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ENGROSSED SENATE BILL 6598

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State of Washington

58th Legislature

2004 Regular Session

By Senators Esser, Schmidt, Mulliken, Rasmussen, Parlette and Stevens

Read first time 01/26/2004. Referred to Committee on Technology & Communications.

1 AN ACT Relating to accounting for the provision of wholesale  
2 telecommunications services by public utility districts; and amending  
3 RCW 54.16.330.

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

5 **Sec. 1.** RCW 54.16.330 and 2000 c 81 s 3 are each amended to read  
6 as follows:

7 (1) A public utility district in existence on June 8, 2000, may  
8 construct, purchase, acquire, develop, finance, lease, license, handle,  
9 provide, add to, contract for, interconnect, alter, improve, repair,  
10 operate, and maintain any telecommunications facilities within or  
11 without the district's limits for the following purposes:

12 (a) For the district's internal telecommunications needs; and

13 (b) For the provision of wholesale telecommunications services  
14 within the district and by contract with another public utility  
15 district.

16 Nothing in this subsection shall be construed to authorize public  
17 utility districts to provide telecommunications services to end users.

18 (2) A public utility district providing wholesale  
19 telecommunications services shall ensure that rates, terms, and

1 conditions for such services are not unduly or unreasonably  
2 discriminatory or preferential. Rates, terms, and conditions are  
3 discriminatory or preferential when a public utility district offering  
4 rates, terms, and conditions to an entity for wholesale  
5 telecommunications services does not offer substantially similar rates,  
6 terms, and conditions to all other entities seeking substantially  
7 similar services.

8 (3) ~~((When))~~ A public utility district ~~((establishes a separate~~  
9 ~~utility function for the provision of wholesale telecommunications~~  
10 ~~services, it shall account for any and all revenues and expenditures~~  
11 ~~related to its wholesale telecommunications facilities and services~~  
12 ~~separately from revenues and expenditures related to its internal~~  
13 ~~telecommunications operations))~~ providing wholesale telecommunications  
14 services shall not be required to but may establish a separate utility  
15 system or function for such purpose. In either case, a public utility  
16 district providing wholesale telecommunications services shall  
17 separately account for any revenues and expenditures for those services  
18 according to standards established by the state auditor pursuant to its  
19 authority in chapter 43.09 RCW and consistent with the provisions of  
20 this title. Any revenues received from the provision of wholesale  
21 telecommunications services must be dedicated to ~~((the utility function~~  
22 ~~that includes the provision of wholesale telecommunications services~~  
23 ~~for))~~ costs incurred to build and maintain ~~((the))~~ any  
24 telecommunications facilities constructed, installed, or acquired to  
25 provide such services, including payments on debt issued to finance  
26 such services, until such time as any bonds or other financing  
27 instruments executed after June 8, 2000, and used to finance ~~((the))~~  
28 such telecommunications facilities are discharged or retired.

29 (4) When a public utility district ~~((establishes a separate utility~~  
30 ~~function for the provision of))~~ provides wholesale telecommunications  
31 services, all telecommunications services rendered ~~((by the separate~~  
32 ~~function))~~ to the district for the district's internal  
33 telecommunications needs shall be allocated or charged at its true and  
34 full value. A public utility district may not charge its  
35 nontelecommunications operations rates that are preferential or  
36 discriminatory compared to those it charges entities purchasing  
37 wholesale telecommunications services.

1           (5) A public utility district shall not exercise powers of eminent  
2 domain to acquire telecommunications facilities or contractual rights  
3 held by any other person or entity to telecommunications facilities.

4           (6) Except as otherwise specifically provided, a public utility  
5 district may exercise any of the powers granted to it under this title  
6 and other applicable laws in carrying out the powers authorized under  
7 this section. Nothing in chapter 81, Laws of 2000 limits any existing  
8 authority of a public utility district under this title.

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