

Docket No. UT-190574 - Vol. II

In the Matter of Northwest Fiber, LLC, et al.

January 27, 2020



1325 Fourth Avenue • Suite 1840 • Seattle, Washington 98101

**206.287.9066**

[www.buellrealtime.com](http://www.buellrealtime.com)

Olympia | **360.534.9066** Spokane | **509.624.3261** National | **800.846.6989**

email: [info@buellrealtime.com](mailto:info@buellrealtime.com)



1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION

---

In the Matter of the Joint )Docket UT-190574  
Application of )

)  
NORTHWEST FIBER, LLC, FRONTIER)  
COMMUNICATIONS CORPORATION, )  
AND FRONTIER COMMUNICATIONS )  
ILEC HOLDINGS LLC )

)  
For an Order Declining to )  
Assert Jurisdiction Over, or, )  
in the Alternative Approving )  
the Transfer of Control of )  
Frontier Communications )  
Northwest Inc. to Northwest )  
Fiber, LLC. )

---

PUBLIC COMMENT HEARING, VOLUME II

Pages 25-41

CHAIR DANNER, COMMISSIONER RENDAHL, COMMISSIONER  
BALASBAS AND JUDGE KOPTA

---

January 27, 2020

10:00 a.m.

Washington Utilities and Transportation Commission  
621 Woodland Square Loop Southeast  
Lacey, Washington 98503

REPORTED BY: TAYLER GARLINGHOUSE, CCR 3358

Buell Realtime Reporting, LLC  
1325 Fourth Avenue, Suite 1840  
Seattle, Washington 98101  
(206) 287-9066 | Seattle  
(360) 534-9066 | Olympia  
(800) 846-6989 | National  
www.buellrealtime.com

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

A P P E A R A N C E S

COMMISSIONERS:

DAVE DANNER, Chair  
ANN RENDAHL, Commissioner  
JAY BALASBAS, Commissioner

ADMINISTRATIVE LAW JUDGE:

GREGORY J. KOPTA

\* \* \* \* \*

1 LACEY, WASHINGTON; JANUARY 27, 2020

2 10:00 A.M.

3 --o0o--

4 P R O C E E D I N G S

5  
6 CHAIR DANNER: Good morning. This is a  
7 public hearing of Utilities and Transportation  
8 Commission regarding the transfer of Frontier  
9 Communications Northwest, Inc. to Northwest Fiber, LLC,  
10 and this is Docket UT-190574.

11 My name is Dave Danner. I'm Chair of the  
12 Commission. I am joined by my colleagues, Commissioner  
13 Ann Rendahl, Commissioner Jay Balasbas, and also sitting  
14 up here at the dais with us is Administrative Law Judge  
15 Greg Kopta, who will be overseeing the formal hearing in  
16 the case after the public meeting is -- is over.

17 This case involves a petition to transfer  
18 the control of Frontier Northwest to Northwest Fiber,  
19 and they are seeking to transfer all their -- their  
20 facilities and operations in Washington, Oregon, Idaho,  
21 and Montana. Obviously, we are only concerned with the  
22 facilities in Washington State.

23 Northwest Fiber will be jointly owned by  
24 WaveDivision Capital 7, LLC, an investment fund of WDC  
25 Management, LLC, and investment funds affiliated with

1 Searchlight Capital Partners, LP. Following the close  
2 of the transaction, the Commission will maintain the  
3 same regulatory oversight over Frontier Northwest that  
4 it had prior to the completion of the transaction.

5 As I said, there is a formal hearing in this  
6 case involving several intervenors, and that includes  
7 the UTC Staff who operate as a separate party, obviously  
8 the companies involved, as well as the Public Counsel  
9 Office of the Attorney General. And so for those of you  
10 commenting today, if you want more information on the  
11 case, Nina Suetake is here from the Attorney General's  
12 Office. She's raised her hand and she's in the second  
13 row.

14 At public comment hearings, basically we are  
15 here to listen. So if you have questions, we will treat  
16 them as rhetorical questions or we will refer you to the  
17 AG or to Commission Staff, but we won't be engaging in a  
18 give-and-take.

19 So we will get started. For those -- there  
20 are several people on the phone. I would like to ask if  
21 there's anyone on the bridge line who intends to provide  
22 comments this morning?

23 Okay. So far, I'm hearing none. In that  
24 case, for those who are in the room who wish to comment,  
25 I need you to stand and raise your right hand so I can

1 swear you in.

2 (All persons testifying sworn.)

3 CHAIR DANNER: All right. Thank you. You  
4 may be seated.

5 MR. CECIL: Sorry, we were muted. We  
6 have -- this is Erik Cecil for Charter Communications.  
7 We have Mike Scanlon here in case you need to ask him  
8 any questions. Thank you.

9 CHAIR DANNER: All right. Thank you. I'm  
10 assuming that you don't intend to comment during the  
11 public comment hearing?

12 MR. CECIL: No, no. I'm sorry, not at all.

13 CHAIR DANNER: All right. Thank you.

14 Well, let's start, then. James Pafundi,  
15 would you like to come forward?

16 MR. PAFUNDI: Sure. Just --

17 CHAIR DANNER: Have a seat, either one, and  
18 then to speak, you're going to have to press the button  
19 on the microphone until the light turns -- the red light  
20 turns green. And it can be a challenge. There you go.  
21 Go ahead, sir.

22 MR. PAFUNDI: All right. So I'm here  
23 representing myself and my neighbors as well. There's a  
24 group of us that live on the border of the Kalama  
25 Telephone and the Northwest Fiber, the Frontier

1 exchange. And apparently, some 50 years ago, maybe  
2 around the breakup of the Bells, one of the landowners  
3 got the boundary to become somewhat irregular so that  
4 this landowner was not making long distance telephone  
5 calls to Woodland. And so we're in a little carveout  
6 section for the exchange that is really on the way to  
7 nowhere. So there's probably about a hundred or so home  
8 sites. Maybe more.

9           We live in a rural area. We're not  
10 incorporated. We're not in part of Kalama or Woodland.  
11 We're the unincorporated section. And so essentially,  
12 with being such a small area with a carveout,  
13 communication lines, Fiber really running -- you know,  
14 would just be running directly to our homes. With the  
15 advent of high speed Internet, our area has been  
16 underdeveloped. So we still have copper telephone  
17 lines, which are not being used, haven't been used for  
18 some time. Most everybody uses cell phones, but we have  
19 no high-speed Internet connection except for microwave.

20           So currently, myself and a few others are  
21 getting microwave through Cascade Networks, but, again,  
22 running into some similar issues with reliable  
23 transmission due to weather, due to trees. We live in a  
24 very, you know, wooded area, so our only access to  
25 high-speed Internet right now is through Cascade

1 Networks at a much -- at a slow, very slow rate. I  
2 think we're at less than a megabyte of upload speeds,  
3 and that varies depending upon the day and temperature  
4 and whatnot, trees. And in a few months or years, the  
5 trees will grow up around and we'll have no access.

6           So today, we -- when we heard about the --  
7 the proposed selling, we talked to Kalama Telephone  
8 about, you know, things that we could do, and his  
9 recommendation, along with some others that we have  
10 talked to, was here to make our situation known and  
11 allow the Commission to kind of exercise its authority  
12 to solve our problem. We've spoken to a number of  
13 attorneys that are involved in this situation, so this  
14 has been a very difficult landscape for us to navigate,  
15 and it seems like everywhere we turn, you know, there's  
16 people willing to listen, but that's about as far as it  
17 goes.

18           So today, you know, I just wanted to remind  
19 the Commission of two things. Obviously I read your  
20 mission statement on the website of what you're here to  
21 provide, and part of -- there was a number of things:  
22 Safe, reliable, cost-effective, and available. So in  
23 our situation, high-speed Internet is not reliable nor  
24 available for our particular community.

25           Secondarily, looking at the information



1 sheet that was provided, it says that what is the  
2 permission -- what is the purpose of this is to whether  
3 the acquisition meets the applicable no-harm standard,  
4 which requires a showing of customers will be no worse  
5 off when the transaction is approved. And I would argue  
6 that we would be worse off if the transaction is  
7 approved, because if it is approved without addressing  
8 our issues, our ability to effect change moving forward  
9 will be significantly reduced.

10 So we would be losing the leverage that we  
11 would have to bring this to the Commission's attention,  
12 to have, you know, some, you know, problem-solving and,  
13 you know, government intervention to providing  
14 high-speed Internet, reliable high-speed Internet to our  
15 community, which would significantly effect property  
16 values. I'm a small business owner, significantly  
17 reduce my ability to run my business from my home and  
18 could eventually, you know, force me to have to move.

19 So I would just want to make that -- this  
20 very apparent to the Commission that this -- this  
21 exists, and up until this point, we've -- we've asked  
22 Kalama Telephone, we've tried to work with our local  
23 agencies for a number of years. We've got, you know,  
24 signatures from other neighbors that are willing to  
25 join, but I don't think the numbers -- you know, even if

1 it was 50 to a hundred homes, I don't think the numbers  
2 are significant enough to overcome the market-based, you  
3 know, approach that you would normally see if you could  
4 get a thousand homes because it's very expensive. We  
5 realize that, and so we just feel that we're at a  
6 Catch-22 here.

7 So we're looking for the Commission to  
8 become aware and to work with the purchasing company to  
9 provide those services or some type of solution to our,  
10 you know, carveout.

11 CHAIR DANNER: All right. Thank you very  
12 much. Let me ask, sir, I do have some questions for  
13 you. So can you tell me how many homes -- how many  
14 people are affected; do you know?

15 MR. PAFUNDI: I mean, I would think that it  
16 would probably be somewhere in the neighborhood of a  
17 hundred homes. It's hard to know, but there's more home  
18 sites that are being developed now. You know, it's a  
19 mountainous area, so actually how many homes are going  
20 to be in that particular area, I'm not sure.

21 CHAIR DANNER: And currently, if you were to  
22 use that copper pair, is that Kalama Telephone or is  
23 that Frontier?

24 MR. PAFUNDI: Frontier.

25 CHAIR DANNER: It's Frontier. So the -- the

1 basic landline telephone provider in this area is  
2 Frontier?

3 MR. PAFUNDI: Correct, and the  
4 infrastructure is old and aged, I would not -- I'm not  
5 even sure that -- Frontier from the last time that we've  
6 contacted them has -- has said, you know, they --  
7 unfortunately nothing's available for your area. And we  
8 do have Fiber running right up the road right from our  
9 home, but because of the carveout, the Fiber is for  
10 Kalama Telephone. So we actually have Kalama Fiber  
11 running right up the road, but unable to tap it to that.

12 CHAIR DANNER: All right. Thank you.

13 Anyone else have questions for Mr. Pafundi?

14 All right. Thank you very much, sir.

15 MR. PAFUNDI: Thank you.

16 CHAIR DANNER: Douglas Slack? Come forward.

17 MR. SLACK: Good. Green light's still on.

18 Good morning. Thank you for allowing me some time to  
19 speak with you. Appreciate the opportunity. My name is  
20 Douglas Slack. My wife, LaDonna, and I live at 4409  
21 Green Mountain Road in rural Cowlitz County in southwest  
22 Washington State. I have chosen to read this to you  
23 this morning. They're all my words, I just want to be  
24 sure to not leave anything out. When you're old,  
25 sometimes you do that.

1           We understand that this hearing is for the  
2 purpose of approving transfer of service operations from  
3 Frontier Telecommunications to Northwest Fiber, LLC. We  
4 understand that the Washington Utilities and  
5 Transportation Commission regulates, among other things,  
6 telephone service, which we assume does not include  
7 cellular phone services since many of us use different  
8 cellular providers depending on cost, features, and  
9 whether we can actually get a decent signal from where  
10 we live.

11           We also understand that Internet service is  
12 not regulated, excepting that many telephone companies  
13 do provide Internet connections, and therefore, if you  
14 live within their particular boundary, you can only have  
15 what your telephone company offers.

16           It is this connection that makes our  
17 situation unique. This is 2020. We've entered yet  
18 another decade where telecommunications, Internet use,  
19 and even the necessity of having Internet access  
20 increases virtually every minute. Public schools  
21 require access to Internet for their students. I dare  
22 you to try and pay a bill or do online banking without  
23 high-speed Internet. Advanced degree studies, even  
24 healthcare is more challenging without Internet access.  
25 Technology changes at such a rapid rate that many of us

1 find it a daunting task to keep up. I would say most of  
2 us find it a daunting task to keep up.

3           Interestingly enough, our home is in the  
4 Kalama School District, Kalama voting district, and our  
5 mailing address is Kalama, 98625. But we're included  
6 within a boundary of telephone service that is loosely  
7 referred to as the Woodland line operated by --  
8 currently served by Frontier Telecommunications. This  
9 area is part of the proposed transfer of service from  
10 Frontier to Northwest Fiber, LLC described in this  
11 docket today, 190574.

12           While this may seem irrelevant since we,  
13 along with many of our neighbors, have discontinued  
14 landline telephone service, we all know the advantages  
15 of having a mobile telephone. Portability along with  
16 all the features and services offered by cellular phone  
17 companies when combined with smart phone features that  
18 are common today make it hardly -- hard to justify  
19 paying for a phone on the wall if that's the only  
20 purpose.

21           We know many of our neighbors have  
22 offered -- are offered as part of their landline  
23 subscription with competing telephone companies the  
24 option to have access to the Internet through those  
25 companies using underground line technologies such as

1 DSL, broadband, FTTP. DSL being probably something that  
2 could be appropriate to use with a twist compared to  
3 older line technology.

4         Since these services were not available to  
5 us, we currently subscribe to a microwave service that  
6 uses a parabolic dish pointed towards a repeater dish in  
7 Columbia County across the Columbia River in Oregon.  
8 Many of our neighbors also use that same service, but  
9 trees grow up and block the signal, and if they're not  
10 your trees, you can't go cut them down.

11         Over the last few years, we have received  
12 solicitation mailers from Frontier and others to add  
13 Internet service, but when we call and inquire, the  
14 answer is always the same or has been always the same;  
15 not available at your address, but we can offer  
16 satellite Internet service. We have tried satellite  
17 Internet service ourselves before, and we have  
18 current -- neighbors who are -- subscribe to the newer  
19 generation service and have all agreed that it is  
20 inadequate, it's expensive, and is vulnerable to loss of  
21 service during inclement weather events.

22         We've also inquired about broadband service  
23 using either a bundled package that includes telephone,  
24 television, and Internet service from services such  
25 as -- companies such as Internet -- or I'm sorry,

1 Infinity, Comcast, Qwest, CenturyLink, Spectrum, some of  
2 the company names that I recall. Answer always seems to  
3 be the same; we don't have any options available at your  
4 address.

5 We understand that the Internet service is  
6 not regulated and we can subscribe to any number of --  
7 any of a number of Internet service providers. Just  
8 last week, I did respond to an ad and inquired at Wave  
9 Broadband if they could offer service to our residents.  
10 I haven't heard back yet from them. They said that they  
11 will check out the address and see if they have  
12 something available. However, we currently know of no  
13 broadband lines in our immediate area. We are in an  
14 area populated by homes who were built individually, not  
15 part of a large development that might attract broadband  
16 service companies.

17 So we are hereby putting in a request for  
18 current technology communications services as a  
19 condition of approval of this transfer of service.

20 Thank you for your time. Questions?

21 CHAIR DANNER: Thank you, Mr. Slack.

22 Are there questions for Mr. Slack?

23 All right. Since you do have your remarks  
24 prepared in writing, I was wondering if you could share  
25 that with our staff so that we --

1 MR. SLACK: I will leave them with you. I  
2 have it in my computer at home.

3 CHAIR DANNER: All right. Very good. Then  
4 we will -- we will take that.

5 MR. SLACK: It's your copy.

6 CHAIR DANNER: All right. Thank you very  
7 much.

8 Is there anyone else in the room or on the  
9 bridge line who wishes to provide comments this morning?

10 Mr. Cupp, anything?

11 Okay. All right. Well, it looks like that  
12 concludes our public comment hearing this morning, and I  
13 want to thank you for coming up and sharing your -- your  
14 thoughts with us this morning.

15 We are going to begin the formal hearing,  
16 Mr. Kopta, at what time?

17 JUDGE KOPTA: Oh, let's -- let's say in ten  
18 minutes. It's now 10:19, so we'll start at 10:30.

19 CHAIR DANNER: All right. So we will do  
20 that. We will take a ten-minute break and then we will  
21 start with the formal part of the hearing. Again, thank  
22 you very much for coming out and sharing your thoughts  
23 with us today. We will take those under advisement as  
24 we go forward. So the public comment hearing is  
25 adjourned.



- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25

(Adjourned at 10:20 a.m.)

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

C E R T I F I C A T E

STATE OF WASHINGTON  
COUNTY OF THURSTON

I, Tayler Garlinghouse, a Certified Shorthand  
Reporter in and for the State of Washington, do hereby  
certify that the foregoing transcript is true and  
accurate to the best of my knowledge, skill and ability.

\_\_\_\_\_  
Tayler Garlinghouse, CCR 3358