



STATE OF WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION

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July 15, 2020

Mark L. Johnson, Executive Director and Secretary
Washington Utilities and Transportation Commission
621 Woodland Square Loop S.E., Lacey, WA 98503
P. O. Box 47250
Olympia, Washington 98504-7250

RE: Frontier Compliance Condition 2.
Docket UT-190574

Dear Mr. Johnson:

On February 19, 2020, the Washington Utilities and Transportation Commission (Commission) entered Order 03, ORDER APPROVING SETTLEMENT AGREEMENTS AND GRANTING APPLICATION FOR TRANSFER OF CONTROL, (Order 03) in the above-referenced docket. Order 03, among other things, required Frontier (Company) to submit a report relating to Federal Universal Service Fund (FUSF) operating expenses, capital expenditures, and locations by July 15 every year, until 2024.¹ Frontier complied and filed the required FUSF report for 2020 (including data from 2019) on July 14, 2020.

RECOMMENDATION

Based on UTC Staff's review of the report filed on July 14, 2020, in this docket; Staff believes that Frontier has complied with the spirit Condition 2 for its Washington ILEC.

The condition requires the reporting of information. Staff notes that as a result of its review it is clear that Frontier has not met the FCC's 80 percent benchmark as of the completion of the calendar year ended December 31, 2019. It appears from this data that on an aggregate and cumulative basis for the State of Washington that Frontier's deployed locations were only 74 percent (and therefore below the benchmark). The FCC's CAF-II Program has its own remedies built into the federal rules (*see: [47 CFR 54.310\(c\)](#) and [47 CFR 54.316\(c\)\(1\)](#)*).

¹ Order ¶11.B. and Settlement, Exh. JP-4S, Attachment A, § 2.

Therefore, because the company has complied with the appropriate reporting of information, Staff recommends that the Commission issue a compliance acknowledgement letter recognizing that Frontier has complied with its obligation to file its 2020 Federal Universal Service Fund (FUSF) report consistent with Order 03 and Condition 2 of the adopted Settlement Agreement.

Sincerely,

Tim Zawislak
Senior Regulatory Analyst