

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of)	
)	
Frontier Communications Corporation,)	
<i>Transferor</i>)	
)	
and)	WC Docket No. 19-188
)	
Northwest Fiber, LLC,)	
<i>Transferee</i>)	
)	
Applications Filed for the Transfer of Control)	
of Certain Subsidiaries of Frontier)	
Communications Corporation to Northwest)	
Fiber, LLC)	

RESPONSE TO INFORMAL INFORMATION REQUESTS

Frontier Communications Corporation (“Frontier” or “Transferor”) and Northwest Fiber, LLC (“Northwest Fiber” or “Transferee”) (collectively, the “Applicants”) hereby respond to the informal requests for information received from the Federal Communications Commission (the “FCC” or “Commission”) staff on August 29, 2019, with respect to the Applications filed on June 28, 2019,¹ seeking approval of the proposed sale of Frontier’s local wireline, video, and related long-distance operations in four states—Idaho, Montana, Oregon, and Washington (collectively, the “Transaction Territory”)—to Northwest Fiber (the “Transaction”).²

¹ See *Applications Filed for the Transfer of Control of Certain Subsidiaries of Frontier Communications Corporation to Northwest Fiber, LLC*, WC Docket No. 19-188, Exhibit 1 at 6–7, 12–13 (filed June 28, 2019) (the “Application”).

² The Transaction comprises the transfer of control of Commission licenses and authorizations held by (i) Citizens Telecommunications Company of Idaho, (ii) Citizens Telecommunications Company of Montana (“Frontier Montana”), (iii) Citizens Telecommunications Company of Oregon and (iv) Frontier Communications Northwest Inc. (collectively, the “Transferring Companies”) and the assignment of certain related long-distance customer relationships from Frontier Communications of America, Inc. and Frontier Communications Online and Long Distance Inc. to Northwest Fiber.

1. Please provide a status update on pending state or local regulatory proceedings addressing the proposed transaction.

Applications, notices, and related filings have been filed with the appropriate state and local authorities to secure necessary consent to transfer control of the Frontier entities in Washington, Oregon, Montana, and Idaho. Specifically, the Applicants filed transfer of control applications with the public service commissions of Washington, Oregon, and Montana on June 28.³ In addition, the Applicants filed Form 394 applications with appropriate local franchise authorities in Washington and Oregon on July 22. A brief summary of the status of each proceeding follows.

- **Washington (Docket No. Docket UT-190574)** – The Washington UTC has convened a prehearing conference, adopted a procedural schedule, and initiated a period of discovery for parties in the proceeding. The joint applicants filed initial testimony on July 31. All parties convened for an initial settlement conference in Washington on August 28 and settlement discussions are continuing. Additional discovery and testimony are expected in the months ahead.
- **Oregon (Docket No. UM-2028)** – The Oregon PUC has also convened a prehearing conference, adopted a procedural schedule, and initiated a period of discovery for parties in the proceeding. The joint applicants filed initial testimony on August 7. All parties will convene for an initial settlement conference in Oregon on September 18. Additional discovery and testimony are

³ Under Idaho state law, the Idaho Public Utilities Commission does not have authority to review the transaction. As a result, no formal consent is required by the Idaho Public Utilities Commission.

expected in the months ahead.

- **Montana (Docket No. 2019.06.039)** – The Montana PSC has also adopted a procedural schedule and initiated a period of discovery for parties in the proceeding. The joint applicants filed initial testimony on August 22. All parties will convene for an initial settlement conference on October 7. Additional discovery and testimony are expected in the months ahead.
- **Local Franchise Authorities** – On July 22, the parties filed FCC Form 394 Applications with 40 local franchising authorities (“LFAs”) in Washington and Oregon where Frontier currently holds a cable franchise to provide cable service. Throughout August, a number of those LFAs submitted requests for additional information. The joint applicants responded to each request for additional information within 10 days of receiving the request. Northwest Fiber and Frontier are continuing to work with the LFAs toward a timely approval of the transaction.

2. Please describe the steps Northwest Fiber plans to take to test their operations support systems (OSS) for both retail and wholesale customers before cutting current customers over post-transaction? Under what terms and circumstances are Frontier’s OSS available to Northwest Fiber beyond the initial 6-month post-consummation period referenced on pages 4 and 17 of Exhibit 1 to the Application?

During the period following execution of the agreements for the Transaction, Frontier is required to replicate its OSS for the four states involved in the transaction and commence the logical separation and migration of systems, data, and operations relevant to the Transferring Companies onto the replicated system. The primary and replicated systems will be operated by Frontier side-by-side to ensure proper functionality of the replicated systems in a production environment. Any updates, changes, and improvements to the primary OSS must also be made to the replicated OSS.

Frontier is required to provide Northwest Fiber with no less than weekly updates on the OSS within 120 days prior to the date of the anticipated Closing of the Transaction (“Closing Date”), including its plans for implementing the various aspects of the OSS replication and separation. In addition, the parties will jointly develop detailed testing procedures and criteria to ensure the proper functioning of the replicated OSS prior to Closing.

No later than 60 days prior to the anticipated Closing Date, Frontier must provide written notice to Northwest Fiber that Frontier has completed the OSS replication and separation. Following this notice, Northwest Fiber will be granted reasonable rights of access from time to time prior to the Closing to test, validate, and confirm the completion and functionality of the OSS replicated system and separation based on the previously agreed testing criteria. The replicated OSS used to provide service in the four transaction states will be transferred to Northwest Fiber at Closing, and Northwest Fiber will have the right to use the transferred OSS indefinitely to operate the transferred business following Closing.

At the time of the Closing, the replicated OSS will be fully tested, operational, and ready for a smooth, error-free cut-over. Nevertheless, as noted in Exhibit 1 of the Application, pursuant to a Transition Services Agreement dated May 28, 2019 (“TSA”) between the parties, Frontier will provide Northwest Fiber with at least six months of information technology (“IT”) and other OSS support following Closing, to further minimize the possibility of retail or wholesale customers experiencing service, ordering, or billing disruptions. In addition, following expiration of the initial six-months post-Closing support window under the TSA, Northwest Fiber may elect to continue some or all the support from Frontier for up to three years post-Closing. These extensions are solely at Northwest Fiber’s election, subject to payment to Frontier of the applicable cost for such services for each extension period.

3. Please clarify the relationship between the 350,000 residential and commercial

customers Frontier serves in Idaho, Montana, Oregon, and Washington, referenced on page 8 of Exhibit 1 to the Application (Exhibit 1), and the 315,524 access lines it serves, referenced on page 5 of the Supplement to the Consolidated Application.

The Application noted that, as of March 31, 2019, the Transferring Companies served more than 350,000 residential and commercial customers in Idaho, Montana, Oregon, and Washington. In addition, the Applicants' Supplement stated that the Transferring Companies had 315,524 access lines in the Transaction Territory.⁴ To clarify, the Transferring Companies serve more than 350,000 residential customers in the Territories, who take a variety of services, including local exchange, broadband, and video services. The number of "access lines" provided in the Supplement is based on traditional "access lines" as defined in Frontier's tariffs, e.g., "communications facilities between a customer's premises and the serving central office that provides access to and from the telecommunications network."⁵

4. On page 11 of Exhibit 1 and page 3 of the Applicants' Reply Comments, Northwest Fiber states that it intends to invest "hundreds of millions of dollars" to upgrade and/or improve various aspects of the Transferring Companies' businesses, including, expanding fiber-based communications services, enabling faster broadband speeds, and improving customer experience and service. Please describe, with as much specificity as possible as it relates to Idaho, Montana, Oregon, and Washington (the "Transaction Territory"), and as of the date Applicants filed their applications, June 28, 2019:

a. To how many (and what percentage of) households within the Transaction Territory has Frontier deployed broadband? At what speeds are the services currently available to those households?

Presuming that the term "deployed" in this context refers to locations where service is available, Frontier has deployed high-speed Internet service, with download speeds ranging

⁴ See Frontier Communications Corporation and Northwest Fiber, LLC Supplement to the Consolidated Application for the Partial Assignment and Transfer of Control of Domestic and International Section 214 Authorizations, WC Docket No. 19-188, at 5 (filed July 10, 2019) (the "Supplement").

⁵ See, e.g., Frontier Communications Northwest Inc., Washington General and Local Exchange Tariff, Tariff No. WN U-17, at 7.

from 1 Mbps to 1 Gbps, depending on the specific location, to approximately 1.6 million households, or approximately 88% of the households it passes in the Transaction Territory. Frontier has deployed broadband with download speeds of 25 Mbps or more to approximately 775,000 households in the Transaction Territory, or approximately 48% of the households it passes in the Transaction Territory.

b. How many in-footprint households in the Transaction Territory would be upgraded post-transaction to higher download speeds and when? Indicate the difference between this number and Frontier's plans prior to signing the sale Agreement.

Northwest Fiber anticipates providing higher download speeds to many in-footprint Transaction Territory households through the expansion of fiber-based services, enhancement of the fiber-based network, and upgrade of the core network which serves all customers.

Specifically:

- Northwest Fiber currently intends to make fiber-to-the-premises available to at least 250,000 additional locations within 18 months of the Closing Date. By the end of five years, the company anticipates having fiber extended to be available to at least 65% of the remaining locations in the current footprint. The network upgrade is expected to continue beyond this five-year period.
- With respect to households that currently have fiber connectivity, the company plans to upgrade download speeds to up to 1 Gbps service within one year of the Closing Date.

These increases would be in addition to those planned by Frontier prior to entering into the Transaction. Frontier's pre-Transaction plans for improved broadband service in the Transaction Territory included upgrading service across the Transaction Territory in accordance with its obligations in connection with Connect America Fund ("CAF") support,

which would increase speeds for certain non-CAF households as well.

- c. On page 8 of Exhibit 1, Applicants state that Frontier’s network passes “1.7 million residential and business locations” of which 500,000 are fiber-to-the-premises capable. How many in-footprint locations in the Transaction Territory would be upgraded post-transaction to fiber and when? Describe how Applicants define “location” v. “households” referenced in (a) and (b) above.**

Please see the answer to part (b) above.

As used in (a) – (b), the term “location” refers to residential, small business, and enterprise customers. The term “household” primarily refers to residences.

- d. On page 3 of Exhibit 1, Applicants state that Northwest Fiber plans to offer faster broadband speeds, including the launch of up to 1 Gbps service in certain markets. Please identify to which markets Northwest Fiber expects to offer 1 Gbps service and the timetable for rolling out those services.**

Please see the answer to part (b). Northwest Fiber will roll-out service capable of up to 1 Gbps speeds to all of its fiber-based customers. Specifically, the company anticipates that its fiber-based customers throughout the Transaction Territory will be capable of receiving such upgraded service speeds within one year of the Closing Date. As Northwest Fiber adds more fiber-based households, those new fiber-based households will also be capable of receiving up to 1 Gbps service.

- 5. Please describe all planned tangible service quality improvements by Northwest Fiber to enable the “continued provision of high-quality communications services” in the Transaction Territory, as stated on page 3 to Exhibit 1, including steps to address quality of service in Libby, Troy, and the Bull River Valley in Montana, as referenced in the comments of Montana State Representative Steve Gunderson, filed in this proceeding on August 8, 2019.**

Northwest Fiber understands that the existing network does not currently connect the Montana areas mentioned above to robust, nearby, or redundant core networks. Within one year of the Closing Date, Northwest Fiber plans to connect the Montana areas to its enhanced

and upgraded core network, which will enable redundant connectivity. The company expects that this upgraded connectivity will enhance the communications services provided to Northwest Fiber's Montana customers in Libby, Troy, and those areas in the Bull River Valley served by Northwest Fiber facilities in Libby or Troy. The planned redundancy in the core network and the connectivity of the facilities to the core network will reduce both the number and severity of outages due to fiber cuts.

Please do not hesitate to contact the undersigned with any questions.

Respectfully submitted,

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