

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION STAFF  
RESPONSES TO DATA REQUEST

DATE PREPARED: January 7, 2010  
DOCKET: UT-090842  
REQUESTER: Public Counsel

WITNESS: William H. Weinman  
RESPONDER: William H. Weinman  
TELEPHONE: (360) 664-1109

**REQUEST NO. 11:** Please explain why the Settlement Agreement does not encourage or require Frontier to apply for Broadband Stimulus funding grants in Washington.

**RESPONSE:**

**Objection: Assumes facts not in evidence.** Staff believes that Frontier has an incentive to apply for broadband stimulus funding and the settlement does nothing to change that. As noted in response to PC DR-9, the settlement requires the Company to achieve certain percentages of broadband availability in various wire centers as well as statewide. The settlement specifically would not impose any additional requirements on the Company if it were to obtain such funding. Indeed, those kinds of additional requirements could create a disincentive to apply for the funds. From Staff's perspective, achieving broadband service availability of 90 percent by the end of the year 2014 is a substantial improvement to service for Washington customers. Staff also believes it is likely that the Federal Communications Commission (FCC) will apply the same conditions to this merger as it applied to the CenturyTel – Embarq merger. The FCC required 100 percent broadband availability but allowed the company to service the last 10 percent of its customers with alternative broadband technology such as satellite. Staff's opinion is this is the most economical method to serve extremely rural customers.