



January 17, 2022

The Honorable Marko Liias, Chair
Senate Transportation Committee
PO Box 40421
Olympia, WA 98504-0421

The Honorable Jake Fey, Chair
House Transportation Committee
PO Box 40600
Olympia, WA 98504-0600

The Honorable Curtis King, Ranking Member
Senate Transportation Committee
PO Box 40414
Olympia, WA 98504-0414

The Honorable Andrew Barkis, Ranking Member
House Transportation Committee
PO Box 40600
Olympia, WA 98504-0600

Dear Chairs Liias and Fey, and Ranking Members King and Barkis,

This letter responds to direction within the 2021 Transportation Budget, SSB 5165, Section 213 (4), to provide a report on efforts to consolidate franchises for broadband facilities across the state within the state's right-of-way.

Washington State Department of Transportation (WSDOT) issues franchises and permits to utility companies pursuant to RCW 47.44, allowing them to install their lines within state highway rights-of-way. It is not uncommon for a utility company to hold multiple utility franchises and permits along a single state highway corridor segment.

A franchise consolidation is a grouping process that combines multiple utility franchises and permits into a single franchise document based on the utility classification. Consolidation usually occurs when at least one franchise within a highway corridor expires and the opportunity presents itself to consolidate with other permits or franchises that are nearby within the same corridor. In general, utility franchise consolidation makes long-term management and coordination for utility occupancy easier for all parties involved. Consolidations are recommended, but not required (i.e. they are voluntary), for continued occupancy of utilities within the operating highway rights-of-way.

SSB 5165 requires that *"The department shall report to the transportation committees of the legislature by December 1, 2021, on the status of its efforts to consolidate franchises for broadband facilities across the state, including plans for increasing the number of consolidated franchises in the future."*

WSDOT's plans to increase the number of consolidated franchises dates back to 2015, when the Department began approving consolidations that incorporate greater numbers of franchises and permits within longer corridor segments (up to the length of a state highway corridor within the limits of a county). Many utility companies have taken advantage of this opportunity, however, some broadband providers have stated their preference to keep their franchises separate.

WSDOT processed 71 franchise consolidations for telecommunication facilities in 2021, which represents a 40% increase over the previous year. It should be emphasized, however, that consolidation efforts are opportunistic and coincide with the expiration of franchises in any given year. WSDOT records indicate that approximately 35 franchises for telecommunication facilities will expire by the end of the 2021-2023 biennium. These 35 franchises represent additional opportunities and encompass the Department's plans to increase consolidations in the immediate future. Beyond this biennium, WSDOT will continue to strongly encourage consolidation when working with utility companies to renew their franchises.

Please contact Greg Gachowsky at (360) 705-7264 or GachowG@wsdot.wa.gov if you have any questions about WSDOT's utility franchise and permitting policies.

Sincerely,

Roger Millar, PE, FASCE, FAICP
Secretary of Transportation