

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

In the Matter of the Petition of	)	DOCKET UT-061298
)	
	)	ORDER 01
VERIZON NORTHWEST INC.)	
	)	ORDER BIFURCATING
	)	DOCKET AND DECIDING
	)	TO SET THE MATTER FOR
For Waiver of WAC 480-120-071(2)(a).	)	HEARING
)	
)	
)	
In the Matter of the Petition of	)	DOCKET UT-061821
)	
	)	ORDER 01
VERIZON NORTHWEST INC.)	
	)	ORDER OPENING THE
	)	DOCKET AND DECIDING
	)	TO SET THE MATTER FOR
For Waiver of WAC 480-120-071(2)(a)	)	HEARING
)	
.....)	

BACKGROUND

- 1* On August 11, 2006, Verizon Northwest Inc., (Verizon or the Company) filed a petition requesting waiver from WAC 480-120-071. That matter was assigned Docket UT-061298.
- 2* WAC 480-120-071 requires telecommunications companies to provide service extensions to occupied premises within eighteen months after a customer’s request and initial payment.
- 3* Pursuant to WAC 480-120-071(7)(a), Verizon seeks a waiver from the provisions of WAC 480-120-071(2) for five potential new customers in Okanogan County, one in the company’s Molson-Chesaw exchange (the Bush location) and the other four in Verizon’s Tonasket exchange (the Hussey/Pitsker/Impero/Connan locations). In the alternative, Verizon seeks a waiver of WAC 480-120-071(3)(a) pursuant to WAC 480-120-071(7)(b) and WAC 480-120-015, so that it may charge the applicants the actual cost of the extensions.

- 4 Verizon estimates the cost to extend service to the Bush location is \$99,720, and the cost to extend service to the Hussey, et.al. locations is \$57,346. The Company submits that it is unreasonable for Verizon to pay this much to extend service to these customers. Verizon adds that maintaining service to these locations would impose substantial ongoing operational difficulties and financial burdens on the Company.
- 5 Commission staff reviewed Verizon's petition and conducted an investigation of the circumstances involved in the requests for telephone service in the two locations. The staff gathered information from Verizon and from other property owners and residents in both areas. Staff conducted site visits and met with several of the applicants and their neighbors, and obtained information from the Okanogan County Planning Department. Based on its analysis and investigation, Commission staff recommends that Verizon's petition be bifurcated so that the waiver requests for the Bush location and for the Hussey et.al. locations can be considered separately; and that both matters be set for hearing to determine if Verizon's request for waiver should be granted or denied, in whole or in part.

FINDINGS AND CONCLUSIONS

- 6 (1) The Washington Utilities and Transportation Commission is an agency of the state of Washington vested by statute with the authority to regulate rates, rules, regulations, practices, accounts, securities, and transfers of public service companies, including telecommunications companies. *RCW 80.01.040, Chapter 80.04 RCW, Chapter 80.36 RCW, Chapter 80.08 RCW and Chapter 80.12 RCW.*
- 7 (2) Verizon is engaged in the business of providing telecommunications services within the state of Washington and is a public service company subject to the jurisdiction of the Commission.
- 8 (3) Verizon is subject to the provisions of WAC 480-120-071, which requires telecommunications companies to provide service extensions to occupied premises within eighteen months after a request and initial payment.
- 9 (4) WAC 480-120-071(2)(c) provides that any telecommunications company required to extend service may do so by extending distribution plant or making a service and

financial agreement with a radio communications service company or other alternative provider to provide service.

- 10 (4) WAC 480-120-015 provides that the Commission may waive the provisions of any rule in Chapter 480-120 WAC, if consistent with the public interest, the purposes underlying regulation, and applicable statutes. WAC 480-120-071(7) provides additional waiver (or exemption) authority.
- 11 (5) This matter was brought before the Commission at its regularly scheduled meeting on December 13, 2006.
- 12 (6) After review of the petition filed in Docket UT-061298 by Verizon on August 11, 2006, and amended on October 27 and November 30, 2006, and giving due consideration, the Commission finds that good cause exists for bifurcating the petition, and for setting the bifurcated matters for hearing to determine whether the Verizon petition should be granted or denied, in whole or in part.

ORDER

THE COMMISSION ORDERS:

- 13 (1) Verizon's petition for waiver of the requirements of WAC 480-120-071(b) in Docket UT-061298 is bifurcated. Docket UT-061298 will apply only to the Bush application for service in the Molson-Chesaw exchange. That matter will be set for hearing.
- 14 (2) Docket UT-061821 is opened to consider the petition of Verizon Northwest Inc. for a waiver of WAC 480-120-071(2)(b) regarding applications for service for the Hussy, Pitsker, Impero and Connan locations in the Tonasket exchange. That matter will be set for hearing.

- 15 (3) The Commission retains jurisdiction over the subject matter and Verizon Northwest Inc. to effectuate the provisions of this order.

DATED at Olympia, Washington, and effective December 13, 2006.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

MARK H. SIDRAN, Chairman

PATRICK J. OSHIE, Commissioner

PHILIP B. JONES, Commissioner