

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

In the Matter of the Petition of)	DOCKET NO. UT-031726
)	
Toledo Telephone Company, Inc.)	ORDER NO. 01
)	
Petitioner,)	
)	
Seeking Exemption from the)	
Provisions of WAC 480-80-)	
142(7)(b)(iii) Relating to the)	
company's cost of providing)	ORDER GRANTING
service)	EXEMPTION FROM RULE
.....)	

BACKGROUND

- 1 On October 23, 2003, Toledo Telephone Company, Inc. (Toledo or the Company) filed a petition requesting exemption from WAC 480-80-142(7)(b)(iii).

- 2 WAC 480-80-142(7)(b)(iii) requires telecommunications companies to demonstrate that special contract charges cover the company's cost of providing the service.

- 3 Toledo entered into a contract with Toledo School District No. 237 to provide Primary Rate Interface (PRI) service to Toledo High School. This is a service designed to meet the specific needs of Toledo High School and would not be applicable in other service configurations. The term of the contract is two years. Toledo entered into a contract because this service is not contained within the tariffs of the Company.

- 4 Toledo stated that the cost of providing cost computations and/or a long-run incremental cost analysis would make any attempt to provide this service unworkable.

5 Commission Staff reviewed the request and recommended granting Toledo's request for exemption, with respect to this contract only.

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 and Chapter 80.36 RCW.*
- 7 (2) Toledo Telephone Company, Inc. 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 under the provisions of Chapter 80.36 RCW.
- 8 (3) Toledo Telephone Company, Inc. is subject to the provisions of WAC 480-80-142(7)(b)(iii), requiring telecommunications companies to demonstrate that special contract charges cover the company's cost of providing the service.
- 9 (4) WAC 480-80-015 provides that the Commission may grant an exemption from the provisions of any rule in Chapter 480-80 WAC, if consistent with the public interest, the purposes underlying regulation, and applicable statutes.
- 10 (5) This matter was brought before the Commission at its regularly scheduled meeting on November 12, 2003.

- 11 (6) After review of the petition filed in Docket UT-031726 by Toledo Telephone Company, Inc. on October 23, 2003, and giving due consideration, the Commission finds that the exemption is reasonable and should be granted.

ORDER

THE COMMISSION ORDERS:

- 12 (1) After the effective date of this Order, Toledo Telephone Company, Inc. is granted an exemption from WAC 480-80-142(7)(b)(iii), requiring telecommunications companies to demonstrate that special contract charges cover the company's cost of providing the service. The exemption applies to this contract only.
- 13 (2) The Commission retains jurisdiction over the subject matter and Toledo Telephone Company, Inc. to effectuate the provisions of this Order.

The Commissioners, having determined this Order to be consistent with the public interest, directed the Secretary to enter this Order.

DATED at Olympia, Washington, and effective this 12th day of November, 2003.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

CAROLE J. WASHBURN, Secretary