

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION
COMMISSION

In the Matter of Consolidation of

RATE CENTERS IN CLALLAM,
GRAYS HARBOR, JEFFERSON,
KITSAP, LEWIS, PACIFIC, AND SAN
JUAN COUNTIES, SERVED BY
CENTURYTEL OF WASHINGTON,
INC., D/B/A CENTURYTEL

DOCKET NO. UT-021323

DOCKET NO. UT-991627

ORDER REQUIRING
CONSOLIDATION OF RATE
CENTERS

BACKGROUND

- 1 At the Commission's October 23, 2002, open meeting, the Commission's Staff recommended that it order the consolidation of various rate centers in area code 360. The rate centers identified in the Staff's recommendation are all served by CenturyTel as the incumbent local exchange company. The proposed consolidation would consolidate 26 rate centers into nine larger rate centers. In almost every case, the rate centers are based on either switch configurations or local calling areas that are now outdated. For example, there are presently four distinct rate centers in San Juan County, even though the entire county is in a unified local calling area. The specific changes are listed in Appendix A.
- 2 According to Staff, the consolidation of these rate centers would contribute to number conservation within area code 360 by reducing the number of telephone prefixes that would be required by each telecommunications company wishing to offer service in these areas. With one exception, the proposal would consolidate only rate centers that already have the same local calling area. The exception is that the local calling area of Mineral, in eastern Lewis County, would expand to include three other communities in eastern Lewis County: Randle, Packwood, and Glenoma. The calling area of these three communities would expand to include Mineral.
- 3 Staff also noted that the Commission has approved earlier rounds of rate center consolidation covering areas where Qwest or Verizon is the incumbent local exchange company.
- 4 Staff's proposal could result in a reduction in the revenues received by CenturyTel from interexchange carriers for the transport of toll calls. CenturyTel charges interexchange carriers for transport between rate centers but not for transport within a rate center, so a larger rate center can reduce transport charges. Staff recommended that the Commission address any such revenue reduction through a separate tariff filing by CenturyTel.

- 5 At the open meeting, CenturyTel proposed that it implement the proposed rate center consolidation gradually, in response to entry by competitors in specific areas. CenturyTel also expressed concern that it may cause the rates of customers in eastern Lewis County to increase, because the company's rate structure has higher rates as the number of customers in the local calling area increases. In response, Staff argued that a gradual implementation approach would be ineffective, inconsistent with industry guidelines, and potentially anti-competitive. Staff said any potential increase to customers in eastern Lewis County would be reasonable and consist with CenturyTel's rate structure. Staff noted that in several instances the existing pattern of rate centers had contributed to unnecessary use of telephone prefixes.
- 6 The Commission received no other comments on the proposed rate center consolidations.
- 7 Having considered the comments of Staff and CenturyTel, the Commission concludes that consolidation of the rate centers identified in Appendix A will contribute to number conservation in area code 360, thereby helping to delay the need to impose a new area code on customers in western Washington. It will not impose an unreasonable burden on either telephone customers or CenturyTel.

ORDER

- 8 The Commission approves the rate center consolidations proposed by Staff and directs CenturyTel to proceed with implementation of the rate center consolidations in Appendix A of this order.

DATED at Olympia, Washington, and effective this 23rd day of October, 2002.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

MARILYN SHOWALTER, Chairwoman

RICHARD HEMSTAD, Commissioner

PATRICK J. OSHIE, Commissioner

APPENDIX A

Proposed Rate Center Consolidations

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