
**Technology, Telecommunications
& Energy Committee**

ESSB 5299

Brief Description: Concerning tariff and price list notices.

Sponsors: Senate Committee on Technology & Communications (originally sponsored by Senators Stevens, Reardon, Esser, Finkbeiner, Johnson and T. Sheldon).

Brief Summary of Engrossed Substitute Bill

- Allows promotional tariffs or price lists filed by a telecommunications company to become effective upon filing or some other time specified by the company.
- Allows changes in tariffs and price lists to become effective without notice at the discretion of the Washington Utilities and Transportation Commission.

Hearing Date: 3/21/03

Staff: Pam Madson (786-7166).

Background:

Telecommunications companies may be categorized in two ways: Those companies that have held historic monopolies over local markets, informally called "incumbent local exchange carriers" (ILECs); and those companies offering services that are subject to effective competition, called "competitive carriers" (CLECs).

ILECs must file tariffs with the Washington Utilities and Transportation Commission (WUTC) that contain a company's rates and terms of service. When ILECs file changes in their rates, the change is subject to a notice requirement and does not become effective until 30 days after the filing or publication of notice. During that time, the WUTC may suspend the change pending a hearing on the reasonableness of the proposed change.

If the change in rates is a decrease, the WUTC may not suspend the change in rates pending a hearing if the filing does not contain an offsetting increase and the company agrees not to file an increase to make up for any decrease in revenue for a period of one year. This change in rates is effective 10 days after notice is given of the change.

Temporary promotional offerings for certain services are not subject to suspension by the WUTC if the offerings do not exceed 60 days. These temporary changes are effective 10 days after notice is given of the change.

CLECs are subject to minimal regulation. If they file price lists, they must still provide notice of changes in rates to the public. Changes are effective after 10 days notice to the WUTC and customers. Similar provisions apply to services offered by a telecommunications company that have been found to be competitive by the WUTC.

Summary of Bill:

A promotional tariff is effective upon filing with the Washington Utilities and Transportation Commission (WUTC) and is not subject to suspension by the WUTC. A promotional price list offering is also effective upon filing.

A promotional tariff or offering is a temporary change that waives or reduces charges or condition of service for existing or new customers. This change may not exceed 90 days and is made for the purpose of retaining or increasing the number customers who subscribe to or use a service.

The WUTC may allow changes to rates and charges in either a tariff or a price list to take effect upon filing without the required notice and publication of the changes.

Appropriation: None.

Fiscal Note: Not Requested.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is passed.