

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION  
COMMISSION

In the Matter of	)	
Amending/Adopting/Repealing	)	DOCKET NO. UT-990146
	)	
Chapter 480-120	)	GENERAL ORDER NO. R-480
WAC	)	
	)	
Relating to	)	ORDER REPEALING/AMENDING
Telecommunications - Operations	)	AND ADOPTING RULES
	)	PERMANENTLY
.....	)	

1        **STATUTORY OR OTHER AUTHORITY:** The Washington Utilities and Transportation Commission takes this action under Notice WSR # 01-03-100, filed with the Code Reviser on January 19, 2001. The Commission brings this proceeding pursuant to RCW 80.04.160 and RCW 80.01.040 .

2        **STATEMENT OF COMPLIANCE:** This proceeding complies with the Open Public Meetings Act (chapter 42.30 RCW), the Administrative Procedure Act (chapter 34.05 RCW), the State Register Act (chapter 34.08 RCW), the State Environmental Policy Act of 1971 (chapter 43.21C RCW), and the Regulatory Fairness Act (chapter 19.85 RCW).

3        **DATE OF ADOPTION:** The Commission adopts this rule the date that this Order is entered.

4        **CONCISE STATEMENT OF PURPOSE AND EFFECT OF THE RULE:** RCW 34.05.325 requires that the Commission prepare and provide to commenters a concise explanatory statement about an adopted rule. The statement must include the identification of the reasons for adopting the rule, a summary of the comments received regarding the proposed rule, and responses reflecting the Commission's consideration of the comments.

5        The Commission often includes a discussion of those matters in its rule adoption order. In addition, most rulemaking proceedings involve extensive work by Commission Staff that includes summaries in memoranda of stakeholder comments, Commission decisions, and Staff recommendations in each of those areas.

6        In this docket, to avoid unnecessary duplication, the Commission designates the discussion in this order as its concise explanatory statement, supplemented where not inconsistent by the staff memoranda presented at the adoption hearing and at the open meetings where the Commission considered whether to begin a rulemaking and whether to propose adoption of specific language. Together, the documents provide a

complete but concise explanation of the agency actions and its reasons for taking those actions.

7 REFERENCE TO AFFECTED RULES: This rule repeals, amends, or suspends the following sections of the Washington Administrative Code:

**WAC 480-120-011 Application of rules.**

*Amends rule to state that the chapter is applicable to all telecommunications companies, and adds that the chapter is applicable to customers and applicants for service.*

**WAC 480-120-015 Exemptions from rules.**

*New section to provide guidelines for evaluating requests for exemptions from rules.*

**WAC 480-120-016 Additional requirements.**

*Amends rule to state that additional or different requirements may be imposed, when lawful, in individual matters.*

**WAC 480-120-026 Tariffs and price lists.**

*Amended to include a cross-reference to Chapter 480-80 Utilities General – Tariffs, Price Lists, and Contracts.*

**WAC 480-120-028 Registration.**

*New section to cross-reference to Chapter 480-121 Registration, Competitive Classification and Price Lists of Telecommunications Companies.*

**WAC 480-120-029 Accounting requirements for competitively classified companies.**

*New section to define accounting requirements for competitively classified companies.*

**WAC 480-120-032 Expenditures for political or legislative activities.**

*Amended to clarify which expenditures may not be included in rates.*

**WAC 480-120-033 Reporting requirements for competitively classified companies.**

*Amended to define reporting requirements for competitively classified companies.*

**WAC 480-120-036 Finance—Securities, affiliated interests, transfer of property.**

*Repealed, subject addressed in Chapter 480-146 WAC.*

**WAC 480-120-076 Underground.**

*Repealed, no longer applicable in today's environment.*

**WAC 480-120-091 Farmer lines.**

*Repealed, no longer applicable in today's environment.*

**WAC 480-120-096 Grounded circuits.**

*Repealed, no longer applicable in today's environment.*

**WAC 480-120-136 Retention and preservation of records and reports.**

*Amended to clarify language.*

**WAC 480-120-530 Emergency services.**

*Amended to clarify language.*

**WAC 480-120-531 Emergency operation.**

*New section to define and clarify industry emergency requirements.*

**WAC 480-120-545 Severability.**

*New section to provide that if one section of the chapter is held invalid, the remainder of the chapter remains valid.*

- 8 PREPROPOSAL STATEMENT OF INQUIRY AND ACTIONS THEREUNDER:  
The Commission filed a Preproposal Statement of Inquiry (CR-101) on April 15, 1999, at WSR # 99-09-027.
- 9 ADDITIONAL NOTICE AND ACTIVITY PURSUANT TO PREPROPOSAL STATEMENT: The statement advised interested persons that the Commission was considering entering a rulemaking to review rules relating to regulated telephone companies for content and readability pursuant to Executive Order 97-02, with attention to the rules' need, effectiveness and efficiency; clarity, intent, and statutory authority, coordination, cost, and fairness. The statement also advised that the review would include consideration of whether substantive changes or additional rules are required for telecommunications regulation generally, and in concert with the Federal Telecommunications Act of 1996 and potential actions by the Washington Legislature during its 1999 session. The Commission also informed persons of the inquiry into this matter by providing notice of the subject and the CR-101 to all persons on the Commission's list of persons requesting such information pursuant to RCW 34.05.320(3) and by sending notice to all registered telecom companies and the Commission's list of telecommunications attorneys. Pursuant to the notice, the Commission held rulemaking workshops on March 9, April 11, April 18, and May 15, 2000. These workshops were attended by representatives of a diverse group of telecommunications companies and Public Counsel.
- 10 On November 7, 2000, the Commission provided notice to interested persons of its intent to consider authorization of a CR-102 at its Open Meeting scheduled for November 29, 2000. The same notice included a questionnaire necessary for staff to prepare a small business economic impact statement (SBEIS), and the rules to be considered for advancement from draft to proposed rules.
- 11 Comments were received in November from Qwest, WITA, Public Counsel, Verizon, Sprint, and additional comments from Qwest. As a result of these comments, staff recommended that three rules be removed from the group that had been circulated for comment. The remaining rules were ones for which there was general consensus, and are the rules adopted by this order.
- 12 At the Open Meeting of November 29, 2001, only Public Counsel commented on the rules. Staff agreed to work with Public Counsel on its specific concerns and the Commission authorized filing a CR-102.
- 13 NOTICE OF PROPOSED RULEMAKING: The Commission filed a notice of Proposed Rulemaking (CR-102) on January 19, 2001 at WSR #01-03-100. The Commission scheduled this matter for oral comment and adoption under Notice WSR

#01-03-100 at 9:30 a.m., Wednesday, March 14, 2001 in the Commission's Hearing Room, Second Floor, Chandler Plaza Building, 1300 S. Evergreen Park Drive S.W., Olympia, Washington. The Notice provided interested persons the opportunity to submit written comments to the Commission.

- 14 MEETINGS OR WORKSHOPS; ORAL COMMENTS: No formal meetings or workshops were held on the proposed rules because there was a consensus on all but one rule. (But see Para. 16, below.)
- 15 Written comments were received from WITA and Qwest. As a result of the comments, minor changes were made to the proposed rules.
- 16 Commission Staff discussed with Public Counsel the concerns it identified at the November 29, 2000, Open Meeting. As a result of that discussion and the written comments from Qwest referenced above, staff decided not to propose any amendments to WAC 480-120-049 at this time.
- 17 RULEMAKING HEARING: The rule proposal was considered for adoption, pursuant to the notice, at a rulemaking hearing scheduled during the Commission's regularly scheduled Open Meeting on March 14, 2001, before Chairwoman Marilyn Showalter and Commissioner Richard Hemstad. No comments were made at the adoption hearing.
- 18 SUGGESTIONS OR CHANGES THAT ARE REJECTED: The commission rejected WITA's suggested change for WAC 480-120-028 because it is inconsistent with RCW 80.36.350. The suggestion, however, did prompt an alteration to proposed WAC 480-120-028 to include a reference to the statutory requirement, this change has an effect similar to what WITA suggested.
- 19 COMMISSION ACTION: After considering all of the information regarding this proposal, the Commission adopted the proposed rules, amendments, and repealers, with the changes described below.
- 20 CHANGES FROM PROPOSAL: The Commission adopted the proposal with the following changes from the text noticed at WSR #01-03-100.

The phrase "Price lists" was added to 480-120-026 to provide a "pointer" to WAC 480-80. The modifier "telecommunications" was removed in several places where it appeared before "company" and "companies" because the rules apply to all telecommunications companies and the modifier was, therefore, redundant.

Proposed WAC 480-120-049 was not adopted.

21 STATEMENT OF ACTION; STATEMENT OF EFFECTIVE DATE: In reviewing the entire record, the Commission determines that WAC 480-120-011, 480-120-015, 480-120-016, 480-120-026, 480-120-028, 480-120-029, 480-120-032, 480-120-033, 480-120-036, 480-120-076, 480-120-091, 480-120-096, 480-120-136, 480-120-530, 480-120-531, and 480-120-545 sections should be either repealed, amended, or adopted to read as set forth in Appendix A, as rules of the Washington Utilities and Transportation Commission, to take effect pursuant to RCW 34.05.380(2) on the thirty-first day after filing with the Code Reviser.

### ORDER

22 THE COMMISSION ORDERS:

23 WAC 480-120-036, 480-120-076, 480-120-091, 480-120-096, sections are repealed. WAC 480-120-015, 480-120-028, 480-120-029, 480-120-531, 480-120-545 sections are adopted. And, WAC 480-120-011, 480-120-016, 480-120-026, 480-120-032, 480-120-033, 480-120-136, 480-120-530 sections are amended to read as set forth in Appendix A, as rules of the Washington Utilities and Transportation Commission, to take effect on the thirty-first day after the date of filing with the Code Reviser pursuant to RCW 34.05.380(2).

24 This Order and the rule set out below, after being recorded in the register of the Washington Utilities and Transportation Commission, shall be forwarded to the Code Reviser for filing pursuant to chapters 80.01 RCW and 34.05 RCW and chapter 1-21 WAC.

DATED at Olympia, Washington, this      day of July, 2001.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

MARILYN SHOWALTER, Chairwoman

RICHARD HEMSTAD, Commissioner

*Note: The following is added at Code Reviser request for statistical purposes:*

Number of Sections Adopted in Order to Comply with Federal Statute: New 0, amended 0, repealed 0; Federal Rules or Standards: New 0, amended 0, repealed 0; or Recently Enacted State Statutes: New 0, amended 0, repealed 0.

Number of Sections Adopted at Request of a Nongovernmental Entity: New 0, amended 0, repealed 0.

Number of Sections Adopted on the Agency's own Initiative: New 2, amended 0, repealed 0.

Number of Sections Adopted in Order to Clarify, Streamline, or Reform Agency Procedures: New 5, amended 7, repealed 4.

Number of Sections Adopted using Negotiated Rule Making: New 0, amended 0, repealed 0; Pilot Rule Making: New 0, amended 0, repealed 0; or Other Alternative Rule Making: New 0, amended 0, repealed 0.