AGENDA

UT-131239 USF Rulemaking

Workshop

July 15, 2013

- I. Introduction and General Comments
- II. Rulemaking Process and Schedule
- III. Open Discussion of Key Provisions ESS HB 1971 (Part II)
 - a. Section 203
 - i. (3)(a) Communications Provider Eligibility:
 - 1. Incumbent carrier,
 - 2. Wireless carrier.
 - ii. (3)(b) Risk of rate instability, service interruptions or cessations absent a distribution to the provider to maintain rates reasonably close to benchmark,
 - iii. (3)(c) Any other requirements established by the Commission pertaining to communications services (including basic telecommunications services).
 - iv. (4)(a) Establishment of local rate benchmark (Commission determines reasonable amount customers should pay for basic residential service).
 - v. (4)(b) Affirmatively consent to continue to provide communications services.
 - vi. (6) Commission must periodically review the accounts and records of any communications provider receiving distributions to ensure compliance.
 - vii. (7) Commission must establish an advisory board consisting of representatives from different types of communications providers and consumers to advise on rules and policies for operation of the program.

b. Section 204

- i. (1)(a) Commission must adopt rules for operation of the fund, eligibility, identification of any reports or data to be filed (including how provider used the funds and infrastructure).
- ii. (1)(b) operation of the universal services account.
- iii. (1)(c) establishment of a benchmark.
- iv. (1)(d) Readoption, repeal or changes to RCW 80.36.610 and 80.36.620.

c. Section 205

i. Commission may impose penalties for failure to make or delays in reporting and Commission may recover amounts determined to have been improperly distributed under Section 203.

d. Section 206

i. Commission may delegate authority to the commission secretary or other staff to resolve disputes and make other administrative decisions and supervision of the program.

e. <u>Section 207</u>

- i. Rules must be adopted prior to July 1, 2014
- ii. Commission may initiate efforts prior to July 1, 2014 to implement act in timely manner.

f. Section 211

i. Universal communications services program terminates on June 30, 2019.

g. Section 212

- i. Commission must report to legislature:
 - 1. Whether funding levels have been adequate.
 - 2. Future impacts on small telecommunications companies of eliminating funding.
 - 3. Impacts on customer rates from current funding and future impact.
 - 4. Impacts on line and service delivery investments when funding is terminated.