

**BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Petition of  
  
ZIPLY FIBER PACIFIC, LLC

Seeking Designation as an Eligible  
Telecommunications Carrier in the State of  
Washington pursuant to 47 U.S.C. §  
214(e)(2) for Low Income Program Only

DOCKET UT-240739

ORDER 01

GRANTING PETITION FOR  
DESIGNATION AS A LIFELINE-  
ONLY ELIGIBLE  
TELECOMMUNICATIONS  
CARRIER AND EXEMPTION FROM  
WAC 480-123-030(1)(d)

**BACKGROUND**

- 1 On October 2, 2024, Zply Fiber Pacific, LLC (Zply or Company) filed a petition with the Washington Utilities and Transportation Commission (Commission) requesting designation as an Eligible Telecommunications Carrier (ETC) in the state of Washington under the Communications Act of 1934,<sup>1</sup> applicable FCC rules, and WAC 480-123 (Petition). Zply Fiber Pacific, LLC proposes to provide qualified Washington consumers with Lifeline services, which are federal Universal Service Fund (USF) supported services.<sup>2</sup> ETC designation would allow the Company to receive federal low-income universal service support for broadband internet and voice telephony service provided through its facility-based network.
- 2 On November 22, 2024, Zply Fiber Pacific, LLC filed an amendment and supplemented its filing to reflect proposed Lifeline rate plans, a location map, and listed identified and applicable service locations.
- 3 Zply Fiber Pacific, LLC submits that it proposes to serve in the designated locations identified in the Petition and granting an exemption from WAC 480-123-030(1)(d). The Company states that the designation of an additional ETC, based on a demonstration that the requesting carrier complies with the statutory eligibility obligations of section

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<sup>1</sup> 47 U.S.C. § 214 (e)(2).

<sup>2</sup> The USF subsidizes monthly and, in certain circumstances, initial connection charges for qualified low-income households.

214(e)(1) as consistent with the public interest. Accordingly, the Company states that it will offer services that are supported by federal universal service support mechanisms by providing voice telephony service and broadband through its network. The Company also commits to advertising its available Lifeline services.

- 4 Zply Fiber Pacific, LLC Petition also seeks an exemption from WAC 480-123-030(1)(d), which requires high-cost program participants to file a substantive plan of the investments to be made with initial federal support for the first two years of their programs. The Company indicates that it does not seek ETC designation for the purpose of participating in the USF high-cost program, making the substantive investment plan inapplicable to its petition.
- 5 Commission staff (Staff) agree with Zply Fiber Pacific, LLC that the Company meets all applicable regulatory requirements to be designated as an ETC. The Company must comply with a list of conditions the Commission previously imposed on other similarly situated Lifeline ETCs seeking to operate in Washington. These include compliance filings, customer communications, and annual reports to be filed with the Commission. A complete list of these conditions is set forth in Appendix A to this Order.
- 6 Staff also agree with and recommend granting Zply Fiber Pacific, LLC request for exemption from the filing requirement in WAC 480-123-030(1)(d), due to the limited nature of the designation as a Lifeline Only ETC.
- 7 Staff notes that the FCC's National Lifeline Accountability Database and the National Lifeline Eligibility Database (aka the National Verifier or NV) are now fully functional. Because these systems are now functional, Staff does not recommend requiring Zply Fiber Pacific, LLC to verify customer eligibility by working with the Department of Social and Health Services.
- 8 Common carriers receiving designation as ETCs under 47 U.S.C. § 214 are eligible to receive funds from the federal USF for Lifeline services. State utility commissions are responsible for designating common carriers as ETCs for the purpose of receiving such funds, and may impose conditions on a common carrier so designated.<sup>3</sup> The Commission will approve petitions from carriers requesting ETC designation if (i) the petition meets

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<sup>3</sup> *In the Matter of the Petition of TracFone Wireless, Inc., for Exemption from WAC 480-123-030(1)(d), (f) and (g); and Designation as an Eligible Telecommunications Carrier for the Purpose of Receiving Lifeline Support from the Federal Universal Service Fund*, Order 03 (June 24, 2010), UT-093012, ¶ 78.

the requirements of WAC 480-123-030, (ii) the designation will advance some or all of the purposes of universal service found in 47 U.S.C. § 254, and (iii) the designation is in the public interest.<sup>4</sup>

9 State commissions shall designate more than one carrier as an ETC in a non-rural area if such designation is consistent with the public interest, convenience, and necessity and the carrier seeking ETC designation meets these two requirements of 47 U.S.C. § 214(e)(1):

(A) Offer services that are supported by federal universal service support mechanisms under section 254(c), either using its own facilities or a combination of its own facilities and resale of another carrier's services (including the services offered by another eligible telecommunications carrier); and

(B) Advertise the availability of such services and the charges therefore using media of general distribution.<sup>5</sup>

10 Here, Ziplly Fiber Pacific, LLC seeks ETC designation for the limited purpose of participating in the Lifeline program. We agree with Staff that Ziplly Fiber Pacific, LLC is capable of providing services supported by federal universal service mechanisms by providing voice telephony service and broadband service through its own network. These services are supported by federal universal service support mechanisms.<sup>6</sup> Further, Ziplly Fiber Pacific, LLC commits to advertise its Lifeline services. Designating the Company as an ETC is consistent with the public interest.

## DISCUSSION

11 Staff is correct that certain additional conditions should be imposed on Ziplly Fiber Pacific, LLC as we have done when designating other similarly situated ETCs in Washington. Appendix A for this order provides the Company specific guidance on our expectations for regulatory compliance, customer service, consumer protection, and various reporting requirements that will ensure Staff monitor Ziplly Fiber Pacific, LLC operations for adherence to all ETC requirements.

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<sup>4</sup> WAC 480-123-040.

<sup>5</sup> 47 U.S.C. § 214(e)(2).

<sup>6</sup> 47 C.F.R. § 54.101(a).

12 We also agree that Ziplly Fiber Pacific, LLC has demonstrated that the requirements of  
WAC 480- 123-030(1)(d) should not apply to the Company because the rule only applies  
to high- cost program participants and Ziplly Fiber Pacific, LLC is not a high-cost  
program participant. Under WAC 480-07-110(1), the Commission may grant an  
exemption any of its rules if doing so is consistent with the purposes underlying  
regulation, applicable statutes, and the public interest. Such circumstances exist here.  
Accordingly, we grant the Company's request for exemption from WAC 480-123-  
030(1)(d).

### FINDINGS AND CONCLUSIONS

- 13 (1) The Commission has jurisdiction over the subject matter of this Order and is  
authorized to designate Eligible Telecommunications Carriers in Washington  
under 47 U.S.C. § 214(e)(2), 47 C.F.R. §§ 54.201(b)-(c), and WAC 480-123.
- 14 (2) Ziplly is a telecommunications company seeking to do business in the state of  
Washington. Ziplly meets the requirements for designation as an ETC because the  
Company provides services supported by federal universal support mechanisms  
and because Ziplly has committed to advertise the availability of its services and  
the charges thereof using media of general distribution.
- 15 (3) Ziplly designation as an ETC will advance the purpose of universal service  
because Ziplly will offer voice telephony services and broadband services, which  
facilitate universal service. Ziplly has also demonstrated that its designation as an  
ETC is in the public interest.
- 16 (4) Under WAC 480-07-110(1), the Commission may grant an exemption from any of  
its rules if doing so is consistent with the public interest, the purposes underlying  
regulation, and applicable statutes.
- 17 (5) Ziplly has demonstrated that WAC 480-123-030(1)(d) should not apply to the  
Company and that granting the requested exemption is consistent with the  
requirements set forth in WAC 480-07-110(1).
- 18 (6) The Commission should grant Ziplly's petition for ETC designation and for  
exemption from the requirements of WAC 480-123-030(1)(d).

- 19 (7) This matter came before the Commission at its regularly scheduled meeting on  
December 19, 2024.

**ORDER**

**THE COMMISSION ORDERS:**

- 20 (1) Zply Fiber Pacific, LLC request for designation as an ETC is hereby GRANTED  
subject to the conditions set out in Appendix A.
- 21 (2) Zply Fiber Pacific, LLC request for exemption from WAC 480-123-030(1)(d) is  
hereby GRANTED.
- 22 (3) The Commission retains jurisdiction over this matter for purposes of effectuating  
this order.

DATED at Lacey, Washington, and effective December 19, 2024.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

JEFF KILLIP  
Executive Director and Secretary