



WT-003106

STATE OF WASHINGTON
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

1300 S. Evergreen Park Dr. S.W., P.O. Box 47250 • Olympia, Washington 98504-7250
(360) 664-1160 • TTY (360) 586-8203

October 25, 2000

RCC Holdings, Inc.
3905 Dakota Street SW
Alexandria, Minnesota 56308

PLEASE TAKE NOTE: This letter gives notice of a request for initiation of a legal proceeding that may affect your company's legal rights.

Dear Common Carrier Serving in Douglas or Grant County:

The staff of the Washington Utilities and Transportation Commission will ask the Commission at its regularly scheduled Open Meeting on November 8, 2000, to initiate an adjudication to determine whether the Commission should order a carrier to serve what the staff believes is a populated part of Washington that is currently unserved by any telecommunications carrier.

The Commission is authorized by state statute at RCW 80.36.610 "to take actions, conduct proceedings, and enter orders as permitted or contemplated for a state commission under the federal telecommunications act of 1996." One such proceeding contemplated for a state commission under the federal act is set out in Section 214(e)(3), which provides, in part:

DESIGNATION OF ELIGIBLE TELECOMMUNICATIONS CARRIERS FOR UNSERVED AREAS- If no common carrier will provide the services that are supported by Federal universal service support mechanisms . . . to an unserved community or any portion thereof that requests such service, the [Federal Communications] Commission, with respect to interstate services, or a State commission, with respect to intrastate services, shall determine which common carrier or carriers are best able to provide such service to the requesting unserved community or portion thereof and shall order such carrier or carriers to provide such service for that unserved community or portion thereof.

RCC Holdings, Inc.
Page 2
October 25, 2000

The Commission is also authorized by state law at RCW 80.36.230 "to prescribe exchange area boundaries and/or territorial boundaries for telecommunications companies." The Commission's staff believes this includes the authority to expand, under certain circumstances, a local exchange company's tariffed exchange boundaries.

The Commission's staff will ask that RCC Holdings, Inc. be named a party to the proceeding so that the Commission may be able to determine if the company is the carrier "best able" to provide service to the residents of the area. A representative of RCC Holdings, Inc. may appear at the Open Meeting on November 8, 2000 and state why the company should not be named a party. The company may be represented at the Open Meeting by an employee or by legal counsel.

The Commission will meet at 9:30 A.M. on Wednesday, November 8, 2000 in Room 206 of the Commission headquarters located at 1300 S. Evergreen Park Drive S.W., Olympia, Washington. The Docket number for this matter is UT-003106.

The unserved area at issue is in central Washington between the northern boundary of Grant County and U.S. Highway 2, an area that is generally known as Moses Coulee. Enclosed with this letter is a legal description of the area.

If the Commission initiates the proceeding and takes its staff's recommendation to name RCC Holdings, Inc. as a party, the Commission will provide your company with notice of the time and place for a pre-hearing conference. At the pre-hearing conference (or at another time as designated by the Commission or the administrative law judge assigned to the case), each party will have a second opportunity to show why it should not be a part of the proceeding. In addition, parties will have an opportunity to show why other carriers should be included as parties to the proceeding.

If you have any questions concerning this proceeding, please contact Bob Shirley 360-664-1292 or bshirley@wutc.wa.gov.

Sincerely,



CAROLE J. WASHBURN
Executive Secretary

Enclosure

cc: Lukas, Nace, Gutierrez & Sachs

Legal Description for Moses Coulee Area
Douglas County, Washington

Starting at the northwest corner of Section 1, Township 24 North, Range 24 East; then east to the northeast corner of Section 1, Township 24 North, Range 25 East; then south to the southeast corner of Section 36, Township 23 North, Range 25 East; then west to the southwest corner of Section 36, Township 23 North, Range 24 East; then north to the northwest corner of Section 1, Township 24 North, Range 24 East, the point of beginning.