CERTIFICATION OF ENROLLMENT

ENGROSSED SENATE BILL 6598

58th Legislature 2004 Regular Session

Passed by the Senate February 16, 2004 YEAS 47 NAYS 0

President of the Senate

Passed by the House March 3, 2004 YEAS 96 NAYS 0

Speaker of the House of Representatives

Approved

FILED

Secretary of State State of Washington

Governor of the State of Washington

CERTIFICATE

I, Milton н. Doumit, Jr., Secretary of the Senate of the State of Washington, do hereby certify that the attached is ENGROSSED SENATE BILL 6598 as passed by the Senate and the House of Representatives on the dates hereon set forth.

Secretary

ENGROSSED SENATE BILL 6598

Passed Legislature - 2004 Regular Session

State of Washington58th Legislature2004 Regular SessionBySenators Esser, Schmidt, Mulliken, Rasmussen, Parlette and StevensRead 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.

Nothing in this subsection shall be construed to authorize public utility districts to provide telecommunications services to end users.
(2) A public utility district providing wholesale 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.

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

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

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(5) A public utility district shall not exercise powers of eminent
 domain to acquire telecommunications facilities or contractual rights
 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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