

**BEFORE THE WASHINGTON STATE
UTILITIES AND TRANSPORTATION COMMISSION**

<p>In the Matter of</p> <p>APPLICATION OF ZIPLY FIBER NORTHWEST, LLC FOR DESIGNATION AS AN ELIGIBLE TELECOMMUNICATIONS CARRIER</p>	<p>DOCKET No. UT-240233</p> <p>Declaration of Jessica Epley In Support of Request for Waiver of WAC 480-123-030(1)(d)</p>
<p>In the Matter of</p> <p>PETITION OF ZIPLY WIRELESS, LLC FOR DESIGNATION AS AN ELIGIBLE TELECOMMUNICATIONS CARRIER</p>	<p>DOCKET No. UT-240183</p> <p>Declaration of Jessica Epley In Support of Request for Waiver of WAC 480-123-030(1)(d)</p>

I, Jessica Epley, under penalty of perjury under the laws of the State of Washington, that the following declaration is true and correct:

1. I am Vice President – Regulatory and External Affairs for Northwest Fiber LLC (“Northwest Fiber”), the parent company of Ziplly Fiber Northwest, LLC, dba Ziplly Fiber (“ZFN”) and Ziplly Wireless, LLC (“ZW”). I have been working for Northwest Fiber since its acquisition of Frontier Communications Northwest, Inc. (“Frontier”), in 2020. Previously, I was a Government & External Affairs Manager at Frontier Communications for approximately two years.
2. In my capacity as Vice President – Regulatory and External Affairs for Northwest Fiber, I also oversee regulatory and external affairs for both ZFN and ZW.
3. I make the statements herein based upon my personal knowledge or knowledge of regularly maintained business records, and I am competent to so testify.

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WAC 480-120-030(1)(d)**

4. ZFN and ZW are acquiring substantively all assets of Computer 5, LLC dba LocalTel (“LocalTel”).¹ ZFN and ZW are also acquiring LocalTel’s Rural Digital Opportunity Fund Phase I (“RDOF”) and Connect America Fund Phase II Model (“CAF II”) awards and obligations, pending Federal Communications Commission (“FCC”) approval of the transfer of these awards to ZFN and ZW.²

5. Upon consummation of the transaction, LocalTel will have no facilities over which to meet its RDOF and CAF II obligations.

6. Commission Eligible Telecommunications Carrier (“ETC”) designation of ZFN and ZW in the ETC areas requested in their respective petitions, effective upon ZFN’s and ZW’s acquisition of LocalTel’s RDOF and CAF II awards and assumption of the associated obligations, is necessary to ensure seamless progress toward timely completion of the RDOF and CAF II obligations under those awards, as well as the ability to continue seamless participation in the federal Lifeline program to provide discounted service to qualifying low-income consumers.

7. ZFN and ZW are both seeking a waiver of the requirement in WAC 480-123-040(1)(d) to submit a two-year substantive investment plan with their ETC petitions. Granting the waiver is in the public interest. As described more fully herein, upon consummation of the transaction, ZFN and ZW intend continue to implementation of the LocalTel RDOF and CAF II deployment plans that LocalTel previously filed with the Commission in support of ETC designation. Because these plans contain LocalTel confidential and proprietary information, ZFN and ZW do not lawfully have access to all of the information in these plans and cannot, therefore, file them in the ZFN and ZW ETC dockets as ZFN and ZW substantive investment plans in satisfaction of WAC 480-120-040(1)(d). Nor can ZFN or ZW develop their own separate substantive

¹ Ziplly is purchasing all of LocalTel’s assets except for its television station.

² See, FCC WC Docket No. 24-87.

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investment plans for filing in the ZFN and ZW ETC dockets because, until the transaction is completed, ZFN and ZW are unable to assess the LocalTel deployment plans, the LocalTel build to date, and any gaps to comply with the LocalTel RDOF and CAF II award obligations and deployment milestones.

8. Granting the requested waivers will allow ZFN and ZW to immediately begin to continue implementation of the LocalTel deployment plans and is, therefore, in the public interest. Failure to grant the requested waivers will cause undue harm to ZFN and ZW because, without ETC designation in place at consummation of the transaction, ZFN and ZW will be unable to immediately continue implementation of the deployment plans. If ZFN and ZW are forced to seek ETC designation post-closing, the delay could jeopardize ZFN and ZW's ability to timely satisfy the LocalTel RDOF and CAF II deployment milestones.

9. As stated in both the ZFN and ZW petitions, upon consummation of the transaction, ZFN and ZW intend to use LocalTel's FCC-approved RDOF and CAF II award deployment plans.

10. The Commission has previously reviewed these deployment plans and approved ETC designation for LocalTel based on those plans.

11. In essence, the previously reviewed and approved LocalTel deployment plans replace and supplant the two-year substantive investment plans required by WAC 480-120-040(1)(d).

12. The LocalTel deployment plans contain LocalTel confidential and proprietary information, ZFN and ZW are not currently entitled to access that information or to file those plans as their own in these ETC petition dockets.

13. Upon consummation of the transaction, ZFN and ZW will have access to the confidential and proprietary information in LocalTel's RDOF and CAF II deployment plans, and will have access to inspect LocalTel's facilities in order to determine whether any material modifications to the LocalTel RDOF and CAF II deployment plans is warranted.

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14. As stated in the ZFN and ZW petitions, ZFN and ZW will each file two-year substantive investment plans within 90 days of closing the transaction, including the original LocalTel plans and any material changes ZFN and/or ZW intend to make to those plans.

15. Neither ZFN nor ZW currently plan to make material changes to LocalTel's RDOF and CAF II deployment technologies or network architecture.

16. Upon FCC approval, Zply Wireless will use LocalTel's spectrum licenses to fulfill the newly assigned CAF II obligations previously assigned to LocalTel.

17. Upon FCC approval, ZFN will fulfill the newly assigned RDOF obligations using the existing agreements LocalTel has in place with various Public Utilities Districts ("PUD's"). Until such time as the transaction is consummated, ZFN is not a party to these PUD agreements and is prohibited from discussing the agreements with the PUDs.

18. The management team for ZFN and ZW has extensive technical, organizational, regulatory, and management experience in building and operating residential and business next generation fiber networks and meeting high-cost support obligations. This same team operates ZFN's network in its incumbent local exchange carrier ("ILEC") ETC-designated area.

19. ZFN already provides fiber broadband service to many of the areas adjacent to where LocalTel has RDOF deployment obligations. Since becoming authorized to receive RDOF support, ZFN is managing its RDOF obligation as a statewide project and has determined that LocalTel's RDOF areas might be served in a more expeditious and cost-effective manner utilizing LocalTel's assets and NWF's existing fiber plant, operations, resources, and infrastructure. By managing these areas as a single RDOF project, NWF can achieve economies of scale and leverage its labor force, infrastructure, and operational capabilities to rapidly and cost effectively build out the combined areas as it expands its broadband operations.

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20. Attached hereto as Exhibit A is a true and correct copy of ZW's FCC Form 603, Exhibit I, entitled "Public Interest Statement and Description of Transactions.

21. Attached hereto as Exhibit B is a true and correct copy of the Joint Domestic and International Section 214 Assignment Application filed with the FCC by ZFN, ZW and LocalTel.

22. Attached hereto as Exhibit C is a true and correct copy of the FCC's Public Notice ("PN") establishing the pleading cycle for the combined ZFN and ZW Section 214 and section 63.03-04 applications. Pursuant to the PN, comments are due July 12, 2024, and reply comments are due July 19, 2024.

Executed at Portland, Oregon, this 11th day of July 2024.



Jessica Epley

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PUBLIC INTEREST STATEMENT AND DESCRIPTION OF TRANSACTION

Computer 5, Inc. dba LocalTel (“LocalTel” or “Assignor”) and ZiPLY Wireless, Inc. (“ZiPLY Wireless” or “Assignee”) submit the foregoing application for the Commission’s consent to the assignment of LocalTel’s wireless licenses to ZiPLY Wireless.

Description of the Transaction¹

LocalTel and ZiPLY Wireless are parties to an Asset Purchase Agreement entered into on March 8, 2024, (the “ZiPLY Wireless APA”), pursuant to which ZiPLY Wireless agreed to purchase, and LocalTel agreed to sell and assign, the wireless licenses and other assets, including customers, associated with LocalTel’s fixed wireless business (the “ZiPLY Wireless Transaction”).

Assignee, ZiPLY Wireless, is a Delaware limited liability company formed on December 15, 2021. Its principal business address is 135 Lake Street S, Suite 155, Kirkland, Washington 98033. ZiPLY Wireless, under the management of its affiliate Northwest Fiber, LLC (“NWF”), provides voice, internet and data services over a fixed wireless access network in Washington and Oregon. At the closing of the ZiPLY Wireless Transaction, ZiPLY Wireless will own the fixed wireless operating assets sold by LocalTel, including the rights under LocalTel’s spectrum licenses. ZiPLY Wireless will provide services to existing and future fixed wireless customers using these LocalTel facilities.

NWF was created in connection with a transaction for the purchase of certain subsidiaries from Frontier Communications Corporation (“Frontier”), which was signed in May 2019 and closed on May 1, 2020,² with operations in Washington, Oregon, Idaho and Montana. NWF has continuously operated these subsidiaries since closing the Frontier Transaction. Upon approval of the Frontier Transaction, the Commission concluded that NWF was qualified to hold domestic and international Section 214 authorizations and provide telecommunications services and that the Frontier Transaction would “result in public interest benefits through the availability of improved services” in the Pacific Northwest region.³ Since consummation of that transaction these conclusions have been proven true, with NWF’s experienced management team making significant investments in and upgrades to the Frontier network and bringing competitively priced, high-quality services to more business and residential consumers across the Pacific Northwest every year.

¹ The transaction described in this application is part of a larger transaction through which LocalTel will assign substantially all of its assets to NWF, and ultimately, to ZiPLY Fiber Northwest, LLC (“ZFN”) and ZiPLY Wireless. The parties have filed a separate joint application for approval of the transfer of LocalTel’s domestic and international 214 authorizations and assets to ZFN and ZiPLY Wireless.

² *Applications Filed for the Transfer of Control of Certain Subsidiaries of Frontier Communications Corp. to Northwest Fiber, LLC*, Mem. Opinion and Order and Declaratory Ruling, 34 FCC Rcd. 12344 (WCB/IB/WTB 2019) (“*Frontier Transaction Order*”); IBFS File Nos. ITC-ASG-20190628-00129; ITC-ASG-20190628-00130.

³ See generally *Frontier Transaction Order*, 34 FCC Rcd. 12344. In addition, as discussed in Section VII, *infra*, NWF, ZFN and the ZiPLY Affiliates were subject to a national security review in connection with this transaction. See *Frontier Transaction Order*, at ¶ 2.

Assignor, LocalTel, is a corporation incorporated under the laws of the State of Washington. Its principal place of business is 341 Grant Road, East Wenatchee, Washington 98802. The company was formed in 1984 with a plan to provide Eastern Washington communities with access to a variety of communications services that have evolved over time to include broadband, voice, video and security services. LocalTel currently provides voice and broadband service to more than 100,000 residences and businesses in rural communities and urban areas throughout Eastern Washington using fixed wireless and fiber-to-the-home technologies.

Public Interest Statement

Pursuant to Section 310(d) of the Act, the Commission will approve a proposed transaction if it concludes that, after balancing the potential benefits and harms, doing so would serve the public interest, convenience, and necessity.⁴ In making this determination, the Commission first assess whether the transaction complies with the specific provisions of the Act, other applicable statutes, and the Commission's rules, including whether the applicant is qualified.⁵ The Commission then determines whether the transaction could result in harm to the public interest by substantially impairing or frustrating the objectives of the Act and the Commission's rules.⁶ Finally, the Commission weighs any potential public interest harms against the potential public interest benefits of the transaction to determine whether, on balance, the transaction serves the public interest.⁷ The Ziplay Wireless Transaction easily satisfies this legal standard.

Ziplay Wireless's operations will be overseen and directed by the NWF management team, which together have extensive technical, organizational, regulatory, and management experience in building and operating residential and business next-generation wireless networks. This team, backed by the financial support of NWF and its investors, will ensure that the LocalTel network and customer base is managed and served using the same proven strategies that NWF and its affiliates have successfully deployed since the Frontier Transaction's consummation – strategies that have resulted in significant past investment in and upgrades to the Frontier network and will result in the continued expansion of LocalTel's fixed wireless services to more business and residential customers across LocalTel's service areas in the State of Washington. These benefits will promote competition for residential and business services.

Ziplay Wireless, through NWF, has both the necessary managerial and technical experience and requisite financial means to assume the responsibility of operating LocalTel's wireless business and deploying wireless services in LocalTel's service area. NWF, through its subsidiaries, has is providing wireless services to customers in rural areas of Washington, and, therefore, has longstanding experience and expertise deploying wireless networks in these areas.

⁴ 47 U.S.C. § 310(d).

⁵ See, e.g., *Applications of T-Mobile US, Inc. and Sprint Corporation*, 34 FCC Rcd 10578, 10595-96 (2019); *Application of Cellco Partnership d/b/a Verizon Wireless and Nextlink Wireless, LLC for Consent to Long-Term De Facto Transfer of Spectrum Leasing Arrangement*, 31 FCC Rcd 7767, 7769-70 (WTB 2016).

⁶ *Id.*

⁷ *Id.*

The Proposed Transaction and ZiPLY Wireless Transaction do not raise competitive issues as the operations and networks of LocalTel and ZiPLY Wireless are complementary and adjacent with minimal overlap and multiple, larger competitors, including incumbent Local Exchange Carriers, cable operators and other wireless providers, offer similar services in the LocalTel and ZiPLY Wireless service areas. The Applicants believe that the ZiPLY Wireless Transaction will promote competition by lowering the costs of deployment through the economies of scale gained through a comprehensive deployment instead of the patchwork that currently exists. By lowering construction and labor costs, and leveraging economies of scale NWF and ZiPLY Wireless can keep consumer costs competitive.

NWF and ZiPLY Wireless believe in maintaining strong local ties in the communities they serve. For this reason, LocalTel's customers will continue to be served by existing LocalTel management and employees. In addition, NWF is a truly local company, with management and leadership that grew up, and currently live and work, in the Pacific Northwest. With years of experience in operating telecommunications companies in the area, the leadership team of NWF has a deep understanding of the region's markets and the unique challenges presented by providing services to the Washington communities that LocalTel currently serves.

Finally, although ZiPLY Wireless has indirect foreign investments above the statutory benchmark identified in Section 310(b)(4) of the Act⁸ and Section 1.5000(a) of the Commission's rules,⁹ NWF obtained a declaratory ruling in 2019 approving these foreign investments.¹⁰ Pursuant to Section 1.50004(b) of the Commission's rules,¹¹ ZiPLY Wireless relies on this declaratory ruling for purposes of the ZiPLY Wireless Transaction and confirms that it and NWF are in compliance with the terms and conditions of that declaratory ruling and the Commission's rules.¹²

As demonstrated above, the ZiPLY Wireless Transaction is not prohibited, ZiPLY Wireless is well qualified to acquire the LocalTel wireless licenses for which approval is requested in this application. In addition, the ZiPLY Wireless Transaction will serve the public interest, convenience and necessity as described herein. Finally, the ZiPLY Wireless Transaction poses not potential to adversely affect competition or cause harm to the public interest that could offset these public interest benefits.

⁸ 47 U.S.C. § 310(b)(4).

⁹ 47 C.F.R. § 1.5000(a).

¹⁰ See *In re Applications Filed for the Transfer of Control of Certain Subsidiaries of Frontier Communications Corp. to Northwest Fiber, LLC*, Mem. Opinion and Order, DA 19-1302, 34 FCC Rcd 12344 (WCB/IB/WTB 2019).

¹¹ 47 C.F.R. § 1.50004(b).

¹² In accordance Section 1.5004(b)(1) of the Commission's rules, 47 C.F.R. § 1.50004(b)(1), ZiPLY Wireless attaches hereto as **Exhibit 2** a certificate of compliance signed by Byron Springer, Authorized Signatory of NWF, confirming that NWF's foreign ownership is in compliance with the terms and conditions of the declaratory ruling and the Commission's rules.

Unjust Enrichment

Applicants are not seeking to maintain the designated entity bidding credit that LocalTel obtained for its Citizens Broadband Radio Service Priority Access Licenses, and commit to making unjust enrichment payment to the U.S. Treasury consistent with Commission rules.

After-Acquired Authorizations

LocalTel may now have on file, and may hereafter file, applications for new or modified licenses, which may be granted before the Commission takes action on this application. Accordingly, the applicants request Commission's approval of the instant transaction and application to include authority for Ziplay Wireless to acquire:

- Any license or authorization issued to LocalTel during the Commission's consideration of this application and the period required for consummation of the transaction following approval; and
- Any application that is filed after the date of this application that is pending at the time of consummation.

Such authorization is consistent with Commission precedent.¹³ Moreover, the applicants request that the Commission's approval of this application include any license, facility, or authorization of the licensee that may have been inadvertently omitted.

Exemption from Cut-Off Rules

Pursuant to Sections 1.927(h), 1.929(a)(2), and 1.933(b) of the Commission's rules,¹⁴ to the extent necessary,¹⁵ the applicants request a blanket exemption from any applicable cut-off rules in cases where it files amendments to pending applications to reflect consummation of the transaction. This exemption is requested so that amendments to pending applications to report the change in control of these licenses would not be treated as major amendments. Grant of such

¹³ See, e.g., *Applications of AT&T Wireless Services, Inc. and Cingular Wireless Corp. for Consent to Transfer Control of Licenses and Authorizations*, Memorandum Opinion and Order, 19 FCC Rcd 21522, 21626 ¶ 275 (2004) ("AT&T-Cingular Order").

¹⁴ 47 C.F.R. §§ 1.927(h), 1.929(a)(2), 1.933(b).

¹⁵ See *Sprint Nextel Corp. and Clearwire Corp. Applications for Consent to Transfer Control of Licenses, Leases, and Authorizations*, Memorandum Opinion and Order, 23 FCC Rcd 17570, 17611 ¶ 105 (2008) ("Sprint-Clearwire Order"). With respect to cut-off rules under Sections 1.927(h) and 1.929(a)(2), the Commission previously has found that the public notice announcing a transaction will provide adequate notice to the public with respect to the licenses involved, including for any license modifications pending. In such cases, it determined that a blanket exemption of the cut-off rules was unnecessary. See *Ameritech Corp. and GTE Consumer Services Inc. for Consent to Transfer Control of Licenses and Authorizations*, Memorandum Opinion and Order, 15 FCC Rcd 6667, 6668 ¶ 2 n.6 (WTB 1999); *Comcast Cellular Holdings, Co. and SBC Communications, Inc. for Consent to Transfer Control of Licenses and Authorizations*, Memorandum Opinion and Order, 14 FCC Rcd 10604, 10604-05 ¶ 2 n.3 (WTB 1999).

an exemption would be consistent with previous Commission decisions routinely granting a blanket exemption in cases involving similar transactions.¹⁶

Unconstructed Facilities

This application may include a relatively small number of licenses that have outstanding construction deadlines for new or modified facilities. Any such instance is purely incidental to the transaction described herein and does not involve authorizations for facilities that were obtained for the principal purpose of speculation. Consequently, this application does not raise trafficking concerns under the Commission's rules,¹⁷ as the Commission's rules permit the assignment of unconstructed licenses where such sale is incidental to the sale of other facilities.¹⁸

Accordingly, for all of the reasons described above, consent to the assignment of the subject licenses would be consistent with the public interest.

¹⁶ See, e.g., *Sprint-Clearwire Order*, 23 FCC Rcd at 17611 ¶ 105; *AT&T-Cingular Order*, 19 FCC Rcd at 21626 ¶ 275.

¹⁷ 47 C.F.R. § 1.948(i) (noting that the Commission may request additional information regarding trafficking if it appears that a transaction involves unconstructed authorizations that were obtained for the principal purpose of speculation).

¹⁸ See 47 C.F.R. § 101.55(a), (d); see also *Applications of Cellco Partnership d/b/a Verizon Wireless and AT&T, Inc. For Consent to Assign or Transfer Control of Licenses and Authorizations and Request for Declaratory Ruling on Foreign Ownership*, 25 FCC Rcd 10985 (¶ 83) (WTB 2010) ("unconstructed ... facilities may be transferred where the transfer is incidental to a sale of other facilities or merger of interests"); *Application of Pitt Power LLC and xWave Engineering LLC for Consent to Transfer Control of Licenses*, File No. 0006904860 (consented to Dec. 2, 2015) (approving the assignment of 41 licenses, including 39 unconstructed microwave licenses); *Application of Spectrum Networks, Inc. and WaveDivision Holdings LLC for Consent to Transfer Control of Licenses*, File No. 0005872512 (consented to Aug. 15, 2013) (approving the transfer of control of 18 licenses, including 7 unconstructed microwave licenses).

CERTIFICATION OF NORTHWEST FIBER, LLC

On behalf of Northwest Fiber LLC (“NWF”), I, Byron E. Springer, hereby certify upon penalty of perjury that I am the Authorized Signatory of NWF, that I am authorized to make this Certification on behalf of NWF, and that NWF’s foreign ownership is in compliance with the terms and conditions of the Federal Communications Commission’s (“Commission”) declaratory ruling approving such foreign investment and the Commission’s rules.

/s/ Byron E. Springer, Jr.
Byron E. Springer, Jr.
Authorized Signatory
Northwest Fiber LLC

Dated: March 14, 2024

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Status: RECEIVED
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Law Firm(s)
Attorney/Author/Submitter Name(s)
Primary Contact Email mpd@commlawgroup.com
Type of Filing APPLICATION
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[Wireline](#) **Exhibit B**
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**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554**

In the Matter of)	
)	
Applications of)	
)	
Computer 5, Inc. dba LocalTel)	File No. ITC-T/C-2024
Communications,)	
Assignor)	
)	
and)	WC Docket No. 24-
)	
Northwest Fiber, LLC, Ziplly Fiber)	
Northwest, LLC and Ziplly Wireless,)	
LLC,)	
Assignees)	
)	
For Consent to the Assignment of Assets)	
of Computer 5, Inc. dba LocalTel)	
Pursuant to Section 214 of the		
Communications Act of 1934, as		
Amended		

**JOINT DOMESTIC AND INTERNATIONAL SECTION 214
ASSIGNMENT APPLICATION**

Computer 5 Inc. dba LocalTel Communications (“LocalTel” or “Assignor”), Northwest Fiber, LLC (“NWF”), Ziplly Fiber Northwest, LLC (“ZFN”) and Ziplly Wireless, LLC (“Ziplly Wireless”) (NWF, ZFN and Ziplly Wireless together the “Assignees” and, together with LocalTel, the “Applicants”), pursuant to Section 214 of the Communications Act of 1934, as amended (the “Act”), and Sections 63.04, 63.12, and 63.24 of the Federal Communications Commission’s (“Commission”) rules,¹ hereby jointly request Commission consent for the assignment of substantially all of the assets of LocalTel to NWF, and ultimately, to ZFN and Ziplly Wireless (the “Proposed Transaction”). As part of the Proposed Transaction, Applicants also request consent

¹ 47 C.F.R. §§ 63.04, 63.12 and 63.24.

for the assignment of LocalTel's Connect America Fund Phase II ("CAF II") and Rural Digital Opportunity Fund ("RDOF") assets and obligations to NWF's wholly-owned subsidiaries Ziplly Wireless and ZFN, respectively, the right of Assignees to receive the future CAF II and RDOF support authorized to LocalTel, and the combination of LocalTel's RDOF awards with ZFN's existing RDOF projects. In addition to this application, LocalTel and Ziplly Wireless are filing an FCC Form 603 application with the Wireless Telecommunications Bureau ("WTB") to transfer LocalTel's spectrum licenses to Ziplly Wireless. Applicants are also submitting applications to the Washington Utilities and Transportation Commission ("UTC") and notices and documents with the Universal Service Administrative Company ("USAC") as and when appropriate.

As described herein, the Proposed Transaction is in the public interest because it enables NWF, through its subsidiaries, to more efficiently satisfy its existing RDOF obligations and the CAF II and RDOF obligations it proposes to acquire and expand its footprint and ability to bring advanced communications services to additional consumers. The Proposed Transaction will also result in LocalTel's customers being served going forward by a financially secure company and management team, including existing management, with significant experience in the telecommunications marketplace. The Proposed Transaction will not result in a reduction or impairment of service or other harm to LocalTel's customers and will be virtually transparent to LocalTel's customers with respect to the telecommunications services they currently receive. Therefore, the Commission should find that the Proposed Transaction will serve the public interest.

I. DESCRIPTION OF THE APPLICANTS

A. Computer 5, Inc. dba LocalTel Communications (Assignor)

LocalTel is a corporation incorporated under the laws of the State of Washington. Its principal place of business is 341 Grant Road, East Wenatchee, Washington 98802. The company was formed in 1984 with a plan to provide Eastern Washington communities with access to a

variety of communications services that have evolved over time to include broadband, voice, video and security services. LocalTel was authorized to provide competitive telecommunications services in Washington by the Washington UTC on November 15, 1999 in Docket UT-991575. LocalTel currently provides voice and broadband service to more than 40,000 residences and businesses in rural communities and urban areas throughout Eastern Washington using fixed wireless and fiber-to-the-home technologies.

LocalTel is authorized to receive high-cost support through the Commission's CAF II and RDOF programs. On January 31, 2019, the Washington UTC designated LocalTel as an Eligible Telecommunications Carrier ("ETC") for the Washington census blocks where LocalTel was the auction winner for CAF II support (Docket UT-180763). On October 10, 2019, the Wireline Competition Bureau ("WCB") announced that LocalTel was authorized to receive \$6,847,092.40 in CAF II support to deploy voice and broadband service to 1,910 locations in Washington (SAC 529026).² LocalTel has expended CAF II support funds in connection with deployment in its CAF II-supported area and expects to meet the 80 percent buildout milestone in a timely manner.

On May 20, 2021, the UTC expanded LocalTel's ETC for the Washington census blocks where LocalTel was the auction winner for RDOF support (Docket UT-180763). On March 15, 2022, WCB announced that LocalTel was authorized to receive \$48,818,171.30 in RDOF support to deploy voice and broadband service to 12,530 locations in Washington (SAC 529026).³ LocalTel has expended RDOF support funds in connection with deployment in its RDOF-supported area and expects to meet its initial buildout milestone in a timely manner.

² Public Notice, *Connect America Fund Phase II Support Authorized for 387 Winning Bids*, AU Docket No. 17-182 and WC Docket No. 10-90, DA 19-1030 (rel. Oct. 10, 2019).

³ Public Notice, *Rural Digital Opportunity Fund Support Authorized for 5,657 Winning Bids*, AU Docket No. 20-34, WC Docket No. 19-126 and WC Docket No. 10-90, DA 22-280 (rel. Mar. 15, 2022).

B. Northwest Fiber, LLC (Initial Assignee)

NWF is a Delaware limited liability company with its principal place of business located at 135 Lake Street South, Suite 155, Kirkland, Washington 98033. NWF was created in connection with a transaction for the purchase of certain subsidiaries from Frontier Communications Corporation (“Frontier”), which was signed in May 2019 and closed on May 1, 2020,⁴ with operations in Washington, Oregon, Idaho and Montana. NWF has continuously operated these subsidiaries since closing the Frontier Transaction. NWF and its operating affiliates use the trade name “Zipty Fiber.”

Upon approval of the Frontier Transaction, the Commission concluded that NWF was qualified to hold domestic and international Section 214 authorizations and provide telecommunications services and that the Frontier Transaction would “result in public interest benefits through the availability of improved services” in the Pacific Northwest region.⁵ Since consummation of that transaction these conclusions have been proven true, with NWF’s experienced management team making significant investments in and upgrades to the Frontier network and bringing competitively priced, high-quality services to more business and residential consumers across the Pacific Northwest every year.

C. Zipty Fiber Northwest, LLC (Ultimate Assignee)

ZFN is a Delaware limited liability company with its principal place of business located at 135 Lake Street South, Suite 155, Kirkland, Washington 98033. ZFN, originally named “Frontier Communications Northwest, LLC,” was one of the operating entities purchased by NWF from

⁴ *Applications Filed for the Transfer of Control of Certain Subsidiaries of Frontier Communications Corp. to Northwest Fiber, LLC*, Mem. Opinion and Order and Declaratory Ruling, 34 FCC Rcd. 12344 (WCB/IB/WTB 2019) (“*Frontier Transaction Order*”); IBFS File Nos. ITC-ASG-20190628-00129; ITC-ASG-20190628-00130.

⁵ *See generally Frontier Transaction Order*, 34 FCC Rcd. 12344. In addition, as discussed in Section VII, *infra*, NWF, ZFN and the Zipty Affiliates were subject to a national security review in connection with this transaction. *See Frontier Transaction Order*, at ¶ 2.

Frontier in the Frontier Transaction.⁶ As a result of the Frontier Transaction, ZFN is a wholly-owned subsidiary of NWF.

ZFN is the Incumbent Local Exchange Carrier (“ILEC”) in all of the areas it currently serves in Washington, Oregon and Idaho, and provides data, video (in limited areas in Western Washington and Northwestern Oregon) and voice services. ZFN has benefited from the substantial network investments made by NWF in these states, bringing fiber optic-based telecommunications services to its customers. ZFN has its own domestic Section 214 authorization for its current ILEC service areas and relies on NWF’s international Section 214 authorization. ZFN currently does not have a domestic 214 license for areas outside of its ILEC service area.

ZFN participated in Auction 904 in connection with RDOF as a member of the Zply Fiber RDOF consortium, a group of NWF subsidiaries that serve as ILECs and who are designated as ETCs in their respective service areas. On March 15, 2022, WCB announced that ZFN was authorized to receive \$20,066,009.70 in RDOF support to deploy voice and broadband service to 9,370 locations in Washington (SAC 522416).⁷ ZFN has expended RDOF support funds in connection with deployment in its RDOF-supported area and expects to meet its initial buildout milestone in a timely manner. ZFN is managing its current RDOF obligations as a single state-wide RDOF project for reporting and compliance purposes.

D. Zply Wireless, LLC (Assignee for LocalTel CAF II)

Zply Wireless is a Delaware limited liability company formed on December 15, 2021. Its principal business address is 135 Lake Street S, Suite 155, Kirkland, Washington 98033. It is a

⁶ Frontier Communications Northwest changed its name to Zply Fiber Northwest pursuant to obligations contained in the agreement governing the Frontier transaction.

⁷ Public Notice, *Rural Digital Opportunity Fund Support Authorized for 5,657 Winning Bids*, AU Docket No. 20-34, WC Docket No. 19-126 and WC Docket No. 10-90, DA 22-280 (rel. Mar. 15, 2022). ZFN was also authorized to receive RDOF support for locations in Idaho and Oregon.

wholly-owned subsidiary of NWF. It is authorized as a Competitive Local Exchange Carrier (“CLEC”) in Idaho, Montana, Oregon and Washington, receiving its certificate in Washington State as of September 12, 2022. It currently has operations and customers in Idaho, Oregon and Washington.

ZiPLY Wireless provides voice and data services over a fixed wireless access network in Washington and Oregon. ZiPLY Wireless currently has not been designated as an ETC in any state but will file an ETC petition in the State of Washington in connection with the Proposed Transaction to be so designated in the area covered by LocalTel’s CAF II award. ZiPLY Wireless is not a recipient of CAF II or RDOF support. The wireless licenses and other assets currently used by LocalTel to provide its CAF II-supported services will be used by ZiPLY Wireless to provide the acquired CAF II services and to support the remaining CAF II deployment milestones.

II. DESCRIPTION OF THE PROPOSED TRANSACTION AND THE ZIPLY WIRELESS TRANSACTION⁸

On March 8, 2024, LocalTel and its controlling shareholders and principals (collectively with the Sellers, the “Selling Parties”), on the one hand, and NWF and ZFN, on the other hand, entered into an Asset Purchase Agreement (the “Agreement”). Pursuant to the Agreement, and subject to all necessary Commission and state commission approvals, NWF agreed to purchase, and the Selling Parties agreed to sell, various rights, property, and assets (including all customer contracts and customer relationships) used in or necessary for the business of providing, for consumer and commercial use, broadband and voice services, including high-speed internet, transport, transit, voice, data, and other telecommunications services, throughout LocalTel’s

⁸ A diagram of the flow of assets and operations as a result of the Proposed Transaction and the ZiPLY Wireless Transaction is attached hereto as Exhibit A.

service territory over a leased fiber-based network infrastructure, together with services resold off of copper-based networks of local ILECs.

Separately, and also on March 8, 2024, the Selling Parties and Ziplly Wireless entered into an Asset Purchase Agreement (the “Ziplly Wireless APA”), pursuant to which Ziplly Wireless agreed to purchase, and the Selling Parties agreed to sell and assign, the wireless licenses and other assets, including customers, associated with LocalTel’s fixed wireless business (the “Ziplly Wireless Transaction”). The Selling Parties and Ziplly Wireless are separately filing with the Commission’s WTB an application for consent to assign LocalTel’s wireless licenses to Ziplly Wireless. The wireless licenses and other assets currently used by LocalTel to provide its CAF II-supported services will be used by Ziplly Wireless to provide the acquired CAF II services and to support the remaining CAF II deployment milestones.

Together, these transactions include the acquisition of LocalTel’s CAF II and RDOF assets, unused CAF II and RDOF support and future CAF II and RDOF support, and the assumption of obligations to complete deployment of LocalTel’s CAF II and RDOF deployments. As explained above and as depicted in **Exhibit A**, the assignment of assets will take place in two parallel transactions to assign wireless and CAF II-related assets and fiber- and RDOF-related assets to two separate NWF subsidiaries.

Immediately following closing, NWF will transfer all fiber and RDOF related assets and related operating obligations to its wholly-owned subsidiary, ZFN. ZFN will become the telecommunications service provider of LocalTel’s existing customers, and LocalTel’s customers will receive notice of this change at least 30 days before consummation of the Proposed Transaction. LocalTel’s customers will continue to receive their services over the same network and under the same terms and conditions after the Proposed Transaction is complete, and any

future changes to the rates, terms, and conditions of service will be undertaken pursuant to customers' contracts and applicable law. No carrier change charges will result from the Proposed Transaction, and no customer service or billing contact information will immediately change as a result of the Proposed Transaction. Given this, and the fact that there will be no disruption to the services LocalTel's customers currently receive, the Proposed Transaction will be transparent to LocalTel's customers.

At the conclusion of the Proposed Transaction, ZFN will own the operating assets sold by LocalTel, including the Section 214 authorization and RDOF project, and will provide services to existing and future customers using the same facilities utilized by LocalTel. ZFN will also be the responsible party for complying with the RDOF program requirements LocalTel is assigning in the Proposed Transaction, and commits to meeting all RDOF deployment milestones and performance requirements upon closing. ZFN will receive the RDOF support directly and will apply those funds to the provision, maintenance and upgrade of facilities and services for which that support is intended. ZFN commits to meeting all acquired RDOF deployment milestones and performance requirements.

Also, at the closing of the Ziplly Wireless Transaction which will close at the same time as the Proposed Transaction, Ziplly Wireless will own the fixed wireless operating assets sold by LocalTel, including LocalTel's CAF II obligations and rights under LocalTel's spectrum licenses. Ziplly Wireless will provide services to existing and future fixed wireless customers using these LocalTel facilities. Ziplly Wireless will also retain existing LocalTel employees that enter into new employment agreements with Ziplly Wireless and LocalTel management will continue to manage the acquired LocalTel business for at least two years. Ziplly Wireless will be the responsible party for complying with the CAF II program requirements to be assigned by LocalTel

in the transaction and will receive and apply the CAF II subsidies directly to the provision, maintenance and upgrade of facilities and services for which that support is intended. Zipy Wireless commits to meeting all acquired CAF II deployment milestones and performance requirements.

III. THE PROPOSED TRANSACTION WILL PROMOTE THE PUBLIC INTEREST

Pursuant to Section 214 of the Act, the Commission will approve a proposed assignment of an authorization if it concludes that, after balancing the potential benefits and harms, doing so would serve the public interest, convenience, and necessity.⁹ The Commission has not found significant competitive harm in certain transactions involving the combination of providers where the overlap of service areas is limited and the transaction overall results in public interest benefits.¹⁰ The Proposed Transaction and the Zipy Wireless Transaction easily satisfy this legal standard.

LocalTel's customers will continue to enjoy high quality telecommunications and broadband service following the consummation of the transactions. The assignment of LocalTel's customer base and assets to NWF and its subsidiaries will be conducted in a manner that is

⁹ 47 U.S.C. § 214. See, e.g., *Applications of Level 3 Communications, Inc. and CenturyLink, Inc. for Consent to Transfer Control of Licenses and Authorizations*, Memorandum Opinion and Order, 32 FCC Rcd. 9581, 9585 ¶ 8 (2017) (“Level 3-CenturyLink Order”); *Applications of AT&T Inc. and DIRECTV For Consent to Assign or Transfer Control of Licenses and Authorizations*, Memorandum Opinion and Order, 30 FCC Rcd. 9131, 9139-40 ¶ 18 (2015) (“AT&T-DIRECTV Order”); *Applications of XO Holdings and Verizon Communications Inc. For Consent to Transfer Control of Licenses and Authorizations*, Memorandum Opinion and Order, 31 FCC Rcd. 12,501, 12,504-05 ¶ 7 (Wireline Comp., Int'l, and Wireless Tel. Burs. 2016) (“Verizon-XO Order”).

¹⁰ See, e.g., *Applications of Level 3 Communications, Inc. and CenturyLink, Inc. for Consent to Transfer Control of Licenses and Authorizations*, Memorandum Opinion and Order, 32 FCC Rcd 9581, 9594, 9605, ¶¶ 26 and 52 (2017) (finding no harm to competition in CenturyLink's incumbent LEC territory, nor outside of CenturyLink's incumbent LEC territory, where applicants operate as competitive LECs, and further finding that the transaction “will expand the on-net reach of the newly combined firm resulting in a more effective and stronger competitor against larger cable and incumbent LEC competitors, among others, particularly outside of Century Link's incumbent LEC region, where it, like Level 3, operates as a competitive LEC.”); *Joint Applications of Telephone and Data Systems, Inc. and Chorus Communications, Ltd. For Authority to Transfer Control of Commission Licenses and Authorizations Pursuant to Sections 214 and 310(d) of the Communications Act and Parts 22, 63 and 90 of the Commission's Rules*, Memorandum Opinion and Order, 16 FCC Rcd 15293, 15296-99, para. 910 (CCB/WTB 2001) (authorizing a transfer of control involving an incumbent LEC and a competitive in region provider of local exchange and exchange access services where overlap was limited and the transaction overall resulted in public interest benefits).

seamless and transparent, with customers continuing to receive their services over the same network. These services will continue to be implemented by existing LocalTel management and employees. Because existing customers' rates, terms, and conditions of service will not change absent compliance with customers' contracts, tariffs, and applicable law, the Proposed Transaction should not cause LocalTel's customers any confusion. If and as applicable, Applicants will also be providing advance written notice of the Proposed Transaction to LocalTel's customers, as required under Section 64.1120 of the Commission's rules¹¹ and applicable state customer notice requirements.

ZFN's and Ziplly Wireless's operations will be overseen and directed by the NWF management team, which together have extensive technical, organizational, regulatory, and management experience in building and operating residential and business next-generation fiber networks and meeting high-cost support obligations. This team, backed by the financial support of NWF and its investors, will ensure that the LocalTel network and customer base is managed and served using the same proven strategies that NWF and its affiliates have successfully deployed since the Frontier Transaction's consummation – strategies that have resulted in significant past investment in and upgrades to the Frontier network and will result in the continued expansion of LocalTel's fiber-based and RDOF-supported service to more business and residential customers across LocalTel's service areas in the State of Washington. These benefits will promote competition for residential and business services.

NWF has both the necessary managerial and technical experience and requisite financial means to assume the responsibility of deploying CAF II- and RDOF-supported voice and broadband service in the areas it proposes to assume from LocalTel. NWF, through its

¹¹ 47 C.F.R. § 64.1120(e).

subsidiaries, has served customers in rural areas of Washington, including in areas that are adjacent to the LocalTel CAF II and RDOF areas. Thus, the company has longstanding experience and expertise deploying broadband networks in these areas and is therefore uniquely situated to efficiently deploy CAF II and RDOF-supported voice and broadband service in the assigned service areas. Notably, NWF has the necessary financial resources and managerial and operational expertise to meet LocalTel's CAF II and RDOF buildout milestones and performance obligations in a timely manner. Neither NWF nor Ziplly Wireless plan to make material changes to LocalTel's CAF II and RDOF deployment technologies or network architecture.

NWF, through its subsidiaries, already provides fiber broadband service to many of the areas adjacent to where LocalTel has RDOF deployment obligations. Since becoming authorized to receive RDOF support, ZFN is managing its RDOF obligation as a statewide project and has determined that LocalTel's RDOF areas might be served in a more expeditious and cost-effective manner utilizing LocalTel's assets and NWF's existing fiber plant, operations, resources, and infrastructure. By managing these areas as a single RDOF project, NWF can achieve economies of scale and leverage its labor force, infrastructure, and operational capabilities to rapidly and cost-effectively build out the combined areas as it expands its broadband operations.

The Proposed Transaction and Ziplly Wireless Transaction do not raise competitive issues as the operations and networks of LocalTel, ZFN and Ziplly Wireless are complementary and adjacent with minimal overlap and multiple, larger competitors provide similar services in the LocalTel, ZFN and Ziplly Wireless service areas. The map attached as **Exhibit B** shows the geographic relationship among the Applicants' existing areas of operation and their respective

CAF II and RDOF census blocks.¹² As shown, LocalTel's CAF II and RDOF awarded areas are predominantly adjacent and complementary to ZFN's existing services areas. LocalTel uses the copper networks of two other companies – ZFN and Lumen – to provide its copper-based services. The majority of LocalTel's customers served via its copper-based services are on the ZFN network. The Proposed Transaction and Zply Wireless Transaction will reduce the costs of providing these services. Lumen will remain a much larger competitor for the copper-based services LocalTel provides using Lumen's copper network.

LocalTel and ZFN, through its iFiber acquisition,¹³ are ISPs on the fiber networks of several Public Utility Districts (“PUDs”), including Chelan, Douglas and Grant counties, which are the largest PUD networks in the LocalTel and ZFN service areas. The Proposed Transaction will result in one fewer ISP on these networks. Nevertheless, the resulting impact on competition will be positive for several reasons. There are multiple other ISPs utilizing these networks that can provide service in the same areas. The PUDs operate open-access, non-discriminatory fiber networks, so the barrier to entry of additional ISPs is low. Charter, which is a much larger company than will result from the Proposed Transaction, is a strong competitor for voice and broadband services in these areas. In addition, multiple cellular providers operate in these areas. Finally, StarLink provides broadband and voice services in these areas.

The Applicants believe that the Proposed Transaction and the Zply Wireless Transaction will promote competition by lowering the costs of deployment through the economies of scale gained through a comprehensive CAF II and RDOF deployment instead of the patchwork that

¹² The areas in red represent LocalTel's CAF II awarded areas, the areas in orange represent LocalTel's RDOF awarded areas, the areas in black represent NWF's CAF areas and the areas in blue represent ZFN's service area.

¹³ See ULS File Number 0010100145.

currently exists. By lowering construction and labor costs and leveraging economies of scale, Assignees can keep consumer costs competitive.

Assignees believe in maintaining strong local ties in the communities they serve. For this reason, LocalTel's customers will continue to be served by existing LocalTel management and employees. In addition, NWF is a truly local company, with management and leadership that grew up, and currently live and work, in the Pacific Northwest. With years of experience in operating telecommunications companies in the area, the leadership team of NWF has a deep understanding of the region's markets and the unique challenges presented by providing services to the Washington communities that LocalTel currently serves and will serve under its RDOF obligations.

Additional information on the competitive impact of the Proposed Transaction and the Zply Wireless Transaction can be provided to the Commission upon request.

IV. UNIVERSAL SERVICE FUND CONSIDERATIONS

On April 19, 2022, the Commission issued a public notice requiring all domestic Section 214 applicants to include certain information in their applications for transactions that involve entities receiving Universal Service Fund ("USF") high-cost support.¹⁴ In accordance with the public notice, Applicants provide the following information regarding LocalTel, NWF and ZFN:

1. *A listing of all USF high-cost support received by each entity to be transferred and by the transferee and each affiliate of the transferee, including Connect America Fund (CAF) Phase II Auction (Auction 903) support, Rural Digital Opportunity Fund (RDOF) Phase I Auction (Auction 904) support, Alaska Plan support, Alternative Connect America Cost Model support, CAF Broadband Loop Support, and Rural Broadband Experiment support.*
 - a. LocalTel – CAF II, RDOF
 - b. ZFN – CAF II, RDOF

¹⁴ *Wireline Competition Bureau Lists Best Practices for Addressing Universal Service Fund Information in Section 214 Transfer of Control Applications*, Public Notice, DA 22-436 (WCB Apr. 19, 2022).

2. *Confirmation of whether the entity or entities to be transferred are Eligible Telecommunications Carriers (ETC) under section 214(e) of the Act.*
 - a. LocalTel has on two occasions been designated as an ETC in Washington. Applicants are requesting assignment of these ETC designations to ZFN and/or Zply Wireless as part of the approval of the Proposed Transaction by the Washington UTC or, to the extent necessary, ZFN and/or Zply Wireless will expand their existing ETC designations or obtain additional ETC designation to include their respective acquired LocalTel service areas.
 - b. ZFN is an ETC in its RDOF awarded service territories in Idaho, Oregon and Washington.
 - c. None of the Applicants hold ETC designation from the Commission for any state.

3. *Summary addressing any changes to management, technology, or debt that would result from the proposed transaction, as well as whether there are any changes that might occur that would compromise the support recipients' ability to meet their service obligations.*
 - a. As discussed above, the Proposed Transaction and the Zply Wireless Transaction involve the assignment of LocalTel's assets to NWF. Therefore, while there will be no change in the management of LocalTel or NWF as a result of the Proposed Transaction, the Proposed Transaction will result in a change of the management of LocalTel's CAF II and RDOF awards and obligations. No changes to the technology used by LocalTel to provide the supported service are planned at this time.
 - b. Assignee will not be assuming any debt in connection with the transaction.

4. *A list of study area codes (SACs) for each entity to be transferred and for each affiliate of the entity or entities to be transferred, and for the transferee and each affiliate of the transferee.*
 - a. LocalTel (SAC 529026)
 - b. ZFN – Washington (SAC 522416 and SAC 522449), Idaho (SAC 472416), Oregon (SAC 532416)
 - c. Zply Fiber of Idaho, LLC (SAC 474427)
 - d. Zply Fiber of Montana, LLC (SAC 484322)
 - e. Zply Fiber of Oregon, LLC (SAC 533401)

5. *Confirmation of whether the entity or entities to be transferred participate in the Lifeline program, Emergency Broadband Benefit program, or the Affordable Connectivity Program, and whether such participation will continue if the transaction is consummated.*
 - a. As a recipient of CAF II and RDOF support, LocalTel also participates in the Lifeline program. LocalTel also voluntarily participates in the Affordable Connectivity Program, and previously participated in the Emergency Broadband Benefit program.
 - b. As an ETC, ZFN participates in the Lifeline program and previously participated in the Emergency Broadband Benefit program. ZFN voluntarily participates in the Affordable Connectivity Program. Upon receiving designation as an ETC as part of the Zply Wireless Transaction, Zply Wireless will participate in the Lifeline

program. If the program is still available, Zply Wireless intends seek authorization to transfer LocalTel's Affordable Connectivity Program authorization.

V. INFORMATION REQUIRED BY COMMISSION RULES

The Applicants submit the following information, pursuant to 47 C.F.R. §§ 63.04, 63.18, 63.24, and Commission regulations, in support of their request for consent regarding the assignments of LocalTel's assets and customers to NWF:

(a) Name, address and telephone number of each Applicant (Section 63.18(a)):

Assignor

Computer 5, Inc. dba LocalTel (FRN 0014511364)
 341 Grant Road
 East Wenatchee, Washington 98802
 Telephone: 509-888-8888
 E-mail: john@localtel.com

Assignees

Northwest Fiber, LLC (FRN 0028605202)
 135 Lake Street South, Suite 155
 Kirkland, Washington 98033
 Telephone: 425-250-8155
 Email : legal@zply.com

Zply Fiber Northwest, LLC
 135 Lake Street South, Suite 155
 Kirkland, Washington 98033
 Telephone: 425-250-8155
 Email : legal@zply.com

Zply Wireless, LLC
 135 Lake Street South, Suite 155
 Kirkland, Washington 98033
 Telephone: 425-250-8155
 Email : legal@zply.com

(b) Jurisdiction under which Applicants are organized (Section 63.18(b)):

LocalTel a Washington corporation. NWF, ZFN and Zply Wireless are Delaware limited liability companies.

(c) Correspondence concerning this Application should be addressed to (Answer to Question 10 – Section 63.18(c)):

<u>Assignor</u>	<u>Assignees</u>
<p>Stephen E. Coran Lerman Senter PLLC 2001 L Street, NW, Suite 400 Washington, DC 20036 (202) 416-6744 scoran@lermansenter.com</p>	<p>Michael P. Donahue Marashlian & Donahue, PLLC The <i>CommLaw</i> Group 1430 Spring Hill Road, Suite 310 McLean, Virginia 22102 (703) 714-1319 mpd@commlawgroup.com</p> <p>With copies to:</p> <p>Byron E. Springer, Jr. General Counsel Northwest Fiber, LLC 135 Lake Street South, Suite 155 Kirkland, Washington 98033 (425) 250-8155 x107 byron@zply.com</p>

(d) Existing Section 214 authority (Answer to Question 10 – Section 63.18(d)):

Assignees: ZFN holds blanket Domestic 214 authorization to provide domestic interstate telecommunications services in its ILEC and ETC service territories. NWF holds blanket Domestic Section 214 authorization and an international Section 214 authorization to provide global resold and facilities-based telecommunications services between the United States and international points (ITC-214-19971202-00753; ITC-214-20001121-00680; ITC-214-20090528-00565), through which ZFN and Zply Wireless will operate and provide international telecommunications service, consistent with procedures set forth under 47 C.F.R. § 63.21(h). Zply Wireless holds a blanket Domestic 214 authorization to provide domestic interstate telecommunications in Idaho, Montana, Oregon and Washington.

Assignor: LocalTel holds blanket Domestic 214 authorization to provide domestic interstate telecommunications services in its ETC (SAC 529026) and CLEC service areas in Washington. LocalTel also holds an International Section 214 authorization (File No. ITC-214-20000703-00390) for global facilities-based services.

(h) Name, address, citizenship, and principal business of owners with 10% or greater direct or indirect ownership interest (Answer to Question 11 – Section 63.18(h)):¹⁵

The following entities will hold a direct or indirect 10 percent or greater ownership interest (voting and/or equity) in ZFN, which will own LocalTel's assets and customers post-closing:

Name: Northwest Fiber, LLC
 Address: 135 Lake Street South
 Suite 155
 Kirkland, Washington 98033
 Citizenship: Delaware
 Principal Business: Holding Company
 Ownership Interest: 100% Voting and Equity Interest in ZFN

Name: Northwest Fiber Intermediate, LLC
 Address: 135 Lake Street South
 Suite 155
 Kirkland, Washington 98033
 Citizenship: Delaware
 Principal Business: Holding Company
 Ownership Interest: 100% Voting and Equity Interest in NWF

Name: Northwest Fiber Parent, LLC
 Address: 135 Lake Street South
 Suite 155
 Kirkland, Washington 98033
 Citizenship: Delaware
 Principal Business: Holding Company
 Ownership Interest: 100% Voting and Equity Interest in Northwest Fiber Intermediate, LLC

Name: Northwest Fiber Holdco, LLC
 Address: 135 Lake Street South
 Suite 155
 Kirkland, Washington 98033
 Citizenship: Delaware
 Principal Business: Holding Company
 Ownership Interest: 100% Voting and Equity Interest in Northwest Fiber Parent, LLC

¹⁵ As discussed in Section VII, *infra*, NWF received from the Commission in 2019 a declaratory ruling approving its foreign investments. See *Frontier Transaction Order*, 34 FCC Rcd. 12344. There are no new reportable foreign owners of NWF since the Commissions' review and endorsement of the Frontier Transaction.

The following entities each hold, directly or indirectly, a 10 percent or greater voting and/or equity interest, or a controller interest, in Northwest Fiber Holdco, LLC, and, therefore, in NWF and ZFN:¹⁶

Name: Searchlight II OPT, L.P. (“Searchlight Aggregator LP”)
 Address: 745 Fifth Avenue
 27th Floor
 New York, New York 10151
 Citizenship: Delaware
 Principal Business: Investment Activities
 Ownership Interest: 80% Voting and Equity Interest

Name: Searchlight II OPT, G.P., LLC (“Searchlight Aggregator GP”)
 Address: 745 Fifth Avenue
 27th Floor
 New York, New York 10151
 Citizenship: Delaware
 Principal Business: Investment Activities
 Ownership Interest: 100% Voting and Equity Interest

Search Light Aggregator is controlled by SC II OPT Co-Invest Holdings, LLC, which holds a 69 percent voting and equity interest in Searchlight II OPT GP, LLC.

The direct limited partners of Searchlight II OPT, L.P. are as follows:

Name: SC II OPT, L.P.
 Address: 745 Fifth Avenue
 27th Floor
 New York, New York 10151
 Citizenship: Delaware
 Principal Business: Investment Activities
 Ownership Interest: 11% Equity Interest; 0% Voting Interest

Name: SC II PV OPT, L.P. (“PV Fund Splitter”)
 Address: 745 Fifth Avenue
 27th Floor
 New York, New York 10151
 Citizenship: Delaware
 Principal Business: Investment Activities
 Ownership Interest: 14% Equity Interest; 0% Voting Interest

¹⁶ SC III OPT, L.P.; Searchlight Capital III (FC) AIV, L.P.; and SC III PV OPT, L.P. each hold direct insulated interests in Northwest Fiber Holdco, LLC; however, none of these entities hold a 10 percent or greater direct or indirect voting or equity interest in ZFN.

Name: SC II OPT Co-Invest Holdings, LLC (“Co-Invest Blocker”)
 Address: 745 Fifth Avenue
 27th Floor
 New York, New York 10151
 Citizenship: Delaware
 Principal Business: Investment Activities
 Ownership Interest: 67% Equity Interest; 0% Voting Interest

WaveDivision Capital VII, LLC, (“WDC VII”) and WaveDivision Capital IX, LLC (“WDC IX”) together own approximately 10% of Northwest Fiber Holdco, LLC. WDC VII and WDC IX each have one member, Steve Weed, and are managed, through intermediary entities, by WDC Management, LLC, which is in turn managed by Mr. Weed and has Mr. Weed as its sole member. Mr. Weed owns all of the voting interest in WDC Management, LLC. WDC Management, LLC, does not hold any direct or indirect voting or equity interest in ZFN. Necessary information for Mr. Weed is provided below:

Name: Steve Weed
 Address: c/o WDC Management, LLC
 135 Lake Street South
 Suite 1000
 Kirkland, Washington 98033
 Citizenship: United States
 Principal Business: Investor
 Ownership Interest: 10% Voting and Equity Interest

The following entities are each a direct limited partner of Searchlight Aggregator LP:¹⁷

Name: SC II OPT, L.P. (“Main Fund Splitter”)
 Address: 745 Fifth Avenue
 27th Floor
 New York, New York 10151
 Citizenship: Delaware
 Principal Business: Investment Activities
 Ownership Interest: 11% Voting and Equity Interest

Name: SC II PV OPT, L.P. (“PV Fund Splitter”)
 Address: 745 Fifth Avenue
 27th Floor
 New York, New York 10151
 Citizenship: Delaware
 Principal Business: Investment Activities
 Ownership Interest: 15% Voting and Equity Interest

¹⁷ Searchlight Capital II (FC) AIV, L.P. (“FC AIV”) and Searchlight Capital II OPT Co-Invest Partners U.S., L.P. (“Co-Invest U.S.”) are also direct limited partners of Searchlight Aggregator LP; however, neither entity holds 10 percent or greater direct or indirect voting or equity interest in ZFN.

Name: SC II OPT Co-Invest Holdings, LLC (“Co-Invest Blocker”)
 Address: 745 Fifth Avenue
 27th Floor
 New York, New York 10151
 Citizenship: Delaware
 Principal Business: Investment Activities
 Ownership Interest: 100% Voting and Equity Interest¹⁸

The following entity is a direct and indirect (through a blocker) limited partner of Main Fund Splitter:¹⁹

Name: Searchlight Capital II, L.P. (“Main Fund”)
 Address: 745 Fifth Avenue
 27th Floor
 New York, New York 10151
 Citizenship: Cayman Islands
 Principal Business: Investment Activities
 Ownership Interest: 11% Voting and Equity Interest The

Main Fund is controlled by its general partner Searchlight Capital Partners II, GP, L.P. (“General Partner”), which, in turn, is controlled by its general partner Searchlight Capital Partners II GP, LLC (“Upper GP”).²⁰ Main Fund Splitter and FC AIV are each controlled by General Partner.

Name: Searchlight Capital Partners II GP, L.P. (“General Partner”)
 Address: 745 Fifth Avenue
 27th Floor
 New York, New York 10151
 Citizenship: Cayman Islands
 Principal Business: Holding Company
 Ownership Interest: 100% Voting and Equity Interest

Name: Searchlight Capital Partners II GP, LLC (“Upper GP”)
 Address: 745 Fifth Avenue
 27th Floor
 New York, New York 10151
 Citizenship: Delaware

¹⁸ Co-Invest Blocker holds a voting and equity interest in Searchlight Aggregator LP that is greater than 50 percent, such that Applicants have treated this interest as a 100 percent interest consistent with Section 63.18(h) of the Commission’s rules.

¹⁹ SC II Outpost Holdings, LLC (“Main Fund Blocker”) is also a direct limited partner of Main Fund Splitter; however, it does not hold a 10 percent or greater direct or indirect voting or equity interest in ZFN.

²⁰ Main Fund is managed by Searchlight Capital Partners, L.P. (“Manager”), a Delaware limited partnership. Manager is controlled by Searchlight Capital Partners, LLC (“Manager GP”), a Delaware limited liability company. Manager GP and Manager, which are fund managers, have no direct or indirect voting or equity interest in ZFN. Manager also has a management agreement with Searchlight Capital II L.P.

Principal Business: Investment Activities
 Ownership Interest: 100% Voting and Equity Interest

General Partner controls PV Fund Splitter, of which SC II PV Outpost Holdings, LLC (“PV Fund Blocker”) is the sole limited partner. PV Fund Blocker is in turn 100-percent owned and controlled by Searchlight Capital II OPT PV, L.P. (“PV Fund AIV”), of which Searchlight Capital II OPT Feeder, LP (“Cayman Blocker”) is a limited partner. General Partner also controls both PV Fund AIV and Cayman Blocker.²¹

Name: SC II PV Outpost Holdings, LLC (“PV Fund Blocker”)
 Address: 745 Fifth Avenue
 27th Floor
 New York, New York 10151
 Citizenship: Delaware
 Principal Business: Investment Activities
 Ownership Interest: 15% Voting and Equity Interest

Name: Searchlight Capital II OPT PV, L.P. (“PV Fund AIV”)
 Address: 745 Fifth Avenue
 27th Floor
 New York, New York 10151
 Citizenship: Delaware
 Principal Business: Investment Activities
 Ownership Interest: 15% Voting and Equity Interest

Name: Searchlight Capital II OPT Feeder, L.P. (“Cayman Blocker”)
 Address: 745 Fifth Avenue
 27th Floor
 New York, New York 10151
 Citizenship: Cayman Islands
 Principal Business: Holding Company
 Ownership Interest: 15% Voting and Equity Interest

Co-Invest Blocker is directly controlled by Searchlight Capital II OPT Co-Invest Partners, L.P. (“Co-Invest LP”). Co-Invest LP is controlled by its general partner SC II OPT Co-Invest GP, LLC (“Co-Invest GP”), which in turn is directly owned and controlled by General Partner. Co-Invest GP also controls Co-Invest U.S. as its general partner.

Name: Searchlight Capital II OPT Co-Invest Partners, L.P. (“Co-Invest LP”)
 Address: 745 Fifth Avenue
 27th Floor
 New York, New York 10151

²¹ PV Fund AIV is also managed by Manager.

Citizenship: Delaware
 Principal Business: Investment Activities
 Ownership Interest: 100% Voting and Equity Interest

The following individuals have a 10 percent or greater voting and/or equity interest in Northwest Fiber by virtue of their membership interests in Upper GP, which is the ultimate controlling entity for the Searchlight funds:

Name: Eric Zinterhofer
 Address: 745 Fifth Avenue
 27th Floor
 New York, New York 10151
 Citizenship: United States
 Principal Business: Investor
 Ownership Interest: 33.33% Voting and Equity Interest

Name: Erol Uzumeri
 Address: 22 Adelaide Street West
 35th Floor
 Toronto, Ontario M5H 4E3, Canada
 Citizenship: Canada
 Principal Business: Investor
 Ownership Interest: 33.33% Voting and Equity Interest

Name: Oliver Haarmann
 Address: 56 Conduit Street
 4th Floor
 Mayfair, London W1S 2YZ, England
 Citizenship: Germany
 Principal Business: Investor
 Ownership Interest: 33.33% Voting and Equity Interest

The following non-Searchlight, non-U.S. entities have a 10 percent or greater indirect voting and/or equity interest in Northwest Fiber by virtue of their limited partnership interests principally in Co-Invest LP:

Name: Public Sector Pension Investment Board
 Address: 1250 René-Lévesque Boulevard West
 Suite 1400
 Montréal, Québec H3B 5E9, Canada
 Citizenship: Canada
 Principal Business: Public Pension Plan
 Ownership Interest: 47.9% Voting and Equity Interest

Name: Port-aux-Choix Private Investments Inc.²²
 Address: c/o Public Sector Pension Investment Board
 1250 René-Lévesque Boulevard West
 Suite 1400
 Montréal, Québec H3B 5E9, Canada
 Citizenship: Canada
 Principal Business: Investment Activities
 Ownership Interest: 47.9% Voting and Equity Interest

Name: Canada Pension Plan Investment Board
 Address: One Queen Street East
 Suite 2500
 Toronto, Ontario M5C 2W5, Canada
 Citizenship: Canada
 Principal Business: Public Pension Plan
 Ownership Interest: 30% Voting and Equity Interest

Name: CPP Investment Board Private Holdings (4) Inc.
 Address: c/o Canada Pension Plan Investment Board
 One Queen Street East
 Suite 2500
 Toronto, Ontario M5C 2W5, Canada
 Citizenship: Canada
 Principal Business: Investment Activities
 Ownership Interest: 30% Voting and Equity Interest

Name: British Columbia Investment Management Corporation
 Address: 750 Pandora Avenue
 Victoria, British Columbia V8W 0E4, Canada
 Citizenship: British Columbia
 Principal Business: Public Pension Plan
 Ownership Interest: 29% Voting and Equity Interest

Name: IMCPE 2019 Inc.
 Address: c/o British Columbia Investment Management Corporation
 750 Pandora Avenue
 Victoria, British Columbia V8W 0E4, Canada
 Citizenship: Canada
 Principal Business: Investment Activities
 Ownership Interest: 29% Voting and Equity Interest

No other person or entity will hold a direct or indirect 10 percent or greater voting or equity interest in NWF or ZFN (and thus LocalTel's assets and customers) post-closing. **Exhibit C** provides charts depicting the ownership structure of NWF and ZFN.

²² Port-aux-Choix Private Investments Inc. is a wholly-owned subsidiary of, and directly controlled by, Public Sector Pension Investment Board, such that the 47.9 percent indirect voting and equity interest in NWF and ZFN held by Port-aux Choix Private Investments Inc. flows directly to Public Sector Pension Investment Board.

NWF and ZFN do not have any interlocking directorates with a foreign carrier.

(i) Foreign carrier certification (Answer to Questions 14-17):

Neither Applicants nor any of their affiliates are foreign carriers, and they will continue to have no such affiliates following the consummation of the Proposed Transaction. Accordingly, Applicants qualify for a presumption of non-dominance under Section 63.10 of the Commission's rules on all U.S. international routes.

(j) Destination country certification:

NWF, as Assignee, certifies that it does not seek to provide international telecommunications services to any destination country where: (i) Assignee is a foreign carrier; (ii) any entity that owns more than 25 percent of Assignee, or that controls Assignee, controls a foreign carrier in that country; or (iii) two or more foreign carriers (or parties that control foreign carriers) own, in the aggregate, more than 25 percent of Assignee and are parties to, or the beneficiaries of, a contractual relation affecting the provision or marketing of international basic telecommunications services in the United States.

(k) Demonstration regarding market power for countries that are not WTO members:

Not Applicable.

(k) Demonstration regarding market power for countries that are not WTO members:

Not Applicable

(l): This requirement has been deleted from the rules.

(m): Regulation as a non-dominant provider:

Not Applicable.

(n) Special concessions from foreign carriers:

Each of the Applicants certifies that it has not agreed to accept special concessions directly or indirectly from any foreign carrier with respect to any U.S. international route where the foreign carrier possesses market power on the foreign end of the route and will not enter into any such agreements in the future.

(o) Certification regarding Section 5301 of Anti-Drug Abuse Act of 1988:

The Applicants certify that no party to this Application is subject to a denial of federal benefits under Section 5301 of the Anti-Drug Abuse Act of 1988, as amended.

(p) Streamlined Processing (Answer to Question 20 – Section 63.12)

This Joint Application qualifies for streamlined processing pursuant to Section 63.12 of the Commission's rules.²³ As noted above, neither Applicants nor any of their affiliates are foreign carriers, and they will continue to have no such affiliates following the consummation of the Proposed Transaction. The Applicants therefore qualify for a presumption of non-dominance under Section 63.10 of the Commission's rules²⁴ on all U.S.-international routes.

VI. INFORMATION REQUIRED BY SECTION 63.04 OF THE COMMISSION'S RULES

Pursuant to Section 63.04(b) of the Commission's rules for joint domestic/international Section 214 applications, the Applicants provide the information described in Section 63.04(a)(6) through (a)(12):

(6) Description of the Transaction (Section 63.04(a)(6)):

The Proposed Transaction is described in Section II, *supra*.

²³ 47 C.F.R. § 63.12.

²⁴ 47 C.F.R. § 63.10.

(7) Description of the geographic areas in which the transferor and transferee (and their affiliates) offer domestic telecommunications services, and the services provided in each area (Section 63.04(a)(7)):

The respective services and operating areas of NWF, ZFN and LocalTel are as described in Section I, *supra*. NWF subsidiaries currently provide telecommunications and broadband services to residential and business subscribers in Idaho, Montana, Oregon and Washington under the “Zipty Fiber” trade name. Zipty Fiber of Idaho, LLC operates in Idaho offering data and voice services. Zipty Fiber of Montana, LLC operates in Lincoln County Montana offering data and voice services. Zipty Fiber of Oregon, LLC operates in Southern Oregon offering data and voice services. Zipty Fiber Pacific, LLC is a CLEC in Idaho, Montana, Oregon and Washington and is completing buildout of a network to provide these services. Wholesail Networks, LLC is authorized as a CLEC in Oregon and Washington and provides transport services to its sister companies as well as wholesale and limited enterprise business customers in those states.

(8) Statement as to How the Application Qualifies for Streamlined Treatment (Section 63.04(a)(8)):

The domestic Section 214 component of this Joint Application qualifies for presumptive streamlined processing pursuant to Section 63.03(b) of the Commission’s rules.²⁵ In particular, the Joint Application is eligible for presumptive streamlined processing under Section 63.03(b)(2)(i) because: (i) NWF and ZFN have, and will continue to have as a result of the Proposed Transaction, a market share in the interstate, interexchange market of less than 10 percent; (ii) NWF, ZFN and their affiliates provide, and will continue to provide as a result of the Proposed Transaction, competitive telephone exchange services or exchange access services (if at all) exclusively in geographic areas

²⁵ 47 C.F.R. § 63.03(b).

served by a dominant local exchange carrier that is not a party to the Proposed Transaction; and (iii) none of the Applicants are dominant with respect to any service.

(9) Other Commission applications related to the Proposed Transaction (Section 63.04(a)(9)):

LocalTel and Ziply Wireless are filing an application with the Wireless Telecommunications Bureau in connection with various wireless licenses held by LocalTel.

(10) Imminent business failure conditions (Section 63.04(a)(10)):

No party is requesting special consideration because it is facing imminent business failure.

(11) Waiver requests sought in connection with the Proposed Transaction (Section 63.04(a)(11)):

No separately filed waiver requests are being sought in conjunction with this Joint Application.

(12) Public interest statement:

Consummation of the Proposed Transaction will serve the public interest, convenience, and necessity for the reasons detailed in Section III, above.

VII. NATIONAL SECURITY REVIEW

Applicants respectfully request that the Commission exercise its discretion and exempt this Joint Application from national security review by the Committee for the Assessment of Foreign Participation in the United States Telecommunications Services Sector (“Committee”).

In its *Executive Branch Process Reform Order*²⁶ the Commission generally excluded from referral to the Committee for national security review several categories of applications. Among those categories are “section 214 applications where the applicant has an existing mitigation agreement, there are no new reportable foreign owners of the applicant since the effective date of

²⁶ *In re Process Reform for Executive Branch Review of Certain FCC Applications and Petitions Involving Foreign Ownership*, Report and Order, 35 FCC Rcd. 10927 (2020) (“*Executive Branch Process Reform Order*”).

the mitigation agreement, and the applicant agrees to continue to comply with the terms of that mitigation agreement.”²⁷ Where these circumstances are present, the Commission concluded that referral to the Committee is not necessary because the transaction has already undergone the Committee’s review process for national security and law enforcement concerns, and referral of such applications “introduces unnecessary delays and may result in the waste of time and resources by both the applicant and the government.”²⁸ Further, the Commission also concluded that applications which meet these conditions present a “low or minimal risk to national security, law enforcement, foreign policy, and trade policy concerns.”²⁹

The Proposed Transaction meets all of the exemption conditions identified in the *Executive Branch Process Reform Order*, and should be exempt from referral to the Executive Branch. First, the Committee recently reviewed NWF in relation to the transfer of control of the domestic and international Section 214 authorizations involved in the Frontier Transaction.³⁰ The Committee cleared the Frontier Transaction after executing a signed mitigation agreement with NWF (the “Northwest Fiber LOA”).³¹ The Commission then approved the transfers of control subject to the conditions imposed in the Northwest Fiber LOA.³² The Northwest Fiber LOA remains in place at this time. Second, there are no new reportable foreign owners of NWF since the Committee’s review and endorsement of the Frontier Transaction. And third, ZFN, Zippy Wireless and NWF agree to continue

²⁷ *Executive Branch Process Reform Order* at ¶ 30.

²⁸ *Id.* at ¶ 33.

²⁹ *Id.*

³⁰ *See Frontier Transaction Order*, 34 FCC Rcd. 12344 ¶ 2.

³¹ *See Id.*, 34 FCC Rcd. 12344 ¶ 2. *See also* National Telecommunications and Information Administration, *Petitions to Adopt Conditions to Authorizations and Licenses*, WC Docket No. 19-188, ITC-T/C-20190628-00128, ITC-ASG-20190628-00129, ITC-ASG-20190628-00130, ULS0008706469, ULS 0008706476, ULS 0008706478, ISP-PDR-20190708-00006 (Nov. 22, 2019) (citing Letter of Agreement from Timothy B. Austin, Vice President and Secretary, Northwest Fiber, LLC, to Assistant Attorney General for National Security, United States Department of Justice (Nov. 21, 2019)).

³² *See Frontier Transaction Order*, 34 FCC Rcd. 12344 ¶ 38. The Commission has since reviewed ZFN’s qualifications in approving ZFN as an RDOF recipient and consented to two additional acquisitions by ZFN.

to comply with the obligations imposed by the Northwest Fiber LOA following consummation of the Proposed Transaction. Specifically, ZFN, Ziplly Wireless and NWF will comply with the terms of the Northwest Fiber LOA with respect to all of the acquired assets and operations arising from the Proposed Transaction. The Commission recently declined to refer to the Committee an application by NWF and its subsidiary, Ziplly Fiber Pacific, LLC, for the reasons outlined above, noting the “Application comes within an exclusion from referral to the Executive Branch for national security, law enforcement, foreign policy and trade policy review.”³³

Accordingly, because the Proposed Transaction qualifies for exemption from review by the Committee and presents no new risks to national security, law enforcement, foreign policy, or trade policy concerns, Applicants request that the Commission exercise its discretion and condition grant of this Joint Application on ZFN’s and NWF’s continued compliance with the obligations under the Northwest Fiber LOA without referral to the Committee.

³³ *Domestic Section 214 Application Filed for the Acquisition of Certain Assets of PriorityONE Telecommunications, Inc. by Ziplly Fiber Pacific, LLC*, WC Docket No. 22-306, Public Notice, DA 22-1263 (WCB 2022).

VIII. CONCLUSION

For the foregoing reasons, Commission approval of this Section 214 Application will serve the public interest, convenience and necessity. Accordingly, the Applicants respectfully request that the Commission grant the Application as expeditiously as possible.

Respectfully submitted,

**Computer 5, Inc. dba LocalTel
Communications**

**Northwest Fiber, LLC,
Zipty Fiber Northwest, LLC and Zipty
Wireless, LLC**

/s/

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/s/

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byron@zipty.com

*Counsel for Northwest Fiber, LLC, Zipty
Fiber Northwest, LLC and Zipty Wireless,
LLC*

March 14, 2024

EXHIBIT A
DIAGRAM OF TRANSACTION

Proposed Transaction

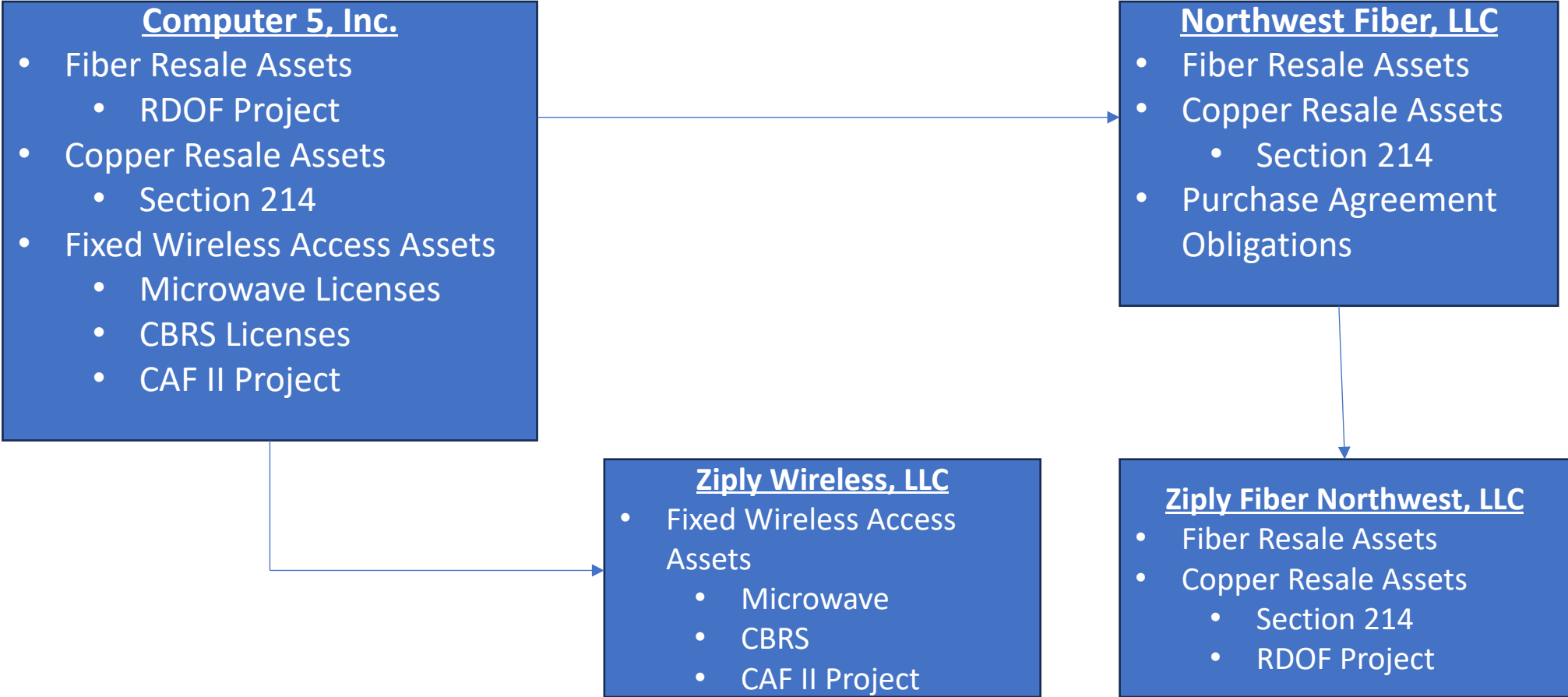


EXHIBIT B
SERVICE AREA MAP

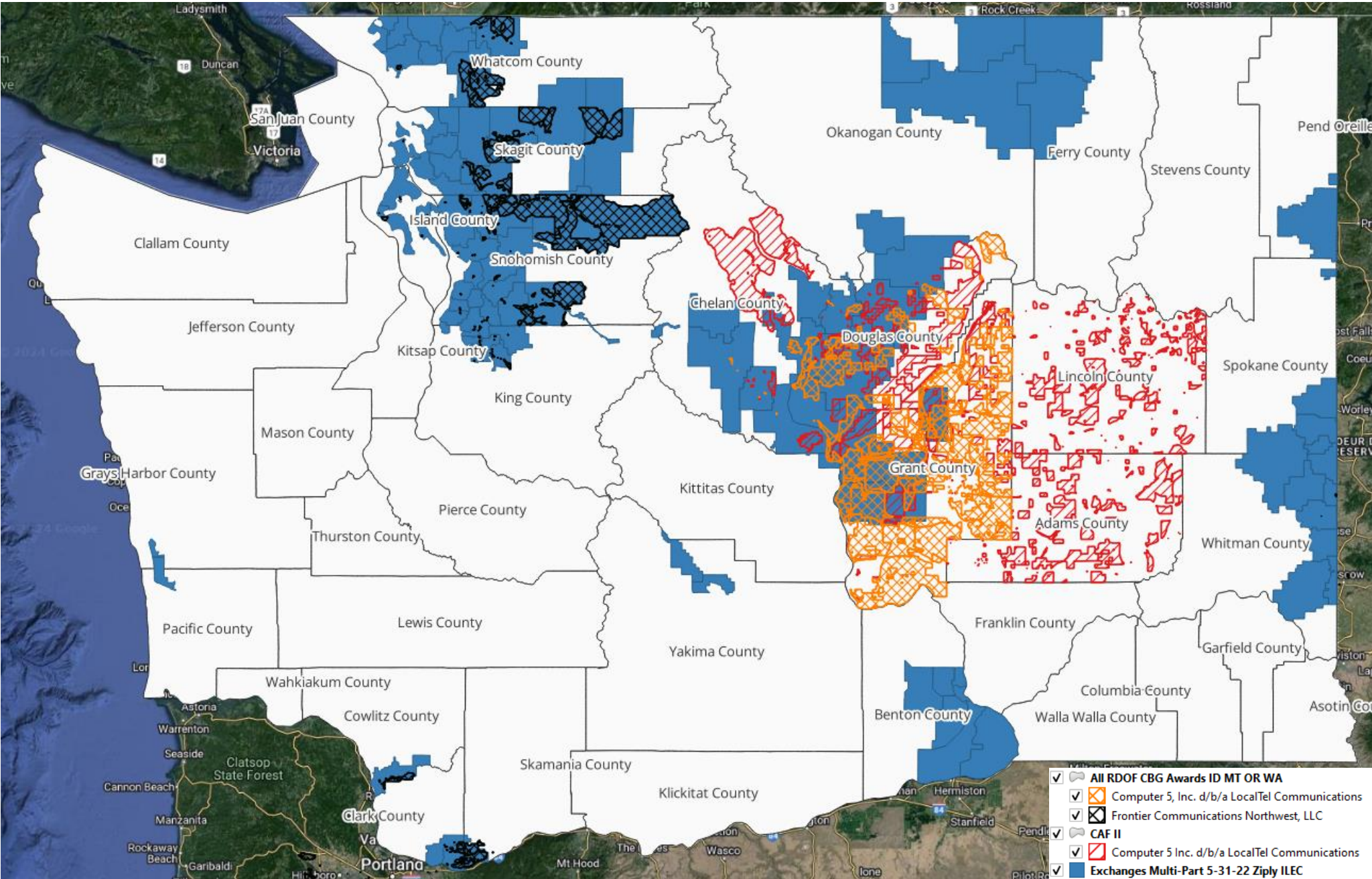
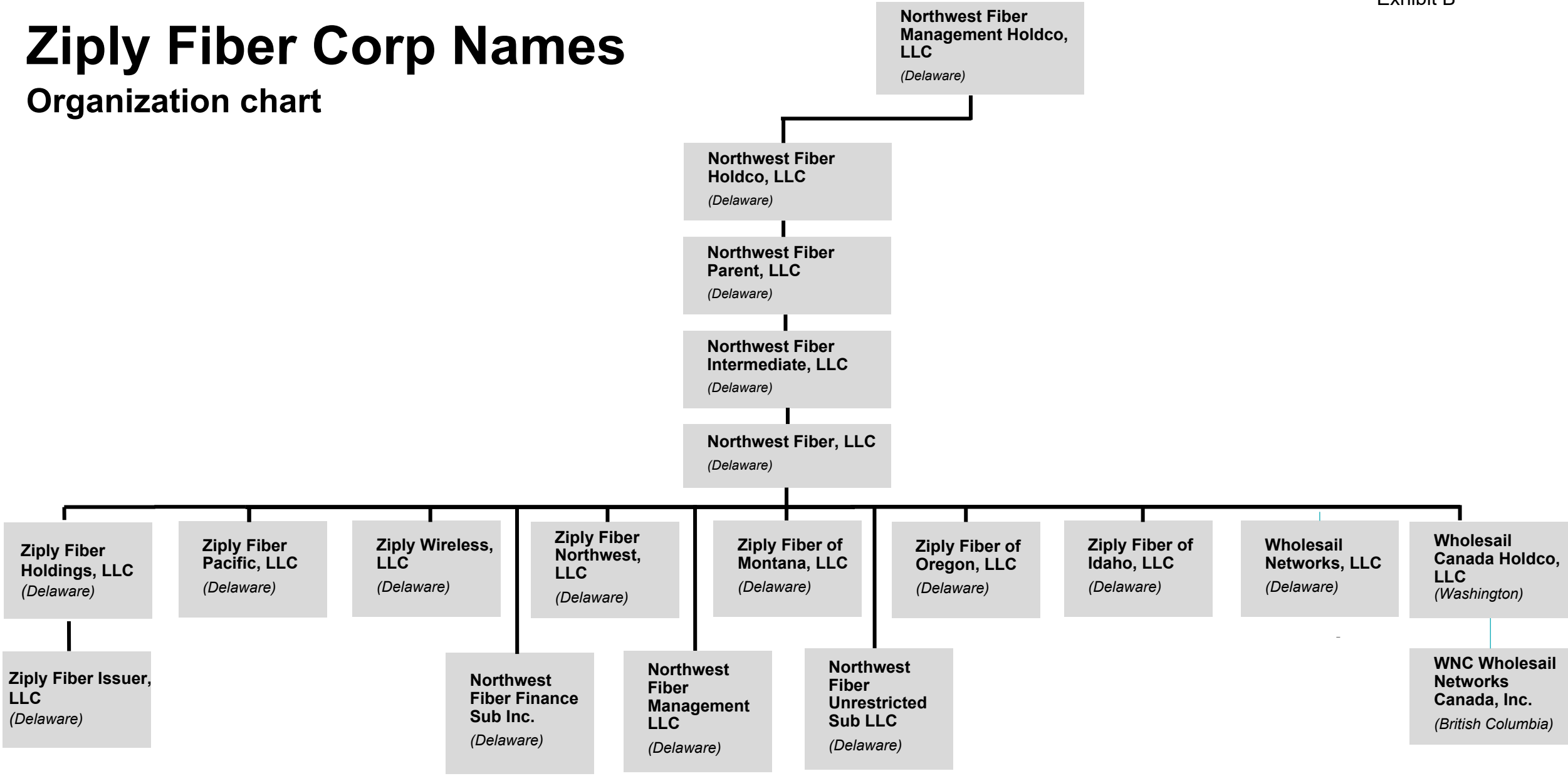


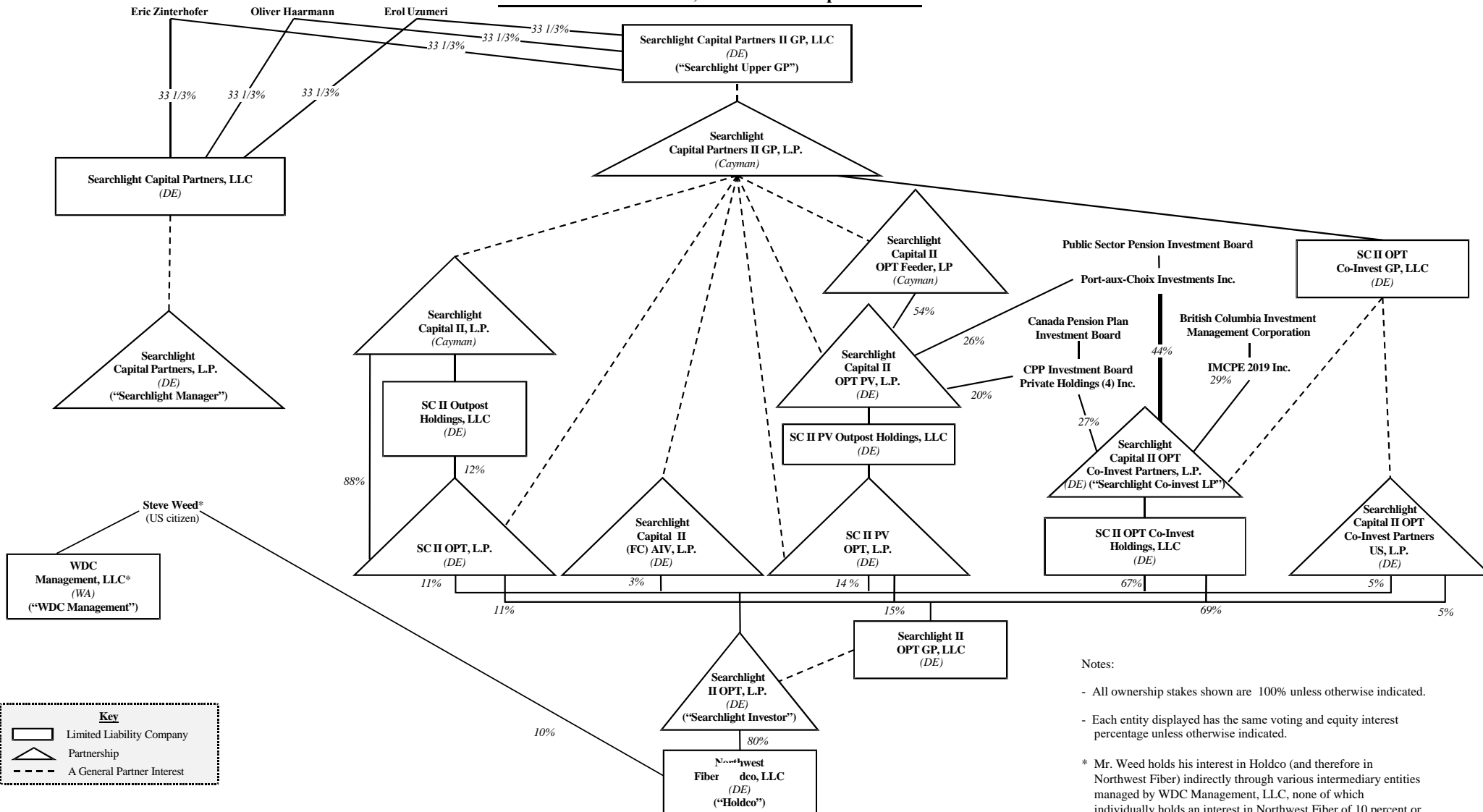
EXHIBIT C
POST-TRANSACTION STRUCTURE

ZiPLY Fiber Corp Names

Organization chart



Northwest Fiber Holdco, LLC Ownership Structure



Key

- ▭ Limited Liability Company
- ▴ Partnership
- - - A General Partner Interest

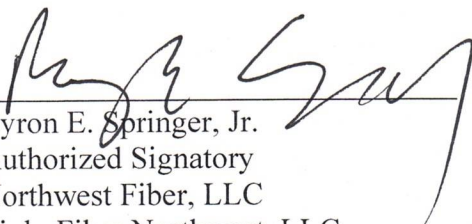
Notes:

- All ownership stakes shown are 100% unless otherwise indicated.
- Each entity displayed has the same voting and equity interest percentage unless otherwise indicated.
- * Mr. Weed holds his interest in Holdco (and therefore in Northwest Fiber) indirectly through various intermediary entities managed by WDC Management, LLC, none of which individually holds an interest in Northwest Fiber of 10 percent or more. WDC Management, LLC is in turn managed by Mr. Weed, and Mr. Weed owns all of the voting interests in WDC Management. WDC Management, LLC does not hold any voting or equity interests in Northwest Fiber.

**VERIFICATION OF NORTHWEST FIBER, LLC, ZIPLY FIBER NORTHWEST,
LLC AND ZIPLY WIRELESS, LLC**

On behalf of Northwest Fiber, LLC, Ziplly Fiber Northwest, LLC and Ziplly Wireless, LLC, I, Byron E. Springer, hereby certify upon penalty of perjury that I am the Authorized Signatory of Northwest Fiber, LLC, Ziplly Fiber Northwest, LLC and Ziplly Wireless, LLC, that I am authorized to make this Verification on behalf of Northwest Fiber, LLC, Ziplly Fiber Northwest, LLC and Ziplly Wireless, LLC, and that the statements in the foregoing Joint Application related to Northwest Fiber, LLC, Ziplly Fiber Northwest, LLC and Ziplly Wireless, LLC are true, complete and correct to the best of my knowledge, and that such statement are being made in good faith.

Executed this __ day of March, 2024.


Byron E. Springer, Jr.
Authorized Signatory
Northwest Fiber, LLC
Ziplly Fiber Northwest, LLC
Ziplly Wireless, LLC

VERIFICATION OF COMPUTER 5, INC. DBA LOCALTEL

On behalf of Computer 5, Inc. dba LocalTel, I, John Seabeck, Vice President, hereby certify upon penalty of perjury that I am the Authorized Signatory of Computer 5, Inc. dba LocalTel, that I am authorized to make this Verification on behalf of Computer 5, Inc. dba LocalTel, and that the statements in the foregoing Joint Application related to Computer 5, Inc. dba LocalTel are true, complete and correct to the best of my knowledge, and that such statement are being made in good faith.

Executed this 11 day of March, 2024.

A handwritten signature in black ink, appearing to read 'John J. Seabeck', written over a horizontal line.

John J. Seabeck.
Vice President, Authorized Signatory
Computer 5, Inc. dba LocalTel

Online Payment Transaction Initiated

Thank you for submitting your payment, it is currently being processed. It may take 3-5 days for the money to be withdrawn from your account and for the Commission to receive it.

Please be sure to check your account statements to confirm whether or not the funds have been transferred to the Commission.

Total Amount	\$1,375.00
Payer FRN	0028605202
Payer Name	legal@nwfbr.com
Remittance ID	4484625
Treasury Tracking ID	27CNQFQ8

Thank you for your payment!

READ INSTRUCTIONS CAREFULLY
BEFORE PROCEEDING

FEDERAL COMMUNICATIONS COMMISSION
REMITTANCE ADVICE

Estimate time per
response-10 minutes-4 hours

(1) LOCKBOX #	SPECIAL USE ONLY
	FCC USE ONLY

SECTION A - PAYER INFORMATION

(2) PAYER NAME Northwest Fiber, LLC dba Zply Fiber	(3) TOTAL AMOUNT PAID (U.S. Dollars and cents) 1,375.00
--	---

(4) STREET ADDRESS LINE NO. 1 135 Lake Street South, Suite 155
--

(5) STREET ADDRESS LINE NO. 2

(6) CITY Kirkland	(7) STATE WA	(8) ZIP CODE 98122
-----------------------------	------------------------	------------------------------

(9) DAYTIME TELEPHONE NUMBER (include area code) 4252508155	(10) COUNTRY CODE (if not in U.S.A.) US
---	---

FCC REGISTRATION NUMBER (FRN) REQUIRED

(11) PAYER (FRN) 0028605202	(12) FCC USE ONLY
---------------------------------------	-------------------

IF MORE THAN ONE APPLICANT, USE CONTINUATION SHEETS (FORM 159-C)
COMPLETE SECTION BELOW FOR EACH SERVICE, IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEET

(13) APPLICANT NAME Northwest Fiber, LLC dba Zply Fiber

(14) STREET ADDRESS LINE NO.1 135 Lake Street South, Suite 155
--

(15) STREET ADDRESS LINE NO. 2

(16) CITY Kirkland	(17) STATE WA	(18) ZIP CODE 98122
------------------------------	-------------------------	-------------------------------

(19) DAYTIME TELEPHONE NUMBER (include area code) 4252508155	(20) COUNTRY CODE (if not in U.S.A.) US
--	---

FCC REGISTRATION NUMBER (FRN) REQUIRED

(21) APPLICANT (FRN) 0028605202	(22) FCC USE ONLY
---	-------------------

COMPLETE SECTION C FOR EACH SERVICE, IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEET

(23A) CALL SIGN/OTHER ID	(24A) PAYMENT TYPE CODE CDU	(25A) QUANTITY 1
--------------------------	---------------------------------------	----------------------------

(26A) FEE DUE FOR (PTC) 1375.0	(27A) TOTAL FEE 1,375.00	FCC USE ONLY
--	------------------------------------	--------------

(28A) FCC CODE 1 10314827615694	(29A) FCC CODE 2 2024031440765135
---	---

(23B) CALL SIGN/OTHER ID	(24B) PAYMENT TYPE CODE	(25B) QUANTITY
--------------------------	-------------------------	----------------

(26B) FEE DUE FOR (PTC)	(27B) TOTAL FEE	FCC USE ONLY
-------------------------	-----------------	--------------

(28B) FCC CODE 1	(29B) FCC CODE 2
------------------	------------------

SECTION D - CERTIFICATION

CERTIFICATION STATEMENT
 I, _____, certify under penalty of perjury that the foregoing and supporting information is true and correct to the best of my knowledge, information and belief.
 SIGNATURE _____ DATE _____

ADVICE REFERENCE GUIDE HOW TO USE FCC FORM 159-REMITTANCE ADVICE

The FCC Form 159, "Remittance Advice," and FCC Form 159-C, (Continuation Sheet) is a multi-purpose form that must accompany any payment to the Federal Communications Commission (e.g., Regulatory Fees, Processing Fees, Auctions, Fines, Forfeitures, Freedom of Information Act (FOIA) Billings, or any other debt due to the FCC). The information on this form is collected to ensure credit for full payment, to ensure you receive any refunds due, to service public inquiries, and to comply with the Debt Collection Improvement Act of 1996.

Note: Fee Filing Guides can be obtained by calling Forms Distribution -- (202) 418-3676 or 1-800-418-3676, or by calling FCC's fax-on-demand -- (202) 418-0177 from the handset of a fax machine.

Instructions for Completing FCC Form 159 & 159-C

NOTE: All required blocks must be completed or it may result in a delay in processing or the return of your application.

(1) **Lockbox No. #** - Enter the appropriate six-digit P.O. Box Number as found in either the FCC Fee Filing Guide for the service requested, or as specified in the Public Notice.

SECTION A

(2) **Payer Name** - Enter the name of the person or company (i.e., maker of the check) making the payment. If using an individual name, enter the last name, first name, and middle initial. If a company, enter the name used commercially. If paying by credit card, enter the name exactly as it appears on your card.

(3) **Total Amount Paid** - Enter the total amount of your remittance.

(4) **Street Address Line 1** - The street address or post office box number to which correspondence should be sent.

(5) **Street Address Line 2** - This line may be used if further identification of the address is required.

(6) **City** - The name of the city associated with the street address given in (4).

(7) **State** - If the payer has a United States mailing address enter the appropriate two-digit state abbreviation as prescribed by the U.S. Post Office. If the payer has a mailing address outside the United States, leave this section blank.

(8) **ZIP Code** - Enter the appropriate five or nine-digit ZIP code prescribed by the U.S. Post Office. If address is foreign, enter the appropriate ZIP (postal) code.

(9) **Daytime Telephone Number** - Enter the payer's ten-digit daytime telephone number, including area code. For foreign telephone numbers include the appropriate country dialing access code, as if you were calling from the United States. This daytime number should be the number where you can be reached during normal business hours.

(10) **Country Code** - This section is for payers who have an address outside the United States of America. Enter the appropriate code here. To obtain country code information, contact the Mailing Requirements Dept. of the U.S. Postal Service.

(11) **Payer (FRN)** - Enter the payer's ten-digit FCC Registration Number (FRN) assigned by the Commission Registration System (CORES). The FRN is a unique entity identifier for everyone doing business with the Commission. The FRN can be obtained electronically through the FCC webpage (www.fcc.gov.com) or by requesting FCC Form 160 through the FCC forms webpage (www.fcc.gov/formpage.html).

(12) **FCC Use Only**

(You must complete Section A - Block 11: FCC Registration Number)

SECTION B

COMPLETE THIS SECTION IF THE PAYER AND APPLICANT ARE DIFFERENT

(13) **Applicant Name** - Enter the name (last, first, middle initial) as it appears on the original application or filing being submitted. **Applicant** includes Licensees, Regulatees or Debtors. If you are using this form to pay for multiple applicants with a single remittance, each applicant must be listed separately using the continuation sheet - Form 159-C. **(If the name is the same as the payer (block 2), it is not necessary to fill out this section. MOVE TO SECTION C.)**

(14) **Street Address Line 1** - The street address or post office box number to which correspondence should be sent.

(15) **Street Address Line 2** - This line may be used if further identification of the address is required.

(16) **City** - The name of the city associated with the street address given in (14).

(17) **State** - If the applicant has a United States mailing address enter the appropriate two-digit state abbreviation as prescribed by the U.S. Post Office. If the applicant has a mailing address outside the United States, leave this section blank.

(18) **ZIP Code** - Enter the appropriate five or nine-digit ZIP code prescribed by the U.S. Post Office. If address is foreign, enter the appropriate ZIP (postal) code.

(19) **Daytime Telephone Number** - Enter the applicant's ten-digit daytime telephone number, including area code. For foreign telephone numbers include the appropriate country dialing access code, as if you were calling from the United States. This daytime number should be the number where you can be reached during normal business hours.

(20) **Country Code** - This section is for applicants who have an address outside the United States of America. Enter the appropriate code here. To obtain country code information, contact the Mailing Requirements Dept. of the U.S. Postal Service.

(21) **Applicant (FRN)**. Enter the applicant's ten-digit number FRN assigned by the Commission Registration System (CORES). The FRN is a unique entity identifier for everyone doing business with the Commission. The FRN can be obtained electronically through the FCC webpage (www.fcc.gov.com) or by requesting FCC Form 160 through the FCC forms webpage (www.fcc.gov/formpage.html).

(22) **FCC Use Only**

(You must complete Section B - Block 21: FCC Registration Number)

SECTION C

(23) **Call Sign/Other ID** - Enter an applicable call sign or unique FCC identifier, if any, as prescribed by the appropriate FCC Fee Filing Guide or Public Notice.

(24) **Payment Type Code** - Enter the appropriate payment type code for the service you are requesting as found in the appropriate FCC Fee Filing Guide or Public Notice.

(Incorrect or omitted payment type codes may result in your application or filing being returned to you without further processing.) You are allowed to file multiple actions on one FCC Form 159. There are three ways "multiple actions" are defined. The following examples provide instructions on how multiple actions should be filed when using FCC Forms 159 & 159-C:

(i) If a single service allows for a quantity of more than one of the same action, as defined in the appropriate FCC Fee Filing Guide or Public Notice, complete Section C (e.g., if you are filing an ownership report in the mass media services you may pay for both your AM & FM stations using the same payment type code and a quantity of two as long as it can be filed in the same lockbox). Blocks **28 & 29** are only to be completed when required by the Bureau/Office or by Public Notice.

(ii) If you are filing concurrent actions (not the same actions) in the same lockbox, on the same application, refer to the appropriate FCC Fee Filing Guide or Public Notice for specific instructions as to the number of quantities allowed. Complete Section C (e.g., you may file a regulatory fee for a CARS license and Broadcast Auxiliary license or you may file a regulatory fee for a mass media service and a common carrier service on the same FCC Form 159 by using the designated payment type codes, and quantities as defined by the Public Notice). Complete a separate item for each action required. Blocks **28 & 29** are only to be completed when required by the Bureau/Office or by Public Notice.

(iii) If a single Remittance Advice is used to pay for more than one applicant, licensee, regulatee or debtor, for permitted action(s) in the same lockbox, then a Continuation Sheet (159-C) must be completed for each applicant, licensee, regulatee or debtor (e.g., if you are paying for different applicants submitting separate Domestic 214 Applications in the common carrier services, they can all be filed on one FCC Form 159 as long as they are filed in the same lockbox). A separate FCC Form 159 must be completed and submitted for each applicant. Blocks **28 & 29** are only to be completed when required by the Bureau/Office or by Public Notice.

Remember, if any of these additional applications fall into category (i) or (ii) above, you can follow those instructions. Make sure to check the appropriate FCC Fee Filing Guide or Public Notice for any special filing stipulations that may apply.

(25) **Quantity** - Enter the total number of actions required with this submission. Refer to the FCC Fee Filing Guide or Public Notice for information concerning multiple requests.

(26) **FEE Due for (PTC)** - Enter the fee due for the PTC listed in item 24.

(27) **Total Fee** - Enter the total fee due by multiplying Block 25 (Quantity) times Block 26 (Fee Due for PTC).

(28) **FCC Code 1** - This section is used for special filing codes as required by the Bureau/Office or Public Notice. Do not complete this block unless instructed to do so.

(29) **FCC Code 2** - This section is used for special filing codes as required by the Bureau/Office or Public Notice. Do not complete this block unless instructed to do so.

SECTION D

(30) **Certification Statement** - This section must be completed and signed. Failure to do so may delay the processing of your application/filing.

Form 159-C FCC Remittance Advice Continuation Sheet

Use this form for any additional services pertaining to this filing or if you are paying for multiple applicants with a single payment. (See Sections B and C of the instructions to assist you in completing this form). For each additional applicant listed in Section BB of the FCC Form 159-C, you must complete Section BB - Block 21: FCC Registration Number. Each additional applicant must use a separate Form 159-C.

NOTICE TO INDIVIDUALS REQUIRED BY THE PRIVACY ACT OF 1974 AND THE PAPERWORK REDUCTION ACT OF 1995

The solicitation of the personal information requested in this form is authorized by the Communications Act, Sections 8 & 9, and the Debt Collection Improvement Act of 1996. P.L. 104-134. This form will be used primarily to capture information to maintain required accounts receivable, and collect fines and debts due the Commission. As part of the Debt Collection Improvement Act, agencies are authorized to refer specific Taxpayers Identification information which includes Employers Identification Numbers and Social Security Numbers to the Department of Treasury for further investigation and possible enforcement of a statute, rule, regulation or order. If we believe there may be a violation or potential violation of a FCC statute, regulation, rule or order, your application may be referred to the Federal, state, or local agency responsible for investigating, prosecuting, enforcing or implementing the statute, rule, regulation or order. In certain cases, the information in your application may be disclosed to the Department of Justice or a court or adjudicative body when (a) the FCC; or (b) any employee of the FCC; or (c) the United States Government, is a party to a proceeding before the body or has an interest in the proceeding. If information requested on the form is not provided, processing of the application/filing may be delayed or returned without action pursuant to Commission rules.

If you owe a past due debt to the Federal Government, the Taxpayer Identification Number (such as your Social Security Number) and other information you provide may also be disclosed to the Department of the Treasury, Financial Management Service, other federal agencies and/or your employer to offset your salary, IRS tax refund or other payments to collect that debt. The FCC may also provide this information to these agencies through the matching of computer records when authorized.

We have estimated that each response to this collection of information will take 10 minutes to 4 hours. Our estimate includes the time to read the instructions, look through existing records, gather and maintain required data, and actually review and complete the form. If you have any comments on this estimate, or on how we can improve the collection of this data to reduce the burden it causes you, please write the Federal Communication Commission, AMD-PPM, Washington, DC 20554, Paperwork Reduction Project (3060-0589). We will also accept your comments via the Internet if you send them to pra@fcc.gov. Please **DO NOT SEND COMPLETED APPLICATION FORMS TO THIS ADDRESS**.

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This notice is required by the Privacy Act of 1974, Public Law 93-579, December 31, 1974, 5 U.S.C. Section 552a(e) (3) and the Paperwork Reduction Act of 1995, Public Law 104-13, October 1, 1995, 44 U.S.C. 3507.



PUBLIC NOTICE

Federal Communications Commission
45 L St., N.E.
Washington, D.C. 20554

News Media Information 202 / 418-0500
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DA 24-623
Released: June 28, 2024

**DOMESTIC SECTION 214 APPLICATION FILED
FOR THE ACQUISITION OF CERTAIN ASSETS OF COMPUTER 5 INC. DBA
LOCALTEL COMMUNICATIONS TO NORTHWEST FIBER, LLC,
ZIPLY FIBER NORTHWEST, LLC, AND ZIPLY WIRELESS, LLC**

NON-STREAMLINED PLEADING CYCLE ESTABLISHED

WC Docket No. 24-87

Comments Due: July 12, 2024
Reply Comment Due: July 19, 2024

By this Public Notice, the Wireline Competition Bureau seeks comment from interested parties on an application filed by Computer 5 Inc. dba LocalTel Communications (LocalTel), Northwest Fiber, LLC (NWF), Ziplly Fiber Northwest, LLC (ZFN), and Ziplly Wireless, LLC (Ziplly Wireless), (collectively, Applicants), pursuant to section 214 of the Communications Act of 1934, as amended, and sections 63.03-04 of the Commission's rules,¹ requesting consent for the transfer of substantially all of the assets of LocalTel to NWF, and ultimately, to ZFN and Ziplly Wireless.²

¹ See 47 U.S.C. § 214; 47 CFR §§ 63.03-04.

² Joint Application Domestic Section 214 Authorization For the Consent to Assign Certain Assets of Computer 5 Inc. dba LocalTel Communications to Northwest Fiber, LLC, Ziplly Fiber Northwest, LLC and Ziplly Wireless, LLC, WC Docket No. 24-87 (filed on Mar. 14, 2024) (Application). Applicants filed supplements to their application on April 15, 2024, May 7, 2024, and June 18, 2024. Letter from Stephen E. Coran, Counsel for Computer 5, Inc. dba LocalTel Communications, and Michael P. Donahue and Byron E. Springer, Jr., Counsel for Northwest Fiber, LLC, Ziplly Fiber Northwest, LLC, and Ziplly Wireless LLC, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 24-87 (filed Apr. 15, 2024) (Apr. 15 Supplement); Letter from Michael P. Donahue and Byron E. Springer, Jr., Counsel for Northwest Fiber, LLC, Ziplly Fiber Northwest, LLC, and Ziplly Wireless LLC, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 24-87 (filed May 7, 2024) (May 7 Supplement) (informing the Commission of a pro forma transfer that resulted in the insertion of two new intermediate holding companies in ZFN's ownership structure and confirming USF commitments); Letter from Michael P. Donahue and Byron E. Springer, Jr., Counsel for Northwest Fiber, LLC, Ziplly Fiber Northwest, LLC, and Ziplly Wireless LLC, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 24-87 (filed June 18, 2024) (June 18 Supplement). Applicants also filed applications for the transfer of international authorizations. Any action on this application is without prejudice to other pending applications before the Commission.

LocalTel, a Washington corporation, provides voice and broadband service to more than 40,000 residences and businesses in rural communities and urban areas throughout Eastern Washington state using fixed wireless and fiber-to-the-home technologies.³ LocalTel is designated as an eligible telecommunications carrier (ETC) in Washington and is authorized to receive \$6,847,092.40 in CAF Phase II Auction support to deploy voice and broadband service to 1,910 locations in Washington.⁴ In addition, LocalTel is authorized to receive \$48,818,171.30 in Rural Digital Opportunity Fund (RDOF) support to deploy voice and broadband service to 12,530 locations in Washington.⁵ LocalTel also participates in the Lifeline program and Affordable Connectivity Program (ACP).⁶

NWF, a Delaware limited liability company, was created in connection with a transaction for the purchase of certain subsidiaries from Frontier Communications Corporation (Frontier), which closed on May 1, 2020, with operations in Washington, Oregon, Idaho, and Montana.⁷ NWF has continuously operated these subsidiaries since closing the Frontier transaction.⁸ NWF and its operating affiliates use the trade name “Zipty Fiber.”⁹

ZFN, a Delaware limited liability company, is a wholly-owned subsidiary of NWF.¹⁰ ZFN provides service as the incumbent local exchange carrier (LEC) in all of the areas it currently serves in Washington, Oregon, and Idaho, and provides data, video (in limited areas in Western Washington and Northwestern Oregon), and voice services.¹¹ ZFN is designated as an ETC in Idaho, Oregon, and Washington.¹² ZFN is also authorized to receive \$20,066,009.70 in RDOF support to deploy voice and broadband services to 9,370 locations in Washington.¹³ ZFN participates in the Lifeline program and ACP.¹⁴ Zipty Wireless, a Delaware limited liability company, is a wholly-owned subsidiary of NWF.¹⁵ Zipty Wireless provides service as a competitive LEC in Idaho, Oregon, and Washington.¹⁶ Zipty Wireless provides voice and data services over a

³ Application at 2-3.

⁴ *Id.* at 3. *Connect America Fund Phase II Support Authorized for 387 Winning Bids*, AU Docket No. 17-182, WC Docket No. 10-90, Public Notice, 34 FCC Rcd 9406, Attach. A, pp. 3-6 (AU/WCB 2019).

⁵ *Id.* *Rural Digital Opportunity Fund Support Authorized for 5,657 Winning Bids*, AU Docket No. 20-34, WC Docket No. 19-126 and WC Docket No. 10-90, Public Notice, 37 FCC Rcd 3570, Attach. A, pp. 270-272 (AU/WCB 2022).

⁶ Application at 14.

⁷ *Id.* at 4.

⁸ *Id.*

⁹ *Id.*

¹⁰ *Id.* at 4-5.

¹¹ *Id.* at 5.

¹² *Id.* at 14.

¹³ Application at 5. *Rural Digital Opportunity Fund Support Authorized for 5,657 Winning Bids*, AU Docket No. 20-34, WC Docket No. 19-126 and WC Docket No. 10-90, Public Notice, 37 FCC Rcd 3570, Attach. A, pp. 254-61 (AU/WCB 2022).

¹⁴ Application at 14. Applicants state that Zipty Wireless will file a petition for designation as an ETC in the State of Washington for the area covered by LocalTel’s CAF Phase II award. *Id.* at 6.

¹⁵ *Id.* at 5-6.

¹⁶ *Id.* at 6.

fixed wireless access network in Washington and Oregon.¹⁷ ZFN is indirectly held by NWF, which is indirectly held, through a number of U.S. and Cayman Islands holding companies and funds, by Searchlight Capital Partners II GP, LLC (Upper GP), a Delaware limited partnership (collectively, Searchlight).¹⁸ Applicants state that Upper GP is the “ultimate controlling entity of the Searchlight funds” and holds a 100% voting interest in ZFN.¹⁹ Upper GP is ultimately controlled by Eric Zinterhofer (a U.S. citizen), Erol Uzumeri (a Canadian citizen), and Oliver Haarmann (a German citizen), each holding a 33 1/3% ownership interest in Searchlight Capital Partners II and a 26.27% indirect voting interest in ZFN.²⁰ Steve Weed indirectly holds 10% of the voting and equity interests of NWF, ZFN, and Ziplly Wireless.²¹ The following entities also ultimately hold a 10% or greater indirect interest in ZFN: The Public Sector Pension Board (Canada) (28.68% equity interest in ZFN); Canada Pension Plan Investment Board (Canada) (17.81% indirect equity interest in ZFN); and the British Columbia Investment Management Corporation (Canada) (17.93% indirect equity interest in ZFN).

Pursuant to the terms of the Asset Purchase Agreement and Plan of Merger between LocalTel and its controlling shareholder and principal (Selling Parties) and NWF and ZFN, NWF agreed to purchase, and LocalTel agreed to sell, “various rights, property, and assets (including all customer contracts and customer relationships) used in or necessary for the business of providing, for consumer and commercial use, broadband and voice services, including high-speed internet, transport, transit, voice, data, and other telecommunications services, throughout LocalTel’s service territory over a leased fiber-based network infrastructure, together with services resold off of copper-based networks of local ILECs.”²² The Selling Parties and Ziplly Wireless also entered into an Asset Purchase Agreement, whereby Ziplly Wireless agreed to purchase, and the Selling Parties agreed to transfer, the wireless licenses and other assets, including customers, associated with LocalTel’s fixed wireless business.²³ Applicants state that following the two-part transaction, NWF will transfer all fiber and related assets and operating obligations to its wholly-owned subsidiary, ZFN.²⁴

Applicants state that pursuant to these transactions, LocalTel’s CAF Phase II and RDOF assets, unused CAF II and RDOF support and future CAF II and RDOF support, will ultimately transfer to two separate NWF subsidiaries.²⁵ Applicants state that ZFN will acquire all of the LocalTel RDOF-related assets and assume all related obligations, and Ziplly Wireless will acquire all

¹⁷ *Id.*

¹⁸ *Id.* at 3; June 18 Supplement at 7-9. Applicants state that Searchlight has investment interests in other broadband providers operating in multiple states, including a 13.9% interest in Consolidated Communications Holdings, Inc., a 22.6% interest in Northwest Fiber, LLC d/b/a Ziplly Fiber, and a 2.9% interest in Uniti Group Inc., all of which either receive, or have received, Universal Service Fund support. *See* Application at 3-4 and n.6; Apr. 15 Supplement at 2-4. According to the Applicants, Searchlight also has investment interests in GCI Communications, Inc. and Electric Lightwave. *See* Application at 3-4 and n.6.

¹⁹ June 18 Supplement at 7-9.

²⁰ Application at 3-4; June 18 Supplement at 1.

²¹ Application at 19; June 18 Supplement at 3-4.

²² Application at 6-7.

²³ *Id.* at 7.

²⁴ *Id.* at 8.

²⁵ *Id.* at 7.

CAF Phase II-related assets and assume all associated obligations.²⁶ Each affiliate commits to meeting the deployment milestones and performance requirements associated with the type of support that they will receive.²⁷

Applicants assert that the proposed transaction is consistent with the public interest, convenience, and necessity.²⁸ Applicants contend that “the operations and networks of LocalTel, ZFN and Zply Wireless are complimentary and adjacent with minimal overlap and multiple, larger competitors provide similar service in the LocalTel, ZFN and Zply Wireless service areas.”²⁹ Applicants further contend that the proposed transaction will “promote competition by lowering the costs of deployment” of provided services.³⁰ Because the proposed transaction is more complex than those accepted for streamlined treatment, and in order to analyze whether the proposed transaction would serve the public interest, we accept the Application for non-streamlined processing.³¹

No Referral to Executive Branch Agencies: The Commission determined in the Executive Branch Review Process Order that it would generally exclude from referral to the Executive Branch applications where the Applicants have “an existing mitigation agreement, there are no new reportable foreign owners of the applicant since the effective date of the mitigation agreement, and the applicant agrees to continue to comply with the terms of that mitigation agreement.”³² The Applicants argue that the Application qualifies for an exclusion from referral to the Executive Branch since it meets those criteria.³³ The Applicants state that NWF is party to a Nov. 21, 2019 Letter of Agreement from Timothy B. Austin, Vice President and Secretary, Northwest Fiber, LLC, to Assistant Attorney General for National Security, United States Department of Justice (Nov. 21, 2019 LOA).³⁴ The Applicants further state that the Nov. 21, 2019 LOA remains in place, that there are no new reportable foreign owners of NWF since the effective date of the Nov. 21, 2019 LOA, and that ZFN, Zply Wireless, and NWF agree to comply with the terms of the Nov. 21, 2019

²⁶ *Id.*

²⁷ *Id.* at 8-9; *see also* May 7 Supplement at 9 (“NWF, ZFN and Zply Wireless confirm their commitment to fulfill all their existing and acquired Lifeline, CAF, RDOF and other USF obligations after closing.”).

²⁸ Application at 9-13.

²⁹ *Id.* at 11.

³⁰ *Id.* at 13.

³¹ 47 CFR § 63.03(c)(1)(v).

³² *Process Reform for Executive Branch Review of Certain FCC Applications and Petitions Involving Foreign Ownership*, IB Docket No. 16-155, Report and Order, 35 FCC Rcd 10927, 10939, para. 30 (2020) (Executive Branch Review Process Order); *see also* 47 CFR § 1.40001(a)(2)(iii).

³³ Application at 27-29.

³⁴ *See Applications Filed for the Transfer of Control of Certain Subsidiaries of Frontier Communications Corp. to Northwest Fiber, LLC*, WC Docket No. 19-188, Memorandum Opinion and Order and Declaratory Ruling, 34 FCC Rcd 12344 (WCB/IB/WTB 2019); IBFS File Nos. ITC-ASG-20190628-00129; ITC-ASG-20190628-00130; National Telecommunications and Information Administration, *Petition to Adopt Conditions to Authorizations and Licenses*, WC Docket No. 19-188, ITC-T/C-20190628-00128, ITC-ASG-20190628-00129, ITC-ASG-20190628-00130, ULS 0008706476, ULS 000870647, ISP-PDR-20190708-00006 (Nov. 22, 2019) (citing Letter of Agreement from Timothy B. Austin, Vice President and Secretary, Northwest Fiber, LLC, to Assistant Attorney General for National Security, United States Department of Justice (Nov. 21, 2019)).

LOA.³⁵ We find that the Applicants have made a showing that this Application comes within an exclusion from referral to the Executive Branch for national security, law enforcement, foreign policy, and trade policy review. Although we are not formally referring the Application, we will provide a courtesy copy of this public notice to the Executive Branch agencies.³⁶

Domestic Section 214 Application Filed for the Assignment of Certain Assets of Computer 5 Inc. dba LocalTel Communications to Northwest Fiber, LLC, Ziplly Fiber Northwest, LLC and Ziplly Wireless, LLC, WC Docket No. 24-87 (filed Mar. 14, 2024).

GENERAL INFORMATION

The application identified herein has been found, upon initial review, to be acceptable for filing. The Commission reserves the right to return any application if, upon further examination, it is determined to be defective and not in conformance with the Commission's rules and policies.

Interested parties may file comments and reply comments on or before the dates indicated on the first page of this document. Comments may be filed using the Commission's Electronic Comment Filing System (ECFS).

- **Electronic Filers:** Comments may be filed electronically using the Internet by accessing ECFS at <http://apps.fcc.gov/ecfs/>.
- **Paper Filers:** Parties who choose to file by paper must file an original and one copy of each filing.
 - Filings can be sent by hand or messenger deliver, by commercial courier, or by the U.S. Postal Service. **All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission.**
 - Hand-delivered or messenger-delivered paper filings for the Commission's Secretary are accepted between 8:00 a.m. and 4:00 p.m. by the FCC's mailing contractor at 9050 Junction Drive, Annapolis Junction, MD 20701. All hand deliveries must be held together with rubber bands or fasteners. Any envelopes and boxes must be disposed of before entering the building.
 - Commercial courier deliveries (any deliveries not by the U.S. Postal Service) must be sent to 9050 Junction Drive, Annapolis Junction, MD 20701.
 - Filings sent by U.S. Postal Service First-Class Mail, Priority Mail, and Priority Mail Express must be sent to 45 L Street, NE, Washington, DC 20554.

People with Disabilities: To request materials in accessible formats for people with disabilities (braille, large print, electronic files, audio format), send an e-mail to fcc504@fcc.gov or call the Consumer & Governmental Affairs Bureau at 202-418-0530 (voice), 202-418-0432 (TTY).

In addition, e-mail one copy of each pleading to each of the following:

- 1) Dennis Johnson, Competition Policy Division, Wireline Competition Bureau, dennis.johnson@fcc.gov;

³⁵ Application at 28-29.

³⁶ See *Executive Branch Review Process Order* at 10939, para 30 n.81.

- 2) David Krech, Office International Affairs, david.krech@fcc.gov; and
- 3) Jim Bird, Office of General Counsel, jim.bird@fcc.gov.

The proceeding in this Notice shall be treated as a “permit-but-disclose” proceeding in accordance with the Commission’s *ex parte* rules. Persons making *ex parte* presentations must file a copy of any written presentation or a memorandum summarizing any oral presentation within two business days after the presentation (unless a different deadline applicable to the Sunshine period applies). Persons making oral *ex parte* presentations are reminded that memoranda summarizing the presentation must (1) list all persons attending or otherwise participating in the meeting at which the *ex parte* presentation was made, and (2) summarize all data presented and arguments made during the presentation. If the presentation consisted in whole or in part of the presentation of data or arguments already reflected in the presenter’s written comments, memoranda or other filings in the proceeding, the presenter may provide citations to such data or arguments in his or her prior comments, memoranda, or other filings (specifying the relevant page and/or paragraph numbers where such data or arguments can be found) in lieu of summarizing them in the memorandum. Documents shown or given to Commission staff during *ex parte* meetings are deemed to be written *ex parte* presentations and must be filed consistent with rule 1.1206(b), 47 CFR § 1.1206(b). Participants in this proceeding should familiarize themselves with the Commission’s *ex parte* rules.

To allow the Commission to consider fully all substantive issues regarding the application in as timely and efficient a manner as possible, petitioners and commenters should raise all issues in their initial filings. New issues may not be raised in responses or replies.³⁷ A party or interested person seeking to raise a new issue after the pleading cycle has closed must show good cause why it was not possible for it to have raised the issue previously. Submissions after the pleading cycle has closed that seek to raise new issues based on new facts or newly discovered facts should be filed within 15 days after such facts are discovered. Absent such a showing of good cause, any issues not timely raised may be disregarded by the Commission.

For further information, please contact Dennis Johnson at dennis.johnson@fcc.gov.

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³⁷ See 47 CFR § 1.45(c).