

SEP 24 1999

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of the Competitive Classification on
the Commission's Own Motion of

INTELICOM INTERNATIONAL CORP.	Docket No. UT-991047
KCI LONG DISTANCE, INC.	Docket No. UT-991054
LOCUS CORPORATION	Docket No. UT-991058
LONG DISTANCE DIRECT HOLDINGS, INC.	Docket No. UT-991060
MCLEODUSA TELECOMMUNICATIONS SERVICES, INC.	Docket No. UT-991062
NETWORK INTERNATIONAL, LC	Docket No. UT-991065
NEW CENTURY TELECOM, INC.	Docket No. UT-991066
NTI TELECOM, INC.	Docket No. UT-991070
OLS, INC.	Docket No. UT-991072
TELCO PARTNERS, INC.	Docket No. UT-991076

ORDER GRANTING
COMPETITIVE
CLASSIFICATION

BACKGROUND

On its own motion filed August 11, 1999, the Washington Utilities and Transportation Commission (Commission) initiated this proceeding to classify the above-named telecommunications companies as competitive telecommunications companies pursuant to RCW 80.36.320. The Commission approved the competitive classification at its regularly scheduled open public meeting on September 22, 1999.

MEMORANDUM

All of the above-named telecommunications companies are registered to provide telecommunications services in the state of Washington. In support of its motion to classify these telecommunications companies as competitive, the Commission asserted that the services provided by the companies are subject to effective competition.

In conjunction with its motion to competitively classify the above-named companies, the Commission proposed waiving the applicability of the following statutes and rules:

RCW 80.04.300 Budgets to be filed by companies--Supplementary budgets
RCW 80.04.310 Commission's control over expenditures
RCW 80.04.320 Budget rules
RCW 80.04.330 Effect of unauthorized expenditure--Emergencies
RCW 80.04.360 Earnings in excess of reasonable rate--Consideration in fixing rates

RCW 80.04.460 Investigation of accidents
RCW 80.04.520 Lease of utility facilities
RCW 80.36.100 Tariff schedules to be filed and open to public
RCW 80.36.110 Tariff changes--Statutory notice--Exception

Chapter 80.08 RCW Securities (except RCW 80.08.140, State not obligated)
Chapter 80.12 RCW Transfers of Property
Chapter 80.16 RCW Affiliated Interests

Chapter 480-80 WAC Tariffs
Chapter 480-140 WAC Budgets
Chapter 480-143 WAC Transfers of Property
Chapter 480-146 WAC Securities and Affiliated Interests

WAC 480-120-026 Tariffs
WAC 480-120-031 Accounting
WAC 480-120-032 Accounting-Political information and political education activities
WAC 480-120-036 Finance--Securities, affiliated interest, transfer of property
WAC 480-120-046 Services offered
WAC 480-120-131 Reports of accidents

The Commission's motion to competitively classify the above-named companies is governed by RCW 80.36.310, RCW 80.36.320, WAC 480-120-022, WAC 480-120-023, WAC 480-120-024, and WAC 480-120-025. The ultimate issues are whether the above-named companies should be classified as competitive telecommunications companies, whether the companies' current tariffs should be deemed price lists, and the extent to which the companies should be relieved of regulatory requirements to which they otherwise would be subject.

The Commission notified all companies directly affected by its motion as well as all other telecommunications companies doing business in Washington. The Commission received no objections to its motion to competitively classify the above-named companies.

Based on the entire records and files in this matter, the Commission makes the following findings of fact and conclusions of law.

FINDINGS OF FACT

1. On its own motion, the Commission initiated this proceeding to competitively classify the above-named telecommunications companies.

2. All of the above-named telecommunications companies are registered with the Commission to provide telecommunications services in the state of Washington. The services provided by the above-named companies include long distance service, WATS service, and calling card service.

3. Alternative providers of the services provided by the above-named companies include, but are not limited to, GTE Northwest Incorporated, AT&T Communications of the Pacific Northwest, Inc., MCIWorldCom, Inc., and Sprint Communications Company L.P. All services are fully available from alternative providers in the relevant market.

4. The relevant market is the state of Washington.

5. None of the above-named companies have a captive customer base.

6. The services offered are subject to effective competition.

7. The above-named companies shall provide service under their current tariffs, which shall be deemed price lists, until the companies submit price lists pursuant to this Order. These services shall not include operator services as defined in WAC 480-120-021.

8. The laws and rules for which waivers should be granted are listed in Appendix A, incorporated by this reference, and made a part of this Order.

CONCLUSIONS OF LAW

1. The Washington Utilities and Transportation Commission is authorized to initiate competitive classification of telecommunications companies on its own motion pursuant to RCW 80.36.310(1).

2. The Washington Utilities and Transportation Commission has jurisdiction over the subject matter of this classification petition and the above-named companies.

3. The above-named companies should be classified as competitive telecommunications companies pursuant to RCW 80.36.320(1).

4. The above-named companies should be granted waivers of the laws and rules listed in Appendix A, attached and by this reference made part of this Order.

ORDER

THE COMMISSION ORDERS:

1. After the effective date of this Order and subject to any conditions imposed, the above-named telecommunications companies shall be classified as competitive telecommunications companies, and the laws and rules set forth in Appendix A are waived as to these companies.

2. Each of the above-named companies shall submit a price list no later than November 1, 1999. Until such time as the Commission receives the price lists, the tariff of each company on file with the Commission shall be deemed the price list for that company.

3. Subsequent changes to the price lists of the above-named companies become effective only after ten days notice to the Commission and to customers. In the event of a price list reduction, or of a change in terms and conditions which do not have rate impact, personal notice to customers is not required. To comply with the statutory notice requirement, the above-named companies may publish notice of price reductions or changes in terms and conditions of service that do not have rate impact by a display advertisement in such newspaper(s) as are geographically situated to be circulated throughout the companies' service areas.

4. The above-named companies are not authorized to provide operator services as defined in WAC 480-120-021.

5. The Commission retains jurisdiction over the subject matter and the above-named companies to effectuate the terms of this Order.

DATED at Olympia, Washington, and effective this 22nd day of September, 1999.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION


MARILYN SHOWALTER, Chairwoman


WILLIAM R. GILLIS, Commissioner