

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Petition of

FRONTIER COMMUNICATIONS
NORTHWEST, LLC, d/b/a ZIPLY
FIBER

For Designation as an Eligible
Telecommunications Carrier in the State
of Washington Pursuant to 47 U.S.C. §
214(e)(2)

DOCKET UT-201008

ORDER 02

GRANTING ELIGIBLE
TELECOMMUNICATIONS
CARRIER DESIGNATION
FOR THE PURPOSE OF
RECEIVING SUPPORT FROM THE
FEDERAL RURAL DIGITAL
OPPORTUNITY FUND

BACKGROUND

1 On December 30, 2020, Frontier Communications Northwest, LLC, d/b/a Ziplly Fiber (Ziplly Fiber or Company) filed a petition (Petition) with the Washington Utilities and Transportation Commission (Commission) requesting designation as an Eligible Telecommunications Carrier (ETC) in two census blocks in Washington under 47 U.S.C. § 214(e)(2), applicable rules of the Federal Communications Commission (FCC), and Chapter 480-123 Washington Administrative Code (WAC), for the purpose of receiving federal Rural Digital Opportunity Fund (RDOF) support.¹ Ziplly Fiber proposes to provide voice and broadband service, including Lifeline service, to Washington consumers in 9,370 locations identified by the FCC as unserved by broadband service at speeds less than 25 Mbps up and 3 Mbps down. ETC designation would allow the Company to receive federal universal service support through the FCC's RDOF program for service to these locations.

¹ See *Rural Digital Opportunity Fund; Connect America Fund*, WC Docket Nos. 19-126, 10-90, [Report and Order](#), 35 FCC Rcd 686, ¶ 2 (released Feb. 7, 2020) (*RDOF Order*), clarified on reconsideration by *Rural Digital Opportunity Fund Auction (Auction 904); Rural Digital Opportunity Fund; Connect America Fund*, AU Docket No. 20-34, WC Docket Nos. 19-126, 10-90, FCC 20-127, Order on Reconsideration (released Sept. 29, 2020).

- 2 On January 6, 2021, Ziplly Fiber filed an amended cover letter and amended petition to reflect the correct company name and correct applicable entity in both documents. On March 15, 2021, Ziplly Fiber filed a motion for protective order. On April 8, 2021, the Commission denied the motion and ordered Ziplly Fiber to file applicable portions of its long-form application by April 15, 2021. The Company filed its long-form information in compliance with the Commission's order, on April 12, 2021.
- 3 Ziplly Fiber requested designation as an ETC in a portion of one census block near Sammamish and throughout one census block near Washougal, identified in greater detail its Petition at Exhibit A. The Company was a winning bidder in the FCC's RDOF Phase I reverse auction for 875 specific census blocks, including the two that are the subject of its Petition, in portions of Clark, Cowlitz, Island, King, Skagit, Skamania, Snohomish, Whatcom, and Whitman counties. In its Petition, Ziplly Fiber committed to offer voice and broadband services throughout its designated service area either using its own facilities or a combination of its own facilities and resale of another carrier's services. Ziplly Fiber has also committed to make Lifeline services available to low-income consumers and will advertise all supported services throughout its service area.
- 4 Ziplly Fiber provided its initial plan of investments. These investments will enable the Company to begin deployment of the supported services. Ziplly Fiber has committed to meeting the deployment milestones established for the RDOF program. The Company will offer commercially at least one voice and one broadband service meeting the relevant service requirements to the required number of locations within the timeframe required by the RDOF rules.
- 5 Based on its bid, Ziplly Fiber must meet the gigabit performance tier standard.² Although pricing is still being developed, Ziplly Fiber commits to setting the price of service at or below the FCC's reasonable comparability benchmark for voice and broadband services.
- 6 The Company has demonstrated its ability to remain functional in emergency situations and has stated Ziplly Fiber will comply with the applicable consumer protection and service quality standards of the Commission in Chapter 480-120 WAC.
- 7 Staff recommends that the Commission grant Ziplly Fiber's Petition for designation as an ETC in the two identified census blocks for the purpose of receiving RDOF support.

² See 47 C.F.R. § 54.805(b).

DISCUSSION AND DECISION

8 Common carriers designated as ETCs under 47 U.S.C. § 214 are eligible to receive federal universal service support. State utility commissions are responsible for designating common carriers as ETCs for the purpose of receiving such funds.³ The Commission will approve the petition of a carrier requesting ETC designation if the petition meets the requirements of WAC 480-123-030, the designation will advance some or all the purposes of universal service found in 47 U.S.C. § 254, and the designation is in the public interest.⁴

9 State commissions are authorized to designate a carrier as an ETC for a service area that the state commission designates if the carrier meets the following two requirements of 47 U.S.C. § 214(e)(1) throughout the service area:

A. Offer the 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 therefor using media of general distribution.

10 The FCC has established the definition of services supported by federal universal support mechanisms in 47 C.F.R. § 54.101(a).⁵ In addition to providing these services, ETCs must comply with all other relevant federal universal service rules in 47 C.F.R. Part 54. Carriers seeking RDOF support must meet the FCC RDOF requirements at 47 C.F.R. Part 54, Subpart J.

11 We agree with Staff that Zply Fiber is capable of providing the services supported by federal universal support mechanisms including the RDOF. Zply Fiber's Petition, supplemented by the Company's long-form information, meets the Commission's requirements for ETC petitions in Chapter 480-123 WAC, and is consistent with RDOF and other federal requirements. Designation of Zply Fiber as an ETC will serve the

³ 47 U.S.C. § 214(e)(2).

⁴ WAC 480-123-040.

⁵ See 47 U.S.C. § 254(c)(1).

public interest by making voice and broadband available to Washingtonians who currently lack high-speed broadband service.

FINDINGS AND CONCLUSIONS

- 12 (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), RCW 80.36.610, and Chapter 480-123 WAC.
- 13 (2) Zply Fiber is a telecommunications company doing business in the state of Washington and registered with the Commission.
- 14 (3) Zply Fiber meets the requirements under 47 U.S.C. § 214(e)(1) for designation as an ETC because it will offer and advertise the services supported by federal universal service support throughout its ETC service area.
- 15 (4) Zply Fiber’s designation as an ETC will advance the purposes of universal service found in 47 U.S.C. § 254 because the Company will offer voice telephony, broadband, and Lifeline services, consistent with the FCC’s universal service requirements, to locations identified by the FCC as unserved by broadband service at speeds 25 Mbps up and 3 Mbps down, which will facilitate universal service.
- 16 (5) Designating Zply Fiber as an ETC is in the public interest because the Company has demonstrated it will meet RDOF program service requirements, which will make high-speed Internet service available to Washington consumers in 9,370 locations. Because Zply Fiber holds a winning bid in the RDOF auction at the “gigabit” tier, designating the Company as an ETC will result in the availability of broadband service at speeds of at least 1,000 Mbps down and 500 Mbps up for Washington consumers who currently have no access to broadband or who have Internet access at speeds of less than 25 Mbps up and 3 Mbps down.
- 17 (6) Zply Fiber’s Petition meets the requirements of the Commission’s ETC rules in Chapter 480-123 WAC.

- 18 (7) The census blocks in Exhibit A to the Petition comprise an appropriate ETC service area because Ziplly Fiber holds the winning bid for those census blocks following the FCC's RDOF Phase I reverse auction.
- 19 (8) This matter came before the Commission at its regularly scheduled meeting on May 20, 2021.

ORDER

THE COMMISSION ORDERS:

- 20 (1) Frontier Communications of the Northwest, LLC d/b/a Ziplly Fiber's petition for designation as an ETC is hereby GRANTED, for the census blocks set forth in Exhibit A to the Petition.
- 21 (2) The Commission retains jurisdiction over this matter for purposes of effectuating this order.

DATED at Lacey, Washington, and effective May 20, 2021.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

DAVID W. DANNER, Chair

ANN E. RENDAHL, Commissioner

JAY M. BALASBAS, Commissioner