

June 7, 2005

The Honorable Mike Armstrong  
House of Representatives  
Legislative Building  
P.O. Box 40600  
Olympia, WA 98504-0600

Dear Representative Armstrong:

Thank you for your letter of May 18, 2005 concerning telephone service in Stehekin. I understand that some Stehekin residents view telephone service in Stehekin as unnecessary or undesirable. Some residents also believe there has been inadequate communication with the community about this matter.

I have reviewed the history of the UTC's involvement in this issue and note that it includes substantial attempts at communication with Stehekin residents. In 2000, the UTC was contacted by businesses and residents of Stehekin who requested assistance in obtaining telephone service. On February 8, 2001, Commission staff visited Stehekin and conducted a community meeting on the topic of telephone service. In addition to approximately one dozen community members, the meeting was attended by a representative of the North Central Educational Service District, the National Park Service (NPS), and Chelan PUD. It was apparent at the meeting that there was a division of opinion among those residents in attendance over bringing telephone service to Stehekin.

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Commission staff contacted telephone companies to determine if any would be interested in serving Stehekin and a copy of the June 29, 2001 letter seeking a carrier to serve Stehekin was made available to residents of Stehekin. Westgate Communications responded with interest and in December 2001, petitioned the UTC for designation as an eligible telecommunications carrier (ETC). An ETC is eligible to receive federal funds that support service in locations where revenue from customers is insufficient to pay for service and also provide a return on investment.

On January 9, 2002, after proper public notice, the UTC designated Westgate as an ETC for Stehekin. The action was taken according to state and federal statutes and policies. As stated in the Commission's May 10, 2005 letter to Stehekin Heritage:

These policies do not permit regulators to determine the "need" for a service and prohibit its offering based on a lack of need. We are not aware of any provision in state or federal law that would allow us, as you have requested, to deny WeavTel the opportunity to serve Stehekin and to compete against the existing satellite service provider. Indeed, federal law specifically prohibits states from erecting barriers to entry and competition.

Since ETC designation, according to WeavTel, its representatives have made dozens of trips to Stehekin, had many communications with residents about its plans, and spent approximately \$600,000 thus far in preparing to begin service. Beginning in 2002, the NPS undertook an environmental assessment process concerning WeavTel's plans, with substantial notice to Stehekin residents.

As noted in the attached copy of my letter to Sheriff Harum regarding emergency services, the ETC designation of WeavTel had nothing to do with the adequacy of emergency communication services in Stehekin. Once designated as an ETC, however, a telecom provider is required by federal law to provide access to those emergency services that are implemented by local government. Thus, as part of the ETC process, WeavTel committed to deliver 911 calls to the local government.

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I hope this information is helpful to you. Please contact me if you have additional questions with which I can be of assistance.

Sincerely,

Mark H. Sidran  
Chairman

Enclosures: Letter to Honorable Cary Condotta  
Letter to Stehekin Heritage  
Letter to Sheriff Harum

cc: Commissioner Patrick J. Oshie  
Commissioner Philip B. Jones