

REVENUE: No revenue impact

FISCAL: Minimal fiscal impact, no statement issued

Action: Do Pass the A-Engrossed Measure
Vote: 5 - 0 - 0
Yeas: George, Monnes Anderson, Prozanski, Telfer, Rosenbaum
Nays: 0
Exc.: 0
Prepared By: Jeremy Sarant, Administrator
Meeting Dates: 5/6

WHAT THE MEASURE DOES: Allows Public Utility Commission (PUC) to waive carrier of last resort's obligation to provide telecommunications services to a property with four or more residences within carrier's allocated territory, when property developer or owner has contracted exclusively with alternative service provider. Provides process to allow PUC to reinstate such obligation and directs that costs be borne equitably by customers of property served.

ISSUES DISCUSSED:

- Potential for continuing obligation on carrier of last resort
- Residential property purchaser's responsibility in event of system failure or inadequacy
- Likelihood of PUC exempting carrier from carrier of last resort obligations upon petition from carrier
- Likelihood of PUC reinstating carrier of last resort obligations upon request
- Public convenience and necessity requirement
- PUC discretion in allocating costs

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: When the Public Utilities Commission assigns a geographic area, called an "allocated territory," to a telecommunications service carrier, that carrier is obligated to provide services to everyone within that area and is referred to as the "carrier of last resort." Problems arise when a residential or resort development within an allocated territory contracts exclusively for telecommunications services with an alternative service provider. Under current law, if the alternative service provider goes out of business, or fails to provide service, the carrier of last resort remains obligated to provide service, even though it may have been precluded from developing the necessary infrastructure and from access in the developed property.