

Frontier Communications Challenge to Gateway Telecom, LLC d/b/a StratusWave

Frontier challenges StratusWave on the basis that its “unlimited” data policy is inconsistent with its terms and conditions, which limits the use of the product to an undetermined amount of data. Specifically, under the acceptable use policy it states that:

The Services are intended for periodic, active use of email, newsgroups, file transfers, Internet chat, games, and browsing the World Wide Web. Clients may stay connected so long as they are actively using that connection for the above purposes. Clients may not use the Services on a standby or inactive basis in order to maintain a connection.

This usage policy creates doubts as to whether StratusWave’s policy allows for at least 100 Gbps/month of data usage as required to be a CAF Phase 2 unsubsidized competitor.

Further, there are some doubts as to whether StratusWave is an unsubsidized competitor at all. In the filing below from the West Virginia PSC, StratusWave is one of the carriers listed under the following statement:

IT IS THEREFORE ORDERED that a certification be issued to the FCC and USAC stating that the following carriers used federal high-cost and other universal service support only for the provision, maintenance and upgrading of facilities and services for which the support is intended in the preceding calendar year and will do so in the coming calendar year:

StratusWave was not listed as a “Lifeline only” ETC in the same document. As the CAF Phase 2 unsubsidized competitor rule only applies to those entities not receiving high cost support it does not appear StratusWave should qualify to prevent CAF Phase 2 support from flowing to an area.