

[Service Date August 14, 2007]

August 14, 2007

**NOTICE OF OPPORTUNITY TO FILE WRITTEN COMMENTS  
(By Friday, September 14, 2007)**

**NOTICE OF RULEMAKING WORKSHOP  
(Set for Thursday, October 4, 2007, beginning at 9:30 a.m.)**

**NOTICE OF SECOND RULEMAKING WORKSHOP  
(Set for Wednesday, October 17, 2007, beginning at 9:30 a.m.)**

RE: *Rulemaking Concerning Telecommunications Service (Line) Extensions  
(WAC 480-120 and 480-123)*  
Docket UT-073014

**TO ALL INTERESTED PERSONS:**

On August 10, 2007, the Washington Utilities and Transportation Commission (Commission) filed with the Office of the Code Reviser a Preproposal Statement of Inquiry (CR-101) to examine whether new or revised regulations are needed to govern telecommunications service extensions. Telecommunications service extensions are regulated under WAC 480-120-071. Service extensions are often referred to as line extensions.

Under the existing rule, telecommunications companies required to file tariffs under RCW 80.36.100 are also required to have an extension of service tariff and to extend service consistent with the tariff. Extensions must be completed within eighteen months and companies constructing extensions may recover their investment (the direct cost of the extension) within one year of completion of the extension. Customers pay, on average, about \$600.00 toward cost recovery for extensions; the average direct cost of extensions in recent years is about \$14,000. The range of investment is from under \$1,000 to as much as \$200,000.

The recovery of investment in extensions is accomplished through increased access charges. Access charges are per-minute charges paid by long distance carriers to local carriers. In other words, the direct cost of extensions constructed by local service providers is financed by long distance carriers from customer revenue and other sources of revenue.

The Commission is interested in determining if the rule provides the correct balance of obligations among customers, local service providers, and interexchange carriers. The Commission is also interested in examining whether the Commission or local service providers should establish limits on distance or cost to circumscribe the obligations of local service providers to extend service.

The Commission is interested in hearing recommendations on all other aspects of service extension policy. Its interest extends to policy issues related to extensions of service beyond exchange area boundaries and to obligations of wireless and other eligible telecommunications carriers (ETCs).

### **WRITTEN COMMENTS**

The Commission invites interested persons to comment on the following questions. Interested persons are also invited to comment generally.

- 1) For telecommunications companies required to extend service under the current rule, please comment on specific benefits and burdens that have resulted from the rule and whether any of the burdens have caused harm to the company; if there has been harm, please quantify the harm.
- 2) For telecommunications companies that pay access charges, please comment on the reimbursement process and whether, and to what extent, the reimbursement of direct costs for extensions through access charges has caused problems for the company or its customers.
- 3) For counties, please comment on whether the current rule has been beneficial or burdensome with respect to growth management efforts, with respect to providing services to citizens, or in any other respect.
- 4) For ETCs, please comment on whether the current rule has benefits or burdens on the company and if the rule has been beneficial or burdensome to customer service, company operations, or in any other respect.
- 5) For persons who reside in locations outside the boundaries of existing telephone exchange areas, please comment whether the current rule is beneficial or burdensome.

- 6) For real estate professionals, please comment on whether the current rule has been beneficial or burdensome with respect to buying and selling real estate or in any other respect.
- 7) For all interested persons, please make any specific recommendations for changes, or make statements in favor of retaining the current rule, and include policy goals that support retaining or changing the rule.

Written comments must be filed with the Commission no later than **Friday, September 14, 2007**. The Commission requests that comments be provided in electronic format to enhance public access, for ease of providing comments, to reduce the need for paper copies, and to facilitate quotations from the comments. Comments may be submitted via the Commission's Web portal ([www.utc.wa.gov/e-filing](http://www.utc.wa.gov/e-filing)) or by electronic mail to the Commission's Records Center at [<records@utc.wa.gov>](mailto:records@utc.wa.gov).

Please include:

- The docket number of this proceeding (UT-073014).
- The commenting party's name.
- The title and date of the comment or comments.

An alternative method for submitting comments is by mailing or delivering an electronic copy to the Commission's Records Center on a 3 ½ inch, IBM-formatted, high-density disk, in .pdf Adobe Acrobat format or in .doc Word 97 or later format. Include all of the information requested above. The Commission will post on its web site all comments that are provided in electronic format. The web site is located at the following URL address: [www.utc.wa.gov/073014](http://www.utc.wa.gov/073014).

If you are unable to file your comments electronically or to submit them on a disk, the Commission will accept a paper document. Questions may be addressed to Bob Shirley at (360) 664-1292 or e-mail at [<bshirley@utc.wa.gov >](mailto:bshirley@utc.wa.gov).

## **STAKEHOLDER WORKSHOPS**

In addition to filing written comments, interested persons are invited to attend a rulemaking workshop on Thursday, October 4, 2007. The purpose of the workshop is to provide an opportunity for discussion of the current service extension rule and suggested additions and changes to that rule and any related rules.

The Commission will convene a workshop on **Thursday, October 4, 2007, beginning at 9:30 a.m. and ending at 12:30 p.m., in Room 206, 1300 S. Evergreen Park Drive S.W., Olympia, Washington**. If you cannot attend the workshop, you can arrange to dial into the Commission's conference bridge at (360) 664-3846.

The Commission will post an agenda on its web site prior to the workshop ([www.utc.wa.gov/073014](http://www.utc.wa.gov/073014)). If you are unable to access the Commission's web page and would like a copy of the agenda when it becomes available, please contact the Records Center at (360) 664-1234.

The Commission welcomes participation in the workshop by all interested persons. Interested persons are also invited to attend a second workshop for the purpose of proposing and discussing specific changes to the text of the existing rule and related rules.

This workshop is scheduled for **Wednesday, October 17, 2007, beginning at 9:30 a.m. and ending at 12:30 p.m., in Room 206, 1300 S. Evergreen Park Drive S.W., Olympia, Washington.** If you cannot attend the workshop, you can arrange to dial into the Commission's conference bridge at (360) 664-3846.

The Commission will post an agenda on its web site prior to the second workshop ([www.utc.wa.gov/073014](http://www.utc.wa.gov/073014)). If you are unable to access the Commission's web page and would like a copy of the agenda when it becomes available, please contact the Records Center at (360) 664-1234.

The Commission welcomes participation in the workshop by all interested persons.

### **OPPORTUNITY TO PARTICIPATE IN THE FUTURE**

The Commission anticipates you will have an opportunity to comment on a set of draft rules and tariff after the workshop. The Commission will post information about the schedule and other aspects of the rulemaking, including comments on its web site as it becomes available. If you wish to receive further information on this rulemaking you may:

- 1) Call the Commission's Records Center at (360) 664-1234.
- 2) E-mail the Commission at <[records@utc.wa.gov](mailto:records@utc.wa.gov)>.
- 3) Mail written comments to the address below.

When contacting the Commission, please refer to Docket UT-073014 to ensure that you are placed on the appropriate service list(s). The Commission's mailing address is:

Executive Secretary  
Washington Utilities and Transportation Commission  
1300 South Evergreen Park Drive S.W.  
P.O. Box 47250  
Olympia, Washington 98504-7250

Sincerely,

**CAROLE J. WASHBURN**  
Executive Secretary