

Agenda Date: January 9, 2002
Item Number: 2E

Docket: UT-013105
Company Name: Westgate Communications LLC

Staff: Bob Shirley, Telecommunications Analyst

Recommendation:

Approve Westgate Communications LLC's Petition for designation as an Eligible Telecommunications Carrier (ETC).

Discussion:

Westgate Communications, LLC is a registered local exchange company in Washington. It plans to construct new service to Stehekin, a presently unserved area at the head of Lake Chelan. Stehekin is not accessible by motor vehicle; one must take a 35 mile ferry, charter a float plane, or hike in over 10,000 foot passes. Stehekin is unincorporated and consists of National Park Service land and private in-holdings, all of which is surrounded by U.S. Forest Service land. There are approximately 100 year-round residents in Stehekin and in the summer as many as 300 additional people visit the area. It has several businesses that cater to visitors to the park.

The National Park has telephone service via satellite and it provides one line that can be used for out-bound calls only and the caller must have a telephone calling card. This is a service that is very popular with tourists and with hikers that are passing through. It is also used by community members.

There is no emergency phone service available to community members, however, when asked for assistance, National Park rangers provide it in emergencies.

Staff visited Stehekin last February and held a community meeting to discuss the prospects of providing telephone service in Stehekin. This meeting was in response to contacts over the last several years from various members of the community asking for WUTC assistance in receiving telephone service. The notion of telephone service in Stehekin is, however, not without controversy. While some members of the community would like telephone service to come to Stehekin, and no member of the community stated they do not want the community to have service, it seemed clear from some of the questions at the community meeting that there may be some community members that do not want any telephone service for the community.

The area will almost certainly be found to be high-cost and designation as an ETC is the prerequisite to collection of federal high-cost support. ETC designation is also necessary and required for participation in the federal program for low-income support, Lifeline and Link Up, as well as participation in the schools and libraries fund and the

rural health fund. (The Stehekin School District is one of only two districts in Washington that is not connected to the K-20 Network.)

Designation as an ETC will assist Westgate Communications, LLC as it pursues funding options with the Rural Utility Service (RUS) of the U.S. Department of Agriculture. Several other small local exchange companies operating in Washington State borrow from the RUS to finance construction. Westgate Communications is also working with the Chelan Public Utility District and must meet the requirements of the National Park Service of the U.S. Department of the Interior before it can construct a telephone system.

Westgate Communications, LLC has represented that it will provide the supported services required under 47 CFR § 54.101(a)(1-9). These are the same services that constitute basic service under RCW 80.36.600(7)(b). It has also represented that it will advertise these services using media of general distribution. It has also filed a tariff map for the Stehekin Exchange.

Westgate Communications, LLC operates a large "satellite antennae farm" north of Brewster on U.S. Highway 97 and its primary customer is the Boeing Sea Launch Program. It has experience in engineering telecommunications services for United Telephone in the Yakima Valley, establishing telecommunications services for remote Alaskan villages, and experience establishing telecommunications in the forbidding climate of the Russian Far East. Westgate is also a reseller of telecommunications services.

Conclusion:

The petition complies with the requirements for designation as an ETC and Staff recommends that the Commission issue an order designating Westgate Communications, LLC as an eligible telecommunications carrier for the Stehekin exchange.