
SUBSTITUTE SENATE BILL 5510

State of Washington

57th Legislature

2001 Regular Session

By Senate Committee on Economic Development & Telecommunications
(originally sponsored by Senators B. Sheldon, Winsley, Haugen,
Constantine, Fairley, Long, Eide, Hale, Prentice, Jacobsen, Costa,
Kastama, Fraser, Kline, McAuliffe, Shin, Stevens, Regala, Morton,
Zarelli, Benton and Oke)

READ FIRST TIME 02/13/01.

1 AN ACT Relating to extending the prohibition on mandatory local
2 measured telecommunications service; and amending RCW 80.04.130.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 **Sec. 1.** RCW 80.04.130 and 1998 c 110 s 1 are each amended to read
5 as follows:

6 (1) Whenever any public service company shall file with the
7 commission any schedule, classification, rule or regulation, the
8 effect of which is to change any rate, charge, rental or toll
9 theretofore charged, the commission shall have power, either upon
10 its own motion or upon complaint, upon notice, to enter upon a
11 hearing concerning such proposed change and the reasonableness and
12 justness thereof, and pending such hearing and the decision
13 thereon the commission may suspend the operation of such rate,
14 charge, rental or toll for a period not exceeding ten months from
15 the time the same would otherwise go into effect, and after a full
16 hearing the commission may make such order in reference thereto as
17 would be provided in a hearing initiated after the same had become
18 effective. The commission shall not suspend a tariff that makes a

1 decrease in a rate, charge, rental, or toll filed by a
2 telecommunications company pending investigation of the fairness,
3 justness, and reasonableness of the decrease when the filing does
4 not contain any offsetting increase to another rate, charge,
5 rental, or toll and the filing company agrees to not file for an
6 increase to any rate, charge, rental, or toll to recover the
7 revenue deficit that results from the decrease for a period of one
8 year. The filing company shall file with any decrease sufficient
9 information as the commission by rule may require to demonstrate
10 the decreased rate, charge, rental, or toll is above the long run
11 incremental cost of the service. A tariff decrease that results in
12 a rate that is below long run incremental cost, or is contrary to
13 commission rule or order, or the requirements of this chapter,
14 shall be rejected for filing and returned to the company. The
15 commission may prescribe a different rate to be effective on the
16 prospective date stated in its final order after its
17 investigation, if it concludes based on the record that the
18 originally filed and effective rate is unjust, unfair, or
19 unreasonable.

20 For the purposes of this section, tariffs for the following
21 telecommunications services, that temporarily waive or reduce
22 charges for existing or new subscribers for a period not to exceed
23 sixty days in order to promote the use of the services shall be
24 considered tariffs that decrease rates, charges, rentals, or
25 tolls:

- 26 (a) Custom calling service;
- 27 (b) Second access lines; or
- 28 (c) Other services the commission specifies by rule.

29 The commission may suspend any promotional tariff other than
30 those listed in (a) through (c) of this subsection.

31 The commission may suspend the initial tariff filing of any
32 water company removed from and later subject to commission
33 jurisdiction because of the number of customers or the average
34 annual gross revenue per customer provisions of RCW 80.04.010. The
35 commission may allow temporary rates during the suspension
36 period. These rates shall not exceed the rates charged when the
37 company was last regulated. Upon a showing of good cause by the

1 company, the commission may establish a different level of
2 temporary rates.

3 (2) At any hearing involving any change in any schedule,
4 classification, rule or regulation the effect of which is to
5 increase any rate, charge, rental or toll theretofore charged, the
6 burden of proof to show that such increase is just and reasonable
7 shall be upon the public service company.

8 (3) The implementation of mandatory local measured
9 telecommunications service is a major policy change in available
10 telecommunications service. The commission shall not accept for
11 filing a price list, nor shall it accept for filing or approve,
12 (~~prior to~~) before June 1, (~~2001~~) 2004, a tariff filed by a
13 telecommunications company which imposes mandatory local measured
14 service on any customer or class of customers, except that, upon
15 finding that it is in the public interest, the commission may
16 accept for filing a price list or it may accept for filing and
17 approve a tariff that imposes mandatory measured service for a
18 telecommunications company's extended area service or foreign
19 exchange service. This subsection does not apply to land, air, or
20 marine mobile service, or to pay telephone service, or to any
21 service which has been traditionally offered on a measured service
22 basis.

23 (4) The implementation of Washington telephone assistance
24 program service is a major policy change in available
25 telecommunications service. The implementation of Washington
26 telephone assistance program service will aid in achieving the
27 stated goal of universal telephone service.

28 (5) If a utility claims a sales or use tax exemption on the
29 pollution control equipment for an electrical generation facility
30 and abandons the generation facility before the pollution control
31 equipment is fully depreciated, any tariff filing for a rate
32 increase to recover abandonment costs for the pollution control
33 equipment shall be considered unjust and unreasonable for the
34 purposes of this section.

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