

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

<b>In re Telecommunications Companies, Chapter</b>	)	
<b>480-120 WAC; Tariffs, Chapter 480-80 WAC;</b>	)	<b>Docket Nos. UT-990146, UT-991301,</b>
<b>Registration, Classification and Price Lists,</b>	)	<b>UT-991922</b>
<b>Chapter 480-121 WAC</b>	)	
	)	

**JOINT COMMENTS OF GTE NORTHWEST INCORPORATED AND  
GTE COMMUNICATIONS CORPORATION**

## I. INTRODUCTION

GTE Northwest Incorporated (“GTENW”) and GTE Communications Corporation (“GTECC”) hereinafter collectively “GTE” appreciate the effort of the staff of the Washington Utilities and Transportation Commission (“Commission”) in this ongoing effort to revise the Washington Administrative Code rules for telecommunications companies. These comments are in response to the March 27, 2000 notice and discuss the proposed changes to Chapter 480-121 WAC and Chapter 480-80 WAC.

GTE reiterates the comments it filed on February 4, 2000 in this docket commenting on proposed changes to WAC 480-120. GTE’s February 4, 2000 comments laid out the company’s overall approach and philosophy toward these necessary rules revisions. GTE has adopted this same approach in examining the changes proposed for WAC 480-121 which deal with registration, competitive classification and initial price lists of telecommunications companies and WAC 480-80 on tariff, price lists and contracts.

GTE continues to advocate a scalpel-like approach to revising regulations in today’s competitive marketplace. Regulations should be reexamined with an eye toward making them more flexible and less burdensome for both existing and new telecommunications providers in the Washington market. In sum, the Commission should continue to move in the direction of relaxing regulation where appropriate to allow competitive market forces to work. With this approach in mind GTE has the following comments:

### **Chapter 480-121 WAC**

### **REGISTRATION, COMPETITIVE CLASSIFICATION AND INITIAL PRICE LISTS OF TELECOMMUNICATIONS COMPANIES**

### **Chapter 480-121 X01 WAC**

The revisions proposed by staff increase rather than lessen the burdens which companies face to achieve competitive classification, or to have a telecommunications service classified as competitive. In new sub 4 the staff has placed the word "company or" before "services" so as to establish the same test for establishing competitiveness for both "companies" and "services".

In addition staff added a new condition on whether competition is sufficient to constrain price as a prerequisite to a finding of competitiveness. Staff's revisions add an excessive burden of proof for a company to show that a service or company is competitive. In particular the new condition of subsection (e) is highly subjective and would require a new additional piece of proof in any competitive classification, possibly requiring expert testimony opining on the issue of whether competition is sufficient to "constrain price." This new requirement is also unnecessary in that subsection (d) requires a company to prove that it has a loss of market power. The proof required under subsections (d) and (e) are duplicative.

The changes proposed by staff in this rule increase the degree of regulatory oversight in an increasingly competitive environment and are the most onerous of staff's proposed changes.

GTE urges the Commission to ease the burden upon telecommunications providers. GTE would propose that the rule be amended to add language which states that if a specified telecommunications service is competitive in one market, then other companies offering the same service should be allowed to treat the service as competitive, without having to go through the burdensome regulatory process. This would streamline the competitive classification process and bring to consumers the benefits of such a competitively classified service quicker.

### **WAC 480-121-X03**

Staff's provisions would allow only telecommunications providers classified as competitive to obtain waivers of regulatory requirements. Waivers should be available if

circumstance warrants to all telephone companies operating in this state, not just those deemed to be competitive.

#### **WAC 480-121-X02**

This rule appears to build on WAC 480-121-X01 which establishes “general requirements” except that X02 establishes requirements for filing a petition only for competitive classification of telecommunication services – not companies. Both 480-121-X01 and 480-121-X02 should be modified to eliminate confusion in any filing. Both rules should be made consistent.

#### **WAC 480-121-X05**

The rule should be pared down to require only a brief explanation in a manner left to the carrier’s choice, so long as customers are informed that they may receive additional information if they are interested in the comparative classification process.

#### **WAC 480-120-060**

GTE would ask the staff to clarify what the language in subsection 8 means.

#### **CHAPTER 480-80**

#### **UTILITY GENERAL – TARIFFS, PRICE LISTS AND CONTRACTS**

Overall GTE has no objection to moving the sections indicated to Chapter 480-80 as they are related by subject. However it has the following specific comments to the substantive rules.

#### **WAC 480-80-041**

The sentence “Price lists for services exempted from the requirement to file tariffs shall be filed in accordance with WAC 480-120-027” should be deleted. Staff’s proposed language to WAC 480-120-027 simply refers the reader back to Chapter 480-80 WAC.

GTE also suggests that it might be helpful to define price lists in this rule or in the tariff

and suggests the following definition:

Price lists – as used in these rules shall mean the complete listing of all prices, charges, terms and conditions pertaining to services offered by a competitive telecommunications carrier or to competitive telecommunications services offered by a utility.

#### **WAC 480-80-X01**

GTE urges the Commission to revise the different timing requirements reflected in this rule. For instance companies classified as competitive have a five day filing requirement whereas contracts with competitive services are subject to a “ten day” filing requirement. GTE suggests that the Commission revise the rule to establish the same time lines for all contracts, for ease of administration and coordination so that information is consistently and timely filed. GTE would suggest that contracts be filed with the Commission not later than 10 business days following execution of the contract. This timeline will permit companies to maintain consistent processes and insure coordination among groups involved in finalizing contract arrangements. Some of the individuals involved in this process may be located in different states.

GTE would also suggest that the Commission remove the requirement of filing detailed cost computations for competitive service contracts in this rule. Carriers offering competitive services will not survive in a competitive marketplace if they are unable internally to justify long term provision of service below cost. This is one rule that should be revised to allow the marketplace to work. Therefore, cost support requirements should be eliminated. At the very least requiring a particular cost support methodology (e.g., fully distributed costs) should be eliminated.

#### **WAC 480-80-X02**

GTE recommends that this rule be deleted. Services subject to tariff or price list rules

must be offered in conformance with either the tariff or price list. Any contract terms will be specified in the tariff or price list, and any documentation provided to a customer will necessarily need to conform to those terms to avoid being discriminatory. Therefore, it is unnecessary to keep contract forms on file. As a practical matter as the market changes particular document formats may change frequently, and a more up to date reflection of current contract terms will be an administrative burden for both the Commission and GTE.

Thank you for giving GTE the opportunity to submit these comments.

RESPECTFULLY SUBMITTED this \_\_\_\_ day of \_\_\_\_\_, 2000.

WILLIAMS, KASTNER & GIBBS PLLC

By \_\_\_\_\_

\_\_\_\_\_  
Judith A. Endejan  
WSBA #11016

Attorneys for GTE Northwest Incorporated and  
GTE Communications Corporation  
601 Union Street, Suite 4100  
Seattle, WA 98101-2380  
(206) 233-2998