

**BEFORE THE WASHINGTON STATE
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Petition of)	DOCKET NO. UT-030940
)	
Qwest Corporation)	ORDER NO. 01
)	
Petitioner,)	
)	
For a Temporary Exemption from)	
WAC 480-120-262(3), Operator)	
Service Providers (OSPs), Oral)	ORDER GRANTING
Disclosure of Rates)	TEMPORARY EXEMPTION
.....)	

BACKGROUND

- 1 On July 25, 2003, Qwest Corporation (Qwest or the Company) filed a petition requesting a temporary waiver of certain provisions of WAC 480-120-262(3).

- 2 The Commission adopted WAC 480-120-262 on December 12, 2002, and it became effective on July 1, 2003. Subsection (3) of the rule requires operator service providers to disclose the charges on any call from a pay phone or other aggregator location if the charges for the call would exceed a benchmark established in the rule. The benchmark is equal to \$0.50 per minute plus \$0.50 per call. Qwest's rates exceed the benchmark for some calls.

- 3 Qwest initially filed on June 12, 2003, a petition for permanent exemption from the rule. The company's initial petition asserted that it would be excessively costly for the company to provide rate quotes for its above-benchmark calls and that it would have to withdraw from the operator services business.

- 4 Qwest's revised petition reflects a change in approach by the Company. It now intends to comply with the rule by conforming its operator service rates to the benchmark levels in the rule. Once the rates no longer exceed the benchmark, Qwest will not have to disclose its rates and charges on every call. Instead, it will be required to tell the caller that a rate quote is available and how to obtain that quote. The opportunity for a rate quote was the requirement before the Commission's July 1 rule became effective, and it is Qwest's current practice.

- 5 Qwest's revised petition seeks additional time to revise its rates to conform to the benchmark. Qwest states that the additional time is necessary to make required billing system changes. In addition to revising existing per-call and per-minute rates, Qwest intends to add a per-minute charge for operator-assisted local calls from pay phones and other aggregator locations. Qwest initially planned to make the changes in time to meet the July 1, 2003, effective date and notified customers during the June billing cycle of the proposed changes. It did not file the necessary tariff and price list changes. According to the July 25 petition, the Company found that more extensive programming changes were required.
- 6 Commission Staff reviewed the petition and recommends that the Commission grant a temporary exemption until October 31, 2003. Staff recommends that the Commission not exempt Qwest from all provisions of WAC 480-120-262(3) but instead impose the lesser rate disclosure requirements that apply when charges do not exceed the benchmark. These requirements are found in WAC 480-120-262(3)(b).

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 rates, rules, regulations, practices, accounts, securities, and transfers of public service companies, including telecommunications companies. *RCW 80.01.040; Chapter 80.04 RCW and Chapter 80.36 RCW.*
- 8 (2) Qwest is engaged in the business of providing telecommunications services within the state of Washington and is a public service company subject to the jurisdiction of the Commission under the provisions of Chapter 80.36 RCW.
- 9 (3) Qwest is subject to the provisions of WAC 480-120-262, requiring telecommunications companies to disclose rates charged for operator services from pay phones and other aggregator locations.
- 10 (4) WAC 480-120-015 provides that the Commission may grant an exemption from the provisions of any rule in Chapter 480-120 WAC, if consistent with the public interest, the purposes underlying regulation, and applicable statutes.

- 11 (5) This matter was brought before the Commission at its regularly scheduled meeting on July 31, 2003.
- 12 (7) After review of the petition filed in Docket UT-030940 by Qwest on July 25, 2003 and giving due consideration, the Commission finds that the request for a temporary exemption is reasonable and should be granted.

ORDER

THE COMMISSION ORDERS:

- (1) After the effective date of this Order, Qwest, is granted an exemption from WAC 480-120-262(3)(c) until October 31, 2003. During the period Qwest is exempt from this requirement, it must provide rate disclosure using the method in WAC 480-120-262(3)(b), which otherwise applies only when charges do not exceed the benchmark.
- (2) The Commission retains jurisdiction over the subject matter and Qwest Corporation, to effectuate the provisions of this Order.

DATED at Olympia, Washington, and effective this 31st day of July, 2003.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

MARILYN SHOWALTER, Chairwoman

RICHARD HEMSTAD, Commissioner

PATRICK J. OSHIE, Commissioner

DOCKET NO. UT-030940
ORDER NO. 01

PAGE 4