

**BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Petition of)	Docket No. UT-011439
)	
VERIZON NORTHWEST, INC.)	RCC MINNESOTA, INC's RESPONSE
)	TO QWEST CORPORATION'S
)	MOTION TO JOIN RCC
For waiver of WAC 480-120-071(2)(a).)	AS A PARTY
_____)	

RCC Minnesota, Inc. ("RCC") hereby responds to Qwest Corporation's Motion to Join RCC Minnesota, Inc. as a Party ("Motion"), filed on June 20, 2002 in the above-captioned proceeding. This response is timely filed pursuant to the Commission's Notice, released June 27, 2002.

I Background

RCC has been licensed by the FCC since 2000 to provide Commercial Mobile Radio Service ("CMRS") in several areas throughout rural Washington. RCC, or its parent company, Rural Cellular Corporation, is licensed to provide CMRS in a number of other areas in the U.S. as well. Since acquiring its Washington territory, the company has begun implementing system upgrades and integrating its business with others in the region.

On June 14, 2002, the WUTC granted RCC's application for Eligible Telecommunications Carrier ("ETC") status in Docket No. UT-023033. A formal order memorializing the Commission's action has not yet been released. Under the federal rules, RCC will become eligible to receive high-cost loop funding on a schedule determined by the Universal Service Administrative Company ("USAC"). RCC believes that such funding will begin to be provided in early 2003.

RCC is committed to offer Lifeline and Link-Up benefits to its licensed area, in accordance with all state and federal requirements, and to advertise the availability of such services so that low-income customers may choose RCC's service. The company has also committed to use all available high-cost loop support to build, maintain, and upgrade its facilities in rural Washington.

Qwest's Motion, seeking to join RCC in the above-captioned proceeding was filed in response to RCC's designation as an ETC. Qwest believes that the addition of RCC to the proceeding will enable the Commission to potentially select RCC as the carrier best able to serve the two customers who are requesting service in the Bridgeport exchange. For the reasons set forth below, Qwest's Motion should be denied.

II. It is Premature to Join RCC as a Party to This Proceeding.

Procedurally, Qwest's Motion assumes that RCC could step in and immediately provide service to the two locations identified in the Bridgeport exchange. In fact, the WUTC has not even released its order approving RCC's application for ETC status, and as such it has not become final. It is subject to appeal, and given that the United States Cellular case (Docket No. UT-970345) remains pending before the Court of Appeals, it is likely that an appeal will be filed in RCC's case as well.

In addition, since RCC does not expect to receive federal high-cost support until early 2003, there is no basis upon which RCC could receive funding for providing services at issue in the proceeding. As a result, Qwest's Motion is premature with respect to RCC, which is in no position to provide subsidized service at this time.

III. The Proposed Customers Did Not Request Service From RCC

Under the federal rules, RCC's responsibility as an ETC is to offer the nine supported services and advertise their availability throughout its designated service area. *See* 47 C.F.R. §54.201(d). In Washington, RCC must furnish facilities "to all persons and corporations who may apply therefor and be reasonably entitled thereto." RCW 80.36.090. Based upon its review of the documents in this case, it is RCC's understanding that the customers have requested wireline service, and have specifically not requested service from RCC. From RCC's perspective, if these customers wish to have service provided by a particular company, or via a particular technology, then other companies should not be compelled to provide service. Accordingly, the addition of RCC as a party would not provide the customers with the facilities they have requested.

IV. It Does Not Appear That the Extension of Service Rule At Issue Applies to RCC.

Qwest's motion is couched in terms of treating similarly situated carriers in a similar fashion, which is ordinarily recognized as a proper regulatory goal. Here, the specific rule at issue applies to "Each company required to file tariffs under RCW 80.36.100...." As a CMRS carrier, RCC is not required to file tariffs and as such the rule does not apply to it.

Even assuming the rule applies to RCC, Qwest and RCC are in completely different postures vis -a-vis their respective ability to draw from and receive sufficient support for providing universal service. RCC understands that the state may permit eligible wireline carriers to recover service extension charges by increasing their terminating access charges or through other mechanisms. RCC did not apply for state funding and, as a CMRS carrier, it does

not participate in the nation's access charge regime. As such, RCC is not eligible to obtain terminating access revenue or otherwise receive the same support that is available to wireline carriers who may be compelled to provide service. Moreover, there is no federal mechanism to provide support to a competitive ETC for line extension charges.

Qwest makes no attempt to explain why the rule at issue applies to RCC, or how RCC would receive reimbursement for line extension charges. Nor does it suggest that the state should declare RCC to be eligible for such reimbursement. Accordingly, there would appear to be no useful purpose in joining RCC as a party.

V. RCC Has No Objection to Working With Qwest or Verizon to Serve the Affected Customers.

A carrier required to provide service "may do so by...making a service and financial agreement with a radio communications service company..." and the costs of such an arrangement are recoverable. WAC 480-120-071(2)(c). Neither Qwest nor Verizon have approached RCC with such a proposal. Assuming that the proposed customers would accept wireless service, it would appear more appropriate for such service to be provided pursuant to an arrangement between the wireline company and RCC, which would presumably involve RCC charging Verizon or Qwest to provide suitable service and those carriers recovering such charges from the state fund as provided in WAC 480-120-071(2)(c). The burden should be on Qwest and Verizon to determine if the customers will accept RCC's service (or another acceptable wireless carrier), and if so, attempt to work out an appropriate arrangement with the wireless carrier to provide it.

VI. Conclusion

RCC's introduction into the proceeding at this time is premature, in that it will not commence receiving federal high cost support funding for at least six more months. Its participation will not be useful if the proposed customers desire wireline service. Moreover, RCC is not even eligible to receive support for line extension charges.

The customers at issue have waited quite some time to receive telephone service. Introducing RCC into this proceeding will not speed their access, and may in fact delay it. For all of the reasons stated above, the Commission should deny Qwest's motion.

Respectfully submitted,
RCC Minnesota, Inc.

By: _____

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July 2, 2002

CERTIFICATE OF SERVICE

I certify that I have this day served a copy of the foregoing document on all parties to this proceeding by depositing copies of the said motion in the United States mail, properly addressed and with postage prepaid.

Dated: July 2, 2002

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