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UTIL. & TRANSP. COMMISSION

April 24, 1998

Paul Curl, Acting Secretary
Washington Utilities and Transportation Commission
PO Box 47250
Olympia, Washington 98504-7250

Re: Docket No. UT-970723, Adopt a methodology for determination of just and reasonable rates for attachments to transmission facilities.

Dear Mr. Curl:

Washington Water Power is pleased to provide a third set of comments on Docket No. UT-970723. An original and 19 copies are enclosed along with a disk on which the document has been saved as WordPerfect version 5.x for Windows and version 5.1 for DOS.

Copies have been distributed to the parties listed in the attachment to your Notice of Opportunity to File Comments.

Sincerely,

A handwritten signature in black ink that reads 'Timothy J. Rahman'.

Timothy J. Rahman, P.E.
Joint Use Administrator

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REGULATORY DEPARTMENT
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**BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

Adopt a methodology for determination of just and reasonable rates for attachments to transmission facilities

Docket No. UT-970723

Comments of the Washington Water Power Company

Washington Water Power (WWP) provides the following third set of comments on the proposed rule making by the Washington Utilities and Transportation Commission (the Commission) on "a methodology for determination of just and reasonable rates for attachments to transmission facilities."

FCC METHODOLOGY

WWP supports the Commission's adoption of the Federal Communications Commission (FCC) methodology as the most efficient means of preempting the FCC. Complaints will then be limited to the interpretation of the formulas and financial parameters instead of "reinventing the wheel." Unless the Commission wishes to review all future changes ordered by the FCC, the adoption could refer to "the rate formulas as defined in the latest applicable FCC order."

Since the FCC is still producing orders related to the Telecommunications Act of 1996, and there are rumors of court challenges, some of the interpretations may change. For instance, CS Docket 97-151, footnote 100, refers to a "Pole Attachment Fee Notice" in which the FCC will address some of the existing presumptions.

The FCC has not defined rates for all situations. However, the TV cable and telecommunications rates for transmission poles (accounts 354 and 355) and transmission ducts (account 356) can be inferred from the methodology for rates for distribution poles and ducts. It would be helpful to reinforce this with a statement in the Commission's order.

TRANSITION

WWP supports the adoption of a "flash cut" as proposed by Commission Staff. It has always seemed unfair that an increase must be prorated but a decrease is immediate. However, the Commission may not have that latitude. According to the FCC, the five-year transition is written in the Act.

COST ALLOCATION

WWP continues to support an avoided cost methodology when calculating rates for ducts. The telecommunications company has the choice of licensing space from the duct owner or constructing its own duct line. The cost of construction can be established by bids from local contractors.

NOTIFICATION

The FCC requires that cable operators must notify the pole owners when they offer telecommunications services. However, if the rate is higher for telecommunications attachments, there is no incentive for the cable company to report the change. It would be useful if the Commission would expand on this requirement by allowing a penalty if such notice is not given or to allow all fiber optic cable installations to be classified as telecommunications attachments at the time of installation.

VIOLATIONS

The WUTC has the opportunity in this rule-making to clarify the responsibility for corrections of violations of clearances and loading.¹ An existing violation of the applicable code should be prima facie evidence that those parties in violation are responsible for immediate correction of the problem at no expense to the owner of the pole or duct. If the cable owner cannot or will not correct the problem within a reasonable time (e.g. 30 calendar days) then the pole owner should be empowered to make the correction and the cable owner should be required to pay the full cost of the correction including the allowed rate of return within 30 days of the billing.

Respectfully submitted this 24th day of April, 1998.



Timothy J. Rahman, P.E.
Joint Use Administrator
Washington Water Power

¹ In Washington, the Department of Labor and Industries wrote the Washington Electrical Construction Code (296-44 WAC) in the past and, effective May 6, 1998, has adopted the National Electrical Safety Code ("NESC") by reference.