

Agenda Date: September 26, 2007
Item Number: A4

Docket: UT-073015
Company Name: All Eligible Telecommunications Companies (ETCs)

Staff: Bob Shirley, Telecommunications Policy Analyst
Tim Zawislak, Regulatory Analyst
Kristen Russell, Regulatory Analyst
Deborah Reynolds, Regulatory Analyst

Recommendations

1. Grant a temporary exemption from the requirements of WAC 480-123-070(6) to Sprint Nextel Corporation (Sprint);
2. Direct the Executive Secretary to certify to the Federal Communications Commission (FCC) and the Universal Service Administrative Company (USAC) that the eligible telecommunications carriers (ETCs) listed in the appendix to this memo will use federal high-cost universal service fund support only for the provision, maintenance, and upgrading of the facilities and services for which the support is intended; and
3. Direct the Executive Secretary to certify to the FCC and USAC that the commission has reviewed the comparability of urban rates nationwide to residential rates in rural areas of the state served by non-rural incumbent local exchange carriers, and certify to the FCC and USAC the rates are reasonably comparable for purposes of section 254(b)(3) of the Telecommunications Act of 1996.

Background

The FCC requires that state commissions that desire ETCs to receive federal high-cost support pursuant to 47 C.F.R. §§ 54.313 and 54.314 must file a certification that all federal high-cost support provided to ETCs will be used only for the provision, maintenance, and upgrading of facilities and services for which the support is intended. ETCs use federal support to provide basic and advanced telecommunications services to consumers in Washington. The Commission must file the certification with the FCC and USAC not later than October 1; failure to file by that date will result in ETCs losing at least a quarter of applicable federal support.

The commission determines whether to certify an ETC to the FCC and USAC based on certifications and reports from ETCs as required by WAC 480-123-060 and 070. The purpose of the rules is to permit the commission to determine if ETCs will use federal high-cost universal service fund support only for the provision, maintenance, and upgrading of the facilities and services for which the support is intended so that the commission can make a certification to the FCC consistent with the commission's determination.

The commission is also required to review the comparability of urban rates nationwide to residential rates in rural areas of the state served by non-rural incumbent local exchange carriers

and certify to the FCC and USAC that the rates are reasonably comparable for purposes of section 254(b)(3) of the Telecommunications Act of 1996.

Discussion

As part of its ETC certification petition, Sprint requested a temporary exemption from the requirements of WAC 480-123-070(6) because it operated in 2006 without a back-up generator at one microwave hub. Because the requirement for a back-up generator at all microwave hubs was new in 2006, Sprint had no legal obligation to begin 2006 with a back-up generator at the hub. As a result of not beginning 2006 with a back-up generator at the hub, Sprint cannot certify that it was able to operate in emergency situations throughout 2006. Staff concludes Sprint's request for an exemption for the filing in 2007 relating to 2006 is reasonable.¹

Twenty-eight of 31 ETCs filed reports and certifications and requested certification by the commission to the FCC and USAC.² Commission staff requested supplemental filings from several ETCs. After examining all filings, commission staff determined that all 28 ETCs that requested certification should be certified consistent with WAC 480-123-060.³

Commission staff has reviewed the comparability of urban rates nationwide to residential rates in rural areas of the state served by non-rural incumbent local exchange carriers in the manner required by the FCC and has concluded that the rates are reasonably comparable for purposes of section 254(b)(3) of the Telecommunications Act of 1996.

Conclusion

Commission staff concludes that Sprint should be granted a temporary exemption from the requirements of WAC 480-123-070(6); that the 28 ETCs listed in the appendix to this memo will use federal high-cost universal service fund support only for the provision, maintenance, and upgrading of the facilities and services for which the support is intended; and that urban and rural rates are reasonably comparable for purposes of section 254(b)(3) of the Telecommunications Act of 1996.

¹ Sprint was granted a temporary exemption for its filing relating to 2006 because circumstances with respect to the application of WAC 480-123-070(6) were the same in 2005 as they were in 2006. See Docket UT-063066.

² Embarq, Qwest and Verizon reported consistent with WAC 480-123, but did not request certification.

³ Commission staff's conclusion assumes approval of the temporary exemption requested by Sprint.

September 26, 2007

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RE: Certification of Support for Rural and Non-Rural High-Cost Carriers Pursuant to 47 C.F.R Sections 54.313-314, CC Docket Nos. 96-45 and 00-256

Ms. Dortch and Ms. Majcher:

The Washington Utilities and Transportation Commission certifies that all federal high cost support provided to telecommunications carriers listed in the appendix to this letter will be used only for the provision, maintenance, and upgrading of facilities and services for which the support is intended.

Enclosed is a list of eligible telecommunications carriers certified by the Washington Utilities and Transportation Commission pursuant to sections 54.313 and 54.314 of the FCC's rules (47 C.F.R. §§ 54.313, 54.314). Listed with each carrier is its assigned study area code and whether it is a rural or non-rural company.

Sincerely,

CAROLE J. WASHBURN
Executive Secretary

Encl.: Appendix, ETCs Certified by the Washington Utilities and Transportation Commission, September 2007

APPENDIX

ETCs Certified by the Washington Utilities and Transportation Commission

September 2007

SAC	ETC Name	Type
522404	ASOTIN TELEPHONE COMPANY - WA	Rural
520581	BEAVER CREEK TELEPHONE COMPANY	Rural
522410	CENTURYTEL OF COWICHE, INC.	Rural
522408	CENTURYTEL OF WASHINGTON, INC.	Rural
522412	ELLENSBURG TELEPHONE COMPANY	Rural
522417	HAT ISLAND TELEPHONE COMPANY	Rural
522419	HOOD CANAL TELEPHONE COMPANY	Rural
522423	INLAND TELEPHONE COMPANY - WA	Rural
522426	KALAMA TELEPHONE COMPANY	Rural
522427	LEWIS RIVER TELEPHONE COMPANY INC.	Rural
521402	M&L ENTERPRISES, INC. D/B/A SKYLINE TELEPHONE	Rural
522431	MASHELL TELECOM INC.	Rural
522430	MCDANIEL TELEPHONE COMPANY	Rural
522418	PEND OREILLE TELEPHONE COMPANY	Rural
522437	PIONEER TELEPHONE COMPANY	Rural
522442	ST. JOHN TELEPHONE CO.	Rural
522446	TENINO TEL. CO.	Rural
522447	TOLEDO TELEPHONE COMPANY INC.	Rural

SAC	ETC Name	Type
522451	WESTERN WAHIAKUM COUNTY TEL COMPANY	Rural
520580	WESTGATE COMMUNICATIONS LLC D/B/A WEAVTEL	Rural
522452	WHIDBEY TEL. CO.	Rural
522453	YCOM NETWORKS, INC.	Rural
529910	CINGULAR WIRELESS, LLC D/B/A AT&T WIRELESS (WA)	Wireless
529004	EASTERN SUB-RSA LIMITED PARTNERSHIP	Wireless
529002	RCC MINNESOTA, INC.	Wireless
529008	SPRINT SPECTRUM, LP D/B/A SPRINT NEXTEL	Wireless
529001	UNITED STATES CELLULAR CORPORATION	Wireless
529003	WASHINGTON RSA NO. 8 LIMITED PARTNERSHIP	Wireless

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Ms. Karen M. Majcher
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Washington, DC 20037

Re: CC Docket 96-45, USF Certification Pursuant to 47 C.F.R. § 54.316

Dear Ms. Dortch and Ms. Majcher:

Pursuant to 47 C.F.R. § 54.316(b) the Washington Utilities and Transportation Commission certifies it has reviewed the comparability of urban rates nationwide to residential rates in rural areas of the state served by non-rural incumbent local exchange carriers, and certifies to the Commission and the Administrator the rates are reasonably comparable for purposes of section 254(b)(3) of the Telecommunications Act of 1996.

If you have any questions regarding this letter, please contact Bob Shirley at bshirley@utc.wa.gov or at (360) 664-1283.

Sincerely,

CAROLE J. WASHBURN
Executive Secretary