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7 August 24, 2001
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11 **NOTICE OF WORKSHOPS ON DRAFT RULES**
12 **(October 18 and 19, 2001)**
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14 **NOTICE OF OPPORTUNITY TO COMMENT ON DRAFT RULES**
15 **(November 5, 2001)**
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17 **NOTICE OF INTERACTIVE SBEIS QUESTIONNAIRE**
18 **(Now through November 7, 2001)**
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21 RE: Telecommunications - Operations, Chapter 480-120 WAC
22 Docket No. UT-990146
23

24 TO ALL INTERESTED PERSONS:
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26 The Commission has posted draft rules on its website for review, discussion at stakeholder
27 workshops, to provide an opportunity for written comment, and to provide an opportunity to
28 respond to a questionnaire that will assist the Commission in its preparation of a small business
29 economic impact statement (SBEIS).
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31 **Rules Available for Review**

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33 The Commission has posted to its website rules concerning consumer and technical issues, as
34 well as accounting, reporting, small company rate case filings, access charges, and universal
35 service. The draft rules are posted at www.wutc.wa.gov/990146. The Commission has also
36 posted an interactive SBEIS questionnaire on its web site.

37 The interactive questionnaire is posted at www.wutc.wa.gov/990146/SBEIS.
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39 If you would like to receive a paper copy of the draft rules or the questionnaire, you may contact
40 the Commission and ask for a paper copy to be provided to you. Please call our Records Center
41 at (360) 664-1234 if you need a paper copy of either document.
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43 **Workshops on Draft Rules**
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45 The Commission will hold rulemaking workshops to discuss these draft rules. The
46 Commissioners are planning to attend these workshops. We encourage your attendance and
47 participation in the stakeholder workshops. The workshops will be held **Thursday and Friday,**
48 **October 18 and 19, 2001**, in Room 206 at the Commission's headquarters, beginning at 9:00
49 a.m. each day. Free parking is available. The Commission's address is:

50 Washington Utilities & Transportation Commission
51 1300 South Evergreen Park Drive SW
52 P.O. Box 47250
53 Olympia, Washington 98504-7250
54

55 The Commission has previously given notice of a workshop on September 19, 2001, at which
56 draft WACs 480-120-X08, XXX, XXY will be the subjects of discussion. These rules address
57 service quality and service credit issues. The Commission does not plan to address these rules at
58 the October workshops. Notice of this workshop was mailed on August 10, 2001. Please see the
59 Commission web site for additional information about the workshop scheduled for September
60 19, 2001.
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62 Written Comments on Draft Rules - Alternative Rule Language Requested

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64 Alternative rule language is requested from those who provide written comments. Alternative
65 rule language received not later than Monday, November 5, 2001, will be used in the decision-
66 making process of the staff as it prepares recommendations to the Commission. Alternative rule
67 language and written comments may be submitted to the Commission at the address above.
68 Written comments and alternative rule language should be filed with the Commission **no later**
69 **than Monday, November 5, 2001**.
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71 **Electronic copies.** The Commission also requests, but does not require, that comments be
72 provided in electronic format to facilitate quotations from the comments, to enhance public
73 access, and to reduce the need for additional paper copies. Please help us by sending an
74 electronic copy with your paper filing on a 3-1/2 inch, IBM-formatted, high-density disk, in .pdf
75 Adobe Acrobat format, reflecting the pagination of your original. Please also send us the text in
76 your choice of .doc (Word 97 or later) or .wpd (Wordperfect 6.0 or later). Please include all of
77 the following information on the label of the diskette:
78

- 79 * The docket number of this proceeding (UT-990146)
 - 80 * The commenting party's name
 - 81 * The title and date of the comment or comments; and
 - 82 * The type of software used
- 83

84 Please use the three-letter extension noted above for all electronic files. You may also send your
85 comments by electronic mail to the Commission's Records Center at <records@wutc.wa.gov>; if
86 you choose this means of submitting comments, please include all of the information requested
87 above for the diskette label. The Commission will post on the Commission's web site all
88 comments that are provided in electronic format. The web site is located at
89 <http://www.wutc.wa.gov>.

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91 SBEIS Questionnaire

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93 The Commission has prepared an interactive questionnaire concerning the economic
94 effects these draft rules may have on small businesses. The interactive questionnaire
95 may be viewed and responded to over the internet at www.wutc.wa.gov/990146/SBEIS.
96 All interested persons are requested to respond to the questionnaire, including
97 businesses that do not meet the statutory definition of a small business (fifty or fewer
98 employees). The Commission uses information concerning potential costs of its rules
99 for all affected businesses in its analysis of rules.

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101 Responses to the SBEIS questionnaire will be received on a section-by-section basis. Please
102 respond to all rules that you believe will have an economic impact upon your business or upon
103 customers.

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105 You may **begin responding to the SBEIS questionnaire right now and may continue**
106 **responding through November 7, 2001.** After November 7, 2001, the internet link to the
107 questionnaire will be closed. Paper responses, if any, should also be filed with the Commission
108 **no later than November 7, 2001.**

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110 Please call if you need more information. If you need additional information regarding the rules
111 draft please call Glenn Blackmon at (360) 664-1290 or e-mail him at blackmon@wutc.wa.gov
112 between August 23 and September 24, after September 24, please call Bob Shirley at (360) 664-
113 1292 or e-mail him at bshirley@wutc.wa.gov. If you need additional information regarding the
114 SBEIS questionnaire please call Tim Zawislak at (360) 664-1294 or e-mail him at
115 tim@wutc.wa.gov.

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117 Sincerely,

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121 CAROLE J. WASHBURN
122 Secretary
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UT-990146

Chapter 480-120

Telecommunications Operations

Discussion Draft

August 23, 2001

151 480-120-544 Streamlined filing requirements for Class B telecommunications company rate
152 increases.

153 (1) A **Class B** company, as defined in WAC 480-120-031(1), may use the streamlined
154 treatment described in this section for seeking a general rate increase, as an alternative
155 to the requirements in WAC 480-09-330.

156 (2) **General information required.** A **Class B** company seeking streamlined
157 treatment for a proposed general rate increase must submit the following information at
158 the time of filing or prior to its first notice to customers, whichever occurs first:

159 (a) A copy of its customer notice as specified in subsection (6).
160 (b) A results-of-operations statement, on a commission basis, demonstrating that
161 the company is not presently exceeding a reasonable level of earnings. If the company
162 is exceeding a reasonable level of earnings, the proposed increase must be reduced
163 accordingly.

164 (c) All supporting documentation used to develop the results-of-operations
165 statement, including supporting documentation for all adjustments.

166 (d) The results-of-operations statement filed under this subsection must include
167 Washington intrastate results of operations. If a company cannot provide Washington
168 intrastate results of operations with reasonable accuracy, the commission may consider
169 the total Washington results of operations including the interstate jurisdiction.

170 (3) **Adjustments provided for in the results of operations.**

171 (a) The results-of-operations statement must provide restating actual
172 adjustments and proforma adjustments in accordance with (b) of this subsection.

173 (b) Before the achieved return is calculated a company must adjust the booked
174 results of operations for restating actual and proforma adjustments, including the
175 following:

176 (i) Nonoperating items;
177 (ii) Extraordinary items;
178 (iii) Nonregulated operating items; and
179 (iv) All other items that materially distort the test period.

180 (4) **Rate of return.** The authorized overall rate-of-return (for purposes of this
181 section only) is eleven and twenty-five one-hundredths percent.

182 (5) **Rate design.** A **Class B** company filing pursuant to this section must clearly
183 describe the basis for allocating any revenue requirement change proposed by
184 customer class (e.g., residential, business, and interexchange).

185 (6) **Customer notice.** The company must notify customers consistent with the
186 manner outlined in **WAC 480-120-04X**, and must include the following information:

187 (a) The proposed increase expressed in (a) total dollars and average percentage
188 terms, and (b) the average monthly increases the customers in each category or
189 subcategory of service might reasonably expect;

190 (b) The name and mailing address of the commission and public counsel;
191 (c) A statement that customers may contact the commission or public counsel
192 with respect to the proposed rate change; and
193 (d) The date, time, and place of the public meeting, if known.

194 (7) **Public meeting(s).** The commission will ordinarily hold at least one public
195 meeting in the area affected by the rate increase within forty-five days after the date of
196 filing.

197 (8) **Final action.** The commission will ordinarily take final action on a filing under
198 this section within ninety days after the date of filing.

199 (9) The commission may decline to apply the procedures outlined in this section
200 if it has reason to believe that:

201 (a) The quality of the company's service is not consistent with its public service
202 obligations; or

203 (b) A more extensive review is required of the company's results of operations or
204 proposed rate design.

205 (10) Nothing in this rule will be construed to prevent any company, the
206 commission, any customer, or any other party from using any other procedures that are
207 otherwise permitted by law.
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