

Overview Comments	WITA	STAFF RESPONSE
<p>WAC 480-123-110(1)(j)(i) and WAC 480-123-120(2) Companies that elect Criterion One have both a rate-of-return review and are subject to meeting the Commission's broadband buildout obligation. Fifty percent of funds are based on the rate of return review and the remaining fifty percent is based on a companies commitment and progress, towards meeting the Commission's buildout requirement.</p>	<p>With this eligibility criterion, companies are not relieved of rate-of-return review and could lose half of its support. Since no relieve from rate-of-return review, it is not fair to require buildout to additional locations.</p>	<p>This structure was designed to promote broadband buildout while also recognizing that companies need to maintain their existing network. Under sole rate-of-return review, either a company receives 100 percent of funding or zero funding. The current proposed approach will allow a company to receive 100 percent funding, or 50 percent of its funding if it has either, an excessive rate of return, or, if it is unable to commit to the Commission's broadband buildout requirement (based on the ACAM cost or a companies actual cost of delivering service). Considering the programs goals, making a determination based solely on a backward looking regulated basis is not pragmatic.</p>
<p>WAC 480-123-020 - Broadband service definition. Second to last sentence, speed standards language.</p>	<p>"speed" should be removed from standards that a company must meet. Standards should not be limited to speed.</p>	<p>Staff agrees. Simply remove the word "speed" from the fifth sentence. The revised sentence will read "Any broadband standards that are established in these rules or by commission order may be met by the communications provider or its affiliate or a combination of both.</p>
<p>WAC 480-123-110(1)(h)</p>	<p>WITA believes language should be adjusted to include affiliate langauge as not all companies provide retail broadvand services directly to end users. Adjust language to read "and the provider will continue to provide broadband services" should be changed to "and the provider through itself or its affilitiate will continue to provide broadband services"</p>	<p>Staff agrees. Edit the language to read "and the provider, or its affiliate if appropriate, will continue to provide broadband services."</p>
<p>WAC 480-123-120(1)</p>	<p>Language should be adjusted to read" the provider's plan to provide, maintain, or enchance" to be consistent with statute and rule language. Additionally, "eligibility category" should be "eligibility criterion".</p>	<p>Staff agrees. Adjust language to read "provide, maintain, or enhance" and change the word "category" to "criterion."</p>

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WAC 480-123-120(6)	If a pro rata reduction in support, there should be a corresponding reduction in the number of locations required to meet the broadband obligation. Add this language to the rule.	Staff agrees in part. Language should be edited to provide that if there is a pro rata change (increase or decrease) the number of locations should be adjusted accordingly. After the first sentence, add “If there is a pro rata reduction or increase in support, the company’s broadband buildout obligation will be adjusted proportionately.”
WAC 480-123-130(1)(b)	"telecommunication services" should be inserted to differentiate from (1)(c)	Staff agrees. Edit language to read “Detailed information on how the provider used program support during the preceding year to maintain, provide, or enhance telecommunications services.”
WAC 480-123-120(4) leaves much of the development of eligibility and distribution calculations to the advisory board.	Believes there should be a baseline and that the "other communications provider" must commit to provide broadband service to at least the designated speed and to at least those numbers of locations that the incumbent local exchange carrier would provide under federal and state standards.	Staff disagrees. Without knowing the specifics, i.e. what company is seeking support, support amount, the area served, or the technology used and speeds offered, staff believes setting a baseline is premature.
Buildout Requirement Confirmation	See WITA's Comment Table	Staff and WITA have tentatively confirmed the current FCC’s and UTC’s buildout requirements. The number of locations for buildout are shown on the attached document entitled “Broadband Deployment Methodology.” The specific locations for buildout are tentative because they are estimated based on the amount of support each company will receive over the next four years and the amount will be divided by the annual ACAM Cost per location (or other Commission approved cost factor). If a company’s support ultimately is increased or decreased, the buildout requirement would be adjusted accordingly.