Appendix B

Staff Recommendation on Waiver Provisions of WAC 480-121-063

Staff Position Statute, Rule or other provision Waivers Staff recommends should be granted: RCW 80.04.300 Budgets to be filed with the Commission Grant RCW 80.04.310 Commission's control over expenditures Grant RCW 80.04.320 Budget rules Grant WAC 480-140 Commission general -- Budgets Grant **Affiliated Interests:** RCW 80.16 Affiliated Interests Grant WAC 480-120-375 Affiliated interests -- Contracts or arrangements Grant WAC 480-120-395 Affiliated interest and subsidiary transactions report Grant Securities: RCW 80.08 Securities Grant WAC 480-120-365 Issuing Securities Grant WAC 480-120-389 Securities report Grant RCW 80.04.330 Effect of unauthorized expenditure -- Emergencies Grant RCW 80.04.360 Earnings in excess of reasonable rate - Consideration in fixing rates Grant RCW 80.04.460 Investigation of accidents Grant RCW 80.04.520 Approval of lease of utility facilities Grant WAC 480-120-344 Expenditures for political or legislative activities Grant WAC 480-120 369 Transferring cash or assuming obligation Grant Miscellaneous Waivers not requested by the Company Not WAC 480-120-339 Streamlined filing requirements for Class B telecommunications company rate increases Applicable Not WAC 480-120-352 WECA Applicable WAC 480-120-399 Access charge and universal service reporting Grant Waivers Staff recommends with a partial exception: Transfers of Property: RCW 80.12 - Transfers of property - Grant except for sales of exchanges and/or merger to a nonaffiliated third party Partial WAC 480-120-379 - Transfers of property - Grant except for sales of exchanges and/or merger to a Partial nonaffiliated third party WAC 480-143 Commission General -- Transfers of property - Grant except for sales of exchanges and/or merger to a nonaffiliated third party Partial Waivers Staff recommends be Denied: Tariffs: RCW 80.36.100 Tariff Schedules to be filed and open to public - Staff recommendation requires the Deny Company to maintain tariffed services RCW 80.36.110 Tariff changes -- Statutory notice -- Exception; - Staff recommendation requires the Company to maintain tariffed services Deny WAC 480-80-101 Tariff requirements through WAC 480-80-143; - Staff recommendation requires the Company to maintain tariffed services Deny WAC 480-120-102 Services offered - Staff recommendation requires Company to offer stand-alone one party

Deny

residential service and business service along with line extensions as tariffed services