

CERTIFICATION OF ENROLLMENT

ENGROSSED SENATE BILL 6598

Chapter 158, Laws of 2004

58th Legislature
2004 Regular Session

WHOLESALE TELECOMMUNICATIONS SERVICES BY P.U.D.S

EFFECTIVE DATE: 6/10/04

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

BRAD OWEN

President of the Senate

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

FRANK CHOPP

Speaker of the House of Representatives

CERTIFICATE

I, Milton H. 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.

MILTON H. DOUMIT JR.

Secretary

Approved March 26, 2004.

FILED

March 26, 2004 - 3:29 p.m.

GARY F. LOCKE

Governor of the State of Washington

**Secretary of State
State of Washington**

ENGROSSED SENATE BILL 6598

Passed Legislature - 2004 Regular Session

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.

Passed by the Senate February 16, 2004.

Passed by the House March 3, 2004.

Approved by the Governor March 26, 2004.

Filed in Office of Secretary of State March 26, 2004.