



STATE OF WASHINGTON

UTILITIES AND TRANSPORTATION COMMISSION

1300 S. Evergreen Park Dr. S.W., P.O. Box 47250 • Olympia, Washington 98504-7250

(360) 664-1160 • www.utc.wa.gov

July 3, 2013

NOTICE OF WORKSHOP

(To be held Monday, July 15, 2013, at 9:00 a.m.)

And

NOTICE OF OPPORTUNITY TO FILE WRITTEN COMMENTS

(by Friday, August 2, 2013)

RE: Rulemaking to consider amending and adopting rules in WAC 480-120, telephone companies, and WAC 480-123, universal service, to implement legislation establishing a state universal communications service program;
Docket UT-131239

TO INTERESTED PERSONS:

On July 3, 2013, the Washington Utilities and Transportation Commission (Commission) filed with the Code Reviser a Preproposal Statement of Inquiry (CR-101) to initiate a rulemaking to consider amending and adopting rules in WAC 480-120, telephone companies, and WAC 480-123, universal service, to implement the provisions of Second Engrossed Second Substitute House Bill (2E2SHB 1971), enacted in the 2013 Second Special Legislative Session. Section 204 of the bill requires the commission to establish rules to implement a state universal communications service program.

The CR-101, as filed with the Code Reviser, is available for inspection on the Commission's website at www.utc.wa.gov/131239. If you are unable to access the Commission's web page and would like a copy of the CR-101 mailed to you, please contact the Records Center at (360) 664-1234.

BACKGROUND

2E2SHB 1971 establishes a five-year targeted state universal communications services program to support small incumbent telephone companies serving high-cost rural areas of the state of Washington. The Commission recommended the creation of such a fund in its

report to the Legislature in Docket UT-100562 concerning state telecommunications policies on universal service.

Under the bill, the Commission is responsible for implementing and administering the program, identifying certain eligibility criteria for receiving distributions, periodically reviewing accounts and records of companies receiving distributions to ensure compliance with the program and monitoring use of the funds, and creating an advisory board to advise the UTC on rules and policies governing the operation of the program.

Section 204 of the bill authorizes the Commission to adopt rules concerning :

- Operation of the program;
- Criteria for eligibility for distributions from the account, use of distributed funds, identification of reports to be filed with the commission,
- Disbursements from the universal communications services account,
- Benchmarks and other criteria to calculate distributions from the account, and
- An advisory board to advise the commission on rules and policies governing the operation of the program.

The bill allows the Commission to adopt rules prior to the July 1, 2014, effective date of the bill to allow the commission to have rules adopted in time to begin implementing the program on the July 1, 2014, effective date.

The Commission seeks to begin work on this rulemaking immediately to ensure the Commission adopts rules prior to the July 1, 2014, effective date of the legislation. To that end, the Commission has scheduled a stakeholder worksession prior to the deadline for initial comments on the rulemaking . Interested persons are invited to attend a stakeholder workshop on **Monday, July 15, 2013, beginning at 9:00 a.m., in Room 206, Richard Hemstad Building, 1300 S. Evergreen Park Drive SW, Olympia, Washington.** Topics for discussion with stakeholders at the workshop may include:

1. Rules to implement the state universal communications service program (including establishment of a benchmark).
2. Rules governing operation of the program.
3. Rules concerning monitoring, compliance and use of funds.
4. Changes to existing rules.
5. Establishment of additional eligibility criteria.
6. Development of an agreement with eligible communication providers.
7. Establishment of an Advisory Board.
8. Delegation of authority to Commission staff.

WRITTEN COMMENTS

The Commission requests interested persons submit comments by **Friday, August 2, 2013**, addressing the issues identified above, as well as comments concerning how the Commission should implement the legislation. 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) or by electronic mail to the Commission's Records Center at records@utc.wa.gov. Please include:

- The docket number of this proceeding: UT-131239.
- The commenting party's name.
- The title and date of the comment or comments.

The Commission will post on its web site all comments that are provided in electronic format. The web site is located at <http://www.utc.wa.gov/131239>.

If you are unable to file your comments electronically, the Commission will always accept a paper document. Questions may be addressed to Brian Thomas at (360) 359-1049 or e-mail at bthomas@utc.wa.gov.

Your participation is welcomed via written comments and participation in any stakeholder workshop. Opportunity for further comment is anticipated. Information about the schedule and other aspects of the rulemaking, including comments, will be posted on the Commission's web site as it becomes available. If you wish to receive further information on this rulemaking you may:

- Call the Commission's Records Center at (360) 664-1234.
- E-mail the Commission at records@utc.wa.gov.
- Mail written comments to the address below.

When contacting the Commission, please refer to Docket UT-131239 to ensure that you are placed on the appropriate service list. The Commission's mailing address is:

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

NOTICE

If you do not want to comment now, but do want to receive future information about this rulemaking, please notify the Executive Director and Secretary in one of the ways described above and ask to be included on the mailing list for Docket UT-131239. If you do not do this, you might not receive further information about this rulemaking.

STEVEN V. KING

Acting Executive Director and Secretary