



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

September 26, 2013

NOTICE OF SECOND WORKSHOP
(To be held Wednesday, October 16, 2013, at 9:00 a.m.)

NOTICE OF OPPORTUNITY TO FILE WRITTEN COMMENTS
(By October 10, 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.

Section 204 of 2E2SHB 1971 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 Commission solicited comments on these and any other issues, and conducted a stakeholder workshop on July 15, 2013. The Commission has considered this stakeholder input in light of the provisions of 2E2SHB 1971 and has prepared an initial set of draft rules. These rules would become part of WAC Chapter 480-123 and include the following provisions:

1. Revised definitions to WAC 480-120-123.
2. Prerequisites for requesting program support.
3. Petitions for eligibility to receive program support.
4. Eligibility and distributions from the program.
5. Reporting requirements.
6. Commission compliance review of accounts and records.
7. Advisory Board.
8. Resolution of disputes.
9. Operation of the program.

The draft rules are available for your review and comment on the Commission's website at www.utc.wa.gov/131239.

WRITTEN COMMENTS

The Commission requests interested persons submit comments by **October 10, 2013** on the draft rules. The Commission also seeks comment on the following issues arising from specific facets of the draft rules:

1. What mechanism should the Commission use to establish the rate of return and return on equity levels carriers must fall below to be eligible for distributions from the program?
2. Which specific intrastate switched access charge rate elements currently assessed by Washington carriers and administered by the Washington Exchange Carrier Association (WECA) should be abolished concurrently with initiation of program funding to eligible carriers?
3. Should the Commission abolish the WECA support fund through these rules or by order in a separate docket?

WORKSHOP

The Commission will conduct a workshop to discuss the draft rules and stakeholder comments provided in response to this Notice on **Wednesday, October 16, 2013, from 9:00 a.m. to Noon.**

THE COMMISSION GIVES NOTICE of the opportunity to comment on the draft rules, and the issues presented in, this Notice no later than Thursday, October 10, 2013.

THE COMMISSION GIVES FURTHER NOTICE of a second workshop in this docket on Wednesday, October 16, 2013, beginning at 9:00 a.m. in Room 206, Richard Hemstad Building, 1300 S. Evergreen Park Drive SW, Olympia, Washington.

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:

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