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FEDERAL COMMUNICATIONS COMMISSION

July 17, 1998

**VIA FACSIMILE - (360) 586-1150  
and OVERNIGHT COURIER**

Carole J. Washburn, Secretary  
Washington Utilities and Transportation Commission  
1300 S. Evergreen Park Drive, S.W.  
P.O. Box 47250  
Olympia, Washington 98504-7250

**Re: Docket No. UT-970723**

Dear Ms. Washburn:

This is in response to the Commission's notice of July 2, 1998 inviting comment on a Staff recommendation to defer action in this matter for approximately 90 days, when it is anticipated that certain related rulemakings at the Federal Communications Commission, or FCC, will be completed.

Puget Sound Energy, or PSE, acknowledges the legitimate reasons expressed by Staff for deferring action in this matter, and does not oppose Staff's recommendation. At the same time, however, it is PSE's view that the FCC methodology is sufficiently clear, even before the FCC rulemaking is formally concluded, that it can form the basis for rules to be adopted for pole attachments in this State. The Commission has its own independent authority to adopt a pole attachment methodology, and need not await the final outcome of the FCC proceedings. As noted in our April 27 comments in this proceeding, PSE favors immediate implementation of the FCC rate methodology on a flash-cut basis. In our view, adoption of this methodology on a flash-cut basis (rather than through a phase-in) provides pole owners a reasonable opportunity to start to more fully recover their costs of providing this service. Delaying implementation only preserves the subsidies which the existing rates provide for pole users. PSE therefore asks that in deciding on the pace at which this rulemaking will proceed, the Commission consider the legitimate interests of the pole owners in implementing a rate methodology which reflects the costs of providing this service.

Very truly yours,

PUGET SOUND ENERGY, INC.

By Richard R. Rucker  
Richard R. Rucker  
Joint Facilities Administrator

cc: Interested Parties