

Docket UT-073014
Discussion Draft
January 10, 2008

Amend

WAC 480-120-071 Extension of service.

(1) **Definitions.** The following definitions apply to this section unless the context clearly indicates otherwise:

~~"Basic monthly service rate" means the rate for nonmeasured service for the lowest priced class of service ordered by the applicant.~~

~~"Binding site plan" has the same meaning as "binding site plan" in RCW 58.17.020.~~

~~"Constructed" means a residential building that has been approved for occupancy by the appropriate local government agency.~~

~~"Cost justification" means such cost and engineering information as the commission may request.~~

~~"Cost of service extension" means the direct and indirect costs of the material and labor to plan and construct the facilities including, but not limited to, drop wire, permitting fees, rights of way fees, and payments to subcontractors, and does not include the cost of reinforcement, network upgrade, or similar costs.~~

~~"Development" has the same meaning as "development" and "developed lands" in RCW 58.19.020.~~

~~"Distribution plant" means telephone equipment and facilities necessary to provide service to a premises, but does not include drop wire.~~

~~"Drop wire" means company supplied wire and pedestals to be placed between a premise and the company distribution plant at the applicant's property line. For drop wire installed after the effective date of this section, a drop wire must be sufficient in capacity to allow the provisioning of three individual basic exchange voice grade access lines.~~

~~"Extension of service" means an extension of company distribution plant to a location that is outside any municipal boundary and where no distribution plant of the extending company exists at the time an extension is requested, that is constructed at the request of one or more applicants for service who pay a charge under this section, and that extends more than 1/10 mile. Extensions of service do not include customer trenches, conduits or~~

~~other support structure for placement of company provided facilities from the customer property line to the premises to be served.~~

~~"Filed" means the approved plat, short plat, binding site plan or other similar approved instrument filed for record with a county auditor and authorizing development activity.~~

~~"Lot" has the same meaning as "lot" in RCW 58.17.020.~~

~~"Marina" has the same meaning as "marina" in RCW 88.12.010.~~

~~"Mobile home lot," "mobile home park," "mobile home park cooperative," and "mobile home park subdivision" have the same meanings as "mobile home lot," "mobile home park," "mobile home park cooperative," and "mobile home park subdivision" have in RCW 59.20.030.~~

~~"Neighboring exchange" means an exchange bordering on any other exchange.~~

~~"Premises" means any structure that is used as a residence, including farm houses, but does not include predominantly commercial or industrial structures.~~

~~"Radio communications service company" has the meaning contained in RCW 80.04.010.~~

~~"Residential buildings" has the same meaning as "residential buildings" in RCW 58.19.020.~~

~~"Short subdivision" has the same meaning as "short subdivision" in RCW 58.17.020.~~

~~"Subdivision" has the same meaning as "subdivision" in RCW 58.17.020.~~

~~"Temporary occupancy" means occupancy definitely known to be for less than one year but does not include intermittent or seasonal use when such intermittent or seasonal use will occur in more than a one year period.~~

~~"Temporary service" means service definitely known to be for a short period of time, such as service provided for sales campaigns, athletic contests, conventions, fairs, circuses, and similar events.~~

~~**(2) Extensions of service.**~~

~~(a) Each company required to file tariffs under RCW 80.36.100 must have on file an extension of service tariff and must extend service consistent with its tariff and this section and provide drop wire for customer use. Service extensions must be completed within eighteen months after a request is made and the customer makes the initial payment, unless the commission extends the time on a showing of good cause.~~

~~(b) Extension of service is required to occupied premises unless the company demonstrates occupancy is temporary. In the case of new construction commenced after the effective date of this section, extension of service is required only if the applicant has permission to build from the applicable local government and the need for service is not temporary.~~

~~(c) Any company required to extend service under this section may do so by extending distribution plant or by making a service and financial agreement with a radio communications service company or other alternative provider to provide service. The services provided through a radio communications service company or other alternative provider must be reasonably comparable services at reasonably comparable prices compared to services provided through wireline distribution facilities in the area of the exchange where service has been requested. In addition, the services must include all elements of basic service defined in RCW 80.36.600. A company extending service through a service agreement with a radio communications service company or other alternative provider may file a tariff as permitted under subsection (4) of this section to recover the lesser of the actual direct cost to extend the service through the cooperative agreement or the direct cost of extending wireline distribution plant.~~

~~**(3) Service extension charge to applicants.**~~

~~(a) For service provided under subsection (2) of this section, companies must submit a tariff that sets the level of an initial fee and per month fee for any applicant requesting an extension of service. The tariff may also impose such fees upon applicants for new service from a service extension that is less than five years old measured from the date of the initial service provided by the extension. The charge to applicants for service extensions must include an initial payment to process the order. The maximum initial payment to process the order is an amount equal to twenty times the customer's basic monthly service rate exclusive of all fees, taxes or other charges.~~

~~A per month payment beginning with the first monthly bill for service must be charged once the order is complete and service is provided. The maximum allowable per month payment for a period of twenty months is an amount equal to the customer's basic monthly service rate, exclusive of all fees, taxes or other charges. Customers may pay the entire amount at any time, in lieu of monthly payments, and must pay the entire~~

~~remaining amount at the time of disconnecting service if the disconnection occurs prior to full payment.~~

~~(b) Customers are responsible for providing or paying the cost of trenching, conduit, or other structures required for placement of company provided drop wire from the customer's property line to the premises.~~

~~(4) **Cost recovery for extensions of service.**~~

~~(a) A company with a terminating access tariff under WAC 480-120-540 and a service extension tariff imposing fees or charges under subsection (3) of this section may file tariffs to include a service extension element on terminating access in an amount necessary to recover the cost of an extension of service. The tariff may not recover costs covered by applicant or customer payments for service extensions, federal universal service funds, or any similar funds or grants from other sources. The company must file the tariff to be effective only so long as necessary to recover the costs allowed under this section.~~

~~(b) Companies may recover costs by filing a tariff under (b)(i) or (ii) of this subsection. In the case of companies that serve fewer than two percent of the access lines in the state, placement of the tariff on the agenda of a commission open meeting constitutes notice of an opportunity to be heard on the need for any reporting requirements related to a tariff based on estimated costs.~~

~~(i) A company may file a proposed tariff to recover fifty percent of the estimated cost of an extension after it obtains all permits necessary for construction related to the extension of service. Extensions of service must be completed within twelve months of the effective date of a tariff that uses estimated costs. The tariff based on estimates is null and void at the end of that twelve-month period if the extension of service is not completed however, the commission, for good cause shown, may permit the tariff based on estimates to remain in effect after twelve months. If the commission does not permit the tariff based on estimates to continue, the company must within thirty days of the commission's decision or the end of the twelve-month period, whichever is later, file a replacement tariff to offset the amounts collected. After completion of an extension subject to a tariff based on estimated costs, the company may file a tariff to recover the cost of the extension less any amount already recovered or, in the event of an over-~~

~~collection, must file a tariff to reduce terminating access sufficient to offset the amount over-collected through the initial tariff.~~

~~Class A companies that have in effect a service extension tariff based on estimated costs must report quarterly on collections, expenditures, and construction timetables and progress, including a final report after completion of the extension and termination of the tariff. Companies that serve fewer than two percent of the access lines in the state and that have in effect a service extension tariff based on estimated costs must make the same report every six months if ordered by the commission.~~

~~(ii) A company may file a tariff to recover the cost of a service extension at any time within two years after completion of an extension and may accumulate the cost of multiple line extensions before filing a tariff.~~

~~(c) The commission will review the cost justification for the tariffs and approve the tariffs if they are consistent with this section. The commission will not conduct an earnings review of the company's operations for the purpose of reviewing the proposed tariffs.~~

~~**(5) Extension of service to neighboring exchange facilities.**~~

~~(a) A company that is willing to extend service to a neighboring exchange may recover under subsection (4) of this section the cost of an extension to a neighboring exchange if companies obligated to serve the neighboring exchange agree that the cost of a cross boundary service extension would be less than the cost of extension within the applicants' exchange and agree to the cross boundary extension.~~

~~(b) In the case of a cross boundary extension, an applicant will become a customer of the extending company. The customer's rates and local calling capabilities must be the same as other customers served out of the extending company's same central office.~~

~~(c) The newly constructed facilities will be the property of the extending company, but the exchange boundary will remain unchanged.~~

~~(d) The charge to the customer shall be determined in accordance with subsection (3) of this section.~~

~~**(6) Extensions to developments.** The cost of extensions to developments should be borne by those who gain economic advantage from development and not by ratepayers in~~

~~general. This policy promotes the economic good of having telephone infrastructure placed at the same time as other infrastructure is constructed as a part of development. Accordingly, local exchange companies may not recover under subsection (4) of this section the costs of extensions to serve the following:~~

~~(a) Developments filed after the effective date of this rule for which a public offering statement is required under chapter 58.19 RCW;~~

~~(b) Divisions of land filed after the effective date of this rule that use binding site plans under RCW 58.17.035 to create five or more lots or units;~~

~~(c) Subdivisions filed after the effective date of this rule;~~

~~(d) Short subdivisions with five or more lots filed after the effective date of this rule;~~

~~(e) Developments filed prior to the effective date of this rule, in which all lots were under common ownership and control on the effective date of this rule, and in which no residential buildings were constructed after the division of land and prior to the effective date of this rule;~~

~~(f) Divisions of land using binding site plans under chapter 58.17 RCW with five or more lots or units filed prior to the effective date of this rule, in which all lots, units or both were under common ownership and control on the effective date of this rule, and in which no residential buildings or commercial or industrial buildings were constructed after the division of land and prior to the effective date of this rule;~~

~~(g) Subdivisions filed prior to the effective date of this rule, in which all lots were under common ownership and control on the effective date of this rule, and in which no residential buildings were constructed after the division of land and prior to the effective date of this rule;~~

~~(h) Short subdivisions with five or more lots filed prior to the effective date of this rule, in which all lots were under common ownership and control on the effective date of this rule, and in which no residential buildings were constructed after the division of land and prior to the effective date of this rule;~~

~~(i) Mobile home parks, mobile home park cooperatives, and mobile home park subdivisions filed after the effective date of this rule;~~

~~(j) Mobile home parks, mobile home park cooperatives, and mobile home park~~

~~subdivisions filed prior to the effective date of this rule, in which all lots were under common ownership and control on the effective date of this rule, and in which no residential buildings were placed or constructed after the division of land and prior to the effective date of this rule;~~

~~(k) Marinas;~~

~~(l) Camping resorts regulated under chapter 19.105 RCW;~~

~~(m) Condominiums regulated under chapters 64.32 and 64.34 RCW;~~

~~(n) Timeshares regulated under chapter 64.36 RCW.~~

~~**(7) Waiver of obligation under this section.**~~

~~(a) The commission retains the authority under RCW 80.36.090 to determine whether any applicant for service is not reasonably entitled to service and whether the local exchange company is not obligated to provide service to an applicant under subsection (2)(b) of this section. In determining the reasonable entitlement, the commission may consider those factors listed in (b)(ii)(A) through (G) of this subsection and such other information that it may consider necessary to a proper determination.~~

~~(b) Waiver of subsection (3)(a) of this section:~~

~~(i) A company may petition for a waiver of subsection (3)(a) of this section in order to charge an applicant the direct cost to extend service if it is unreasonable for the direct cost of the extension of service to be borne by rates permitted under subsection (4) of this section.~~

~~(ii) In determining whether cost recovery under subsection (4) of this section for an extension is unreasonable and granting a waiver is consistent with public interest, the commission will consider:~~

~~(A) The total direct cost of the extension;~~

~~(B) The number of customers to be served;~~

~~(C) The comparative price and capabilities of radio communication service or other alternatives available to customers;~~

~~(D) Technological difficulties and physical barriers presented by the requested extensions;~~

~~(E) The effect on the individuals and communities involved;~~

~~(F) The effect on the public switched network; and~~

~~(G) The effect on the company.~~

“Applicant” means any person applying to a telecommunications company for new tariffed residential basic local exchange service. Applicant does not include developers requesting service for developments.

“Cost of service extension” means the direct and indirect costs of the material and labor to plan and construct the facilities including, but not limited to, permitting fees, rights-of-way fees, and payments to subcontractors, and does not include the cost of reinforcement, network upgrade, or similar costs.

“Developer” means any owner of a development who offers it for disposition, or the principal agent of an inactive owner.

“Development” means land which is divided or is proposed to be divided for the purpose of disposition into four or more lots, parcels, or units.

“Distribution plant” means telephone equipment and facilities necessary to provide new tariffed residential basic local exchange service to a premise, but does not include drop wire.

“Drop wire” means company-supplied wire and pedestals to be placed between a premise and the company distribution plant at the applicant's property line. For drop wire installed after the effective date of this section, a drop wire must be sufficient in capacity to allow the provisioning of three individual basic exchange voice-grade access lines.

“Eligible telecommunications carrier” has the same meaning as in WAC 480-123-020.

“Extension of service” means an extension of company distribution plant for new tariffed residential basic local exchange service to a location where no distribution plant of the extending company exists at the time an extension is requested. An extension is constructed at the request of one or more applicants for service who pay a charge under this section. Extensions of service do not include applicant trenches, conduits, or other support structure for placement of company-provided facilities from the applicant’s property line to the premises to be served. Extension of service, as defined in this rule, does not apply to extensions to developments or to extensions for temporary occupancy or temporary service.

“Extraordinary cost” means a substantial expense resulting from circumstances or conditions beyond the control of the company that are extraordinary and unlikely to occur in the normal course of planning and constructing facilities contemplated by this rule.

"Premises" means any structure that is used as a residence, but does not include predominantly commercial or industrial structures.

“Tariffed” means offered under a tariff filed with the commission, or offered under an alternative form of regulation.

"Temporary occupancy" means occupancy definitely known to be for less than one year but does not include intermittent or seasonal use when the intermittent or seasonal use will occur in more than a one-year period.

"Temporary service" means service definitely known to be for a short period of time, such as service provided for construction huts, sales campaigns, athletic contests, conventions, fairs, circuses, and similar events.

(2) Tariffed residential basic local exchange service.

(a) Each company required to file tariffs under RCW 80.36.100, and each company required to do so under an alternative form of regulation, must have on file with the commission an extension of service tariff for residential basic local exchange service consistent with this rule. Each company must extend service consistent with its tariff and this section.

(b) The company must process extension applications in a timely manner, consistent with the following:

(i) When there will be no charge for an extension as a result of the allowances required under subsection (3) of this section, the company must construct the extension and provide new tariffed residential basic local exchange service within thirteen months of receipt of the applicant’s request for service unless the commission grants the company’s request to charge the applicant for extension costs.

(ii) When access certification under subsection (4) of this section is required, the company must request the certification within one month of the receipt of the applicant’s request for service.

(iii) Within four months of receipt of the applicant’s access certification, the company must either provide the applicant a bill for construction of the extension or

inform the applicant that the company refuses to extend service under subsection (4)(b) of this section.

(iv) When the company bills for construction charges, including extraordinary costs under subsection (3)(b) of this section, it must complete the extension and provide new tariffed residential basic local exchange service within twelve months after the applicant meets the payment terms established by the company (e.g., payment in full, partial payment on a schedule). If there are multiple applicants under subsection (3) of this section, then all applicants must meet the payment terms established by the company.

(3) Allowances.

(a) A company's tariff must allow for an extension of service up to one-tenth mile long at no charge to the applicant. The tariff must also permit multiple applicants to aggregate their one-tenth mile allowances when an extension to two or more applicants would follow a single path.

(b) If the company determines the cost of an extension up to one-tenth mile would be extraordinary, the company may petition for permission to charge the applicant(s) for extraordinary costs that exceed a reasonable allowance. The petition must be in the form required under WAC 480-07-370(b)(ii).

(4) Applicant access certification.

(a) A company tariff must include a requirement that an applicant for an extension longer than one-tenth mile certify that the applicant does not have access to reliable and adequate service from another telecommunications carrier at the location for which the applicant requests service. Company requests for such certification must provide the names and contact information for all eligible telecommunications carriers designated for the location at which the applicant requests service and the names of any other telecommunications carrier which the company believes may provide service to the location.

(b) For extensions longer than one-tenth mile, a company may refuse to extend service if it has determined that reliable and adequate service from another telecommunications carrier is available at the location for which the applicant requests service.

A company that refuses to extend service based on its determination of the availability of reliable and adequate service must:

(i) Inform the applicant in writing that the company has made the determination;

(ii) Provide detailed support for the company's determination; and

(iii) Inform the applicant that the applicant may petition the commission to compel the company to extend service based on the applicant's demonstration that the company has made an incorrect determination.

(c) An applicant may contest the company's refusal to extend service by filing a petition with the commission contending the company has made an incorrect determination of the availability of reliable and adequate service from another telecommunications carrier. The applicant must file a petition in the form required under WAC 480-07-370(b)(ii).

(5) Determining costs and billing for extensions longer than allowances.

(a) If the company accepts an applicant's access certification, it must estimate the cost of the service extension that is attributable to distribution plant that must be extended beyond the one-tenth mile allowance (or beyond the total of any aggregated allowances).

(b) When two or more applicants request service and aggregate their allowances, and it is still necessary to construct an extension longer than the aggregated one-tenth mile allowances, the company must bill each applicant for an identical portion of the allowable charge (e.g., when two applicants aggregate allowances, the charge is divided by two; when five applicants aggregate allowances, the charge is divided by five). Multiple applicants may agree to divide the bill among themselves in amounts different from those billed so long as the billing company receives full payment.

(6) New applicants to existing extensions for which construction charges were paid.

The company tariff must require new applicants seeking service from an extension that is less than five years old, and for which the original applicant(s) paid construction charges under subsection (5) of this section, to pay a proportionate share of the original extension charges, and must require that the amount paid by new applicants be refunded to the original applicants who paid the extension charges required under subsection (5) of this section. The company must retain records pertaining to the construction charges paid as

required under subsection (5) of this section for a period of at least six years from payment of the charges by the original applicant(s).

(7) Requirements for supporting structures and trenches.

(a) A company tariff may condition construction on completion of support structures, trenches, or both on the applicant's property.

(i) Applicants are responsible for installation of all supporting structures required for placement of company-provided drop wire from the applicant's property line to the applicant's premises. The company may offer to construct supporting structures and dig trenches and may charge for those services, but the tariff may not require that applicants use only company services to construct supporting structures and dig trenches.

(ii) The company tariff may require that all supporting structures required for placement of company-provided drop wire from the applicant's property line to the premises are placed in accordance with company construction specifications. The tariff must require that, once in place and in use, all supporting structures and drop wire will be maintained by the company as long as the company provides service, and any support structure and trenches constructed at company expense are owned by the company.

(b) The tariff must provide that once supporting structures, trenches, or both, have been constructed, the company will provide drop wire to applicants at no charge.

(8) Temporary service.

Each company required to file tariffs under RCW 80.36.100, and each company regulated under an alternative form of regulation, must have on file with the commission an extension of service tariff for temporary service consistent with this rule. Each company must extend service consistent with its tariff and this section. A company tariff for extension of temporary service may not provide allowances (e.g., one-tenth mile without charge) or discounts on the cost of construction.

Amend

WAC 480-120-103 Application for service

(1) When contacted by an applicant, or when a company contacts a person, a company must:

(a) Accept and process applications when an applicant for service for a particular location has met all tariff requirements and applicable commission rules;

(b) Establish the due date as the date requested by the applicant but is not required to establish a due date that is fewer than seven business days after the order date. If the company establishes a due date other than the date requested by the applicant, it must inform the applicant of the specific date when service will be provided or state that an estimated due date will be provided within seven business days as required by subsection (2) of this section; and

(c) Maintain a record in writing, or in electronic format, of each application for service, including requests for a change of service.

(2) If the company does not provide the applicant with a due date for installation or activation at the time of application as required in subsection (1)(b) of this section, the company must state the reason for the delay. Within seven business days of the date of the application, the company must provide the applicant with an estimated due date for installation or activation. The standards imposed by WAC 480-120-105 and 480-120-112 are not altered by this subsection.

(3) When the company informs the customer that installation of new service orders requires on-premises access by the company, the company must offer the customer an opportunity for an installation appointment that falls within a four-hour period.

(4) When the application for service requires a service extension as defined in WAC 480-120-071, the requirement in subsection (1)(b) of this section does not apply ~~and, for the purpose of determining when an extension must be completed, the order date is the application date or six weeks prior to the date the customer makes the required initial payment, whichever is later.~~

~~When a service extension is required, the company must inform the customer within six weeks of a request for service that it will construct the extension and also request payment from the customer according to WAC 480-120-071, or inform the customer in writing that it will request an exemption from the commission pursuant to WAC 480-120-071(7).~~

~~In the event a company informs the customer it will request an exemption, the company must submit the request to the commission within four weeks of informing the customer of its decision. A copy of the exemption request must be mailed to the customer not later than the date the request is filed.~~