

local | long distance | dist

Since 1954  
**DIRECT**  
COMMUNICATIONS 

p 208.548.2345  
f 208.548.9911  
e dccv@emcity.net

**Cedar Valley**

24 August 2010

PO Box 324, Rockland, ID 83271

2010 AUG 31 P 2:23

278589

Mrs. Julie Orchard  
Commission Secretary  
Utah Public Service Commission  
Heber M. Wells Building, 4th Floor  
160 East 300 South  
Salt Lake City, Utah 84145

RECEIVED

Re: Docket No. 10-999-05. In the Matter of State Certification of Rural Carriers' Compliance with 47 U.S.C. Section 254(e)

Dear Mrs. Orchard:

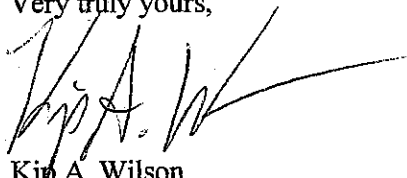
Pursuant to the Federal Communications Commission ("FCC") mandate in its docket In the Matter of Federal-State Joint Board on Universal Service, CC Docket No. 96-45/CC Docket No. 00-256, Fourteenth Report and Order, Twenty-Second Order on Reconsideration, and Further Notice of Proposed Rulemaking in CC Docket No. 96-45 and Report and Order in CC Docket No. 00-256 (FCC 01-157) (released May 23, 2001), the FCC has adopted a requirement that will be codified in 47 C.F.R. & 54.314 that state commissions must file an annual certification with the Universal Service Administrative Company (USAC) and the FCC stating "that all federal high-cost support provided to eligible telecommunications carriers will be used only for the provision, maintenance and upgrading of facilities and services for which the support is intended."

Accordingly, Direct Communications Cedar Valley, LLC (NECA company number 500758D), is a rural telephone company that has previously been designated by this Commission as an eligible telecommunications carrier. The Company is complying with the requirements of Section 254(e) and will continue to comply for the period January 1, 2011, through December 31, 2011, (the certification period) to be eligible to receive federal USF. The company certifies to the Commission that it will use all federal high-cost support provided to it only for the provision, maintenance and upgrading of facilities and services for which the support is intended, consistent with the principles of universal service 47 U.S.C. 254. This includes, but is not limited to, trying to meet the goal of the provision of services that are properly supported by the high-cost funds at rates that are reasonably comparable to rates charged for similar services in urban areas.

This is a very critical issue, because if certification is not accomplished by October 1, 2010, then federal support for universal service in the areas served by the rural carriers within Utah will not be provided for at least the first quarter of 2011. See paragraph 191 of FCC Order. Accordingly, replacement revenues would become necessary. Any loss of federal support would be a negative outcome for the Rural Companies, their customers and the Commission.

In view of the limited time available, we request the Commission issue a certification before October 1, 2010, to USAC and the FCC that our company is eligible to receive Federal USF and is in compliance with the FCC order.

Very truly yours,

A handwritten signature in black ink, appearing to read "Kip A. Wilson", with a long horizontal flourish extending to the right.

Kip A. Wilson  
DCCV  
General Manager

cc: Paul Anderson, Division of Public Utilities  
Ray Hendershot, GVNW Consulting, Inc.

National Exchange Carrier Association  
 Universal Service Fund  
 Data Collection Form

17-Aug-10  
 10:51 AM

CS File:

SAC:

SAC NAME:

REGION:

Filename: S:\UT\DCCV\Cost Study\2009\2009 CS Forms 4.19.10\USF Blank 041208.xls\USFFORM

I. EXCHANGE CARRIER/DATA IDENTIFICATION

(010)	Study Area Code	(010)	500758
(020)	Contact Name	(020)	David Winter
(030)	Contact Telephone Number	(030)	719.594.5894
(040)	USF Data Collection Period	(040)	2010.01

Data Line	Description	Latest View	Data Line	Enter	Data Source
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II. WORKING LOOPS

(060)	Total Loops (Cat 1.1, 1.2 and 1.3)	(060)		2,251	F303:H31
(070)	Category 1.3 Loops (Excluding Cat 1.3 TWX Loops)	(070)		2,251	F303:H20
(080)	Reserved				

III. INVESTMENT, EXPENSE AND TAXES

Net Plant Investment

(160)	Acct 2001 - Telephone Plant in Service	(160)		17,514,664	F310:P25-Input G24
(170)	Acct 1220 - Material and Supplies	(170)		110,119	F310:P37
(190)	Acct 3100 - Accumulated Depreciation	(190)		4,499,908	F310:P30-Input G25
(195)	Acct 3400 - Accumulated Amortization Tangible	0 (195)		0	F310:P32
(200)	Reserved				
(205)	Reserved				
(210)	Acct 4340 - Net Noncurrent De- ferred Operating Income Taxes	0 (210)		0	F300.5:P25
(220)	Net Plant Investment (Sum Line 160+170 less lines 190 to 210)	0 (220)		13,124,875	

National Exchange Carrier Association  
 Universal Service Fund  
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Data Line	Description	Latest View	Data Line	Enter	Data Source
		0		0	
<b>Selected Plant Accounts</b>					
(230)	Acct 2210 - Central Office Switching Equipment		(230)	2,263,674	F310:P14+P17-Input G26
(235)	Acct 2220 - Operator System Equipment		(235)	0	F310:P15-Input G27
(240)	Acct 2230 - Central Office Transmission Equipment		(240)	2,037,914	F310:P16-Input G28
(245)	Total Central Office Equipment (Sum of Lines 230 - 240)	0	(245)	4,301,588	
(250)	Circuit Equip. Category 4.13	0	(250)	1,710,135	F304:AJ33-Input G29
(255)	Acct 2410 - Cable and Wire Facilities Total	0	(255)	11,877,826	F310:P19-Input G30
(260)	Acct 3100 (2210) - Accumulated Depreciation Central Office Switching Equipment	0	(260)	806,726	F300.4:P14+P17-Input G31
(265)	Acct 3100 (2220) - Accumulated Depreciation Operator System Equipment	0	(265)	0	F300.4:P15-Input G32
(270)	Acct 3100 (2230) - Accumulated Depreciation Central Office Transmission Equipment	0	(270)	915,048	F300.4:P16-Input G33
(275)	Acct 3100 (2210-2230) - Total Accumulated Depreciation Central Office Equipment (Sum of Lines 260 - 270)	0	(275)	1,721,774	
(280)	Acct 3100 (2410) - Accumulated Depreciation Cable and Wire Facilities	2,393,169	(280)	2,393,169	F300.4:P19-Input G34

National Exchange Carrier Association  
 Universal Service Fund  
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Data Line	Description	Latest View 0	Data Line	Enter 0	Data Source
(285)	Reserved	No Entry Required			
(290)	Reserved	No Entry Required			
(295)	Reserved	No Entry Required			
(300)	Reserved	No Entry Required			
(305)	Reserved	No Entry Required			
(310)	Acct 4340 (2210) - Net Noncurrent Deferred Operating Income Taxes - Central Office Switching Equipment		0 (310)		0 F300.5:P14+P17
(315)	Acct 4340 (2220) - Net Noncurrent Deferred Operating Income Taxes - Operator System Equipment		0 (315)		0 F300.5:P15
(320)	Acct 4340 (2230) - Net Noncurrent Deferred Operating Income Taxes - Central Office Transmission Equipment		0 (320)		0 F300.5:P16
(325)	Acct 4340 (2210-2230) Net Noncurrent Deferred Operating Income taxes - Central Office Equipment (Sum of Lines 310 - 320)		0 (325)		0
(330)	Acct 4340 (2410) - Net Noncurrent Deferred Operating Income Taxes - Cable and Wire Facilities		0 (330)		F300.5:P19

National Exchange Carrier Associator  
 Universal Service Fund  
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Data Line	Description	Latest View	Data Line	Enter	Data Source
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Plant Specific Operation Expense

(335)	Acct 6110 - Network Support Expense Total	0 (335)		3,412	F320:113
(340)	Acct 6110 - Benefits Portion of Network Support Expense	0 (340)		2,302	F302:E18
(345)	Acct 6110 - Rents Portion of Network Support Expense	0 (345)		0	F302:G18
(350)	Acct 6120 - General Support Expense Total	0 (350)		189,786	F320:114-178
(355)	Acct 6120 - Benefits Portion of General Support Expense	0 (355)		2,564	F302:E19
(360)	Acct 6120 - Rents Portion of General Support Expense	0 (360)		0	F302:G19
(365)	Acct 6210 - Central Office Switching Expense - Total	0 (365)		125,938	F320:115-179
(370)	Acct 6210 - Benefits Portion of Central Office Switching Expense	0 (370)		24,314	F302:E20
(375)	Acct 6210 - Rents Portion of Central Office Switching Expense	0 (375)		0	F302:G20
(380)	Acct 6220 - Operator System Expense - Total	0 (380)		0	F320:116
(385)	Acct 6220 - Benefits Portion Operator System Expense	0 (385)		0	F302:E21
(390)	Acct 6220 - Rents Portion of Operator System Expense	0 (390)		0	F302:G21
(395)	Acct 6230 - Central Office Expense - Transmission Equipment - Total	0 (395)		46,809	F320:117-180

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Data Line	Description	Latest View 0	Data Line	Enter 0	Data Source
(400)	Acct 6230 - Benefits Portion of Central Office Expense - Transmission Equipment		0 (400)	6,037	F302:E22
(405)	Acct 6230 - Rents Portion of Central Office Expense - Transmission Equipment		0 (405)	0	F302:G22
(410)	Accts 6210 - 6230 - Central Office Expense Total (Sum of Lines 365 + 380 + 395)		0 (410)	172,747	
(415)	Reserved	No Entry Required		No Entry Required	
(420)	Reserved	No Entry Required		No Entry Required	
(425)	Reserved	No Entry Required		No Entry Required	
(430)	Acct 6410 - Cable and Wire Facilities Expense - Total		0 (430)	356,343	F320:I20-I81
(435)	Acct 6410 - Benefits Portion Cable and Wire Facilities Expense		0 (435)	36,522	F302:E24
(440)	Acct 6410 - Rents Portion Cable and Wire Facilities Expense		0 (440)	0	F302:G24
(445)	Total Plant Specific Expense (Sum of Lines 335 + 350 + 365 + 380 + 395 + 415 + 430)		0 (445)	722,288	
Plant Non Specific Expense					
(450)	Acct 6530 - Network Operations Expense - Total		0 (450)	264,081	F320:I23
(455)	Acct 6530 - Benefits Portion Network Operations Expense		0 (455)	48,230	F302:E26

National Exchange Carrier Association  
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Customer Operations Expense

(460)	Reserved	No Entry Required		No Entry Required	
(470)	Reserved	No Entry Required		No Entry Required	
(480)	Reserved	No Entry Required		No Entry Required	
(485)	Reserved	No Entry Required		No Entry Required	
(500)	Reserved	No Entry Required		No Entry Required	
(505)	Reserved	No Entry Required		No Entry Required	

Depreciation & Amort. Expenses

(510)	Acct 6560 (2210)-Depreciation and Amortization Expense - Central Office Switching Equip	0 (510)		196,168	F320:127+130-Input G35
(515)	Acct 6560 (2220)-Depreciation and Amortization Expense - Operator System Equipment	0 (515)		0	F320:128-Input G36
(520)	Acct 6560 (2230)-Depreciation and Amortization Expense - Central Office Transmission Equipment	0 (520)		244,728	F320:129-Input G37
(525)	Acct 6560 (2210-2230) - Depreciation and Amortization Central Office Equipment (Sum of Lines 510 through 520)	0 (525)		440,896	
(530)	Acct 6560 (2410)-Depreciation and Amortization Expense - Cable and Wire Facilities	0 (530)		559,518	F320:132-Input G38

Corporate Operating Expenses

(535)	Acct 6710 - Executive and Planning Expense - Total	0 (535)		395,337	F320:159
(540)	Acct 6710 - Benefits Portion Executive and Planning Expense	0 (540)		22,913	F302:E29



National Exchange Carrier Association  
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Data Line	Description	Latest View 0	Data Line	Enter 0	Data Source
(550)	Acct 6720 - General Administrative Expense - Total		0 (550)	336,499	F320:I61
(555)	Acct 6720 - Benefits Portion - General Administrative Expense		0 (555)	184	F302:E30
(565)	Total Corporate Operations Ex- pense (Sum of Lines 535 + 550)		0 (565)	731,836	
Other Expenses and Revenues					
(600)	Benefits Portion of All Operating Expenses - Total		0 (600)	198,301	F302:E32
(610)	Rents Portion of All Operating Expenses - Total		0 (610)	0	F302:G32
(620)	Reserved				
(630)	Reserved				
Taxes					
(650)	Acct 7200 - Operating Taxes		0 (650)	229,372	F367:E11+Input G21
(655)	Reserved				
IV. PART 36 - COST STUDY DATA					
(700)	Cost Study Average Cable and Wire Facilities Acct 2410		0 (700)	11,756,809	F310:R19
(710)	Cost Study Average Cable and Wire Facilities Cat 1 - Total Exchange Line C&WF Excluding Wide Band		0 (710)	9,219,341	INPUT G8

National Exchange Carrier Association  
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Data Line	Description	Latest View 0	Data Line	Enter 0	Data Source
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V. AMORTIZABLE TANGIBLE ASSETS  
 (Refer to instructions prior to completing this section)

(800)	Acct 2680 - Amortizable Tangible Assets		0 (800)		0 INPUT G12
(805)	Acct 2680 (2230) - Amortizable Tangible Assets - Central Office Transmission Equipment		0 (805)		0 INPUT G13
(810)	Acct 2680 (2230) - Amortizable Tangible Assets - Central Office Transmission Equipment Allocated to Category 4.13		0 (810)		0 INPUT G14
(815)	Acct 2680 (2410) - Amortizable Tangible Assets - Cable and Wire Facilities		0 (815)		0 INPUT G15
(820)	Acct 2680 (2410) - Amortizable Tangible Assets - Cable and Wire Facilities Allocated to Category 1		0 (820)		0 INPUT G16
(830)	Acct 6560 (2680)-Depreciation and Amortization Expense - Amortizable Tangible Assets		0 (830)		0 INPUT G17

VI. COMMENTS / SIGNIFICANT CHANGE EXPLANATION

Match USF System Control Total

2,393,169

89,615,197

Direct Communication Cedar Valley

COMPANY NAME  
NECA CODE 500758D  
COMPANY CODE 479  
STATE UT  
STATE AREA  
CONTACT NAME David Winter  
CONTACT TELEPHONE # 719-594-5810  
FOR PERIOD 2009  
FILE NAME 479\_C09.RAW  
COMMENT #1  
COMMENT #2

REPORT PART 36  
JURISDICTION ALL JURISDICTIONS  
DATE 08/20/10  
RUN DATE 08/17/2010 14:42:22

LINE ACCT CAT	TOTAL 201 RATE BASE	EAS	LOCAL	ALL JURISDICTIONS			INTER-STATE INTER-LATA 923,977	PRIVATE LINE INTRA-LATA 0	MESSAGE TOLL INTRA-LATA 2,599,745	INTRA-STATE INTER-LATA 19	INTRA-STATE PR INTER-LATA 0
				INTER-STATE INTER-LATA 4,275,412	MESSAGE TOLL INTRA-LATA 0	INTRA-LATA 0					
202 RATE	0.112500	0	0.112500	0.112500	0.112500	0.112500	0.112500	0.112500	0.112500	0.112500	0.112500
203 RETURN	1,496,060	0	618,651	480,984	0	103,948	0	292,471	2	292,471	0
205 DEDUCTS	938,377	0	388,088	301,198	0	65,408	0	183,683	0	183,683	0
206 INVEST TAX CR.	0	0	0	0	0	0	0	0	0	0	0
207 BEFORE FED TAX	557,683	0	230,563	179,786	0	38,540	0	108,788	2	108,788	0
208 SURTAX	0	0	0	0	0	0	0	0	0	0	0
209 FED INC TAX	300,291	0	124,149	96,808	0	20,753	0	58,578	1	58,578	0
210 BAL BEF ST TAX	857,974	0	354,712	276,594	0	59,293	0	167,366	3	167,366	0
211 ST INCOME TAX	45,154	0	18,668	14,557	0	3,121	0	8,808	0	8,808	0
212 RETURN PLUS TAX	1,841,505	0	761,468	592,349	0	127,822	0	359,857	3	359,857	0
213 EXPENSES	3,351,764	0	1,291,559	1,332,642	0	183,089	0	543,532	321	543,532	0
214 GROSS REC TAX	0	0	0	0	0	0	0	0	0	0	0
215 EXPENSE ADJ	0	0	0	0	0	0	0	0	0	0	0
216 TOTAL EXPENSE	3,351,764	0	1,291,559	1,332,642	0	183,089	0	543,532	321	543,532	0
217 SUBTOTAL	5,193,269	0	2,053,027	1,924,991	0	310,911	0	903,389	324	903,389	0
218 AFUDC	12,663	0	5,155	4,202	0	883	0	2,423	0	2,423	0
219 RENT REVENUE	0	0	0	0	0	0	0	0	0	0	0
220 REVENUE REQ	5,180,606	0	2,047,872	1,920,789	0	310,028	0	900,966	324	900,966	0







LINE ACCT	CAT	TOTAL	EAS	LOCAL	ALL JURISDICTIONS		INTER-STATE PRIVATE LINE		MESSAGE TOLL		INTRA-STATE PR	
					INTER-STATE INTRA-LATA	MESSAGE TOLL INTRA-LATA	INTER-STATE INTRA-LATA	PRIVATE LINE INTRA-LATA	INTER-STATE INTRA-LATA	MESSAGE TOLL INTRA-LATA	INTRA-STATE INTRA-LATA	
REVENUE ACCOUNTING												
601	6620.50 MSG PROC	14,555	0	0	3,293	0	0	0	0	0	11,262	0
602		1,000,000	0	0	0.226245	0.000000	0.000000	0.000000	0.000000	0.773755	0.000000	0
603	6620.61	0	0	0	0	0	0	0	0	0	0	0
604		0.000000	0	0	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0
605	6620.62	52,835	0	17,611	17,611	0	0	0	0	17,612	0	0
606		1,000,000	0	0.333321	0.333339	0.000000	0.000000	0.000000	0.000000	0.333340	0.000000	0
607	6620.70	17,811	0	-1	8,906	0	0	0	0	8,906	0	0
608		1,000,000	0	0.000056	0.500028	0.000000	0.000000	0.000000	0.000000	0.500028	0.000000	0
609	TOT REV ACCT	85,201	0	17,610	29,811	0	0	0	0	37,780	0	0
610		1,000,000	0	0.206688	0.349890	0.000000	0.000000	0.000000	0.000000	0.443422	0.000000	0
611	6620.80 OTH CUS	6,078	0	0	6,078	0	0	0	0	0	0	0
612		1,000,000	0	0.000000	1.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0
613	TOT CUS OPER	406,320	0	172,924	188,997	0	8	0	0	43,987	0	0
614		1,000,000	0	0.425586	0.465143	0.000000	0.000020	0.000000	0.000000	0.108257	0.000000	0

CORPORATE OPERATIONS

615	6710.1 EXE EAS	0	0	0	0	0	0	0	0	0	0	0
616		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0
617	6710.2 EXE OTHER	395,337	0	161,337	152,584	0	18,178	0	0	63,105	0	0
618		1,000,000	0	0.408100	0.385960	0.000000	0.045981	0.000000	0.000000	0.159623	0.000000	0
619	6720.1 GEN EAS	0	0	0	0	0	0	0	0	0	0	0
620		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0
621	6720.2 GEN OTH	336,499	0	101,429	184,168	0	11,408	0	0	39,600	0	0
622		1,000,000	0	0.308660	0.547306	0.000000	0.033902	0.000000	0.000000	0.117682	0.000000	0
623	6720.EQ	0	0	0	0	0	0	0	0	0	0	0
624		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0
625	TOT CORP OPER	731,836	0	262,576	336,752	0	29,586	0	0	102,705	0	0
626		1,000,000	0.000000	0.358791	0.460146	0.000000	0.040427	0.000000	0.000000	0.140339	0.000000	0

TAXES AND MISC INC & EXP

627	7100.1 FOR CURR	0	0	0	0	0	0	0	0	0	0	0
628		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0
629	7100.2 OTHER	0	0	0	0	0	0	0	0	0	0	0
630		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0
631	7200.40 TAX OTH	121,079	0	49,280	40,181	0	8,451	0	0	23,167	0	0
632		1,000,000	0.000000	0.407007	0.331858	0.000000	0.069797	0.000000	0.000000	0.191338	0.000000	0
633	7200.4ITAX GR REC	0	0	0	0	0	0	0	0	0	0	0
634		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0
637	7300.2 CONTRIB	0	0	0	0	0	0	0	0	0	0	0
638		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0
639	7500.1 INTR CAP/L	0	0	0	0	0	0	0	0	0	0	0
640		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0
641	7600 EXTRA ITEMS	0	0	0	0	0	0	0	0	0	0	0
642		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0
643	7910 RATEMAKING	0	0	0	0	0	0	0	0	0	0	0
644		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0
645	TOT TAX MISC	121,079	0	49,280	40,181	0	8,451	0	0	23,167	0	0
646		1,000,000	0.000000	0.407007	0.331858	0.000000	0.069797	0.000000	0.000000	0.191338	0.000000	0

BIG THREE

649	BIG THREE	1,199,491	0	489,509	462,955	0	55,155	0	0	191,468	0	0
650		1,000,000	0.000000	0.408097	0.385960	0.000000	0.045982	0.000000	0.000000	0.159624	0.000000	0