

FINAL BILL REPORT

ESSB 5299

C 189 L 03
Synopsis as Enacted

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).

Senate Committee on Technology & Communications
House Committee on Technology, Telecommunications & Energy

Background: The Washington Utilities and Transportation Commission (WUTC) classifies telephone companies into two groups: those companies that have held historic monopolies over local markets, informally called "incumbent local exchange carriers" or ILECs, and those companies offering services that are subject to effective competition, called "competitive carriers." Washington has 24 ILECs and 567 competitive carriers.

Because of their historic monopoly position, ILECs must file tariffs for some of their services. A tariff is a document that contains a company's rates and terms of service, and a change to a tariff is subject to the review and approval of the commission. Changes to a tariff are typically not effective until 30 days after they are filed with the commission, but the effective date may be suspended by the commission.

There are two exceptions to the commission's usual process of reviewing changes to a tariff. First, ILECs may temporarily waive or reduce rates for up to 60 days, without being subject to suspension by the commission, if the changes are for the promotion of certain services, such as call waiting, call forwarding, and second access lines. Second, certain changes that decrease rates in a tariff may take effect upon ten days notice to the commission.

Unlike ILECs, competitive carriers file "price lists." Price lists are not reviewed or approved by the commission at the time of filing, but take effect upon ten days notice to the commission and customers.

Summary: A promotional tariff is effective upon filing with the WUTC and is not subject to suspension by the commission. 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 of 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.

Votes on Final Passage:

Senate 49 0

House 92 0

Effective: July 27, 2003