

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Petition of)	DOCKET UT-120585
)	
ELLENSBURG TELEPHONE)	ORDER 01
COMPANY,)	
)	
Petitioner,)	
)	
Seeking Exemption from the)	
Provisions of WAC 480-07-510)	
(General Rate Proceedings); or, in the)	
alternative, WAC 480-120-339)	ORDER GRANTING EXEMPTION
(Streamlined Filing Requirements for)	FROM RULE AND ALLOWING
Class B Telecommunications)	TARIFF REVISION TO BECOME
Company Rate Increases))	EFFECTIVE BY OPERATION OF LAW
.....)	

BACKGROUND

- 1 On April 26, 2012, Ellensburg Telephone Company d/b/a FairPoint Communications (Ellensburg or Company) filed with the Washington Utilities and Transportation Commission (Commission) a revised tariff to increase local residential rates and a petition for waiver of the requirements in WAC 480-07-510 on general rate proceeding filings or WAC 480-120-339 on streamlined filing requirements, or both. The basis for Ellensburg’s waiver petition is that the Company previously filed financial data with the Commission in Docket UT-110858 and subsequently filed updated 2011 data and believes the data is sufficient to support this filing.
- 2 Commission Staff (Staff) reviewed the financial data the Company submitted and found that data is adequate for the purposes of this tariff filing. Staff notes that as a Class B Telecommunications Company, Ellensburg may elect to use the streamlined filing requirements in WAC 480-120-339 for this filing. Staff recommends under the circumstances presented here that the Commission grant the Company an exemption from the provisions of WAC 480-07-510, or alternatively of WAC 480-120-339, for purposes of this filing.
- 3 The Federal Communications Commission’s (FCC) Order No. 11-161 (released November 18, 2011) and the FCC’s adoption of new rules in 47 CFR 54.318(f)(1) and (f)(2) for 2012 and 2013 imposes an urban rate floor to avoid consumers from contributing high cost support to companies with artificially low local residential rates in

rural areas. The Company's tariff filing will raise Ellensburg's residential rates to \$10.00 per month on June 1, 2012, and \$14.00 per month on January 1, 2013, in conformance with the FCC order.

- 4 Staff has found that the financial information the Company provided justifies the increases in local residential rates for both 2012 and 2013. Staff concludes that the rates in the Company's tariff filings are fair, just, reasonable, and sufficient.
- 5 Customers have been notified by mail of both the scheduled local residential rate increases and the Company has committed to re-noticing customers again approximately 30 days before the January 1, 2013, scheduled local rate increase.
- 6 The Commission agrees that an exemption from the filing requirements in WAC 480-07-510, or alternatively WAC 480-120-339, is appropriate under the circumstances of this docket. The Commission also concurs with Staff's analysis and finds that the proposed rates should be permitted to go into effect by operation of law.

FINDINGS AND CONCLUSIONS

- 7 (1) The Washington Utilities and Transportation Commission is an agency of the State of Washington vested by statute with the authority to regulate the rates, rules, regulations, practices, accounts, securities, transfers of property and affiliated interests of public service companies, including telecommunications companies. RCW 80.01.040, RCW 80.04, RCW 80.08, RCW 80.12, RCW 80.16 and RCW 80.36.
- 8 (2) Ellensburg is a telecommunications company and a public service company subject to Commission jurisdiction.
- 9 (3) Ellensburg is subject to WAC 480-120-339, which allows Class B Telecommunications Companies to seek streamlined filing requirements as an alternative to the requirements listed in WAC 480-07-510.
- 10 (4) Under WAC 480-120-015, the Commission may grant an exemption from any rule in this chapter (WAC 480-120) in the same manner and consistent with the standards and procedures set forth in WAC 480-07-110.

- 11 (5) The exemption in this case is consistent with the public interest because Ellensburg's financial data submitted to the Commission is adequate to ensure the increases in local residential rates are a fair, just, reasonable, and sufficient.
- 12 (6) This matter came before the Commission at its regularly scheduled meeting on May 31, 2012.
- 13 (7) After review and due consideration of the petition filed in Docket UT-120585 by Ellensburg on April 26, 2012, the Commission finds that exempting the Company from the filing requirements in WAC 480-07-510, or alternatively WAC 480-120-339, for the purposes of this filing is in the public interest and consistent with the purposes underlying the regulation and applicable statutes and should be granted.
- 14 (8) The Commission also finds that the tariff changes filed by Ellensburg are in the public interest, and the increases in local residential rates are fair, just, reasonable, and sufficient and should be allowed to become effective by operation of law.

ORDER

THE COMMISSION ORDERS:

- 15 (1) The request by Ellensburg Telephone Company for an exemption from WAC 480-07-510, or alternatively WAC 480-120-339, is granted.
- 16 (2) The Commission retains jurisdiction to effectuate the provisions of this Order.

DATED at Olympia, Washington, and effective May 31, 2012.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

PATRICK J. OSHIE, Commissioner

PHILIP B. JONES, Commissioner