

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

IN THE MATTER OF WASHINGTON TELEPHONE)
ASSISTANCE PROGRAM RULEMAKING) DOCKET NO. UT-003074

**COMMENTS OF VERIZON
January 30, 2001**

On January 9, 2001, the Washington Utilities and Transportation Commission (“Commission”) issued a Notice of Opportunity to File Written Comments in this Washington Telephone Assistance Program (“WTAP”) Rulemaking, Docket No. UT-003074. On September 22, 2000, Verizon Northwest Inc., Verizon Select Services Inc. and Verizon Wireless (collectively “Verizon”¹) submitted their comments on a prior draft of the rule changes. They submit their responses to the January 9, 2001 version below.

Verizon understands that the purpose of most of the proposed changes to the current WTAP rules (WAC 480-122-010 through 480-122-090) is to remove language that duplicates the Department of Social and Health Services’ (“DSHS”) rules (WAC 388-31-010 through 388-31-035). Verizon is informed that DSHS is also looking at changes to its rules. Verizon supports the objective of eliminating unnecessary overlaps but is concerned that important provisions may inadvertently be omitted by both agencies. To avoid this, Verizon recommends that the Commission and DSHS conduct their WTAP rule revisions

¹ Verizon Northwest Inc. was formerly known as GTE Northwest Incorporated and is a facilities-based provider of local and other telecommunications services. Verizon Select Services Inc. was formerly known as GTE Communications Corporation and is a reseller of toll and other telecommunications services. Verizon Wireless was formerly known as AirTouch Communications in Washington and is a provider of wireless telecommunications services.

as a joint proceeding. If that is not possible, Verizon recommends that the Commission not finalize its WTAP rule changes until after the DSHS changes are in place. Verizon recommends that the Commission and the DSHS WTAP rules cross reference each other. That way, a person consulting one set of WTAP rules will be alerted that there is a second set of rules relating to WTAP.

I. COMMENTS TO THE PROPOSED RULES

WAC 480-122-010 Definitions

The proposed definition of “Local Exchange Company” includes incumbent and competitive providers of local service. As noted in Verizon’s September 22, 2000 comments, mandated participation by non Eligible Telecommunications Carriers (“ETCs”) would increase WTAP costs, possibly beyond the statutory limit, and could force companies to provide WTAP benefits without reimbursement. Moreover, since the Federal Communications Commission’s (“FCC”) rules only allow ETCs to be compensated under its lifeline program, it would require a different set of cost recovery rules for ETCs versus non-ETCs. Therefore, Verizon proposes that participation in WTAP be mandated for ETCs only. This proposal would also be consistent with the DSHS’ latest proposed definition of “Local Exchange Company,” which refers to an “eligible telecommunication carrier” providing local service. In addition to the proposed definition for “Local Exchange Company,” the Commission should include a definition for ETC. Since there is no state universal service fund, the definition would simply cover those providers that have been designated as ETCs for Washington under the FCC's program.

WAC 480-122-020 Washington Telephone Assistance Program Rate

This section of the proposed rules suggests that only local exchange companies that have ten percent or more of their access lines subscribed to for residential service should be required to offer the telephone assistance rates and discounts. The requirement to limit participation of certain local exchange companies appears to be arbitrary and should be rejected. Moreover, this requirement is in conflict with the FCC's lifeline rules. For example, an ETC that currently has less than ten percent of its access lines subscribed to for residential service would be required by the FCC to provide a discounted rate to eligible end users, while the ETC would be exempt based on the Commission's proposed rule. As a result, Verizon recommends that "ten percent or more of its access lines are subscribed to for residential service" language be removed from this rule. Also, as indicated above, this section should make reference to the DSHS WTAP rules (WAC 388-31-010 through 388-31-035), which describe in more detail the rules concerning the WTAP.

Verizon commends the Commission for proposing rules that are consistent with Verizon's comments regarding the voluntary participation of wireless carriers in the WTAP. The Commission's proposed rule states that "[r]adio communications service companies may offer the telephone assistance rates and discounts." This language is also consistent with the DSHS' proposed rule WAC 388-273-0020, which indicates that an eligible end-user may apply to an eligible wireless carrier in exchange areas where wireline service is not available without service extension. Thus, the WTAP leaves it to wireless carriers to decide whether to provide, or decline to provide, such discounts. This discretion is

required by federal and state law and is in the best interest of the public and the wireless industry.

II. CONCLUSION

The Commission should revise its proposed WTAP rules to mandate participation in WTAP for ETCs only. Participation would be required for all ETCs regardless of the percentage of access lines subscribed to for residential service. CLECs would only be required to participate if they receive ETC designation. The Commission should adopt its current proposed language that indicates wireless providers should also be allowed, but not required, to participate in WTAP. The Commission should carefully coordinate changes to its rules with changes to the DSHS WTAP rules.