



# Pend Oreille County Public Utility District

Administrative Offices - P.O. Box 190 • Newport, WA 99156 • (509) 447-3137 • FAX (509) 447-5824  
Box Canyon Hydro Project - P.O. Box 547 • Ione, WA 99139 • (509) 446-3137 • FAX (509) 447-6790

June 23, 2005

Telecommunications Consumer Complaint  
Washington Utilities and Transportation Commission  
P.O. Box 47250  
Olympia, WA 98504-7250

RE: Complaint against Pend Oreille Telephone Company

Dear Sir or Madam:

Please consider this letter to be a complaint filed by Public Utility District No. 1 of Pend Oreille County, Washington, P.O. Box 190, Newport, WA 99156, (509) 447-3137, pursuant to the laws and regulations applicable to the Washington Utilities and Transportation Commission (WUTC).

Public Utility District No. 1 of Pend Oreille County, Washington ("the District") is a municipal corporation and is duly organized under the laws of the State of Washington and has the authority to operate pursuant to the laws set forth in Title 54, Revised Code of Washington.

The telecommunications company alleged to have violated the laws and regulations of the WUTC is as follows:

Pend Oreille Telephone Company  
Registered Agent in the State of Washington  
CT Corporation System  
520 Pike St.  
Seattle, WA 98101

James Martell, President  
Pend Oreille Telephone Company  
892 W. Madison Ave.  
Glenns Ferry, ID 83623  
(208) 366-2840  
UBI No.: 601-503-481

The location of the alleged violation is Pend Oreille County, State of Washington.

Pend Oreille County is a rural county, which has very limited cell phone services available to the public. As of March 31, 2004, the District entered into a site lease agreement with RCC Holdings, Inc., d/b/a Unicel (hereafter "RCC"), for the District to provide wholesale

RECEIVED  
05 JUN 27 AM 9:01  
OFFICE OF THE  
ATTORNEY GENERAL

telecommunications service and to lease property and facilities in the vicinity of Metaline Falls, Washington in the northern part of Pend Oreille County. RCC is authorized to provide cellular telecommunication services to the general public in the State of Washington. The District is authorized to provide wholesale telecommunications services to RCC or other entities, which provide telecommunications services to the general public. RCW 54.16.330.

The following statements are based, in part, upon information provided by RCC:

Some time prior to October 2004, RCC contacted Pend Oreille Telephone Company (POTC) and requested a connection to POTC's system in or near Metaline Falls or Ione, Washington. POTC advised RCC that it would not, or could not, provide a connection or service to RCC in or near Metaline Falls or Ione, Washington, but would provide a connection and service in or near Cusick, Washington, which is approximately 43 miles from Metaline Falls and approximately 33 miles from Ione.

The District has elected not to have telephone service provided by POTC in the Cusick area, when its own telecommunications system could serve that purpose. However, the POTC facilities remain intact at District properties to provide telecommunication services from POTC and would be sufficient to supply the services requested by RCC.

Under the site lease agreement between the District and RCC, the District provides wholesale telecommunications transport service between the cellular tower constructed by the District and leased to RCC so that RCC may interconnect with other telephone companies, including POTC. Since the District has local telephone service provided by POTC at the District's offices near Ione, it appears to the District that an interconnection between RCC and POTC at the District's offices near Ione would be a simple and low cost matter. However, the District has made it clear to RCC that it will transport at the same cost to a connection of their choosing within Pend Oreille County, even if it involves the added distance.

Currently, every person utilizing the cellular telephone service provided by RCC at Metaline Falls to make a local call in the vicinity of Metaline Falls or Ione incurs a long distance charge because POTC has refused to interconnect with RCC through the District facilities in or near Ione, Washington. The customers utilizing the cellular telephone service provided by RCC include the District. Thus, the refusal of POTC to interconnect with RCC in the vicinity of Ione, Washington, has resulted in the public, including the District, paying a long distance charge.

In addition, the District understands that POTC has refused to interconnect with RCC through the District's facilities, regardless of the location of the District's facilities. The District believes that POTC's conduct violates POTC's duties under RCW 80.36.090 and RCW 80.36.200. This claim is substantiated by the enclosed letter(s) from RCC counselor, Philip R. Schenkenberg of Briggs and Morgan outlining statements of fact regarding the circuit acquisition process RCC has endured.

In addition, the District believes that POTC's conduct has the effect of unduly and unreasonably giving preference or advantage to POTC with respect to local telecommunications in the vicinity of Metaline Falls and Ione in Pend Oreille County. Finally, the District believes that POTC's

conduct has resulted in overcharges to persons, including the District, making cellular telephone calls in the vicinity of Metaline Falls and Ione, Washington.

The District hereby requests that WUTC investigate the conduct of POTC with respect to interconnection with RCC and the District in the vicinity of Ione, Washington, and resulting overcharges for telephone service utilizing the cellular telecommunications operations of RCC in the vicinity of Metaline Falls and Ione, Washington. If the WUTC determines that POTC has wrongfully denied interconnection and service to RCC or the District in the vicinity of Metaline Falls and Ione, Washington, the District requests that the WUTC order and require POTC to provide a suitable interconnection with RCC and/or the District utilizing its authority under RCW 80.36.160. In addition, the District requests the WUTC to order POTC to refrain from conduct which results in excess charges, delay, or refusal to interconnect with the telecommunication facilities of the District or other persons who have elected to utilize wholesale telecommunication services provided by the District.

Thank you for your time and attention concerning this matter. Should you have questions and/or require additional information, please feel free to contact me at (509) 447-3137.

Sincerely,



Robert D. Geddes  
General Manager

RDG:rn

Enclosure

cc: Jerry K. Boyd  
Philip R. Schenkenberg

2200 IDS CENTER  
80 SOUTH EIGHTH STREET  
MINNEAPOLIS, MINNESOTA 55402  
TELEPHONE (612) 977-8400  
FACSIMILE (612) 977-8650

# BRIGGS AND MORGAN

PROFESSIONAL ASSOCIATION

WRITER'S DIRECT DIAL  
(612) 977-8246

WRITER'S E-MAIL  
pschenkenberg@briggs.com

May 24, 2005

## VIA FAX AND EMAIL

Mr. Richard Finnigan  
2405 Evergreen Park Drive SW  
Suite B1  
Olympia, Washington 98502

### **Re: RCC Holdings Request for Direct Connection**

Dear Mr. Finnigan:

This letter sets forth the facts related to RCC Holdings Inc.'s attempts to establish a direct interconnection with your client Pend Oreille Telephone Co. ("POTC"). If you disagree with any of these facts, please contact me by the close of business on Wednesday March 25th.

RCC and Pend Oreille have negotiated to establish the terms for the interconnection of the parties' networks and the exchange of traffic between the parties. Once these arrangements are in place, RCC intends to establish a local number block rated to the Metaline Falls exchange served by POTC.

RCC has asked to purchase a T1 circuit from POTC's host switch in Cusick, which would be a two-way facility used to exchange traffic between the RCC and POTC networks. This would be an industry-standard Type 2B interconnection that would allow access to remote switches served by Cusick, including Metaline Falls and Ione. RCC has asked that this T1 be provided to a Pend Oreille Public Utilities Division ("PUD") location within the Cusick exchange. The PUD has contracted with RCC to provide a wholesale service to RCC in conjunction with this proposed connection. The PUD would cross-connect the T1 to its circuit, which is then connected to RCC's network. No calls would terminate at the PUD location or to any PUD customers. We also understand that POTC is already connected to the PUD facility and that there is available bandwidth for a T1 that could be used to provide RCC the service it requests without any special construction.

POTC has refused to provide the T1 requested by RCC. It is our understanding that POTC was initially concerned that PUD would be providing a retail service as part of this arrangement. However, RCC has offered to be bound to a contract term that would prohibit this facility from being used for PUD's retail purposes. In response, you indicated in no uncertain

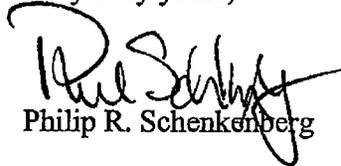
**BRIGGS AND MORGAN**

Mr. Richard Finnigan  
May 24, 2005  
Page 2

terms that POTC would not connect at this location even if the PUD was providing only a wholesale service.

RCC has held up implementation of this facility and this local number block for months as we have tried to resolve these issues with POTC. Customers in Metaline Falls are being denied the local competition that will come with the establishment of RCC's new local number block. We need to resolve this issue immediately. If you disagree with the facts above, or if POTC is now willing to make the connection requested, please respond in writing by the close of business Wednesday.

Very truly yours,

  
Philip R. Schenkenberg

cc: Dean Polkow

2200 IDS CENTER  
80 SOUTH EIGHTH STREET  
MINNEAPOLIS, MINNESOTA 55402  
TELEPHONE (612) 977-8400  
FACSIMILE (612) 977-8650

# BRIGGS AND MORGAN

PROFESSIONAL ASSOCIATION

WRITER'S DIRECT DIAL  
(612) 977-8246

WRITER'S E-MAIL  
pschenkenberg@briggs.com

May 24, 2005

## VIA FAX AND EMAIL

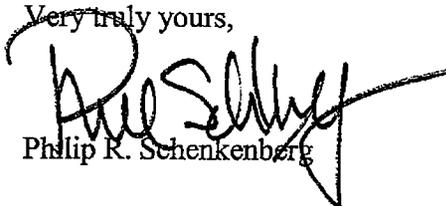
Mr. Richard Finnigan  
2405 Evergreen Park Drive SW  
Suite B1  
Olympia, Washington 98502

**Re: RCC Holdings Request for Direct Connection**

Dear Mr. Finnigan:

This letter is to clarify that the date at the end of the first paragraph of my earlier letter of today in error indicated a response date of March 25th. This date should be **May 25th**. I apologize for any misunderstanding this may have caused.

Very truly yours,



Philip R. Schenkenberg

cc: Dean Polkow