#### BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of	)	
	)	
Application of Charter Fiberlink WA-CCVII,	)	
LLC for Designation as an Eligible	)	Docket No
Telecommunications Carrier to Receive Rural	)	
Digital Opportunity Fund Auction (Auction	)	
904) Support for Voice and Broadband	)	
Services	)	

### APPLICATION OF CHARTER FIBERLINK WA-CCVII, LLC FOR DESIGNATION AS AN ELIGIBLE TELECOMMUNICATIONS CARRIER TO RECEIVE RURAL DIGITAL OPPORTUNITY FUND AUCTION (AUCTION 904) SUPPORT FOR VOICE AND BROADBAND SERVICES AND <u>REQUEST FOR EXPEDITED CONSIDERATION</u>

Charter Fiberlink WA-CCVII, LLC ("Charter Fiberlink") respectfully submits this Application for designation as an Eligible Telecommunications Carrier ("ETC") to the Washington Utilities and Transportation Commission ("Commission") pursuant to Section 214(e)(2) of the Communications Act of 1934, as amended (the "Act"),<sup>1</sup> Sections 54.201 and 54.202<sup>2</sup> of the Federal Communications Commission ("FCC") rules, and the Commission's requirements set forth in WAC 480-123-030 and WAC 480-123-040. CCO Holdings, LLC ("CCO Holdings"), an affiliate of Charter Fiberlink, was selected as a winning bidder in Washington<sup>3</sup> under the FCC's Rural Digital Opportunity Fund Phase I Auction (Auction 904) ("RDOF Auction"),<sup>4</sup> and CCO Holdings assigned its winning bid to Charter Fiberlink in the RDOF Census Blocks ("RDOF Census Blocks"). A map illustrating the RDOF Census Blocks is shown in **Exhibit A**, and a list

<sup>&</sup>lt;sup>1</sup> 47 U.S.C. § 214(e)(2).

<sup>&</sup>lt;sup>2</sup> 47 C.F.R §§ 54.201 and 54.202.

<sup>&</sup>lt;sup>3</sup> See Rural Digital Opportunity Fund Phase I Auction (Auction 904) Closes; Winning Bidders Announced; FCC Form 683 Due January 29, 2021, Public Notice, DA 20-1422 (Dec. 7, 2020) ("Auction 904 Results Notice").

<sup>&</sup>lt;sup>4</sup> See Rural Digital Opportunity Fund Phase I Auction Scheduled for October 29, 2020; Notice and Filing Requirements and Other Procedures for Auction 904, Public Notice, 35 FCC Rcd 6077 (2020) ("Auction 904 Procedures Public Notice").

of the RDOF Census Blocks is shown in <u>Exhibit B</u>. Charter Fiberlink's receipt of RDOF Auction funding and building to these unserved areas, however, is conditioned upon Charter Fiberlink obtaining designation as an ETC in those RDOF Census Blocks.<sup>5</sup> Accordingly, Charter Fiberlink seeks ETC designation in the RDOF Census Blocks in Washington for which Charter Fiberlink was assigned CCO Holdings' winning bid in the RDOF Auction.

Section 214(e)(2) of the Act authorizes the Commission to designate a company that meets the requirements of 47 U.S.C. § 214(e)(1), such as Charter Fiberlink, as an ETC. As demonstrated in this Application, Charter Fiberlink meets all requirements for ETC designation. Further, as shown by the descriptions herein, designating Charter Fiberlink as an ETC in the RDOF Census Blocks would allow Charter Fiberlink, either directly or through its affiliates,<sup>6</sup> to bring highquality, innovative voice and broadband Internet access services to consumers in unserved portions of Washington, advance the goals of universal service, and serve the public interest.

Ensuring that high-speed broadband service is available to those without access in Washington has been a major priority of the Governor and state lawmakers. By granting this Application, the Commission has the potential to bring significant public and private investment to Washington and to advance the state's goals in making sure that more of its citizens have access to high-speed broadband Internet services. The FCC estimates that Washington has more than 100,422 unserved residential and small business locations,<sup>7</sup> and granting this Application will help

<sup>&</sup>lt;sup>5</sup> See Auction 904 Results Notice, at ¶ 36.

<sup>&</sup>lt;sup>6</sup> While the entity seeking ETC designation will directly provide the supported Lifeline voice services, different Charter affiliated entities may directly provide the broadband Internet access services and non-Lifeline voice services in the RDOF Census Blocks.

<sup>&</sup>lt;sup>7</sup> See Auction 904 Results Notice, at Attachment B, p. 3. The FCC defines "locations" as "housing units" and "small businesses" that receive "consumer-grade broadband service." See Wireline Competition Bureau Provides Guidance to Carriers Receiving Connect America Fund Support Regarding Their Broadband Location Reporting Obligations, Public Notice, WC Docket No. 10-90, DA 16-1363 (2016).

to lower that number substantially. While Charter Fiberlink, through other Charter affiliates, has participated in state programs to advance broadband buildout in Washington, participation through RDOF presents a unique opportunity for Washington to do substantially more to bridge the digital divide in unserved areas.

In view of the FCC's requirement that RDOF Auction participants submit documentation of ETC designation within 180 days from the date of the release of the *Auction 904 Results Notice*,<sup>8</sup> Charter Fiberlink requests that the Commission consider its Application on an expedited basis, and issue its order granting Charter Fiberlink's designation as an ETC by April 15, 2021.

In support of its Application, Charter Fiberlink states as follows:

## I. OVERVIEW OF CHARTER FIBERLINK AND CHARTER

*Charter Fiberlink.* Charter Fiberlink is a Delaware limited liability company with a place of business at 12405 Powerscourt Drive, St. Louis, Missouri 63131. Charter Fiberlink is a majority owned and wholly controlled subsidiary of Charter Communications, Inc. ("Charter"), which is headquartered at 400 Atlantic Street, Stamford, Connecticut 06901. CCO Holdings and Charter Fiberlink are both subsidiaries of Charter. A copy of Charter Fiberlink's registration with the Washington Secretary of State is attached as <u>Exhibit C</u>. Charter Fiberlink is authorized by the Commission to provide local exchange telecommunications services in Washington. A copy of Charter Fiberlink's authorization is attached as <u>Exhibit D</u>.

*Charter.* Charter is a leading broadband connectivity company, serving more than 30 million customers nationwide. Under the brand name Spectrum, the company offers a suite of advanced communications services, including broadband Internet access, cable video, voice, and

<sup>&</sup>lt;sup>8</sup> See Auction 904 Results Notice, at ¶ 313.

mobile services.<sup>9</sup> Through its subsidiaries, Charter provides these services in 41 states, including to approximately 200,000 customers in Washington.

Helping to drive Charter's rapid growth is Charter's strong network investment which has significantly enhanced Charter's broadband Internet access service and allowed Charter to better serve its customers in both urban and rural communities across the United States. In 2018-2019, Charter extended its network to more than 1.5 million unserved homes and businesses, 30% of which were in rural areas. And, from 2015 to 2019, Charter invested nearly \$40 billion in infrastructure and technology to expand the reach of its network.

Charter's customers directly benefit from Charter's commitment to and investment in its network. The FCC recently reported that Charter had one of the fastest, most consistent broadband Internet download speeds in the industry, including at peak times of the day when customer Internet usage is the highest.<sup>10</sup> Additionally, recognizing Charter's experience and commitment to its customers, its network, and its products, *Multichannel News* recently awarded Charter as its "Operator of the Year for 2020."<sup>11</sup> With millions working and learning from home due to the COVID-19 pandemic, access to dependable, high-speed broadband Internet access services and

<sup>&</sup>lt;sup>9</sup> Certain of the subjects and benefits discussed in this filing pertain to non-jurisdictional products and services. While those items are included herein in order to provide a comprehensive view of the public interest benefits of designating Charter Fiberlink as an ETC, Charter Fiberlink respectfully reserves all rights relating to the inclusion of or reference to such information, including without limitation Charter Fiberlink's legal and equitable rights relating to jurisdiction, filing, disclosure, relevancy, due process, review, and appeal.

<sup>&</sup>lt;sup>10</sup> See Ninth Measuring Broadband America Fixed Broadband Report, A Report on Consumer Fixed Broadband Performance in the United States, FCC Office of Engineering and Technology (Aug. 3, 2020), pp. 15-16.

<sup>&</sup>lt;sup>11</sup> See Cover Story: Charter's 'Giffen Good,' MultiChannel News (Sept. 28, 2020), <u>https://www.nexttv.com/features/cover-story-charters-giffen-</u>

good#:~:text=Charter%2C%20the%20Multichannel%20News%20Operator%20of%20the%20Year,it%20completed %20the%20purchase%20of%20Time%20Warner%20Cable (last visited Dec. 13, 2020) (stating that Charter "has managed record broadband and positive video subscriber growth during the pandemic by sticking to its game plan, initiated more than four years ago ... [including setting] out to make Charter's plant across its 41-state footprint fully digital (achieved in 2018), to roll out DOCSIS 3.1 (completed in 2018), to uniformly align products and packaging across all markets (as of Q4 2019, 85% of its customers were in Spectrum pricing and packaging) and to raise broadband speeds (in 2019, it raised the minimum speed to 200 Megabits per second for 60% of the footprint and that rate continues to grow; the remaining 40% are at 100 Mbps).").

reliable voice services has never been more important, especially in the unserved areas comprising the RDOF Census Blocks. Further, Charter's network investment has spurred the development of products such as Charter's Spectrum Mobile service, which relies on the use of the Verizon Wireless mobile network and Charter's own broadband network infrastructure to provide fast, reliable broadband and voice services from customers' mobile phones.

Charter is committed to being part of a comprehensive solution to closing the digital divide in Washington and throughout the United States with innovative, high-quality service offerings, including by bringing these services to the RDOF Census Blocks in Washington. The more than \$1.2 billion of RDOF funding assigned to Charter will help enable it to expand the availability of Charter's network and services throughout Charter's service areas, including those areas in Washington.

## A. RDOF Support Assigned to Charter Fiberlink Will Enable Charter to Extend Voice Services to the RDOF Census Blocks

Charter provides voice communications services to over 9.3 million residential customers throughout its 41-state footprint using interconnected Voice over Internet Protocol technology.<sup>12</sup> Charter's voice service offering includes unlimited long distance calling in the United States, Canada, Puerto Rico, the US Virgin Islands, and Guam. Calling features include voicemail, call waiting, caller ID, call forwarding, and other features, at no additional charge. In addition, the E911 feature automatically provides the emergency service operator with a caller's phone number and location. With respect to its residential voice services, Charter offers customers a simplified

<sup>&</sup>lt;sup>12</sup> See Press Release, Charter Communications, Inc., *Charter Announces Third Quarter 2020 Results* (Oct. 30, 2020), <u>https://corporate.charter.com/newsroom/charter-announces-third-quarter-2020-results</u>.

pricing structure with plans that include all applicable fees<sup>13</sup> – thus permitting such customers to know their total costs in advance of choosing Charter's services, rather than facing a variety of complicated surcharges after they receive their first billing statement.<sup>14</sup>

The RDOF support assigned to Charter Fiberlink will help enable it to extend and maintain Charter's voice services to and within the RDOF Census Blocks.

#### **B. RDOF** Support Assigned to Charter Fiberlink Will Enable Charter to Extend Broadband Internet Access Services to the RDOF Census Blocks

Charter's broadband Internet access services deliver industry-leading speeds to the vast majority of its 26.8 million residential broadband Internet customers.<sup>15</sup> Charter now offers minimum download speeds of at least 200 Mbps in 60% of Charter's national footprint, and 100 Mbps everywhere else in the footprint—including households and small businesses in rural areas. On December 17, 2020, Charter announced that it plans to double Charter's broadband Internet access service starting speeds in additional markets, making 200 Mbps the starting flagship speed in 75% of Charter's communities. These speed enhancements will be available to new customers in these markets immediately. Existing customers will receive these speed increases with new Charter broadband Internet access service packages during the first quarter of 2021.<sup>16</sup>

<sup>&</sup>lt;sup>13</sup> The rates, terms and conditions of Charter's voice service plans are subject to change in accordance with applicable federal and state regulations.

<sup>&</sup>lt;sup>14</sup> Charter Fiberlink remits fees, such as federal or state universal service fund fees or E911 fees, to the appropriate regulatory agencies, where required, and in accordance with law, but does not generally collect them as separate line items on the bill, in addition to the monthly rate that residential customers pay for Charter Fiberlink's voice service. All such fees are described in Charter Fiberlink's invoices for voice service in accordance with applicable federal and state billing requirements.

<sup>&</sup>lt;sup>15</sup> See supra note 12.

<sup>&</sup>lt;sup>16</sup> See Press Release, Charter Communications, Inc., Spectrum Doubles Spectrum Internet Starting Speed to 200 Mbps in 17 Markets (Dec. 17, 2020), <u>https://corporate.charter.com/newsroom/spectrum-doubles-internet-starting-speed-to-200-mbps</u>.

Charter also offers a 1 Gbps connection with maximum download speeds of up to 940 Mbps to the vast majority of those same households, as well as to small and medium-sized businesses.<sup>17</sup> Additionally, recognizing the need for fast, reliable broadband service for community anchor institutions, Charter offers 10 Gbps symmetrical speed broadband Internet connections to schools, libraries, hospitals, and other important community institutions.

The RDOF support assigned to Charter Fiberlink will enable it to extend Charter's broadband Internet access services to the RDOF Census Blocks in Washington. The terms of the support assigned to Charter Fiberlink will require it to offer Charter's 1 Gbps connections in the RDOF Census Blocks. According to the FCC, these areas are currently unserved by any broadband provider offering service at or above 25/3 Mbps. Granting this Application will help extend broadband and unleash tremendous benefits to the communities within these RDOF Census Blocks. Charter's broadband deployment demonstrates its commitment to developing and deploying innovative broadband technology and services in unserved and/or rural areas.

Additionally, Charter's services will provide new and innovative services to previously unserved customers in the RDOF Census blocks, including by providing relief to customers struggling as a result of the COVID-19 pandemic. It will allow students and households to get or stay connected, and expand broadband Internet access and adoption among low-income households.

As part of its current broadband Internet access service plans, Charter offers Spectrum Internet Assist, a program for low-income households, which is available in its service area in

<sup>17</sup> Id.

Washington and elsewhere.<sup>18</sup> Charter does not require customers to sign long-term contracts for its services nor does the company impose early termination fees for failing to fulfill them.<sup>19</sup> Charter maintains a focus on ensuring that the broadband user experience is a positive one.<sup>20</sup>

## II. <u>COMMUNICATIONS AND CORRESPONDENCE</u>

Pleadings, orders, notices or other correspondence and communications regarding this

Application should be provided to:

Daniel Gonzalez Group VP – State Regulatory Affairs Charter Communications, Inc. 601 Massachusetts Ave. Suite 400 West Washington, DC 20001 Tel: (202) 370-4282 Email: <u>Dan.Gonzalez@charter.com</u>

and

Michael R. Moore Group VP Law – Telephone Regulatory Charter Communications, Inc. 12405 Powerscourt Drive St. Louis, Missouri 63131 Tel: (314) 394-9007 Email: <u>Michael.Moore@charter.com</u>

<sup>&</sup>lt;sup>18</sup> See Spectrum Internet Assist, Spectrum, <u>https://www.spectrum.com/browse/content/spectrum-internet-assist</u> (last visited Nov. 24, 2020). The rates, terms and conditions of Charter's *Spectrum Internet Assist* program are subject to change.

<sup>&</sup>lt;sup>19</sup> The rates, terms and conditions of Charter's Internet services are subject to change.

<sup>&</sup>lt;sup>20</sup> In the years ahead, cable providers will deploy revolutionary 10 Gbps networks within their footprints. *See* Press Release, NCTA, *Introducing 10G: The Next Great Leap for Broadband* (Jan. 7, 2019), <u>https://www.ncta.com/media/mediar-room/introducing-10g</u>. Successful 10 Gbps field tests by cable providers in residential settings have already occurred, and CableLabs has released specifications for DOCSIS 4.0, a new technical standard, to bring 10 Gbps speed capabilities to consumers. 10 Gbps will deliver to customers broadband speeds 10 times faster than what is delivered by today's networks and will have the speed and capacity to change the way we live.

With copies to:

Lisa Rackner McDowell Rackner Gibson PC 419 SW 11th Ave, Suite 400 Portland, OR 97205 Tel: (503) 595-3925 Email: <u>lisa@mrg-law.com</u>

and

Charles A. Hudak Joel L. Thomas Friend, Hudak & Harris, LLP 3 Ravinia Drive, Suite 1700 Atlanta, Georgia 30346 Tel: (770) 399-9500 Email: <u>chudak@fh2.com</u> Email: <u>JThomas@fh2.com</u>

## III. CHARTER'S PARTICIPATION IN THE RDOF AUCTION

## A. Background on the RDOF Auction

On February 7, 2020, the FCC issued a Report and Order establishing the Rural Digital Opportunity Fund, in which service providers would compete to receive up to \$20.4 billion to offer voice and broadband services in unserved high-cost areas.<sup>21</sup> Under this program the FCC will disburse federal universal service funds on a technology neutral basis to providers—including competitive local exchange carriers, cable operators, fixed wireless ISPs, satellite broadband providers, electric co-ops and electric utilities—for deploying voice and broadband-capable networks in these unserved areas.

<sup>&</sup>lt;sup>21</sup> Rural Digital Opportunity Fund, Report and Order, 35 FCC Rcd 686 (2020) ("RDOF Order").

## **B.** CCO Holdings' Selection as a Winning Bidder and Assignment to Charter Fiberlink

The FCC's December 7, 2020 *Auction 904 Results Notice* announced that CCO Holdings was among the winners of the recently concluded RDOF Auction.<sup>22</sup> Specifically, the FCC announced CCO Holdings as a winning bidder in 569 Census Blocks in Washington. In accordance with the FCC's procedures allowing winning bidders to divide and assign their bids to affiliated operating companies within the relevant state,<sup>23</sup> CCO Holdings assigned its winning bid in Washington to Charter Fiberlink. Charter Fiberlink must demonstrate to the FCC that it has been designated as an ETC in the RDOF Census Blocks where CCO Holdings was the winning bidder in Washington. The FCC's deadline for Charter Fiberlink to submit appropriate documentation of the ETC designation is June 7, 2021.<sup>24</sup>

#### C. Need for Expedited ETC Designation

As noted, CCO Holdings has been selected as a winning bidder in the RDOF Auction for 569 Census Blocks in Washington. The timeframe for Charter Fiberlink to obtain ETC designation is short and, so that Charter Fiberlink may plan its RDOF construction and deployment schedule, Charter Fiberlink respectfully requests that the Commission grant Charter Fiberlink ETC designation on an expedited basis by no later than April 15, 2021. Granting this Application on an expedited basis will benefit the citizens of Washington by allowing Charter Fiberlink to meet its RDOF deployment milestones for voice and broadband Internet services in the RDOF Census Blocks and by allowing customers the opportunity to reap the benefits of Charter Fiberlink's broadband services, including by participating in telemedicine, remote work and remote

<sup>&</sup>lt;sup>22</sup> See Auction 904 Results Notice, at Attachment A, p. 4.

<sup>&</sup>lt;sup>23</sup> See Auction 904 Procedures Public Notice, at ¶ 43.

<sup>&</sup>lt;sup>24</sup> See Auction 904 Results Notice, at ¶ 36.

education. Expedited Commission action would serve the public interest and advance the goals of universal service by expediting the deployment of high-quality, innovative voice and broadband Internet services in these unserved portions of Washington.

#### IV. CHARTER FIBERLINK'S FINANCIAL AND TECHNICAL QUALIFICATIONS

Charter is one of the nation's leading providers of broadband Internet access services and voice services, and Charter has played a significant role in expanding the availability of these services—especially broadband Internet access services—across the United States. Indeed, Charter Fiberlink and its affiliates currently provide high-quality voice and broadband services to approximately 26.8 million residential Internet access service customers and 9.3 million residential voice service customers in 41 states, including many in rural and "high cost" areas.

Charter Fiberlink is highly qualified to meet the FCC's RDOF service obligations given Charter's proven track record of financial, managerial, technical and commercial success operating as an existing provider of broadband Internet and voice services. In 2019, Charter generated over \$45 billion in revenue from the provision of all of Charter's services, along with approximately \$6.5 billion in income from its operations.<sup>25</sup> Charter Fiberlink will draw upon Charter's financial capability and extensive teams of experienced engineers with expertise in the fields of communications technology, hardware design, software development, data analytics, and networking to construct and/or install the networks and infrastructure necessary to provide the required services in the RDOF Census Blocks. Additionally, Charter Fiberlink will leverage the significant operational, managerial and technical expertise of Charter to perform all billing, installation, customer service, and other matters related to providing its services in Washington.

<sup>&</sup>lt;sup>25</sup> 2019 Annual Report. Charter Communications, Inc., 2019, <u>https://ir.charter.com/financial-information/annual-reports</u>.

The Charter corporate family has extensive experience managing the technical and customer service-related issues associated with the provision of mass-market consumer voice and broadband Internet access (as well as other communications services). Charter monitors its network performance on a 24/7/365 basis and has implemented procedures to leverage its extensive engineering resources quickly and effectively to install, modify, repair, and/or restore services, as necessary.

This expertise made it possible for CCO Holdings to confidently participate in the RDOF auction with the certainty that Charter Fiberlink will be able to fulfill its RDOF network and service obligations.

## V. <u>CHARTER FIBERLINK MEETS ALL FEDERAL AND STATE STATUTORY</u> <u>AND REGULATORY REQUIREMENTS FOR ETC DESIGNATION</u>

Charter Fiberlink meets all applicable federal and state requirements for designation as an ETC in Washington, including 47 U.S.C. § 214(e), 47 C.F.R. §§ 54.201 *et seq.*, and the Commission's regulations.

## A. Charter Fiberlink Meets All Federal Requirements for ETC Designation

Charter Fiberlink meets all criteria for designation as an ETC under federal law, as follows.

1) For purposes of its ETC designation, Charter Fiberlink will operate as a common carrier and offer interstate and intrastate communications on a common carrier basis in the RDOF Census Blocks. Designation as an ETC is a predicate to Charter Fiberlink's eligibility to receive RDOF support to provide voice and broadband Internet services in the RDOF Census Blocks (47 U.S.C. § 214(e)(1); 47 C.F.R. § 9.3; 47 C.F.R. § 54.201(d)).

2) Charter is a facilities-based broadband Internet access and voice service provider, with its own network, gateways, switching facilities, and other associated facilities. Charter

Fiberlink will offer the RDOF supported services using its own facilities within the meaning of the FCC's rules or a combination of its own facilities and resale of another carrier's services (47 U.S.C. § 214(e)(1)(A); 47 C.F.R. § 54.201(d)(1)) within the RDOF Census Blocks.

3) As required by 47 C.F.R. § 54.101, Charter Fiberlink, either directly or through an affiliate, will offer voice services and broadband Internet access services supported by federal universal service support mechanisms, including the following capabilities within the RDOF Census Blocks:<sup>26</sup>

<u>Voice Grade Access to the Public Switched Telephone Network</u> – Charter Fiberlink meets this requirement through the provision of a competitive voice service that includes minutes of use for local service provided at no charge to end users and access to emergency services via 911 or E911, wherever available from local government or public safety organizations.<sup>27</sup> Toll limitation services will also be offered to qualifying low income consumers as provided in the FCC's rules (47 C.F.R. § 54.101(a)(1)) in the RDOF Census Blocks.

<u>Broadband Internet Access Service</u> – Charter's broadband Internet access service provides the capability to transmit data to, and receive data from, all or substantially all Internet endpoints, including any capabilities that are incidental to and enable the operation of the communications service (47 C.F.R. § 54.101(a)(2)) in the RDOF Census Blocks.

Charter Fiberlink commits that these services will be provided consistent with applicable high-cost universal service support rules (47 C.F.R. § 54.101(c)) in the RDOF Census Blocks. Charter Fiberlink will also ensure that Lifeline voice and broadband Internet services are offered

<sup>&</sup>lt;sup>26</sup> Charter's broadband Internet access and voice services are provided through subsidiaries controlled and majority owned by Charter. While the entity seeking ETC designation will directly provide the supported Lifeline voice services, different Charter affiliated entities may directly provide the broadband Internet access services and non-Lifeline voice services in the RDOF Census Blocks.

<sup>&</sup>lt;sup>27</sup> See Section I(A) of this Application for a detailed description of Charter's voice service.

in accordance with the FCC's rules in all Census Blocks where Charter Fiberlink has been assigned RDOF support (47 C.F.R. § 54.101(d)). Moreover, for its Lifeline voice service offering, Charter Fiberlink will offer to Lifeline-eligible customers a Charter voice service plan, as described above, at the discounted Lifeline voice service rate in the RDOF Census Blocks. This voice service plan is comparable (if not superior) to the Lifeline voice service offerings of other Lifeline providers in Washington.

4) Charter Fiberlink will offer its voice service as a standalone service and at rates that are reasonably comparable to urban rates (47 U.S.C. § 254(b)(3); 47 C.F.R. § 54.313(a)(3)) in the RDOF Census Blocks.<sup>28</sup>

5) In the RDOF Census Blocks, Charter Fiberlink will advertise the availability of its universal service offerings and charges for such offerings using media of general distribution (47 U.S.C. § 214(e)(1)(B); 47 C.F.R. § 54.201(d)(2)), and in a manner reasonably designed to reach those likely to qualify for the service (47 C.F.R. § 54.405(b)).

6) Charter Fiberlink will provide the supported services throughout the designated RDOF Auction assigned Census Blocks where it has customers (47 U.S.C. § 214(e)(1); 47 C.F.R. § 54.201(d)).

7) Charter Fiberlink certifies that, in accordance with 47 U.S.C. § 254(e) and 47 C.F.R. § 54.7(a), it will use federal universal service support only for the provision, maintenance, and upgrading of facilities and services for which the universal service support is intended.

8) Charter Fiberlink further certifies that it meets all applicable requirements for designation as an ETC under 47 C.F.R. § 54.202 as follows:

<sup>&</sup>lt;sup>28</sup> See RDOF Order, at  $\P$  42.

<u>Compliance with Applicable Service Requirements</u>. Charter Fiberlink certifies that it will comply with the service requirements applicable to the support that it receives,<sup>29</sup> including the requirements of the RDOF Auction.

Ability to Remain Functional in Emergency Situations. Charter has been providing voice and broadband Internet access services to customers on a 24/7/365 basis for almost twenty years. As part of providing these services, it is necessary to have in place contingency plans for emergency situations for each of Charter's major network hubs and/or facilities that are geographically distributed across the United States. These plans contain activation, staffing, escalation, and communication procedures to identify and respond to such emergencies. Additionally, all switching facilities are equipped with independent power generators and sufficient fuel to operate for several days to mitigate commercial power outages. The design of these facilities contains multiple levels of redundancy and autonomy that also mitigate the need for dedicated human interaction. Charter Fiberlink will apply this successful model to its RDOF services in the RDOF Census Blocks.

## B. Charter Fiberlink Meets All State Requirements for ETC Designation

Under WAC 480-123-040, the Commission "will approve a petition for designation as an ETC if the petition 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." Charter Fiberlink meets all the requirements under this rule for designation as an ETC in the RDOF Census Blocks.

<sup>&</sup>lt;sup>29</sup> 47 C.F.R. § 54.202(a)(1)(i).

First, Charter Fiberlink's Application includes all information required by WAC 480-123-030, as follows:

#### 1) <u>A description of the area or areas for which designation is sought.</u>

Charter Fiberlink seeks to provide supported services in the RDOF Census Blocks identified in **Exhibit B** for which it was assigned funding from the RDOF Auction.

2) <u>A statement that the carrier will offer the services supported by federal universal</u> service support mechanisms throughout the area for which it seeks designation, 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 ETC).

See Section V.A.2 of this Application.

3) <u>A description of how it will provide each supported service.</u>

See Sections V.A.2 and V.A.3 of this Application.

4) <u>A substantive plan of the investments to be made with initial federal support during</u> the first two years in which support is received and a substantive description of how those expenditures will benefit customers.

As noted above, Charter has a demonstrated commitment to extending its network to rural and unserved areas across its 41-state footprint and to bridging the digital divide in Washington and throughout the United States. Charter Fiberlink seeks designation as an ETC so that Charter Fiberlink and its affiliates may provide RDOF supported voice and broadband Internet access services in the RDOF Census Blocks – 569 census blocks in Washington. Based on the map of the assigned RDOF Census Blocks at <u>Exhibit A</u>, Charter Fiberlink's RDOF service area in Washington is comprised of three modest geographic areas in southern and southwestern Washington. Given the size of the RDOF Census Block areas in Washington and Charter's relative size as a national broadband provider with significant capital investment resources, long-standing track-record of success, managerial and technical expertise, and an existing commitment to network expansion, Charter Fiberlink requests a waiver of the requirement to submit a two-year plan of its RDOF-related investments in Washington.

Moreover, as an RDOF Auction participant obtaining ETC designation and/or constructing network facilities, Charter Fiberlink must annually submit Form 481, along with broadband deployment reports, to the Universal Service Administrative Company ("USAC"). The Commission is authorized to access Charter Fiberlink's Form 481 filings through USAC,<sup>30</sup> as well as the broadband deployment reporting data that is submitted to USAC's HUBB Portal.<sup>31</sup> Form 481 provides financial and operations information that may be used to validate an ETC's use of high cost support funds. Additionally, the HUBB calculates an ETC's progress towards meeting its broadband build-out obligations, including any interim deployment milestones. Accordingly, the availability of Charter Fiberlink's data provides the Commission with essentially the same information and/or data required in the two-year plan of its network investments.

Recognizing the existence of these and other reporting mechanisms, the FCC waived the requirement that Connect America Fund ("CAF") Phase II award recipients file a five-year plan of their network investments. The FCC also extended this same waiver for RDOF Auction winners because it found "that such obligations were no longer essential to the [FCC's] ability to monitor ETC use of support for its intended purpose."<sup>32</sup> Finally, given these FCC waivers and the

<sup>&</sup>lt;sup>30</sup> See Connect America Fund; ETC Annual Reports and Certifications, Report and Order, 32 FCC Rcd 5944, ¶ 15 (2017) (eliminating the requirement for "ETCs to file duplicate copies of Form 481 with the FCC and with states," but noting that states "will continue to have access to such information through the online database").

<sup>&</sup>lt;sup>31</sup> See Wireline Competition Bureau Provides Guidance to Carriers Receiving Connect America Fund Support Regarding Their Broadband Location Reporting Obligations, Public Notice, 31 FCC Red 12900, 12902 (2016) (explaining that "USAC will provide states and Tribal governments with access to location information filed through the end of the prior calendar year"); In re Connect America Fund, Order, 32 FCC Red 6825, ¶ 3 (2017) (noting that states "recently were able to access through the HUBB portal the Phase II geospatial information reported to USAC"). <sup>32</sup> Auction 904 Results Notice, at ¶ 36, FN 71, citing WCB Reminds Connect America Fund Phase II Auction Applicants of the Process for Obtaining a Federal Designation as an Eligible Telecommunications Carrier, Public Notice, WC Docket No. 09-197 et al., 33 FCC Red 6696, at 6699-6700 (WCB 2018).

sufficiency of the available reporting information, the Commission previously granted an ETC application from a CAF Phase II award recipient requesting a similar waiver of this two-year plan requirement.<sup>33</sup> Therefore, based on the relatively modest size of the RDOF Census Block areas at issue here, and the other broadband deployment data that is available to the Commission, a waiver of the requirement to submit a two-year plan of RDOF related investments is appropriate under these circumstances.

5) <u>A statement that the carrier will advertise the availability of services supported by</u> <u>federal universal service mechanisms, including advertisement of applicable</u> <u>telephone assistance programs, such as Lifeline, that is reasonably calculated to</u> <u>reach low-income consumers not receiving discounts.</u>

See Section V.A.5 of this Application.

6) Information that demonstrates its ability to remain functional in emergency situations including a description of how it complies with WAC 480-120-411 or, for a wireless carrier, information that demonstrates that, when commercial power is not available, it has a reasonable amount of backup power (fixed, portable or other backup power source) for its cell sites, and backup power for its switches is as prescribed in WAC 480-120-411(3) for LEC central offices; and cell sites do not include any small cell facility as defined in RCW 80.36.375(2)(d) or any in building wireless installation.

See Section V.A.8 of this Application.

7) Information that demonstrates that it will comply with the applicable consumer protection and service quality standards of chapter 480-120 WAC or, for a wireless carrier, a commitment to comply with the Cellular Telecommunications and Internet Association's (CTIA) Consumer Code for Wireless Service. Information regarding the version of the CTIA code adopted and where to obtain it is set forth in WAC 480-123-999.

Charter Fiberlink will comply with the applicable consumer protection and service quality

standards of WAC 480-120 (Telephone Companies) with respect to the voice services it provides

<sup>&</sup>lt;sup>33</sup> See 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), Order 01, Docket UT-180839 (2019).

in the RDOF Census Blocks.

## VI. <u>DESIGNATION OF CHARTER FIBERLINK AS AN ETC ADVANCES THE</u> <u>PURPOSES FOR UNIVERSAL SERVICE ARTICULATED BY CONGRESS AND</u> <u>IS IN THE PUBLIC INTEREST</u>

In Section 254 of the Act, Congress articulated guiding principles for the preservation and advancement of universal service including securing "access to advanced telecommunications and information services ... in all regions of the Nation" and ensuring that "[c]onsumers in all regions of the Nation, including low-income consumers and those in rural, insular, and high cost areas, should have access to telecommunications and information services ... that are reasonably comparable to those services provided in urban areas and that are available at rates that are reasonably comparable to rates charged for similar services in urban areas."<sup>34</sup> The designation of Charter Fiberlink as an ETC will help Washington meet those goals and is in the public interest.

As a winning bidder in the RDOF Auction, Charter Fiberlink is eligible to receive funding to bring high-quality, innovative voice and broadband Internet access services to consumers in unserved portions of Washington. The RDOF funding assigned to Charter Fiberlink will help enable it to "[b]ring digital opportunity to Americans living on the wrong side of the digital divide,"<sup>35</sup> and thereby advance the goals of universal service. Expedited Commission action on this Application serves the public interest by accelerating the deployment of high-quality, innovative voice and broadband Internet access services in unserved portions of Washington that Charter Fiberlink and its affiliates will serve in the RDOF Census Blocks.

<sup>&</sup>lt;sup>34</sup> 47 U.S.C. § 254(2)(b)(2-3).

<sup>&</sup>lt;sup>35</sup> *RDOF Order*, at ¶ 1.

# A. Broadband Deployment Will Promote New Investment, Job Growth and Opportunities in Washington

Bringing broadband to unserved areas of Washington has been a major priority of the Governor and state lawmakers. As Governor Jay Inslee recently declared: "Access to broadband is the single most important economic development tool in our toolkit right now, and the most necessary to our state."<sup>36</sup> Granting this Application will assist Washington in achieving its economic development goal and serve the public interest through the deployment of broadband Internet and voice services to unserved high-cost areas in Washington. Deployment of those services will spur investment in facilities and equipment and promote new economic opportunities and job growth in Washington.

Designating Charter Fiberlink as an ETC will permit it to receive RDOF Auction funds for 569 Census Blocks in Washington, directly advancing the goals of the RDOF Auction and universal service in those RDOF Census Blocks. Charter's deployments will bring expanded voice and broadband connectivity to these areas, many of which are rural and less densely populated in Washington, which will help close the digital divide for residents of Washington and expand economic opportunity and job growth in communities that will benefit from increased connectivity. Leaders in the legislature, such as Senator Reuven Carlyle, are also calling for more access to broadband, especially in rural areas like the vast majority of those associated with the RDOF Census Blocks: "Everyone is in favor of high quality, affordable broadband but we continue

<sup>&</sup>lt;sup>36</sup> See Washington Gov. Inslee Says Rural Broadband 'Economic Challenge of Our Time,' Lewiston Tribune (June 14, 2018), <u>https://www.govtech.com/network/Washington-Gov-Inslee-Says-Rural-Broadband-Economic-Challenge-of-Our-Time.html</u>.

to have too many small communities and rural areas without quality service....<sup>37</sup> Because granting this Application will allow Charter Fiberlink to use the RDOF funds as intended to expand voice and broadband Internet access services in the RDOF Census Blocks in Washington, designating Charter Fiberlink as an ETC is in the public interest.

#### B. Access to Broadband Will Transform Rural and Unserved Areas

The availability of Charter's RDOF supported broadband Internet access services and voice services will have a transformative effect on the unserved and/or rural areas in the RDOF Census Blocks. Charter is committed to expanding access to this life-changing connectivity that will enable consumers to use new technologies, such as distance education, telemedicine, live streaming video, or interactive programming (e.g., a Zoom call). These technologies will create new opportunities for consumers in education, healthcare, business, and civic engagement activities. For example, with access to an online network made available through a Charter broadband Internet connection, an individual may start their own business or take online classes in pursuit of an education. Similarly, local businesses, through use of Charter's broadband Internet and voice services, may connect to vendors and employees, grow their sales, and create new jobs. In short, Charter's broadband Internet access and voice services will enhance the opportunities available to the consumers served by Charter Fiberlink and its affiliates in the RDOF Census Blocks.

<sup>&</sup>lt;sup>37</sup> See Press Release, *Rural Broadband Bill Approved by Senate Committee*, Washington State Senate Democratic Caucus (Feb. 2, 2018), <u>http://sdc.wastateleg.org/carlyle/2018/02/02/rural-broadband-bill-approved-by-senate-committee</u>; Senate Approves Bill Supporting Expansion of Broadband Internet for Rural Areas, The Daily Chronicle (Feb. 22, 2018), <u>http://www.chronline.com/business/senate-approves-bill-supporting-expansion-of-broadband-internet-for-rural-areas/article\_258c1372-1808-11e8-8107-a34bf3348e8a.html (stating "The Legislature has come to recognize the importance of high-speed Internet service to our state's economic competitiveness.).</u>

#### C. The Public Will Benefit from Charter's Experience as a Lifeline Voice Service Provider

Charter and its subsidiaries have substantial experience in providing Lifeline voice services to low income consumers and communities, which provides Charter Fiberlink with important familiarity with the FCC's Lifeline program and with the interactions necessary with the Universal Service Administrative Company, the National Lifeline Accountability Database, and other third party Lifeline administrators. These experiences will facilitate Charter Fiberlink's swift offering of Lifeline voice services for qualifying low-income customers in the Census Blocks where Charter Fiberlink receives RDOF support in Washington.

#### D. The Public Will Benefit from Charter's Customer-Oriented Policies, Such as Those During the COVID-19 Pandemic

At the onset of the COVID-19 pandemic, Charter joined other telecommunications providers in the Keep Americans Connected Pledge. As part of that effort, Charter voluntarily committed to suspend collections and not charge late fees or terminate service for residential or small business customers who informed Charter that they were experiencing COVID-related economic challenges. Charter extended its commitment through June 30<sup>th</sup>. During that time, Charter kept connected approximately 700,000 customers who had difficulties meeting bills because of COVID-related economic hardship. Charter has also forgiven approximately \$85 million in customer overdue balances.

Additionally, as schools across the country began to transition to remote learning in March, Charter took action to benefit students, faculty and families. Charter committed to offering broadband Internet service up to 200 Mbps for free for 60-days, including in-home Wi-Fi and a self-installation kit, to households with K-12 and/or college students or educators who did not already have a Charter broadband Internet service subscription for sixty days. Charter extended

#### APPLICATION FOR DESIGNATION AS AN ELIGIBLE TELECOMMUNICATIONS CARRIER PAGE 22

this offer through June 30<sup>th</sup> and, by the end of the 2020 school year, Charter was able to help nearly 450,000 students and teachers nationally continue schooling through remote learning. To help ease the strain for families and teachers who still lacked broadband, Charter relaunched its Remote Education Offer beginning on September 21, 2020.

Furthermore, for schools and school districts seeking to establish a centralized purchasing arrangement for the benefit of both students and teachers to support remote learning, Charter currently offers Stay Connected K-12 throughout the Charter footprint. Under Stay Connected K-12, Charter contracts directly with schools and school districts to assist them in offering high-speed broadband Internet access to students, educators and staff in their homes. Charter's Stay Connected K-12 is designed as a single-payer option for communities to allow payment by a school or school district, based upon the number of connections purchased. This partnership between Charter and the school or school district helps to ensure that learning, teaching, and working are uninterrupted by giving schools and school districts the flexibility to add students to the program, when needed, and to provide much needed in-home broadband Internet connectivity.

Lastly, recognizing the importance of digital skills during this time of unprecedented volume in distance learning and remote working, Charter has doubled the amount of funds available for its Spectrum Digital Education Grants for 2020-21.<sup>38</sup> These customer-oriented policies, along with others that Charter implements from time to time, will enhance the choices and capabilities available to the consumers served by Charter Fiberlink and its affiliates in the RDOF Census Blocks.

<sup>&</sup>lt;sup>38</sup> See Spectrum Digital Education Grant, Spectrum, <u>https://corporate.charter.com/digital-education/grants</u> (last visited Dec. 13, 2020).

#### E. The Public Will Benefit from Charter Fiberlink's Advanced Service Offerings

Designating Charter Fiberlink as an ETC in the RDOF Census Blocks will promote the deployment of advanced voice and broadband Internet services in these areas. Charter is widely recognized as a premier provider of voice and broadband Internet offerings that relies on advanced systems, technologies, and infrastructure. Charter provides voice and broadband Internet services to approximately 26.8 million residential Internet access service customers and 9.3 million residential voice service customers in 41 states. Its investments have enabled it to offer minimum download speeds of at least 200 Mbps in 60% of Charter's national footprint, and 100 Mbps everywhere else in the footprint—including households and small businesses in rural areas. On December 17, 2020, Charter announced that it plans to double Charter's broadband Internet access service starting speeds in 17 U.S. markets, making 200 Mbps the starting flagship speed in 75% of Charter's communities. These speed enhancements will be available to new customers immediately. Existing customers will receive these speed increases with new Charter broadband Internet access service packages during the first quarter of 2021.<sup>39</sup>

Charter also offers a 1 Gbps connection with maximum download speeds of up to 940 Mbps to the vast majority of those same households, as well as to small and medium-sized businesses. Charter's broadband Internet service offerings enable customers "to use tomorrow's Internet applications as well as today's."<sup>40</sup> These levels of service will be made available to consumers in Charter Fiberlink's RDOF Census Blocks, as well.

<sup>&</sup>lt;sup>39</sup> See supra note 16.

<sup>&</sup>lt;sup>40</sup> *RDOF* Order, at  $\P 2$ .

#### VII. <u>CONCLUSION</u>

For the reasons stated herein, Charter Fiberlink respectfully requests that the Commission designate Charter Fiberlink as an ETC in the RDOF Census Blocks identified in **Exhibit B** on

an expedited basis, by April 15, 2021, and order such other relief as may be appropriate.

Respectfully submitted,

/s/ Lisa Rackner

By:

Lisa Rackner McDowell Rackner Gibson PC 419 SW 11th Ave, Suite 400 Portland, OR 97205 Tel: (503) 595-3925

Michael R. Moore Group VP Law – Telephone Regulatory Charter Communications, Inc. 12405 Powerscourt Drive St. Louis, Missouri 63131 Tel: (314) 394-9007

Charles A. Hudak Joel L. Thomas Friend, Hudak & Harris, LLP 3 Ravinia Drive, Suite 1700 Atlanta, Georgia 30346 Tel: (770) 399-9500

Attorneys for Charter Fiberlink WA-CCVII, LLC

Dated: January 6, 2021

#### LIST OF EXHIBITS

#### Verification

Exhibit A—Map of Census Blocks Where Charter Fiberlink WA-CCVII, LLC was Assigned RDOF Auction Support

**Exhibit B** – List of Census Blocks Where Charter Fiberlink WA-CCVII, LLC was Assigned RDOF Auction Support

Exhibit C – Copy of Charter Fiberlink WA-CCVII, LLC's Washington Secretary of State Registration

**Exhibit D** – Copy of Charter Fiberlink WA-CCVII, LLC's Authorization to Provide Competitive Local Exchange Services in Washington