BEFORE THE WASHINGTON STATE UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of Consolidation of) DOCKET NO. UT-021323
RATE CENTERS IN CLALLAM,)
GRAYS HARBOR, JEFFERSON,)
KITSAP, LEWIS, PACIFIC, AND)
SAN JUAN COUNTIES, SERVED) FIRST SUPPLEMENTAL ORDER
BY CENTURYTEL OF) DENYING REQUEST TO MODIFY
WASHINGTON, INC., D/B/A	CONSOLIDATION OF RATE
CENTURYTEL	CENTERS
)

BACKGROUND

- On October 23, 2002, the Commission ordered CenturyTel of Washington, Inc. (CenturyTel) to consolidate 26 rate centers in area code 360 into nine larger rate centers. Among that group were Clearwater, Clallam Bay, and Neah Bay, which the Commission ordered to be consolidated into the Forks rate center.
- CenturyTel asked on December 23, 2002, that the Commission reconsider the consolidation of Clearwater, Clallam Bay, and Neah Bay into the Forks rate center. CenturyTel argues that the Commission took this action with the understanding that Clearwater and Neah Bay/Clallam Bay were in the same local calling area, when in fact the two areas each have local calling to Forks but not to each other. CenturyTel said its request was due to the fact that Clearwater is not within the local calling area of Neah Bay and Clallam Bay and that the establishment of local calling was not supported by any community of interest or the standards in the WUTC's local calling area rule, WAC 480-120-045.

 CenturyTel's request would result in three rate centers Clearwater, Forks, and Neah Bay/Clallam Bay rather than a single Forks rate center. At the Commission's meeting on January 8, 2003, Century Telephone expressed concern that this matter would be used as a basis for precedent for future requests to expand local calling areas.

Staff agrees that both it and CenturyTel initially overlooked the difference in the scope of the Clearwater and Neah Bay/Clallam Bay local calling areas. However, Staff opposes the request for reconsideration, arguing that the effect on local calling areas is incidental to the rate center consolidation plan. Staff also noted there is virtually no impact on the revenues of Century Tel because there is limited calling between the rate centers of Clearwater, Neah Bay and Clallam Bay. Staff also noted the operational aspect that all the subject areas are currently served by the host switch in the Forks rate center. Staff asserted the consolidation plan was adopted to reduce inefficient use of telephone prefixes rather than to address an inadequacy in any community's local calling area, so the local calling area rule should not be applied nor should this decision be used as precedent for future requests of local calling areas.

- The only way to maintain the toll designation on calls between Clearwater and Neah Bay/Clallam Bay would be to maintain three distinct rate centers on the western Olympic Peninsula when one would otherwise be sufficient. Upon entry of a competitor this would require the issuance of three prefixes, 30,000 numbers rather than 10,000 numbers. There is no revenue impact to Century Tel or its customers resulting from the consolidation of the rate centers and resulting expansion of local calling areas. Continuation of three rate centers when there is no cost or revenue loss would undermine the Commission's efforts to reduce wasteful use of telephone prefixes and thereby prolong the life of area code 360. In this effort, the expansion of the local calling area is reasonable and should not be used as precedence for requesting expansion of other local calling areas in dissimilar situations.
- 5 The Commission received no other comments on the matter.

FINDINGS AND CONCLUSIONS

The Washington Utilities and Transportation Commission is an agency of the State of Washington vested by statute with the authority to regulate rates, 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.

- 7 (2) Century Tel is a telecommunications company and is a public service company subject to the jurisdiction of the Commission.
- 8 (3) Century Tel requested reconsideration of the Commission's earlier decision to consolidate Clearwater, Clallam Bay and Neah Bay into the Forks rate center.
- 9 (4) This matter was brought before the Commission at its regularly scheduled meeting on January 8, 2003.
- 10 (5) Having considered the comments of Staff and CenturyTel, the
 Commission concludes that the request to overturn the consolidation of
 Clearwater, Clallam Bay and Neah Bay into the Forks rate center should
 be denied.

ORDER

The Commission denies the request of CenturyTel of Washington, Inc., to modify the decision to consolidate the rate centers of Clearwater, Clallam Bay and Neah Bay into the Forks rate center.

DATED at Olympia, Washington, and effective this 10th day of January, 2003.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

MARILYN SHOWALTER, Chairwoman

RICHARD HEMSTAD, Commissioner

PATRICK J. OSHIE, Commissioner

APPENDIX A
Proposed Rate Center Consolidations

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CURTIS PE ELL ELMA MCCLEARY CLALLAMBAY CLALLAMBAY FORKS CLEARWATER FORKS NEAH BAY HANSVILLE KINGSTON HUMPTULIPS LKQUINAULT CHINOOK LONG BEACH OCEAN PARK GLENOMA MINERAL MORTON PACKWOOD RANDLE BLAKELY IS EASTSOUND FRIDAY HBR LOPEZ RAYMOND SOUTH BEND	Current Rate	Consolidated
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GLENOMA MORTON MINERAL MORTON PACKWOOD RANDLE BLAKELY IS SAN JUAN EASTSOUND FRIDAY HBR LOPEZ RAYMOND SOUTH BEND	LONG BEACH	
MINERAL MORTON PACKWOOD RANDLE BLAKELY IS EASTSOUND FRIDAY HBR LOPEZ RAYMOND SOUTH BEND	OCEAN PARK	
MORTON PACKWOOD RANDLE BLAKELY IS EASTSOUND FRIDAY HBR LOPEZ RAYMOND SOUTH BEND	GLENOMA	MORTON
PACKWOOD RANDLE BLAKELY IS EASTSOUND FRIDAY HBR LOPEZ RAYMOND SOUTH BEND	MINERAL	
RANDLE BLAKELY IS EASTSOUND FRIDAY HBR LOPEZ RAYMOND SOUTH BEND	MORTON	
BLAKELY IS SAN JUAN EASTSOUND FRIDAY HBR LOPEZ RAYMOND SOUTH BEND	PACKWOOD	
EASTSOUND FRIDAY HBR LOPEZ RAYMOND SOUTH BEND	RANDLE	
FRIDAY HBR LOPEZ RAYMOND SOUTH BEND	BLAKELY IS	SAN JUAN
LOPEZ RAYMOND SOUTH BEND	EASTSOUND	
RAYMOND SOUTH BEND	FRIDAY HBR	
	LOPEZ	
SOUTH BEND	RAYMOND	SOUTH BEND
	SOUTH BEND	