)(5).

Description: Filer is the ILEC in the areas that it serves in Idaho. The Company's local usage plan consists of unlimited local calling within the company's licensed exchange boundaries as described in the Company's tariffs on file with the Commission.

Section 3: Detailed Outage Information §54.313(a)(2)

Provide detailed information on any outage, as that term is defined in 47 C.F.R. § 4.5, of at least thirty (30) minutes in duration for each service area in which an ETC is designated for any facilities it owns, operates, leases or otherwise uses that potentially affect (a) at least ten percent of the end users served in a designated service area; or (b) a 9-1-1 special facility, as defined in 47 C.F.R. § 4.5(e). Specifically, the annual report must include information detailing: (a) the date and time of onset of the outage; (b) a brief description of the outage and its resolution; (c) the steps taken to prevent a similar situation in the future; and (f) the number of customers affected. Reporting period is January--December. See Order No. 29841, page 18.

Number of outages: 0

Additional outage information: _____

Section 4: Unfulfilled Service Requests §54.313(a)(3)

Provide the number of requests for service from potential customers within the ETC's service area(s) that were unfulfilled in the previous year (January–December). The ETC shall also detail how it attempted to provide service to those potential customers. See Order No. 29841, page 19.

The number of unfulfilled service requests from potential customers within the ETC's service area: 0 _____

Additional information: _____

Section 5: Customer Complaints §54.313(a)(4)

Provide the number of complaints per 1,000 handsets or lines for the previous year (January--December).

The number of customer complaints per 1,000 handset or working access lines: 0 _____

Additional information: _____

Section 6: Service Quality and Consumer Protection Certification §54.313(a)(5)

Filer certifies that it is in compliance with the applicable service quality standards and consumer protection rules of the FCC and the Idaho Public Utilities Commission. Please see the attached affidavit of corporate officer. Filer is devoted to providing high-quality service to our customers, including prompt, responsive, and thorough customer service.

Section 7: Ability to Remain Functional in Emergencies Certification §54.313(a)(6)

Filer is well suited to remain functional during emergencies, or in response to damaged facilities, or spikes in network traffic. Filer has taken significant steps to ensure that its network will remain functional without an external power source. Filer has a backup power generator at each of its central offices

Section 8: Additional Voice Rate Data §54.313(h)

All incumbent local exchange carrier recipients of high-cost support must report all of their flat rates for residential local service, as well as state fees as defined pursuant to §54.318(e) of this subpart. Carriers must also report all rates that are below the local urban rate floor as defined in §54.318 of this subpart, and the number of lines for each rate specified. Carriers shall report liens and rates in effect as of June 1.

Filer Mutual Telephone Company has a flat rate of \$21.00 for residential local service in Idaho. Filer Mutual Telephone Company also charges mandatory state fees of \$0.12 per line for State USF and \$1.25 for Twin Falls County E911. This totals \$22.37 per month in local service and fees. As of June 1, 2012 Filer Mutual Telephone Company had 406 subscribers in Idaho at this rate.

Filer Mutual Telephone Company has a flat rate of \$10.00 for residential emergency line service in Idaho. Filer Mutual Telephone Company also charges mandatory state fees of \$0.12 per line for State USF and \$1.25 for Twin Falls County E911. This totals \$11.37 per month in emergency line service and fees. As of June 1, 2012 Filer Mutual Telephone Company had 195 subscribers in Idaho at this rate.

Filer Mutual Telephone Company has no rates below the local urban rate floor as defined in §54.318 of the FCC rules.

Section 9: Federal USF High-Cost Support Certification §54.313, §54.314

Pursuant to FCC regulations, in order for ETCS to continue to receive federal USF, the Commission "must file an annual certification with the USAC and the [FCC] stating that all federal high-cost support provided to such carriers within that State will be used only for the provision, maintenance, and upgrading of facilities and services to which the support is intended."

Section 10: Two-Year Network Improvement Plan and Progress Report

The receipt of USF funding helps ensure that Filer's customers will continue to receive reliable, high-quality, state-of-the-art service. From January 1, 2012 to December 31, 2013, Filer will continue to utilize USF funds to maintain, upgrade, and improve its network and cover its operating expenses as necessary to permit it to offer a high level of service to its customers. The following is a description of how USF funds have been and will be employed for each of Filer's four wire centers:

For the period of January, 2012 through December 2012, Filer's operating expenses for the entire network are projected to be \$3,968,277. During that same period, Filer's investments and capital expenditures are expected to be \$1,055,918. These amounts include investments in the following projects that were intended to improve the signal quality, coverage and capacity in Filer's exchange: (1) replace old copper facilities with FTTH (fiber to the home) using PON (passive optical network) broadband loop carrier electronic equipment; (2) add capacity and expand DSL availability; (3) line extension to new homes; (4) replace old facilities with FTTH in existing subdivisions. The projects mentioned above cannot be specifically linked to particular funding sources. However, support from the universal service fund of \$1,433,806 in 2011 provided critical funding that, when combined with other funding sources, allowed Filer to pursue these investments throughout the exchange.

In order to continue providing high-quality, reliable, state-of-the-art telecommunications services to customers in the Filer exchange, Filer will incur ongoing operating expenses, maintenance expenses, and expenses related to system upgrades and improvements. Filer's total operating expenses from January 1, 2013 through December 31, 2013 are projected to be approximately \$3,962,914. These expenses include the amounts necessary to maintain the facilities throughout Filer's service areas, as well as the administrative and other operating expenses required to provide service to customers each of Filer's exchanges.

In addition to these operating expenses, Filer expects to invest approximately \$773,368 from January 1, 2013 through December 31, 2013 to improve and expand its network.

Each of the aforementioned expenses and investments will be incurred to maintain and provide telecommunications services to any customer or prospective customer making a reasonable request for service within Filer's exchanges. These expenses and investments are designed to bring high-quality, reliable voice services to customers. However, given the nature of modern telecommunications facilities, the operating expenses and investment in Filer's network also facilitate customers' access to broadband. Filer's anticipated operating expenses and investments from January 1, 2012 through December 31, 2013 will allow Filer's customers to continue to benefit from high-quality, reliable, state-of-the-art services to customers, including those in Filer's exchanges.

The capital investment and operating expenses outlined above cannot be specifically linked to particular funding sources. However, high-cost support from the USF will provide critical funding that, when combined with other funding sources, will cover Filer's operating expenses incurred in providing service throughout the exchange.

Equal Access

Filer is the only ETC in its service territory, and provides equal access to 100% of its customers so they have access to several long distance service providers.

The federal universal service support Filer will receive in 2012 and 2013 will continue to be used "only for the provision, maintenance and upgrading of facilities and services for which such support is intended" as outlined in 47 USC 254(e). Enclosed is an affidavit regarding Filer's use of universal service support funds.

I respectfully request that the Commission notify the FCC and USAC prior to October 1, 2012, that Filer is eligible to receive federal universal service support in 2013.

Any questions or notifications of action taken on this matter should be directed to Steve Cowger at (208) 326-4331, 400 Main St., Filer, Idaho 83328.

Sincerely,



Steve Cowger, General Manager

Enclosures

cc: RJ Del Mese, Moss Adams LLP

**USF Certification for 2012
Attachment to Affidavit**

Filer Mutual Telephone Company

Access Lines	Exchange	CLLI Code	OCN	SAC
1,361	Filer	FILRIDAADSO	2220	472220
201	Hollister	HLSTIDXCRS1		
1,562				

High Cost Loop Support	598,516
ICLS Support	440,178
Safety Net Additive	-
Safety Value Additive	-
Local Switching Support	395,112
TOTAL	1,433,806

	Estimated (Jan-Dec)	Estimated (Jan-Dec)
	2012	2013
Plant Specific Operations Expenses		
Network support (Accts. 6110-16)	-	-
General support (Accts. 6120-24)	399,840	411,835
Central office switching (Accts. 6210-6212.2)	230,876	237,802
Central office transmission (Accts. 6230s)	255,254	262,912
Cable and wire facilities (Accts. 6410-6441)	235,660	139,680
Network operations (Accts. 6530-35)	373,108	384,301
Depreciation and amortization (Accts. 6560-65)	1,194,629	1,209,107
Customer operations expenses		
Customer services (Accts. 6620-23)	429,316	442,195
Corporate operations expenses		
Executive and planning (Accts. 6710)	286,424	295,017
General and administrative (Accts. 6720)	563,170	580,065
Other corporate (not included elsewhere)	-	-
Total Supported Expenditures, Before Return On Investment	3,968,277	3,962,914
Additions		
Switching (Acct. 2210, Column C)	30,000	-
Transmission (Acct. 2230, Column C)	239,918	39,918
Cable and wire (Acct. 2410, Column C)	786,000	733,450
TOTAL	1,055,918	773,368
Total Supported Expenditures, Before Return On Investment	5,024,195	4,736,282

Access Lines	Exchange	CLLI Code	2011 USF Support
1,361	Filer	FILRIDAADSO	1,249,302

	Estimated (Jan-Dec)	Estimated (Jan-Dec)
	2012	2013
Plant Specific Operations Expenses		
Network support (Accts. 6110-16)	-	-
General support (Accts. 6120-24)	348,388	358,840
Central office switching (Accts. 6210-6212.2)	201,167	207,202
Central office transmission (Accts. 6230s)	222,408	229,080
Cable and wire facilities (Accts. 6410-6441)	205,335	121,706
Network operations (Accts. 6530-35)	325,096	334,849
Depreciation and amortization (Accts. 6560-65)	1,040,903	1,053,517
Customer operations expenses		
Customer services (Accts. 6620-23)	374,071	385,293
Corporate operations expenses		
Executive and planning (Accts. 6710)	249,567	257,054
General and administrative (Accts. 6720)	490,701	505,422
Other corporate (not included elsewhere)	-	-
Total Supported Expenditures, Before Return On Investment	3,457,634	3,452,962
Additions		
Switching (Acct. 2210, Column C)	26,140	-
Transmission (Acct. 2230, Column C)	209,045	34,781
Cable and wire (Acct. 2410, Column C)	684,857	639,069
TOTAL	920,041	673,850
Total Supported Expenditures, Before Return On Investment	4,377,676	4,126,812

**USF Certification for 2012
Attachment to Affidavit**

Filer Mutual Telephone Company			
Access Lines	Exchange	CLLI Code	2011 USF Support
201	Hollister	HLSTIDXCRS1	184,504

	Estimated (Jan-Dec) 2012	Estimated (Jan-Dec) 2013
Plant Specific Operations Expenses		
Network support (Accts. 6110-16)	-	-
General support (Accts. 6120-24)	51,452	52,995
Central office switching (Accts. 6210-6212.2)	29,709	30,601
Central office transmission (Accts. 6230s)	32,846	33,832
Cable and wire facilities (Accts. 6410-6441)	30,325	17,974
Network operations (Accts. 6530-35)	48,012	49,452
Depreciation and amortization (Accts. 6560-65)	153,726	155,589
Customer operations expenses		
Customer services (Accts. 6620-23)	55,245	56,902
Corporate operations expenses		
Executive and planning (Accts. 6710)	36,857	37,963
General and administrative (Accts. 6720)	72,469	74,643
Other corporate (not included elsewhere)	-	-
Total Supported Expenditures, Before Return On Investment	510,643	509,552
Additions		
Switching (Acct. 2210, Column C)	3,860	-
Transmission (Acct. 2230, Column C)	30,873	5,137
Cable and wire (Acct. 2410, Column C)	101,143	94,381
TOTAL	135,877	99,518
Total Supported Expenditures, Before Return On Investment	646,519	609,470

Affidavit of Publication
 STATE OF IDAHO)
 COUNTY OF TWIN FALLS) SS.

I, Ruby Aufderheide, being first duly sworn upon oath, depose and say that I am Legal Clerk of the TIMES-NEWS, published daily at, Twins Falls, Idaho, and do solemnly swear that a copy of the notice of advertisement, as per clipping attached, was published in the regular and entire issue of said newspaper, and not in any supplement thereof, for ~~one consecutive~~ publication, commencing with the issue dated 7th day of May, 2012 and ending with the issue dated 7th day of May, 2012

And I do further certify that said newspaper is a consolidation, effective February 16, 1942, of the Idaho Evening Times, published theretofore daily except Sunday, and the Twin Falls News, published theretofore daily except Monday, both of which newspapers prior to consolidation had been published under said names in said city and county continuously and uninterruptedly during a period of more than twelve consecutive months, and said TIMES-NEWS, since such consolidation, has been published as a daily newspaper except Saturday, until July 31, 1978, at which time said newspaper began daily publication under said name in said city and county continuously and uninterruptedly.

And I further certify that pursuant to Section 60-108 Idaho Code, Thursday of each week has been designated as the day on which legal notice by law or by order of any court of competent jurisdiction within the state of Idaho to be issued thereof Thursday is announced as the day on which said legal will be published.

Ruby Aufderheide
 Ruby Aufderheide, Legal Clerk

STATE OF IDAHO
 COUNTY OF TWIN FALLS



FILER MUTUAL
Telephone Company

IMPORTANT INFORMATION ABOUT FILER MUTUAL TELEPHONE COMPANY SERVICE IN IDAHO

We provide a wide variety of products and services including the following basic residential service offerings in Idaho:

	Monthly Rates	One-Time Charges
Single Party Residential Service	\$21.00	\$25.00
Single Party Lifeline Service	\$14.75	\$25.00

In addition to the above monthly rates, a \$6.50 Federal Subscriber Line Charge applies. The \$6.50 charge is paid entirely by the federal lifeline program for lifeline customers.

The above rates include the following:

- Local calling and the ability to receive unlimited incoming calls;
- Touch-tone capability;
- Access to operator services, directory assistance, and long distance service providers;
- Voice grade access to the public switched network;
- Free access to emergency 9-1-1 and 800 or 800-like toll free services;
- Free toll blocking for ULTS;
- Access to the telephone relay service; and
- Free access to the business office

This is a federally funded program, which provides discounted service to low-income residential customers who meet the eligibility rules established by the Federal Communications Commission. A discounted basic service rate and free toll blocking are offered to eligible customers.

For additional details on any of the services, please contact our business office at 1.208.326.4331.

PUBLISH: May 7, 2012

before me,
 I, Ruby Aufderheide,
 a person whose name subscribed to the within instrument, and being by me first duly sworn, depose and say that the contents
 herein are true, and acknowledged to me that he executed the same.

Linda Capps McGuire
 Notary Public for Idaho
 residing at Twin Falls, Idaho.

My commission expires: 5-19-15

LINDA CAPPS-McGUIRE
 NOTARY PUBLIC
 STATE OF IDAHO