



PROPOSED RULE MAKING

CR-102 (June 2004)

(Implements RCW 34.05.320)

Do NOT use for expedited rule making

Agency: Washington Utilities & Transportation Commission

- Preproposal Statement of Inquiry was filed as WSR #07-17-054**; or
 Expedited Rule Making--Proposed notice was filed as WSR _____; or
 Proposal is exempt under RCW 34.05.310(4).

- Original Notice**
 Supplemental Notice to WSR _____
 Continuance of WSR _____

Title of rule and other identifying information:

Telecommunications Service Extension Rulemaking – WAC 480-120-071 and WAC 480-120-103.

This rulemaking would consider amending WAC 480-120-071, Extension of service, relating to requirements for extension of service to customers within a company's service territory and WAC 480-120-103, Application of service, relating to requirements the applicant and the company must meet for a service application. This rulemaking has been assigned Docket UT-073014.

Hearing location(s):

Commission Hearing Room 206
Second Floor, Richard Hemstad Building
1300 S. Evergreen Park Drive S.W.
Olympia, WA 98504

Date: Thursday, June 26, 2008 Time: 1:30 p.m.

Date of intended adoption: June 26, 2008

(Note: This is NOT the effective date)

Submit written comments to:

Name: Carole J. Washburn, Executive Secretary
Washington Utilities & Transportation Commission
Address: P. O. Box 47250, Olympia, WA 98504
e-mail records@utc.wa.gov Please include
Docket UT-073014 in your communication.
fax (360) 586-1150 by (date) Wednesday, June 6, 2008

Assistance for persons with disabilities: Contact

Mary DeYoung by Monday, **June 23, 2008**

TTY (360) 586-8203 or (360) 664-1133

Purpose of the proposal and its anticipated effects, including any changes in existing rules:

Under existing WAC 480-120-071, providers of tariffed local exchange service must build facilities to applicants for an initial fee of no more than 20 times the monthly service charge, plus 20 monthly charges no greater than the monthly service charge (e.g., \$500 total for a company with a \$12.50 service charge). A company may recover its unreimbursed costs through an additive to its charge to interexchange carriers for terminating long distance calls. The company may petition for a waiver on the grounds that the customer is not "reasonably entitled" to service. The proposed amendment would instead allow an applicant an extension of up to 1000 feet at no charge, but would require the applicant to bear the cost of extending plant beyond 1000 feet. Applicants could aggregate allowances and obtain reimbursement from newcomers. Companies could petition for relief from the 1000 foot allowance by showing exceptional cost. The terminating access charge method of cost recovery would be eliminated for future extensions. The amendments would apply to pending petitions for waiver of WAC 480-120-071.

Reasons supporting proposal:

By requiring applicants to bear the cost of extending service beyond 1000 feet, or when extension costs are extraordinary, the amendments would reduce current level of subsidy for lengthy line extensions. The amendments provide the correct balance of obligations among customers, local exchange service providers, and interexchange carriers.

Affected WACs are: (See Attachment A)

Statutory authority for adoption: RCW 80.01.040, RCW 80.04.160, and RCW 80.36.140

Statute being implemented: N/A

Is rule necessary because of a:

- Federal Law? Yes No
 Federal Court Decision? Yes No
 State Court Decision? Yes No

CODE REVISER USE ONLY

OFFICE OF THE CODE REVISER
STATE OF WASHINGTON
FILED

DATE: May 07, 2008

TIME: 10:16 AM

WSR 08-10-102

DATE
May 7, 2008

NAME (type or print)
CAROLE J. WASHBURN

SIGNATURE

TITLE
EXECUTIVE SECRETARY

Agency comments or recommendations, if any, as to statutory language, implementation, enforcement, and fiscal matters:

None

Name of proponent: Washington Utilities & Transportation Commission

- Private
 Public
 Governmental

Name of agency personnel responsible for:

Name	Office Location	Phone
Drafting..... Sharyn Bate	1300 S. Evergreen Park Drive S.W., Olympia, WA 98504	(360) 664-1295
Implementation..... Carole J. Washburn, Executive Secretary	1300 S. Evergreen Park Drive S.W., Olympia, WA 98504	(360) 664-1174
Enforcement..... Carole J. Washburn, Executive Secretary	1300 S. Evergreen Park Drive S.W., Olympia, WA 98504	(360) 664-1174

Has a small business economic impact statement been prepared under chapter 19.85 RCW?

Yes. Attach copy of small business economic impact statement.

A copy of the statement may be obtained by contacting:

Name:

Address:

phone () _____

fax () _____

e-mail _____

No. Explain why no statement was prepared.

Industry comments indicate that the proposed revision to the rule will not result in or impose an increase in costs. Because there will not be any increase in costs resulting from the proposed rule changes, an SBEIS is not required under RCW 19.85.030(1).

Is a cost-benefit analysis required under RCW 34.05.328?

Yes A preliminary cost-benefit analysis may be obtained by contacting:

Name:

Address:

phone () _____

fax () _____

e-mail _____

No: Please explain:

The Commission is not an agency to which RCW 34.05.328 applies. The proposed rules are not significant legislative rules of the sort referenced in RCW 34.05.328(5).

ATTACHMENT A

480-120-071 Extension of service.

1. Amend to revise rule

480-120-103 Application of service.

1. Amend to revise request for extension of service requirements