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Washington Utilities and
Transportation Commission
P.O. Box 47250
1300 S. Evergreen Park Drive SW
Olympia, Washington 98504-7250

Subject: Docket UT-100562

Frontier Communications Northwest Inc. (formerly known as Verizon Northwest Inc.) ("Frontier") offers these comments in response to the Commission's request for input on maintaining universal service and promoting the deployment of broadband services.

Frontier supports the Washington Independent Telephone Association's efforts to focus attention on access charge reform and a state universal service fund. Attention to both is needed to insure continued availability of affordable voice services and support broadband deployment in high-cost areas of Washington.

Intrastate switched access revenues have been a key source of funding for recovery of costs. Prior workshop and written comments filed in this docket to date by numerous parties' state these revenues have significantly declined and will likely continue to do so for the foreseeable future. Therefore, Frontier encourages the Commission to pursue access charge reform outside the scope of a proceeding on universal service.

Carriers should be given the option of rebalancing switched access charges and basic service rates. Such actions should not be mandated for all ILECs. The Commission should develop a simplified earnings review process for evaluation of carrier proposals.

As noted in Frontier's comments filed previously in this docket, the company believes a rational WUSF should be based on the following principles:

1. Access reform, if not addressed in a separate proceeding prior to establishment of a state universal service fund, should not be mandated but instead be a condition to be eligible for receipt of state universal service support.
2. Carrier of last resort responsibilities should be a condition to be eligible for receipt of state universal service support.
3. If a WUSF is established for voice service, the level of state universal service support for an area should be calculated as the difference between the forward-looking costs of providing voice service within a market area (perhaps a census block area) and a benchmark cost level. The benchmark cost level should reflect a balance between maintaining affordable rates in high-cost areas and the statewide customer impact of recovering the costs of a WUSF through a customer surcharge.
4. Support should be paid to underlying network providers.

5. The surcharge should be broadly applied to all voice services; including wireless, Voice over Internet-Protocol (“VoIP”) and CATV voice; to establish a reasonable surcharge level and maintain competitive neutrality among all forms of voice communications service providers.

Frontier looks forward to continued participation in the Commission’s investigation.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Lin Fogg", with a long horizontal flourish extending to the right.

Lin Fogg
Manager – Regulatory/Legislative