Legal Department

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GTE Service Corporation

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April 27, 1998

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VIA FAX AND AIRBORNE

Mr. Paul Curl Acting Secretary Washington Utilities and Transportation Commission 1300 S. Evergreen Park Dr. S.W. Olympia, WA 98504-7250

Re: Docket No. UT-970723

Dear Mr. Curl:

Attached is a copy of the Comments of GTE Northwest Incorporated in the above matter. We are also sending, via Airborne, the original and 19 copies of the same, as well as an electronic copy.

Sincerely,

Timothy J/O'Conne

Attorney

TJOC:as Enclosures

c: Service List

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BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

PROPOSED RULEMAKING TO ADOPT)	
A METHODOLOGY FOR DETERMINATION)	NO. UT-970723
OF JUST AND REASONABLE RATES FOR)	
ATTACHMENT TO TRANSMISSION)	
FACILITIES)	
	_)	

COMMENTS OF GTE NORTHWEST INCORPORATED

GTE Northwest Incorporated ("GTE") hereby submits its comments in response to the Washington Utilities and Transportation Commission's (WUTC) Preproposal Statement of Intent (CR-101), Docket UT - 970723, dated March 31, 1998.

INTRODUCTION

GTE believes that Commission Staff's inclination to adopt the FCC's methodology pursuant to the FCC's Report and Order in CS Docket No. 97-151, dated February 6, 1998, warrants further discussion. GTE endorses Commission Staff's recommendation of making private negotiation the primary means of setting attachment rates as well as a "flash cut" to the adopted methodology. The Commission should afford itself the opportunity, in this rulemaking, to reconcile incongruities that are inherent in the FCC rules.

 There should not be a different rate formula for CATV from Telecommunications providers. 93 APR 26 E311: 01

- The rate formulas adopted in this proceeding should apply equally to all attachees, both public and private.
- ILEC's should receive the same level of Commission protection as other attaching entities.

1. THERE "SHOULD NOT" BE A DIFFERENT RATE FORMULA FOR CATV FROM TELECOMMUNICATIONS PROVIDERS.

It is illogical to conclude that CATV and Telecommunications rates could be different if both reflect the true cost of attaching to an owner's pole. If the telecommunications rate accurately reflects the actual historical cost of the space utilized, then one can only be drawn to the conclusion that CATV is being unduly subsidized by the pole owner for the space it uses. On the other hand, if the CATV rate accurately represents the true cost, then telecommunications providers would be overcharged for the space they utilize.

If the Commission adopts the CATV usable space methodology for CATV, then GTE recommends that the CATV usable rate methodology be utilized for all attaching entities, including telecommunications and electric providers. To do otherwise would be in violation of RCW 80.54.040. RCW 80.54.040 makes it clear that compensation to the pole owner for the required support and clearance space be in proportion to the space used for the attachment. Thus, under current Washington law, only the CATV rate methodology is appropriate for all attachees.

2. THE RATE FORMULAS ADOPTED IN THIS PROCEEDING SHOULD APPLY EQUALLY TO ALL ENTITIES, BOTH PUBLIC AND PRIVATE.

Cooperatives, public utility districts and municipally owned utilities should be subject to the same rate formulas as private utilities. Rural areas of the state are largely served by public utilities. Onerous rates, terms and conditions for pole attachments, whether charged by private or public utilities, could become a barrier to facilities based competition and undermine the benefits that such competition would bring to the citizens of rural Washington.

3. ILEC'S SHOULD RECEIVE THE SAME LEVEL OF COMMISSION PROTECTION AS OTHER ATTACHING ENTITIES.

FCC rules excluding Incumbent LEC's from equal treatment for reasonable terms, rates and conditions on pole attachments are untenable. FCC rules have left ILEC's with costly litigation as the only alternative when disputes arise with other pole owners regarding terms, rates and conditions. The Commission must make it clear that all pole attachees, including ILEC's, are afforded the same level of protection under adopted rules when negotiations over rates, terms and conditions have broken down.

CERTIFICATE OF MAILING

I hereby certify that on this date I mailed a true and correct copy of the foregoing GTE NORTHWEST INCORPORATED's Comments to the parties and/or their counsel of record as listed below:

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in a sealed envelope with postage prepaid, addressed as shown above, and deposited in the post office at Everett, Washington, on April 27, 1998.

Angela Stahl

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