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BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

IN THE MATTER OF THE APPLICATION)	DOCKET NO. UT- _____
OF U S WEST COMMUNICATIONS, INC.)	
FOR DESIGNATION AS AN ELIGIBLE)	APPLICATION BY USWC FOR
TELECOMMUNICATIONS CARRIER UNDER)	DESIGNATION AS AN ELIGIBLE
47 U.S.C. §214(E)(2))	TELECOMMUNICATIONS
_____)	CARRIER

USWC Communications, Inc. (“USWC”) submits this Application for Designation as an Eligible Telecommunications Carrier pursuant to 47 U.S.C. §214(e)(2) and 47 C.F.R. §54.201.¹ USWC requests that it be designated as eligible to receive all applicable federal and state universal service support including, but not limited to, support for rural, insular and high cost areas, low income customers, and qualifying schools, libraries and health care providers for the following additional service areas: Auburn, Bellingham, Bremerton, Issaquah, Kent, Puyallup, Orchards, Lacy, Longview, Walla Walla, Enumclaw, and Maple Valley.² U S WEST’s definition of service area for purposes of this application is the existing exchange boundaries for the listed exchanges. In support of this Application, USWC would respectfully show the Washington Utilities and Transportation Commission (“Commission”) as follows:

¹ All references to 47 C.F.R. Part 54 are to final rules adopted by the Federal Communications Commission In the Matter of Federal State Joint Board on Universal Service, CC Docket No. 96-45, rel. May 8, 1997, cited herein as Order.

1 **I. RECITALS**

2 A. USWC is a Colorado corporation duly authorized to do business in Washington, with its
3 general offices in Denver, Colorado. USWC is a telecommunications company as defined in RCW
4 80.04.010 authorized by the Commission to provide all local exchange telecommunications services
5 in the state of Washington and to provide intraLATA toll service in the state of Washington.

6 B. USWC is a telecommunications carrier as defined in 47 U.S.C. §153(44) and 47 C.F.R.
7 §51.5, and is a telecommunications carrier for purposes of 47 C.F.R. Part 54.

8 C. USWC is an incumbent local exchange carrier as defined in 47 C.F.R. §51.5 and
9 provides interstate telecommunication services for purposes of 47 U.S.C. §254(d) and 47 C.F.R.
10 §54.703(a).

11 D. USWC is not a rural telephone company within the state of Washington as defined by 47
12 U.S.C. §153(37) and 47 C.F.R. §51.5 and is not a rural telephone company within the state of
13 Washington for purposes of 47 C.F.R. Part 54.

14 E. USWC currently provides, from various wire centers in the state of Washington, each of
15 the services designated for support under 47 C.F.R. §54.101(a)(1-9),³ utilizing its own facilities.

16 F. Pursuant to 47 U.S.C. 214(e)(1)(B), USWC presently advertises the availability of each
17 of the supported services identified in 47 C.F.R. §54.101(a)(1-9) from its wire centers in the state
18 of Washington using media of general distribution. Examples of relevant advertising were
19 submitted in Docket No. UT-970354. The methods of advertising include TV, newspaper,
20 magazine, radio, direct mail, exhibits and displays, bill inserts, booklets and directory advertising.

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23 ² USWC is currently designated as the Eligible Telecommunications Carrier in Seattle, Tacoma, Bellevue, Des
Moines, Federal Way, Renton, Olympia, Spokane, Yakima and Vancouver per the Commission Order in Docket No.
UT-970354.

24 ³ Service designated for support under this provision are voice grade access to the public switched network, local
usage, dual tone multi-frequency signaling or its functional equivalent, single-party service or its functional
25 equivalent, access to emergency services, access to operator services, access to interexchange service, access to
directory assistance and toll blocking for qualifying low-income consumers.

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1 **II. SCOPE OF APPLICATION**

2 According to the FCC, the existing Federal high cost program, with some limited
3 modifications, will be retained until January 1, 1999. Order, ¶ 18.⁴ Beginning January 1, 1999, or
4 later, the FCC will provide universal service support to non-rural carriers serving rural, insular and
5 high cost areas through a mechanism based on forward-looking economic costs. The FCC is in the
6 process of reviewing and will presumably select an appropriate cost model to determine the
7 forward-looking economic costs. The FCC has provided some guidance regarding the appropriate
8 service and support areas necessary to determine the amount of Federal support, but has ultimately
9 left those issues for the states to determine. In its December 23, 1997 Order, the Commission
10 approved U S WEST's petition for designation of its requested service areas at an individual
11 exchange level. USWC continues to lack sufficient information necessary to determine whether it
12 desires to be an eligible telecommunications carrier in all of the areas currently served by its wire
13 centers. Therefore, USWC continues to seek eligible telecommunications carrier designation for
14 only selected exchanges. USWC may file a future application for designation as an eligible
15 telecommunications carrier in its other existing exchange areas; however, until it is clear that USWC
16 will recover the investment associated with serving high cost exchange service in these areas,
17 USWC cannot commit to serving such areas beyond those customers currently served today.
18 Therefore, USWC does not seek eligible telecommunications carrier designation for these
19 exchanges at this time.

20 By this Application, USWC seeks designation as an eligible telecommunications carrier in
21 the following exchanges in the state of Washington on an interim basis Auburn, Bellingham,
22 Bremerton, Issaquah, Kent, Puyallup, Orchards, Lacey, Longview, Walla Walla, Enumclaw, and
23 Maple Valley. After USWC has had an opportunity to determine with sufficient data the actual

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25 ⁴ On June 8, 1998 the FCC stated it is considering changing the implementation date for a new national Universal
26 Service fund until at least July, 1999.

1 designation of its service and support area for purposes of state universal support and the new
2 federal universal support (which becomes effective January 1, 1999 or later), USWC will
3 reevaluate its application and determine whether to request additional service areas and/or to
4 relinquish its designation in particular areas.

5 USWC advocates a support area designation comparable to the size of a census block group
6 or smaller for high cost fund support. State and federal universal support areas should be
7 sufficiently small to promote efficient targeting of support to individual support areas. Order,
8 ¶¶192-193. To best accomplish efficient targeting of support, USWC believes that support areas
9 should be smaller than a wire center or exchange and be based on population distribution and other
10 relevant factors.

11 USWC requests that the Commission expedite its consideration of this Application and
12 designate USWC as an eligible carrier for these selected exchanges not later than August 1, 1998.
13 This will allow USWC to meet the requirement contained in 47 C.F.R. §54.201 that, effective
14 January 1, 1998, only eligible carriers may receive federal and state universal service support.

15
16 WHEREFORE USWC requests that the Commission enter an Order designating USWC as an
17 eligible telecommunications carrier for Auburn, Bellingham, Bremerton, Issaquah, Kent, Puyallup,
18 Orchards, Lacy, Longview, Walla Walla, Enumclaw, and Maple Valley service area exchanges
19 under 47 U.S.C. §214(2) to receive all available Federal Universal Service support for

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22 its services in these exchanges and that the Commission consider this application at its open meeting
23 on July 22, 1998 and enter its Order not later than August 1, 1998.

24 Dated this 26th day of June, 1998.

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