

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION
COMMISSION

In The Matter of)
Rulemaking Concerning) Docket No. UT-991737
Line Extension Tariffs)
)

COMMENTS OF AT&T

AT&T Communications of the Pacific Northwest, Inc. (“AT&T”) submits these comments pursuant to the revised Notice of Proposed Rulemaking (CR-102) and the Notice of Opportunity to Submit Written Comments on Proposed Rule dated August 23, 2000.

AT&T submitted comments to the Washington Utilities and Transportation Commission (the “Commission”) regarding this rule on March 14, 2000 and May 25, 2000. After these and other comments were reviewed, the Commission declined to adopt the then proposed line extension rule during a June 16, 2000 adoption hearing. The rule was then revised.

Unfortunately, the proposed changes made do not alleviate AT&T’s concerns, as articulated by AT&T in its preceding comments. Specifically, although changes have been made to Subsection (4), (formerly Subsection 3), of the proposed rule, none of those changes correct the discriminatory cost recovery mechanism of an additional service extension element in the terminating access tariffs. Neither has any language been included that would provide for a true up or adjustment of the interexchange carriers’ contributions to recover the local exchange carriers’ costs of the extension of lines to

unserved areas.

For these reasons, AT&T incorporates and reiterates its comments in opposition to the proposed rule that were previously filed on March 14, and May 25, 2000.

AT&T also notes that subsequent to the June 16, 2000 adoption hearing, the FCC has reaffirmed their position that if a state USF program rule does not meet each one of the three criteria of being competitively neutral, consistent with section 254 of the Federal Communications Act, and necessary to preserve and advance universal service, “the Commission **must** preempt the enforcement of that rule.” *See* In the Matter of Western Wireless Corporation Petition for Preemption of Statutes and Rules Regarding the Kansas State Universal Service Fund Pursuant to Section 253 of the Communications Act of 1934, FCC File No. 98-90 (August 18, 2000) (emphasis added). As the proposed cost recovery system of the rule in question mandates an unequal cost recovery mechanism, it is not competitively neutral. *Id.* Thus, it is substantially likely that the rule as written will face Federal preemption and accordingly must be changed as suggested previously by AT&T.

Respectfully submitted on September 14, 2000.

AT&T COMMUNICATIONS
OF THE PACIFIC NORTHWEST, INC.

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