



FEDERAL COMMUNICATIONS COMMISSION  
WASHINGTON

OFFICE OF  
THE CHAIRMAN

March 14, 2016

The Honorable Raul Ruiz  
U.S. House of Representatives  
1319 Longworth House Office Building  
Washington, D.C. 20515

Dear Congressman Ruiz:

Thank you for your letter regarding the Commission's recent approval of the transaction between Frontier Communications Corporation (Frontier) and Verizon Communications Inc. (Verizon). Your views are very important and will be included in the record of the proceeding.

I completely agree with your sentiments regarding the importance of ensuring that all Americans have access to affordable, high-speed broadband. Therefore, let me assure that you that, as required by our rules and regulations, Commission staff conducted a thorough, open and transparent review of the proposed transaction between Frontier and Verizon. At the conclusion of this review, the Commission's Wireline Competition Bureau, International Bureau, and Wireless Telecommunications Bureau adopted a *Memorandum Opinion and Order* (Order) finding that the transaction, on balance, serves the public interest and consenting to the transaction.

In reaching this conclusion, the Order relied upon several commitments by Frontier relating to the provision of broadband services in rural or underserved areas. First, Frontier affirmed its plans to use public funding, including Connect America Fund (CAF) Phase II support, to complete a broadband build-out in high cost areas post-transaction. Our CAF rules require recipients to build out to households at minimum speeds of 10 Mbps download/1 Mbps upload. Frontier stated that it will meet this speed obligation while expanding fiber-based infrastructure within its network and improving the network for voice services. In addition, Frontier committed to combine these public funds with private investment to enable it to deliver, by the end of 2020, broadband to an additional 750,000 households at speeds of 25 Mbps/2-3Mbps across its entire footprint, including in the transaction areas in California, as well as Florida, and Texas. Overall, Frontier stated that the transaction will "increase the geographic reach of its current fiber network from 14 percent to 31 percent of its footprint."

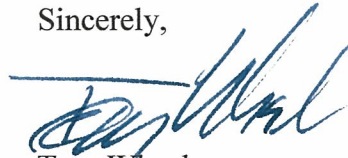
In addition, please rest assured that Frontier will be subject to the same CAF Phase II public interest obligations that applied to Verizon. These obligations ensure that Frontier operates in the public interest in its utilization of its CAF Phase II support. For example, all CAF Phase II support recipients, including Frontier, must build to 40 percent of its required locations by the end of 2017 and increase its build out by 20 percent each year until 2020, when all locations must be served. In addition, all support recipients are required, on an annual basis beginning in 2016, to report to the Commission on their progress in meeting their broadband deployment obligations. These mechanisms ensure that carriers like Frontier use the funds for

their intended purpose, that buildout-out requirements are being met, and that locations reported as newly served are actually receiving service that meets the CAF Phase II standards.

Finally, as your letter references, in addition to our review, the State of California also conducted a review to ensure that the transaction is in the public interest. Our review of applications filed with the Commission does not impact a state's independent proceeding on the proposed transaction. The California Public Utilities Commission voted to approve the transaction on December 3, 2015.

I appreciate your interest in this matter. Please let me know if I can be of any further assistance.

Sincerely,



Tom Wheeler