

Agenda Date: July 26, 2006  
Item Number: A3

**Docket: UT-060762**

Company Name: Westgate Communications (d/b/a WeavTel) (WeavTel)

Staff: Bob Shirley, Telecommunications Policy Analyst  
Tim Zawislak, Regulatory Analyst  
Paula Strain, Regulatory Analyst

### **Recommendation**

In Docket UT-060762, WeavTel's request for a revenue objective, set the petition for hearing.

### **Background**

WeavTel is a local exchange company that is attempting to provide local exchange service to Stehekin. The company is not providing dial tone or a connection to the public switched telephone network; it has no customers.

On May 10, WeavTel petitioned for approval of a revenue objective as a prerequisite to participating in the Washington Exchange Carrier Association (WECA) Washington Carrier Access Plan (WCAP) pooling process. The requested revenue objective is \$738,443. On May 17 at a regular open meeting, and on June 6 at a special open meeting, the commission discussed this item at length.

Since then, the commission staff has been unable to substantiate WeavTel's actual investment or determine a reasonable level of expected expenses should the company become operational. The commission staff's inability to make accurate determinations is the result of incomplete accounting records.

The petition is subject to WAC 480-07-305(5)(a) and (b), and therefore the commission must act not later than August 8 by either commencing an adjudication or deciding not to conduct an adjudication and granting or denying the petition.

### **Analysis**

WeavTel has been unable to provide commission staff with audited financial statements to substantiate its actual level of investment. Additionally, WeavTel's projected expenses, which are in part a function of investment, also can not be determined on an accurate basis without more complete accounting records. Under the circumstances, staff is unable to recommend a revenue objective at this time. Because the petition must be acted upon or set for hearing not later than August 8, and because the company is continuing to develop additional information, commission staff's recommendation is to set the petition for hearing rather than to deny the request altogether. Setting the petition for hearing will provide WeaveTel an opportunity to present its case at hearing.

### **Summary**

WeavTel's petition for a WECA revenue objective should be set for hearing.

