

**BEFORE THE WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION**

**In the Matter of the Petition of:**

Douglas and Jessica Rupp; Kathie  
Dunn and Chris Hall; Melinda  
Inman; Verlin Jacobs; Anthony  
Williams; Christine and Samuel  
Inman; Robert Jacobs; and Sam  
Haverkemp and Chris Portrey,  
Petitioners

**NO. UT-050778**

v.

Verizon Northwest, Inc.,  
Respondent.

**DIRECT TESTIMONY OF**

**DOUGLAS B RUPP**

**ON BEHALF OF**

**RUPP, et al**

**ISSUE: Funding for the Skyko 2 line extension and subsequent service**

**OCTOBER 12, 2005**

1 **Q. What is your name and address?**

2 A. Douglas B Rupp

3 PO Box 207

4 Index, WA 98256

5

6 **Q. What is the general topic of your testimony?**

7 A. Funding for the line extension into the Skyko 2 area and subsequent service.

8

9 **Q. Do you have any information on how it might be possible for Verizon to**  
10 **recoup its construction costs for doing a line extension?**

11 A. Yes I have. The 4th supplemental order of Docket UT-991930 is the agreement  
12 and acceptance by the Commission of a settlement wherein a higher intrastate  
13 access charge was used to pay for the cost of a line extension. If the WUTC can  
14 use a tariff to raise rates for construction as part of a settlement, it could also  
15 require a tariff to fund construction that results from an order in an adjudicated  
16 case.

17

18 **Q. Do you have any information regarding the receipt by Verizon on funding**  
19 **available to extend service into rural areas, such as Skyko 2, from the**  
20 **Universal Service Fund?**

1 A. Yes, I have. In response to the assertion by Verizon that it has not had access  
2 to funding from the Universal Service Fund, I contacted the office of Senator  
3 Maria Cantwell, and requested information regarding this matter.

4

5 **Q. What information have you received on this topic?**

6 A. In response to my request, I received a letter from the Federal  
7 Communications Commission (see Exhibit No. \_\_\_\_\_(DBR-10)). This letter  
8 indicates that for 2005, Verizon will receive approximately \$17.3 million from the  
9 Universal Service Fund (USF). Based on this information, it seems clear that  
10 Verizon has sufficient funding available to it to offset its extra costs should it be  
11 ordered to serve our community.

12

13 **Q. Does that conclude your testimony on this topic?**

14 A. Yes.