

**BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Petition of

VIASAT CARRIER SERVICES, INC.

Seeking Designation as an Eligible  
Telecommunications Carrier in the state of  
Washington pursuant to 47 U.S.C.  
§ 214(e)(2)

DOCKET UT-180839

ORDER 01

ORDER GRANTING ELIGIBLE  
TELECOMMUNICATIONS  
CARRIER DESIGNATION

**BACKGROUND**

- 1 On September 27, 2018, Viasat Carrier Services, Inc. (Viasat or Company) filed a petition (Petition) with the Washington Utilities and Transportation Commission (Commission) requesting designation as an eligible telecommunications carrier (ETC) pursuant to 47 U.S.C. § 214(e)(2), 47 C.F.R. § 54.201, and Washington Administrative Code (WAC) 480-123-040 for the purpose of participating in the Federal Communications Commission’s (FCC) federal low-income and federal high-cost programs.
- 2 On January 4, 2019, the Company amended its Petition to meet the requirements of WAC 480-123-030.
- 3 Viasat is wholly owned and controlled by its parent company Viasat, Inc.
- 4 The FCC’s CAF-II “reverse auction” was held in the summer of 2018 and the winning bidders were officially announced in August 2018. In order to be eligible to receive the applicable CAF-II funding during the ten-year term, each winning bidder must receive ETC designation by February 25, 2019.
- 5 Viasat, Inc. was a winning bidder and assigned all of its winning bids in Washington to Viasat as allowed by the FCC.<sup>1</sup> Viasat will receive \$703,186 each year for the next ten years in exchange for making voice and broadband services available to approximately

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<sup>1</sup> See FCC Public Notice, DA 18-887, ¶¶ 7-14 (August 28, 2018).

11,000 customer locations.<sup>2</sup> These locations span 33 Washington counties and are within 2,542 census blocks that have been previously identified as unserved or underserved.

6 Viasat seeks ETC designation for a service area including all 2,542 census blocks, in 33 different Washington counties, where it will operate as the winning bidder. As an ETC, the Company must provide discounted services to qualifying low-income customers.

7 The Company also plans to meet and exceed the benchmarks established for deployment within the first five years of the ten-year term of the CAF-II program. That is, the Company will offer at least one voice and one broadband service meeting the relevant service requirements to the required number of locations in the following timeframe:

- 40 percent of the required number of locations by the end of the third year of support;
- An additional 20 percent in each subsequent year of support; and,
- 100 percent by the end of the sixth year of support.

The exact deployment schedule will be determined by the carrier.

8 Viasat will rely on the experience of its parent company Viasat, Inc. and will outsource technical, billing, installation, and customer service to Viasat, Inc. Viasat, Inc. has more than 30 years of communication experience and utilizes ka-band satellites, ground infrastructure and user terminals to provide broadband solutions to consumers and governments around the globe. Viasat, Inc.'s satellite network supports both broadband and VOIP in all 50 states. As a result of the CAF-II Auction funding, the Company will be able to reserve capacity and reconfigure infrastructure in order to offer broadband services in some of the highest cost areas of the state. Viasat has also applied for ETC designation in 19 other states.

9 Broadband and voice services awarded pursuant to competitive bidding must be high quality and meet performance standards for both speed and latency under 47 C.F.R. § 54.309(a).

10 Commission staff (Staff) reviewed Viasat's Petition and supplemental materials (including the Company's responses to data requests and long form application) and

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<sup>2</sup> Both voice and broadband services must be priced reasonably and comparably to urban services (below the benchmarks of \$51.61 and \$77.65 per month, respectively. Additionally, the broadband baseline service level is 25Mbps downstream with 3Mbps upstream (with a minimum usage allowance of at least 215GB per month for 2019 pursuant to FCC Public Notice, DA 18-1280, released on December 20, 2018).

supports Viasat's request for designation.

- 11 Staff believes the Company has met the requirements for ETC designation under 47 U.S.C. § 214(e)(2), 47 CFR § 54.201, and WAC 480-123-040 as evidenced by the Petition, as amended on January 4, 2019. Accordingly, Staff recommends the Commission designate Viasat as a federal ETC for service in the 2,542 census blocks, spanning 33 counties in Washington, as identified in the Petition, as amended on January 4, 2019.

### DISCUSSION

- 12 Common carriers receiving designation as ETCs under 47 U.S.C. § 214 are eligible to receive subsidies from the federal Universal Service Fund. State utility commissions are responsible for designating common carriers as ETCs for the purpose of receiving such funds. The Commission will approve applications from carriers requesting ETC designation if the application meets the requirements of WAC 480-123-030, the designation will advance some or all of the purposes of universal service found in 47 U.S.C. § 254, and the designation is in the public interest.<sup>3</sup>

- 13 The Commission agrees with Staff that the Company has demonstrated that it meets the criteria for designation as an ETC, including offering all services supported by the federal universal service support mechanisms set forth in 47 U.S.C. § 254. The Commission finds that granting the Company's Petition will benefit consumers and is in the public interest. Accordingly, the Commission designates Viasat as a federal ETC as requested in its Petition, as amended on January 4, 2019.

### FINDINGS AND CONCLUSIONS

- 14 (1) The Commission has jurisdiction over ETCs in Washington and the subject matter of this order under 47 U.S.C. 214(e)(2), 47 C.F.R. 54.201, and Chapter 480-123 WAC.
- 15 (2) Viasat is a telecommunications company doing business in the state of Washington. Viasat has demonstrated that it meets the requirements for designation as an ETC under 47 U.S.C. § 214(e)(1), 47 C.F.R. § 54.201(d), and WAC 480-123-030, and that its designation is in the public interest.

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<sup>3</sup> WAC 480-123-040.

- 16 (3) This matter came before the Commission at its regularly scheduled open meeting on January 31, 2019.
- 17 (4) After reviewing Viasat's Petition, as amended on January 4, 2019, and giving due consideration to all relevant matters, the Commission finds that the Petition should be granted and Viasat should be designated as a federal ETC for service in the 2,542 census blocks, spanning 33 counties in Washington, as identified in the Petition, as amended on January 4, 2019.

**ORDER**

**THE COMMISSION ORDERS:**

- 18 (1) The petition of Viasat Carrier Services, Inc., as amended on January 4, 2019, for designation as federal Eligible Telecommunications Carrier in the state of Washington is GRANTED for service in the 2,542 census blocks, spanning 33 counties in Washington, as identified in its petition, as amended on January 4, 2019.
- 19 (2) The Commission retains jurisdiction over this matter for purposes of effectuating this order.

DATED at Olympia, Washington and effective January 31, 2019.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

DAVID W. DANNER, Chairman

ANN E. RENDAHL, Commissioner

JAY M. BALASBAS, Commissioner