



STATE OF WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION
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(360) 664-1160 • www.utc.wa.gov

December 3, 2013

NOTICE OF OPPORTUNITY TO FILE WRITTEN COMMENTS
(By Friday, December 20, 2013)

RE: Rulemaking to consider amending and adopting rules in WAC 480-120, telephone companies, and WAC 480-123, universal service, to implement legislation establishing a state universal communications service program;
Docket UT-131239

TO INTERESTED PERSONS:

On July 3, 2013, the Washington Utilities and Transportation Commission (Commission) filed with the Code Reviser a Preproposal Statement of Inquiry (CR-101) to initiate a rulemaking to consider amending and adopting rules in WAC 480-120, telephone companies, and WAC 480-123, universal service, to implement the provisions of Second Engrossed Second Substitute House Bill (2E2SHB 1971), enacted in the 2013 Second Special Legislative Session. Section 204 of the bill requires the commission to establish rules to implement a state universal communications service program.

Section 204 of 2E2SHB 1971 authorizes the Commission to adopt rules concerning:

- Operation of the program;
- Criteria for eligibility for distributions from the account, use of distributed funds, identification of reports to be filed with the commission,
- Disbursements from the universal communications services account,
- Benchmarks and other criteria to calculate distributions from the account, and
- An advisory board to advise the commission on rules and policies governing the operation of the program.

The Commission solicited comments on these and any other issues, and conducted stakeholder workshops on July 15 and October 16, 2013. The Commission has considered this stakeholder input in light of the provisions of 2E2SHB 1971 and has prepared revised draft rules to implement the legislation. These rules would become part of WAC Chapter 480-123. The draft rules are available for your review and comment on the Commission's website at www.utc.wa.gov/131239.

WRITTEN COMMENTS

The Commission requests interested persons submit comments on the draft rules. In addition to general comments on the draft rules, the Commission seeks specific comment on the revised calculation of support amount for eligible wireline communications providers. The latest proposed draft provides a transitional "glide path" level of state support from the Universal Communications Services Program as an off set for certain reductions in federal and state support to such providers. The Commission seeks comment on the approach reflected in the revised draft rule as well alternative "glide path" proposals that provide a reasonable level of Universal Communications Service Program support given the statutory duration of the state fund. One such approach could be reducing CAF support by a specified percentage using 2013 distribution as a baseline.

THE COMMISSION GIVES NOTICE of the opportunity to comment on the draft rules, and the issues presented in this Notice no later than Friday, December 20, 2013.

The Commission requests that comments be provided in electronic format to enhance public access, for ease of providing comments, to reduce the need for paper copies, and to facilitate quotations from the comments. Comments should be in .pdf Adobe Acrobat or in Word 97 or later version. Comments may be submitted via the Commission's Web portal (www.utc.wa.gov/e-filing) or by electronic mail to the Commission's Records Center at <records@utc.wa.gov>. Alternatively, comments may be submitted by mailing or delivering an electronic copy to the Commission's Records Center on a flash drive, compact disk, or 3 ½ inch, IBM-formatted, high-density disk. Comment submissions should include:

- The docket number of this proceeding: UT-131239.
- The commenting party's name.
- The title and date of the comment or comments.

The Commission will post on its web site all comments that are provided in electronic format. The web site is located at <<http://www.utc.wa.gov/131239>>.

If you are unable to file your comments electronically, the Commission will always accept a paper document. Questions may be addressed to Brian Thomas at (360) 359-1049 or e-mail at <bthomas@utc.wa.gov>.

STEVEN V. KING
Executive Director and Secretary