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June 9, 2000

Ms. Carole J. Washburn, Executive Secretary
Washington Utilities and Transportation Commission
1300 South Evergreen Park Drive SW
Olympia, WA 98504-7250

Re: WECA Proposed New Plan – Docket No. UT-971140

Dear Ms. Washburn:

This letter is being submitted on behalf of the Washington Exchange Carrier Association (WECA). The purpose of this letter is to clarify certain aspects of the Plan submitted by WECA for the administration of the pools administered by WECA. The Plan submitted to the Commission was a result of the Report and Settlement Agreement entered in Docket No. UT-971140 and the Eighth Supplemental Order in that docket accepting the Report and Settlement Agreement. Commission Staff has raised questions designed to clarify the intent of that Plan. The purpose of this letter is to formally respond to those inquiries.

Staff asked whether the Plan might be better named the Washington Carrier Access Plan, rather than the Washington Consumer Access Plan. The original name was chosen because one of the purposes of the Plan is to continue the pooling process which brings benefits to consumers in rural portions of the state by allowing access rates to be lower than they otherwise might be. This encourages interexchange carriers to offer services throughout the state without discriminating between high cost and low cost areas. WECA understands that there may be a sensitivity to a Plan that has the word “Consumer” in its title. Based on Commission Staff’s request, WECA is willing to change the name to the Washington Carrier Access Plan.

Within the WCAP, WECA strived to keep the costs of administration of the Plan as low as possible. For this purpose, WECA included provisions within the

Plan that allowed the Interim USF and the CCL pools to be combined and treated as one pool to lower the cost of administration. Commission Staff has asked that the pools be segregated since the originating CCL and the Interim USF are separately identified. In its comments, Sprint also made this suggestion. WECA has no objection to the separation of those pools, although it will cause a slight increase in the cost of administration of the pools. Therefore, several changes have been made in the language of the Plan to make it clear that the originating CCL pool and the Interim USF pool are separate.

The original Plan submitted by WECA called for entry and exit from the pools to be made only on an annual basis. This is the procedure followed by the Oregon Exchange Carrier Association. Some of the companies and some of the staff are involved in both the OECA and WECA process. The annual exit and entry in the OECA process has produced a very satisfactory result. However, for good reason, the Commission Staff felt that the annual entry and exit limitation might be perceived to be an undue restriction. Although on the surface it might seem very easy to do, there is a great deal of work that must be done to accommodate the entry or exit of a carrier from the pools. WECA is willing to modify the language within the Plan to allow for quarterly entry and exit. This quarterly entry or exit of a carrier depends upon the requesting carrier providing absolutely accurate information in order for WECA to produce new tariffs in a timely manner to accommodate the carrier's request. If quarterly entry or exit proves to be administratively difficult or expensive, WECA will ask the Commission for modification to that requirement.

Commission Staff also asked for a clarification that the language in Paragraph 26 does not prevent a company from pursuing a Commission complaint. That was not the intent of the language. The intent of the language is to allow parties to bring to WECA's attention deficiencies that may not have been apparent when the Plan was initially adopted or to suggest amendments that might be appropriate with the passage of time. The WECA docket process may be able to address those issues more expeditiously and without a drain on the Commission's resources. There was never an intent to foreclose any party from their legal rights to pursue remedies that may be available to them under Commission statute or rule. Therefore, WECA has absolutely no objection to adding clarifying language to Paragraph 26.

Finally, a minor language change has been made to Paragraph 31 of the Plan to reflect recent events.

In addition to the foregoing request for clarification, Commission Staff also made several suggestions for substantial alterations to the way in which the Traditional USF and the Interim USF pools might work. These suggestions include looking at collapsing the pools, bringing in the traffic sensitive interim USF rate elements, moving the recovery of USF elements to terminating minutes only and other items. Several of these suggestions are worthy of in depth consideration. However, they do appear to go beyond the scope of UT-971140 and

the settlement agreement reached in that docket. Therefore, WECA was reluctant to move forward on those suggestions without further process that involved other potentially affected participants in the industry. However, WECA was willing to commit to consideration of those proposals in a new process that allowed for other carriers to consider the benefits and detriments to these proposals. Therefore, WECA members are willing to commit to opening a WECA docket to discuss these proposals. A WECA docket process allows all elements of the industry an opportunity to participate in such a discussion. A Commission inquiry would also allow such discussion. The advantage that the WECA docket process offers is perhaps a more informal structure which can involve industry experts in an informal give and take of ideas that is sometimes difficult to achieve in a Commission investigation or NOI process.

A redlined version of the new Plan is enclosed for your information to show the clarifying language that has been incorporated into the draft. A revised clean version is also included. The original and nineteen copies of this letter and its attachments are being filed with this letter.

Sincerely,

RICHARD A. FINNIGAN

RAF/km
Enclosure as noted

Cc: WECA Board
Parties of Record
Tim Zawislak
Mary Tennyson