

[Service Date October 3, 2012]

October 3, 2012

RE: In the Matter of the Joint Application of VERIZON COMMUNICATIONS, INC. and FRONTIER COMMUNICATIONS CORPORATION for an Order Declining to Assert Jurisdiction Over, or, in the Alternative, Approving the Indirect Transfer of Control of Verizon Northwest Inc., Docket UT-090842

TO ALL PARTIES:

The Washington Utilities and Transportation Commission (Commission) entered its Order 06, Final Order Approving and Adopting, Subject to Conditions, Multiparty Settlement Agreements and Authorizing Transaction, in Docket UT-090842 on April 16, 2010. The Order approved the multiparty settlement agreement (Agreement) entered into among Verizon Communications, Inc., Frontier Communications Corporation (Frontier or Company), and the Commission Staff. In Commitment 13 of that Agreement, the parties agreed that Frontier would expend at least \$40 million on broadband deployment in Washington by December 2014. Commitment 13 further provides that the \$40 million pledged to broadband expansion would be set aside in an escrow account and that, thereafter, Frontier would petition the Commission for reimbursement, on a quarterly basis, of expenditures made on Washington broadband projects that are consistent with the specific broadband commitments set forth in the Agreement and approved by the Commission.

On August 1, 2012, Frontier filed its fifth petition for release of funds from the escrow account for expenditures through March 31, 2012. On September 11, 2012, after several discussions with Commission staff, Frontier filed its amended fifth petition for release of funds from the escrow account for expenditures through March 31, 2012, in the amount of \$25,620,944. Frontier asserted that the funds had been expended on broadband expansion projects. The material included in Frontier's filing included both summary projected data as well as detailed projected data for selected broadband projects.

The Commission has examined the filing and has determined the filing is complete. Therefore, Commission accepts the filing described above and will issue a disbursement certificate to the Bank of New York Mellon on the same date as this letter.

According to the Escrow Agreement filed in this docket on June 15, 2010, the escrow agent, Bank of New York Mellon, will disburse funds from the escrow account upon receipt of the executed disbursement certificate.¹ Under separate cover, the Commission will submit an executed disbursement certificate to the escrow agent in the form attached to this letter as Appendix A.²

Sincerely,

DAVID W. DANNER
Executive Director and Secretary

¹ Escrow Agreement, § 4. The disbursement certificate must be in the form of Exhibit A attached to the Escrow Agreement.

² The account number of the escrow account is confidential information that will not be disclosed in the public record pursuant to the Protective Order entered in this docket. *In the Matter of the Joint Application of Verizon Communications, Inc. and Frontier Communications Corporation For an Order declining to Assert Jurisdiction Over, or, in the Alternative, Approving the Indirect Transfer of Control of Verizon Northwest*, Docket UT-090842, Order 01 (July 23, 2009).

Appendix A