

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION
COMMISSION

In the Matter of the Rule-Making
Related to Telecommunications
Companies – Chapter 480-120
WAC

DOCKET NO. UT-990146

**Comments of
Low Income Telecommunications
Project**

June 27, 2002

The Low Income Telecommunication Project (LITE) thanks the Commission for this opportunity to comment on the rules proposed under the above referenced docket number. The intent of our comments is to help achieve the goal of universal basic phone service in the state of Washington.

480-120-122 (Deposits)

For customers enrolled in the Washington telephone assistance program (WTAP) and federal enhanced tribal lifeline, LITE recommends that the Commission require that an LEC waive any local service deposit requirements as allowed under proposed rules 480-120-122(1) (a) through (e).

A local service deposit is a significant barrier to low-income and vulnerable households acquiring basic phone service. Many of these households are on inadequate fixed incomes. While a deposit may seem a small inconvenience to some, to these households it can be an insurmountable barrier to obtaining basic phone service.

Under WTAP a customer currently only pays \$4.00 a month to their LEC for basic service, while under federal enhanced tribal lifeline a customer currently only pays their LEC \$1.00 a month for basic phone service. In most cases the programs pay 100% of the connection fees. The LECs are reimbursed the balance of their normal charges for connection and basic monthly phone service

from either the WTAP or enhanced tribal lifeline program. Therefore, an LEC currently risks no more than \$4.00 a month to provide basic phone service to a customer who has no ancillary services and has toll restriction. Therefore we suggest the following additional language to proposed rule 480-120-122:

WAC 480-120-122 Establishing credit--Residential services.

(1) This section applies only to the provision of residential services. A local exchange company (LEC) may require an applicant or customer of residential basic service to pay a local service deposit only in accordance with (a) through (e) of this subsection. For a LEC that offers basic service as part of any bundled package of services, the requirements of this subsection apply only to its lowest-priced, flat-rated residential basic service offering. Notwithstanding (a) through (e) of this section, a LEC may not require a deposit for residential basic service if the customer or applicant is eligible for either the Washington Telephone Assistance Program or enhanced tribal lifeline program, agrees to participate in either the Washington Telephone Assistance Program or enhanced tribal lifeline program, and agrees to toll restriction and ancillary service restriction, or both, if the company requires it.

(a) If the applicant or customer has received two or more delinquency notices for basic service during the last twelve month period with that company or another company;

(b) If the applicant or customer has had basic service discontinued by any telecommunications company;

(c) If the applicant or customer has an unpaid, overdue basic service balance owing to any telecommunications company;

(d) If the applicant's or customer's service is being restored following a discontinuation for nonpayment or acquiring service through deceptive means under WAC 480-120-172; or

(e) If the applicant or customer has been disconnected for taking service under deceptive means as described in WAC 480-120-172.

480-120-122 (Credit Reports)

LITE endorses in the strongest terms possible the objections raised by Public Counsel and others over the language in the draft rules that allow the use of credit reports in determining whether a consumer represents a credit risk. The use of credit reports will present a new barrier to the goal of achieving universal

access to basic phone service. The reports are often inaccurate and difficult to correct and, they are a poor predictor of how reliable a customer will be at keeping current with their phone bill. Finally, it makes credit worthiness a prerequisite to establishing a necessary service. Credit reports have traditionally been used as a means to qualify consumers when they attempt to make purchases of consumer goods on credit. For many, basic phone service is a necessity and provides access to basic services, including emergency services. It is not simply another consumer product. Please follow the recommendations of Public Counsel on this issue.

Telecommunications Consumers Bill Of Rights

LITE supports, together with the Washington Telecommunications Education Consortium, the establishment of a Telecommunications Consumer Bill Of Rights for Washington. Significantly the California Public Utilities Commission has released a draft Telecommunications Consumer Bill of Rights and is poised to adopt a bill of rights in the nation's most populous state. (See Attachment A). The state of Washington should do no less and adopt a basic set of principles, a Telecommunications Consumer Bill of Rights, to protect telecommunications consumers.

Respectfully submitted, this 27th day of June 2002.

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