



9260 E Stockton Blvd.
Elk Grove, California 95624

May 31, 2012

Oregon Public Utility Commission
Attention: Filing Center
P.O. Box 2148
550 Capitol Street N.E., Suite 215
Salem, OR 97301-2551
Fax (503) 373-7752

RE: UM 1431 Petition to Release Funds from Broadband Escrow Account – Order No.
10-067

Dear Commission:

In compliance with Appendix A, Condition No. 14 of the above referenced order, Frontier Communications Northwest Inc ("Frontier") is hereby filing a Petition for approval to release of funds from the broadband escrow account that was established to fulfill its broadband commitment.

The enclosed information is considered confidential and should be treated as such. Pursuant to Order 09-197, the "Confidential" document is being sent via US Mail in a sealed envelope with the proper labeling.

If you have any questions, please contact me at (503) 645-7909 or by email at Renee.Willer@ftr.com.

Sincerely,

A handwritten signature in black ink that reads "Renee M. Willer". The signature is written in a cursive style.

Renee Willer
Manager, State Government & Regulatory Affairs

Enclosures

BEFORE THE PUBLIC UTILITY COMMISSION OF OREGON

UM 1431

In the Matter of)
VERIZON COMMUNICATIONS INC.,) Petition for Approval of Release of
AND FRONTIER COMMUNICATIONS) Funds from Broadband Escrow Account
CORPORATION) Through March 2012
)
Joint Application for an Order Declining to)
Assert Jurisdiction, or, in the alternative, to)
Approve the Indirect Transfer of Control of)
Verizon Northwest Inc.)

Frontier Communications Northwest Inc. ("Frontier") petitions the Commission for the release of certain funds held in the escrow account Frontier established for broadband deployment as required by Commission Order 10-067 in Docket UM 1431. Frontier specifically asks the Commission to release the remaining balance of approximately [\$ Redacted] plus interest in the escrow account based upon Frontier's work on broadband projects through March 2012.

Attached as Exhibit A is the list of Frontier's expenditures for broadband through March 31, 2012. Frontier's broadband expenditures are identified by project identification number, wire center and specific geographic areas within each wire center. This information is competitively sensitive and submitted as confidential information under the Protective Order 09-197 in Docket UM 1431.

In further support of this Petition, Frontier states as follows:

1. In Commission Order 10-067, Appendix A, Condition No. 14 required Frontier to prudently expend \$10 Million in broadband deployment by July 1, 2011 and an additional \$15 Million by July 1, 2013. Frontier placed \$15 Million in escrow as required by the above condition, and under which funds could be released upon Commission approval.

2. In the 3rd and 4th quarters of 2010, Frontier began the engineering and deployment necessary for the broadband build-out in Oregon. In its quarterly report filed on July 27, 2011, Frontier indicated it had spent [\$ Redacted] on broadband deployment by the end of the first year following the close of the transaction.
3. Frontier requested and was granted release of [\$ Redacted] from the escrow account to reimburse Frontier for the funds expended on broadband through September of 2011. Funds were released on December 30, 2011.
4. Frontier requested and was granted release of [\$ Redacted] from the escrow account to reimburse Frontier for the funds expended on broadband through December of 2011. Funds were released on March 27, 2012.
5. The first two petitions for release of escrow funds focused on the expenditures in particular wire centers where broadband was introduced or expanded, and on certain backbone enhancements. All these projects were managed from the replicated systems Frontier was using in the Verizon-acquired areas that are the subject of this proceeding. In its initial petitions for release of escrow funds, Frontier included a more limited list of projects. With the conversion to Frontier-owned systems on March 1, 2012, Frontier now has a uniform, system-wide view of broadband projects undertaken in Oregon. This Petition includes a broader scope of projects. Thus, the expenditures listed in Exhibit A include comprehensive totals of all broadband projects that have been booked but not included in prior escrow petitions since July 1, 2010 using the reporting format provided by Commission Staff. The 1st quarter report included in this petition shows total expenditures of [\$ Redacted] through March 31, 2012. Some of the projects listed were not included in any previously filed escrow petitions.
6. Accordingly, Frontier respectfully asks for the immediate release of the remaining funds of approximately [\$ Redacted] plus accrued interest and to close the escrow account. This amount will reimburse Frontier for the remainder of the escrow funds.

7. In commitment No. 14, Frontier agreed to spend a total of \$25 million on broadband deployment in Oregon. Additionally, Frontier made specific commitments relating to overall wire center capability, broadband household availability and speed thresholds in certain wire centers. Wire center specific information pertaining to these commitments is contained in confidential Exhibit B, and shows that Frontier has met or exceeded each of the commitments. This information is competitively sensitive and submitted as confidential information under the Protective Order 09-197 in Docket UM 1431. .
8. In establishing the broadband commitments in this docket, the Commission also required Frontier to make quarterly reports on the status of its broadband deployment. With the fulfillment of the broadband conditions Frontier requests that the Commission find that the condition has been met, and that the quarterly reporting requirement, in particular, now end since all commitments have been met,

For the above reasons, Frontier respectfully requests:

1. That the Commission treat Exhibits A and B as confidential under protective order 09-197; and
2. That the Commission approve an Order authorizing the immediate release of the remaining funds from the escrow and close the account established by Order 10-067 in Docket UM 1431.
3. That the Commission find that the broadband conditions established in Order 10-067 have been met, and, specifically, that the requirement for quarterly broadband reporting conclude with this filing.

Respectfully submitted May 31, 2012,

Renee M. Willer

Renee M. Willer
Authorized Representative
FRONTIER COMMUNICATIONS NORTHWEST INC.

FRONTIER COMMUNICATIONS NORTHWEST INC -OREGON BROADBAND INFRASTRUCTURE IMPROVEMENTS - QUARTERLY REPORT (as of March 2012)

PROJECT	WIRE CENTER	GEOGRAPHIC AREA (county)	JOB NUMBER	Infinium Project	JOB STATUS	ENGINEERING OR TECHNICAL ISSUES	AFTER DETAILED ENGINEERING ESTIMATED COSTS	ACTUAL COSTS TO DATE	COMPLETION DATE (E=ESTIMATED A=ACTUAL)	TOTAL HOUSEHOLD AVAILABILITY TO DATE
---------	-------------	-----------------------------	------------	------------------	------------	---------------------------------	--	-------------------------	---	---

Redacted Version

This entire document contains information per Protective Order 09-197 in Docket UJM 1431

Frontier Communications of the Northwest Inc
Frontier Oregon Broadband Infrastructure Improvements

--	--	--

--	--	--	--	--