

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

Resolution T-17443 Implementation of
New Timelines for California Advanced
Services Fund Applicants.

Draft Resolution T-17443
(Served May 27, 2014)

**REPLY COMMENTS BY CITIZENS TELECOMMUNICATIONS COMPANY OF
CALIFORNIA INC. D/B/A FRONTIER COMMUNICATIONS OF CALIFORNIA
(U-1024-C) AND FRONTIER COMMUNICATIONS OF THE SOUTHWEST INC.
(U-1026-C) (COLLECTIVELY FRONTIER) ON DRAFT RESOLUTION T-17443**

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June 16, 2014

REPLY COMMENTS BY CITIZENS TELECOMMUNICATIONS COMPANY OF CALIFORNIA INC. D/B/A FRONTIER COMMUNICATIONS OF CALIFORNIA (U-1024-C) AND FRONTIER COMMUNICATIONS OF THE SOUTHWEST INC. (U-1026-C) (COLLECTIVELY FRONTIER) ON DRAFT RESOLUTION T-17443

Citizens Telecommunications Company of California Inc. d/b/a Frontier Communications of California (U 1024 C), and Frontier Communications of the Southwest Inc. (U-1026-C) (collectively “Frontier”) provide these reply comments on Draft Resolution T-17443 for Implementation of New Timelines for California Advanced Services Fund Applicants (Resolution) mailed on May 27, 2014.

Frontier reviewed the June 11, 2014 comments filed by other parties and strongly agrees with the concerns brought forth by CCTA, Verizon and Small LECs regarding the Resolution’s proposed “right of first refusal process”. In reviewing SB 740 and the comments, Frontier agrees that the Resolution is not in compliance with SB 740 regarding the right of refusal process proposed in the Resolution. Without repeating the many excellent points provided in comments, Frontier emphasizes that SB 740 states, as adopted in Section 281 of the Public Utilities Code, Section 281 (e) (3) (B):

That funding for a project providing broadband access to an underserved household shall not be approved until after any existing facilities-based provider has an opportunity to demonstrate to the commission that it will, within a reasonable timeframe, upgrade existing service. An existing facilities-based provider may, but is not required to, apply for funding under this section to make that upgrade

Frontier interprets this to mean that an existing facilities based provider has the opportunity to demonstrate to the commission its plans for upgrades on a project by project basis once it is known that a grant request is filed. In addition, the Resolution does not provide a reasonable time period to complete a planned project. The Resolution requires a mere six-month window to complete projects submitted in the September letter. As others pointed out, a “first

right of refusal” letter that is not in response to funding a requested project is out of compliance with SB 740. Also, as conveyed in comments, the Resolution would essentially require each provider to base its letter in September upon an inventory of its entire network and make a projection of areas for which it plans to perform capital upgrades in a six-month window, regardless of whether a grant application from another provider is planned or not. This is not consistent with the intent of SB 740.

Instead, and in the spirit and intent of SB 740, providers should be able to respond to grant requests once they are filed. Frontier is fine with CCTA’s proposal of responding with a first right of refusal letter after 45 days of the grant application notice. Frontier also supports CCTA’s suggestion that a two-year window for completion of a project committed to in the “first right of refusal” letter is appropriate and consistent with the existing length of time allowed for CASF grants. This allows the necessary time for CEQA reviews, permitting and adverse weather situations that may occur.

To meet SB 740’s goal in this respect, the Commission should implement the “right of first refusal” requirement by allowing existing facilities-based providers the opportunity to respond to an application for providing service in their area by demonstrating to the Commission that it will, within a reasonable timeframe, upgrade existing service as required by SB 740.



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