

HOUSE BILL ANALYSIS

ESB 6677

Title: An act relating to new procedures for alternative forms of regulation of telecommunications companies.

Brief Description: Allowing new forms of regulation of telecommunications companies.

Sponsors: Senators Brown and Finkbeiner; by request of Governor Locke.

HOUSE COMMITTEE ON TECHNOLOGY, TELECOMMUNICATIONS AND ENERGY

Meeting Date: February 23, 2000.

Staff: Julia Harmatz (786-7135).

Background:

As per 80.36.135 RCW, a telecommunications company subject to rate of return regulation (ROR) may request an alternative form of regulation (AFOR) from the Washington Utilities and Transportation Commission.

Summary of Bill:

This bill states that ROR regulation may not be the most efficient and most effective means of regulation, and as such the commission may grant an AFOR.

The Commission

To determine the appropriateness of an AFOR, the commission will consider:

- the deployment of advanced telecommunications to underserved areas or underserved customer classes;
- efficiency of the regulatory process;
- preservation of effective competition;
- enhanced service quality;
- provision of fair, just, and reasonable rates; and
- not unduly prejudicing any customer class.

The commission will issue an order that accepts, rejects, or modifies the plan within six months.

Upon petition by the company subject to an AFOR, the commission may rescind or modify the AFOR as requested by the company.

The AFOR Plan

The plan will contain a proposal that contains:

- how to transition to the alternative regulation;
- the duration of the plan;
- how to ensure of carrier to carrier service quality;
- performance measures for interconnection; and
- enforcement or remedial provisions for failure to comply with service quality standards or performance measures.

Complaints

The right of the commission or any person to file a complaint alleging violation of the rates, terms or conditions of an AFOR under 80.04.110 RCW is not limited.

Appropriation: None

Fiscal Note: Not requested.

Effective Date of Bill: Ninety days after adjournment of session in which bill is passed.