Please provide the following information by March 12, 2018:

Frontier Communications Northwest Inc. (hereafter "Frontier" or "Company") objects to Commission Staff's information requests into the impact of the federal Tax Cuts and Jobs Act ("TCJA" or "Act"). The information requested is not relevant to an examination of a company like Frontier that is not regulated under rate of return principles, but instead has had almost all of its services classified as competitive in accordance with the Commission's Order 06 in Docket UT-121994. In fact, the Commission found in that docket that the "comprehensive effect of waiving these statutes and regulations would be that Frontier's rates for competitively classified services **would no longer be subject to traditional economic (*i.e.*, rate of return) regulation**. As a result, Commission oversight of the Company's budgets, expenditures, leases, transactions with affiliates, and financing arrangements would not be necessary for rate setting or protecting consumer interests."[1] (emphasis added)

The Commission also found that "[a]ccordingly, as this marketplace and technological transformation occurs, we recognize that the traditional role of incumbent telecommunications providers such as Frontier, and the regulatory construct that is applied to them, should be re-examined, and where appropriate, regulation should give way to the discipline of the competitive marketplace."[2] The Commission granted Frontier that regulatory relief in 2013.

It is undisputable that given the Commission findings above, federal tax savings (if they exist) should have no impact on, nor any role, in setting Frontier's rates. As such, these information requests are objected to as irrelevant, and not calculated to lead to the discovery of admissible evidence. In addition, Frontier objects to these requests to the extent they request information in a form or of a nature not retained by the Company in the ordinary course of business and therefore request information that cannot be provided without completing a special study or analysis. Finally, Frontier objects to these requests to the extent they call for speculation as to events that may or may not occur in the future, forecasts regarding the future, plans regarding the future and the implications or ramifications of events that may or may not occur in the future.

Without waiving any of the objections set forth above, Frontier provides the following responses:

1. Accumulated Deferred Federal Income Tax (ADFIT) balance as of December 31, 2017, for Total Washington and Washington Intrastate.

Response: Requested information is not yet available and will not be available until after the full impact of the numerous changes of law have been determined, and would require a jurisdictional separations analysis to be completed.

[1] Order 06, Docket UT-121994, paragraph 39, p. 13 (July 22, 2013).
[2] Id., at paragraph 36, p. 15.

2. The amount of excess deferred income tax reserve as described in the Internal Revenue Code at 26 U.S.C. § 168(i)(9)(A)(ii) as of December 31, 2017, for Total Washington and Washington Intrastate, to comply with the TCJA.

Response: Requested information is not yet available and will not be available until after the full impact of the numerous changes of law have been determined, and would require a jurisdictional separations analysis to be completed.

3. The amount of excess deferred income tax expense the Company is currently collecting through Washington Intrastate rates and charges as of January 1, 2018, through December 31, 2018.

Response:

Frontier Communications Northwest Inc's retail rates are no longer established through utility style cost of service, return on rate base ratemaking principles. In addition, the Company is a wholly owned subsidiary of Frontier Communications and as such participates in a consolidated income tax return. Moreover, Frontier Communications has not been a cash tax payer for federal income taxes in recent years, primarily due to existing Net Operating Losses (NOL) and the ability to deduct interest expense associated with Frontier's corporate debt.

However, Frontier is continuing to evaluate the full impact of the complex changes in federal income tax law under the TCJA. While the decrease in the statutory rate is designed to reduce taxes corporate taxpayers pay, the TCJA also includes certain offsets that reduce the impact of this new lower statutory rate, including a limitation on the deductibility of interest expense and certain NOLs. Due to the capital-intensive needs of its business, Frontier has higher leverage and therefore will experience a negative impact due to the limitation on the full deductibility of interest expense included in the TCJA. While the full effects of the TCJA are unknown at this time for calendar year 2018 operations, Frontier anticipates that the net impact of the TCJA for Frontier Communications, associated with the limitations on interest deductibility and use of the NOL's, will be an increase in its consolidated federal tax liability sooner than under the previous tax laws, negating any near-term benefit of the decrease in the statutory rate.

4. A proposed amortization schedule for numbers 2. and 3. (above) along with a supporting rationale for each schedule. Please identify and describe the amortization assumption, e.g., composite, average rate, or other alternative method.

Response: Frontier's rates are not established through a utility style rate-of-return methodology, and therefore the Company has no proposed amortization schedule.

5. In the event that all impacts of the TCJA are not fully known to the Company by the due date set forth in this information request, please provide a date certain by which the Company intends to supplement its response including its plans to address these impacts.

Response: The Company does not believe that an adjustment in its rates are appropriate as a result of the TCJA because: 1) Frontier does not expect to experience a near term savings in its consolidated tax expense, 2) the company is no longer regulated on the basis of a rate of return on rate base methodology, and 3) the Company's retail rates are instead subject to the discipline of the competitive marketplace.

6. Supporting workpapers in electronic format with all formulae and links intact. See WAC 480-07-510(3)(c).

Response: There are no workpapers, formulae, or links associated with the responses to this information request.