



1201 K Street, Suite 1980
Sacramento, CA 95814
(916) 683-7989

SENT VIA ELECTRONIC MAIL

August 16, 2021

Robert Osborn
Director, Communications Division California Public Utilities
Commission 505 Van Ness Avenue
San Francisco, California 94102

Subject: Compliance with D.21-04-008, Ordering Paragraph 4 (e)

Dear Mr. Osborn:

Pursuant to Ordering Paragraph 4 (e) of California Public Utilities Commission Decision No. D.21-04-008, Frontier Communications Corporation, Frontier California Inc. (U 1002 C), Citizens Telecommunications Company of California Inc. (U 1024 C), Frontier Communications of the Southwest Inc. (U 1026 C), Frontier Communications Online and Long Distance Inc. (U 7167 C), and Frontier Communications of America, Inc. (U 5429 C) (collectively, "Frontier") is hereby providing its initial quarterly report.

If you have any questions, please do not hesitate to contact me at 916-686-3570 or by email at Charlie.born@ftr.com

Respectfully submitted,

A handwritten signature in black ink that reads "Charlie Born".

Charlie Born
Director, Government & External Affairs

cc: CPUC Compliance Portal

Frontier Quarterly Compliance Report in compliance with Ordering Paragraph 4 (e) of California Public Utilities Commission Decision No. D.21-04-008.

Pursuant to Ordering Paragraph 4 (e) of California Public Utilities Commission Decision No. D.21-04-008, Frontier Communications Corporation, Frontier California Inc. (U 1002 C), Citizens Telecommunications Company of California Inc. (U 1024 C), Frontier Communications of the Southwest Inc. (U 1026 C), Frontier Communications Online and Long Distance Inc. (U 7167 C), and Frontier Communications of America, Inc. (U 5429 C) (collectively, “Frontier”) is hereby providing its initial quarterly report.

Public Advocates Settlement Agreement Attachment 1, Paragraph A.1 - Frontier will spend at least \$1.75 billion in capital expenditures within California over four calendar years—2021-2024. At least \$222 million of these capital expenditures will be for service quality and network enhancement projects to meet Commission General Order (“G.O.”) 133-D standards and improve service quality, network redundancy, and reliability for existing facilities and will be exclusive of expenditures related to Fiber to the Premises (“FTTP”) deployment as described in paragraph 19 of this Agreement. No more than 10% of the \$1.75 billion, or \$175 million, may come from the Federal Communications Commission’s (“FCC”) Rural Digital Opportunity Fund (“RDOF”) or the California Advanced Services Fund (“CASF”). Frontier will expend a minimum of \$400 million per year for each of the four years. By the end of year two, Frontier will meet at minimum 50% of the capital expenditure commitment (\$875 million) and by the end of year four, Frontier will meet at minimum 100% of the capital expenditure commitment (\$1.75 billion).

Status update: In compliance. Frontier submitted its initial status update on May 28, 2021.

Public Advocates Settlement Agreement Attachment 1, Paragraph A.2 - By March 1, 2021, and annually thereafter for three years, Frontier will provide a California-specific, confidential capital expenditure budget (broken down by California ILEC operating entity and into the Frontier categories of Success Based Capex, Total Revenue Projects, Maintenance, and Other). By March 1st of each year starting in 2022 and annually until March 1, 2025, Frontier will also report actual capital expenditures compared to budgeted capital expenditures annually for the prior calendar year, with an explanation of variances between the budget and actual expenditures. In addition, Frontier will report capital expenditures for service quality and network enhancement projects as part of these annual reports. Frontier’s last report on capital expenditures will be issued by March 1, 2025 or earlier, to reflect capital expenditures for calendar year 2024. These reports will be served on Cal Advocates, TURN, CWA, the Yurok Tribe and the Commission’s Communications Division.

Status Complete: In compliance. Frontier submitted its annual report on May 28, 2021.

Frontier Quarterly Compliance Report in compliance with Ordering Paragraph 4 (e) of California Public Utilities Commission Decision No. D.21-04-008.

Public Advocates Settlement Agreement Attachment 1, Paragraph B.3 - Within 60 days after emergence from Chapter 11, Frontier will provide a detailed confidential report that: 1) identifies each wire center by California ILEC; 2) identifies the number of FTTP served locations within each wire center and the total served locations in the wire center; 3) ranks the wire centers by out of service (“OOS”) performance for each California ILEC; 4) identifies, by wire center, the “root causes” for OOS events; 5) ranks the root causes for each of the wire centers that fall into the top 25% of non-compliance with the OOS metric; 6) identifies each project currently identified to use the “investment in lieu of fines” structure pursuant to G.O. 133-D, including the location, budget, and status of each project; and 7) for each wire center, identifies whether the wire center serves tribal lands and the number of tribal locations served. This report will be served on Cal Advocates, TURN, CWA, the Yurok Tribe, and the Commission’s Communications Division.

Status Complete: In compliance. Frontier submitted its confidential report on June 25, 2021.

Public Advocates Settlement Agreement Attachment 1, Paragraph B.4 - Within 90 days after emergence from Chapter 11, Frontier will submit a detailed plan identifying actions Frontier will take to improve service quality, including but not limited to OOS performance. Frontier will prepare this plan with input from Cal Advocates, TURN and CWA. This plan will evaluate and identify the specific geographic wire centers that have experienced the highest number of OOS conditions not restored in 24 hours as well as extended outages consistent with G.O. 133-D OOS reporting requirements. The plan will include data specific to tribal lands. The plan will identify specific actions to be taken by Frontier, including but not limited to plant repair and maintenance, investment and hiring, and semi-annually thereafter, Frontier will submit a report on actions taken, the success and challenges related to those actions, and expenditures made to enhance service quality. Expenditures in this report will be broken down by wire center (or next mutually agreeable level of detail) and further broken down into mutually agreeable categories to allow monitoring of expenditures aimed to address root cause issues (e.g. plant, labor, investment, repair). This plan will be provided to Cal Advocates, TURN, CWA, the Yurok Tribe, and the Commission’s Communications Division.

Status Complete: In compliance. Frontier submitted its confidential report on July 29, 2021.

Public Advocates Settlement Agreement Attachment 1, Paragraph B.5 - For three years after emergence from Chapter 11, Frontier will provide each affected customer a customer credit of \$5/day for any OOS period greater than 24 hours, or \$10/day if the customer is located on tribal lands in addition to any outage credit currently required through a tariff or contract. However, outages exempted in G.O. 133-D will be exempt from this requirement.

Status update: In compliance. Frontier provided the required credits during the months of April, May and June 2021 as set forth below.

	Tribal		Non-Tribal		Total	
Month	Count	Amount	Count	Amount	Count	Amount
April	5	50	48	455	53	505
May	12	260	64	535	76	795
June	10	190	66	505	76	695
2Q21	27	500	178	1495	205	1995

Public Advocates Settlement Agreement Attachment 1, Paragraph B.6 - Frontier will ramp up to come into compliance with the OOS metric in 2021 and will commit to achieve 80% OOS disaggregated by California ILEC and by copper plant in 2022 and 90% disaggregated by California ILEC and by copper plant in 2023 and 2024. If Frontier fails to meet the applicable G.O. 133-D OOS standard disaggregated by California ILEC and by copper plant in any month in any of these three years (2022 – 2024), the applicable California ILEC will be subject to an incremental tiered penalty beyond G.O. 133-D requirements of: up to \$7 million/year if one or more of the three California ILECs misses the metric by more than 10%; or up to \$3.5 million/year if any of the three California ILECs misses the metric by 10% or less. Any penalty shall be calculated per California ILEC based on a proportionate number of access lines for each Frontier California ILEC relative to the total aggregate access lines for the three California ILECs multiplied by the applicable aggregate penalty of \$7 million or \$3.5 million applied on a per month basis for each month a California ILEC misses the metric. Unlike G.O. 133-D, where a penalty arises only after a chronic failure, the penalty in this paragraph 6 applies each month that a California ILEC fails to meet the metric. This penalty shall be deployed as incremental expenditures targeted at service quality, in addition to the aggregate capital expenditure commitments discussed in paragraph 1 above and in addition to the current penalty/investment structure in G.O. 133-D. In the event an additional penalty is incurred under this provision, Frontier will consult with Cal Advocates, TURN, and CWA to discuss the potential areas for the expenditures, including potential expenditures on tribal lands and/or in tribal communities, and Frontier will provide a report to the Commission’s Communications Division, Cal Advocates, TURN, CWA, and the Yurok Tribe by March 1 of the following year that identifies its planned incremental penalty expenditures, the locations/wire centers and budget for each project where these incremental penalties will be spent, how the projects are expected to enhance service quality, and shall report by March 1 of the following year, project status including any variance from the budget and the impact/result on OOS performance.

Status update: In compliance. As reported on its 2Q21 GO 133 D report filed on August 15, 2021 each of Frontier’s companies has exceeded 90% OOS repaired within 24 hours in each of the three months.

Public Advocates Settlement Agreement Attachment 1, Paragraph B.7 - Frontier will not decrease the total employee technician staffing level in California (as referenced in Mr. Mark D. Nielsen's October 9, 2020 confidential testimony at p. 52, and included in Frontier's response to PAO DR-09) over the next three years through December 31, 2023. In addition, Frontier will commit to evaluating and increasing its employee technician staffing levels to meet the G.O. 133-D standards through December 31, 2023 as determined by Frontier in consultation with Cal Advocates, TURN and CWA.

Status update: In compliance.

Public Advocates Settlement Agreement Attachment 1, Paragraph B.8 - Frontier commits to keep the following call center operations (as constituted by the listed job titles in the Settlement Agreement in the event of a name change to any of these centers) open and in operation through December 31, 2023.

Status update: In compliance.

Public Advocates Settlement Agreement Attachment 1, Paragraph B.9 - For five years starting after Frontier emerges from Chapter 11, Frontier will file quarterly reports (starting with the first full quarter following Frontier's emergence from Chapter 11) with employee and customer counts for California, breaking down the number of employees by function and location (California-based and outside California). The reports will specify to what extent employees outside California support Frontier's California operations. Frontier will provide information in the same format for its national employees and customers. In addition, Frontier will provide the same information related to its use of contractors for network and service quality enhancements in California. The information and reports related to this condition will be provided on a confidential basis to the Commission's Communications Division, Cal Advocates, TURN, and CWA.

Status update: Not yet due. The first report to be filed is for the full quarter July 1, 2021 to September 30, 2021.

Public Advocates Settlement Agreement Attachment 1, Paragraph B.10 - Within 180 days after emergence from Chapter 11, Frontier will retain an independent expert survey consultant to conduct semi-annual customer satisfaction surveys (similar to the 2015 Verizon settlement agreement, but with a larger sample size and addressing additional issues). Frontier will hold joint meetings with Cal Advocates, TURN, CWA, the Yurok Tribe and other public interest consumer groups to discuss and provide input regarding the scope, sample size and questions to be included in the survey.

Frontier Quarterly Compliance Report in compliance with Ordering Paragraph 4 (e) of California Public Utilities Commission Decision No. D.21-04-008.

Status update: In compliance. Frontier is in the process of retaining an independent expert survey consultant to conduct semi-annual customer satisfaction surveys. Frontier intends to hold a meeting with Cal Advocates, TURN, CWA, the Yurok Tribe and other public interest consumer groups to discuss and provide input regarding the scope, sample size and questions to be included in the survey.

Public Advocates Settlement Agreement Attachment 1, Paragraph B.11 - After completion of the surveys, Frontier will present the findings of the survey in jointly held confidential meetings with the consultant identified in paragraph 10, Cal Advocates, TURN CWA, the Yurok Tribe, and other public interest consumer groups. The survey period will include six semi-annual surveys over three years and will include surveying customers who have called with trouble reports and customers with closed or completed installation service orders during each month for the prior six-month period. The survey will measure customer satisfaction with resolution of these issues, along with other actionable concerns.

Status update: Not yet due. Frontier is planning to conduct the first survey in the first quarter of 2022.

Public Advocates Settlement Agreement Attachment 1, Paragraph B.12 - Frontier will provide the Communications Division, Cal Advocates, TURN, CWA, and the Yurok Tribe with California-specific semi-annual reports for 2021 on September 1, 2021 and March 1, 2022 and annual reports thereafter through 2024 on March 1st for the following customer service initiatives in response to customer service performance problems identified in Frontier's "Modernization Report." These reports shall be confidential and quantify for each California ILEC the volume of escalated customer complaints related to the following issues: • Being bounced around from agent to agent who are unable to help resolve a problem; • Never hearing back from Frontier as a follow up to a problem; • Failing to execute on a service change, truck, shipment, credit; • Unexplained changes to bill as a result of an unrelated service change; • Inflexibility in crediting accounts for Frontier caused problems; and • Repeated problems with service particularly for low speed copper customers.

Status update: Not yet due. Frontier's first report is due on September 1, 2021.

Public Advocates Settlement Agreement Attachment 1, Paragraph B.13 - Frontier also will provide the Commission's Communications Division, Cal Advocates, TURN, CWA, and the Yurok Tribe on a confidential basis within 60 days after emergence from Chapter 11, a California-specific report including a narrative discussion and further description of each initiative, and the status of implementation of each item described in the Frontier Modernization Report.

Status update: Complete. Frontier submitted its confidential report on June 29, 2021.

Frontier Quarterly Compliance Report in compliance with Ordering Paragraph 4 (e) of California Public Utilities Commission Decision No. D.21-04-008.

Public Advocates Settlement Agreement Attachment 1, Paragraph B.14 - Frontier will provide the Commission's Communications Division, Cal Advocates, TURN, CWA, and the Yurok Tribe on a confidential basis within 30 days after emergence from Chapter 11, a California-specific report including a narrative discussion and further description of each customer retention and other items listed below: • Segmenting customer base for differential treatment; • Policies and authorizations for providing credits; • Incentives balancing churn and spend; • Active takedown and price increase management; • Customer communications; • Self-service initiatives; and • Tool consolidation and modernization. Frontier will provide an annual report due March 1st of each year, which updates the initial report through 2023.

Status update: Complete. Frontier submitted its confidential report on May 28, 2021.

Public Advocates Settlement Agreement Attachment 1, Paragraph B.15 - Frontier will identify and retain two (2) employee tribal liaisons—one in Frontier's Northern California service area and one in Frontier's Southern California service area—tasked to work with and improve customer service on tribal lands and for tribal governments and tribal customers served by Frontier.

Status update: Complete. Frontier sent letters to the tribes throughout June 2021 that identified Amy Warshauer as the Northern California service area contact and Dawn Gilbert as the Southern California service area contact. Amy's and Dawn's contact information has been provided to the tribes.

Public Advocates Settlement Agreement Attachment 1, Paragraph C.16 - Frontier reaffirms and will fulfill its remaining broadband commitments from the 2015 Verizon Settlement Agreement ("Verizon Agreement Broadband Commitments") and Frontier will fulfill the remaining CAF II obligations in accordance with the FCC's requirements. Within 90 days of emergence from Chapter 11 and for projects that have not commenced (i.e., the engineering, procurement or construction phase has not started), Frontier will evaluate and report whether and to what number and percentage of locations it will exceed its remaining Verizon Agreement Broadband Commitments consistent with the goals set forth in the California Governor's Executive Order N-73-20. The preceding requirement will not apply to the CAF II obligations.

Status update: In compliance. Frontier submitted its confidential report on July 29, 2021.

Public Advocates Settlement Agreement Attachment 1, Paragraph C.17 - Based on U.S. Census data for tribal lands, provided to Frontier by the Commission's Communications Division, Frontier estimates that there is a population of approximately 55,000 people and approximately 24,000 tribal households on 41 tribal lands in Frontier's California service territory. In addition

Frontier Quarterly Compliance Report in compliance with Ordering Paragraph 4 (e) of California Public Utilities Commission Decision No. D.21-04-008.

to Frontier's outstanding Verizon Agreement Broadband Commitments and the FTTP broadband commitments described below, Frontier will agree to dedicate \$11.6 million of capital expenditures over 4 years to deploy at minimum 25 Megabits per second ("Mbps") download and 2-3 Mbps upload service (25/2-3 Mbps) to at least 4,000 locations within tribal lands in Frontier's service territory. Frontier will review the feasibility of and strive to deploy broadband speeds higher than the 25/2-3 Mbps to these locations. As part of the deployment of the 4,000 locations Frontier will consult with Cal Advocates, TURN, CWA, the Yurok Tribe and other tribal government representatives to discuss the potential areas for deployment.

Status update: In compliance. Timeline for completion is 4 years.

Public Advocates Settlement Agreement Attachment 1, Paragraph C.18 - Frontier affirms that its "operations" in California will be classified as "InvestCo," a designation signifying that the reorganized Frontier will conduct fiber deployments consistent with Article IX.A.10 of the Plan of Reorganization approved by the Bankruptcy Court on August 27, 2020 and the Restructuring Support Agreement executed by Frontier on April 14, 2020.

Status update: In compliance. Frontier confirms, consistent with Frontier's Virtual Separations reporting completed on May 28, 2021 and during discussion with the settlement parties, that although Frontier no longer uses the term "InvestCo" internally, it remains committed to investment in and deployment of fiber to the premises to at least 350,000 locations within six years consistent with the terms of the Settlement and the Commission's order approving the Restructuring.

Public Advocates Settlement Agreement Attachment 1, Paragraph C.19 - Frontier commits to FTTP buildout to at least 350,000 locations within six years from approval of the Settlement with the following milestones: 100,000 locations by December 31, 2022; 250,000 locations by December 31, 2024; and 350,000 locations by December 31, 2026.¹⁴ Frontier agrees that no less than 150,000 of the total 350,000 locations will be locations Frontier identified in its Modernization Report projections as having an Internal Rate of Return ("IRR") of less than 20%. The 350,000 FTTP locations will not be considered to fulfill the Verizon Agreement Broadband Commitments that remain outstanding as of Frontier's emergence from Chapter 11 and buildout obligations under any RDOF awards. However, for clarity, to the extent Frontier upgrades locations with FTTP after December 31, 2020 to which it had deployed broadband service of 6/1 Mbps and 10/1 Mbps under its Verizon Agreement Broadband Commitments on or before December 31, 2020, those locations can be considered in fulfilling this 350,000 FTTP commitment.

Status update: In compliance. Frontier has begun planning and remains committed to investment in and deployment of fiber to the premises to at least 350,000 locations within six years consistent with the Settlement and the Commission's order approving the Restructuring.

Frontier Quarterly Compliance Report in compliance with Ordering Paragraph 4 (e) of California Public Utilities Commission Decision No. D.21-04-008.

Public Advocates Settlement Agreement Attachment 1, Paragraph C.20 - Frontier will provide the Commission's Communications Division, Cal Advocates, TURN, CWA, and the Yurok Tribe a detailed plan within 60 days from emergence from Chapter 11 that estimates the number of locations and the individual locations by census block for the first 100,000 FTTP locations to be completed by December 31, 2022. Frontier will identify for each planned location the census block and whether the locations are residential, commercial or located on tribal lands. Frontier will also provide additional demographic information describing whether the location is an anchor institution¹⁵ and whether the location falls within a census block designated as low-income and/or underserved, to the extent such information is available. The plan will also detail locations broken down by California ILEC. As part of the deployment of the 150,000 locations with an IRR of less than 20%, Frontier will also meet with Cal Advocates, TURN, CWA, the Yurok Tribe and other tribal government representatives to discuss the potential areas for deployment, including tribal lands and tribal communities and taking in consideration the RDOF auction assigned support awarded to Frontier and the other service providers in Frontier's California service territory. Frontier will update this plan annually by March 1st each year for the FTTP locations to be completed that calendar year.

Status update: Complete. Frontier submitted its confidential report on June 25, 2021.

Public Advocates Settlement Agreement Attachment 1, Paragraph C.21 - By March 1, 2022 and annually thereafter until the 350,000 locations are completed, Frontier will provide a progress report including the number of completed, built-out FTTP locations by census block and identify which locations have an IRR of less than 20%. Frontier will identify for each completed, built-out FTTP location whether the location is residential, commercial, and/or located on tribal lands. Frontier will also provide additional demographic information describing whether each location is an anchor institution, and whether the location falls within a census block designated as low-income and/or underserved, to the extent such information is available, and the expected broadband service offerings, including pricing. The reports in paragraph 20 and 21 will be provided on a confidential basis to the Commission's Communications Division, Cal Advocates, TURN, CWA, and the Yurok Tribe.

Status update: Not yet due. Frontier's first report is due on March 1, 2022.

Public Advocates Settlement Agreement Attachment 1, Paragraph C.22 - In addition, Frontier agrees to target a portion of its capital expenditure commitment to improving scale, quality, and reliability of backhaul and expanding broadband deployment in unserved and underserved communities in rural areas. Frontier will continue to actively participate in the Commission's CASF program to advance deployment of broadband in unserved and underserved areas of the State, including tribal lands. Frontier will submit an annual report to the Communications Division, Cal Advocates, TURN, CWA, the and the Yurok Tribe on March 1st for each year, for three years on initiatives and expenditures related to these issues.

Frontier Quarterly Compliance Report in compliance with Ordering Paragraph 4 (e) of California Public Utilities Commission Decision No. D.21-04-008.

Status update: Not yet due. Frontier's first report is due on March 1, 2022.

Public Advocates Settlement Agreement Attachment 1, Paragraph C.23 - Frontier shall provide a report to Communications Division, Cal Advocates, TURN, and CWA on a confidential basis, identifying the specific census block groups in California in which it placed RDOF bids, the wire centers identified for each project, the amount of each of Frontier's bids, and the name and bid amount of the winning bidder, and the winning bid if different from Frontier's bid, in each specific census block group in California in which Frontier placed a bid, all subject to FCC disclosure limitations, within 30 days after emergence from Chapter 11.

Status update: Complete. Frontier submitted its confidential report on May 28, 2021.

Public Advocates Settlement Agreement Attachment 1, Paragraph D. 24 - Frontier will continue to offer through December 31, 2023 its two existing low-income broadband plans in California, Affordable Broadband and Frontier Fundamental Internet (which is a stand-alone service offering) at the same or higher speeds as required by the FCC Lifeline program and at equal to or lower pricing than current rates. Within 90 days of its emergence from Chapter 11, Frontier shall meet with Cal Advocates, TURN, CWA, the Yurok Tribe and other tribal government representatives to discuss the provision and expansion of the benefits of the existing federal and state communications low income programs to tribal governments, tribal members, tribal organizations and/or tribal entities in Frontier's California service territory.

Status update: In compliance.

Public Advocates Settlement Agreement Attachment 1, Paragraph D. 25 - Through December 31, 2021, Frontier will not increase residential rates for copper-based standalone voice services, fiber-based standalone basic primary voice service, copper-based broadband services, and copper-based voice/broadband bundles.

Status update: In compliance.

Public Advocates Settlement Agreement Attachment 1, Paragraph D. 26 - Frontier will provide the Communications Division, Cal Advocates, TURN and CWA, on a confidential basis, within 60 days after emergence from Chapter 11, a California-specific report, including a narrative discussion and further description including specification of products and services, separately for each California ILEC for which Frontier plans to increase deposits and/or introduce higher upfront fees.

Status update: Complete. Frontier submitted its confidential report on June 24, 2021.

Frontier Quarterly Compliance Report in compliance with Ordering Paragraph 4 (e) of California Public Utilities Commission Decision No. D.21-04-008.

Public Advocates Settlement Agreement Attachment 1, Paragraph E. 27 - Within 30 days of the completion of Virtual Separation Report described in the Plan of Reorganization, the final version of which is expected to be delivered by March 31, 2021, Frontier will provide a complete and unredacted copy of the Virtual Separation Report to the Communications Division, Cal Advocates, TURN and CWA on a confidential basis. Frontier shall also provide narrative language which states with specificity what “better understanding” it has regarding “the economics and financial data for” California, broken out by operating entity to the extent available and applicable, based on the “more precise state-level financial revenue and expense data” expected by completion of the virtual separation process. Finally, Frontier will meet with Cal Advocates, TURN and CWA within 30 days of providing the Virtual Separation Report, or on alternative dates as mutually agreed, to discuss the Virtual Separation Report and answer questions about its significance for California.

Status update: Complete. Frontier submitted its confidential report on May 28, 2021.

Public Advocates Settlement Agreement Attachment 1, Paragraph E. 28 - Frontier will provide, on a confidential basis, complete and unredacted documents to the Commission’s Communications Division, Cal Advocates, TURN and CWA showing the “internal revenue and cost sharing model based around the Virtual Separation” (Restructuring Term Sheet, “Business Plan,” page 9), the final version of which is expected to be delivered by March 31, 2021. On a one time basis, within 90 days after providing the Report referenced in paragraph 27 to the Commission’s Communication Division, Cal Advocates, TURN, and CWA, Frontier will also provide pro forma FY 2020 financial statements (Income Statement and Balance Sheet) for each California ILEC: a) using the current chart of accounts, accounting practices and expense allocation methodologies; and b) using the revised chart of accounts, accounting practices and expense allocation methodologies developed under the virtual separation process as contained in the Virtual Separation Report. Frontier will provide narrative language describing the extent to which capitalization of labor and expenses may differ for each of the three California ILECs using the Virtual Separation cost allocation methodology versus pre-Virtual Separation accounting and allocation methodologies.

Status update: Complete. Frontier submitted its confidential report on May 28, 2021.

Public Advocates Settlement Agreement Attachment 1, Paragraph E. 29 - Frontier will provide the Commission’s Communications Division, Cal Advocates, TURN and CWA annual variance reports on a confidential basis tracking variances between the projected amounts shown in Frontier’s Exhibit E Financial Projections (“Base Case” income statements, statement of cash flows, and balance sheet, included with the Disclosure Statement) for each projection year versus actual achieved results, with an explanation of material differences between projected and actual results, for each line item. The initial report for 2020 shall be provided within 90 days after emergence from Chapter 11, and annually thereafter on April 1st through 2023.

Frontier Quarterly Compliance Report in compliance with Ordering Paragraph 4 (e) of California Public Utilities Commission Decision No. D.21-04-008.

Status update: Complete. Frontier submitted its confidential report on July 29, 2021.

Public Advocates Settlement Agreement Attachment 1, Paragraph E. 30 - Frontier will provide the Commission's Communications Division, Cal Advocates, TURN and CWA annual variance reports tracking variances between the projected amounts shown in Frontier's response to PAO 2.6 CONFIDENTIAL attachment ("Base Case" detailed revenues, direct and indirect expenses, EBITDA and Capex) for each projection year versus actual achieved results, with an explanation of the material differences between projected and actual results, for each line item. The initial report for 2020 shall be provided within 90 days after emergence from Chapter 11, and annually thereafter on April 1st through 2023. The annual variance report shall be broken down by each California operating company with statewide totals allocated to each on a percentage of revenues basis.

Status update: Complete. Frontier submitted its confidential report on July 29, 2021.

Public Advocates Settlement Agreement Attachment 1, Paragraph E. 31 - Frontier agrees that its California ILECs will not make debt payments associated with the Restructuring and commits not to be debtors, guarantors or to pledge/encumber the assets of California ILECs for existing/assumed debt as part of the Restructuring, excluding the prebankruptcy debt obligation of \$200 million already directly held by Frontier California Inc., or to directly issue new debt without Commission approval.

Status update: In compliance.

Public Advocates Settlement Agreement Attachment 1, Paragraph E. 32 - For three years following emergence from Chapter 11 and to the extent permitted by Securities and Exchange Commission disclosure limitations, Frontier will provide to the Communications Division, Cal Advocates, TURN, and CWA information regarding dividends declared by the parent Frontier company Board and any written dividend policy.

Status update: In compliance.

Public Advocates Settlement Agreement Attachment 1, Paragraph E. 33 - For three years following emergence from Chapter 11, Frontier will submit within 30 days, a report to the Commission's Communications Division, Cal Advocates, TURN and CWA identifying the amount and timing of any dividends declared and paid by the California ILECs.

Status update: In compliance.

Frontier Quarterly Compliance Report in compliance with Ordering Paragraph 4 (e) of California Public Utilities Commission Decision No. D.21-04-008.

Public Advocates Settlement Agreement Attachment 1, Paragraph E. 34 - Within 90 days of emergence from Chapter 11, Frontier will submit to Cal Advocates, TURN and CWA a report identifying the debt-to-equity ratio of each of its California ILECs and for the parent Frontier company. For reference, Frontier will also include in the report the industry average debt-to-equity ratio based on comparable public peers, which would include but it is not limited to Consolidated Communications, Lumen Technologies (CenturyLink), Windstream, TDS Telecommunications, Inc. and other comparable public peer companies mutually agreed up on the Parties. Supporting documentation including data sources and calculations shall be provided with this report.

Status Complete: Frontier submitted its confidential report on July 29, 2021.

Public Advocates Settlement Agreement Attachment 1, Paragraph E. 35 - By March 1, 2021, and annually thereafter for three years, Frontier will submit an annual report to Communications Division, Cal Advocates, TURN and CWA on a confidential basis that contains the debt-to-equity ratio of each of its three California ILECs and for the Frontier parent company and an updated industry average ratio as described in paragraph 34. Supporting documentation, including data sources and calculations, shall be provided with this report. Frontier will provide an explanation to Communications Division, Cal Advocates, TURN and CWA on a confidential basis describing any material changes in the debt-to-equity ratio for any of the three California ILECs or the Frontier parent company. If the debt-to-equity ratio for any of the Frontier entities has materially changed (increased 20% from the previously reported Frontier ratios), Frontier will file a Tier 2 Advice Letter with the Commission describing the reason for the change in the debt-to-equity ratio, as well as data and information regarding the industry average ratios and a status update on the capital investment requirement as agreed to in paragraph 1 of this Agreement.

Status update: Complete. Frontier submitted its confidential report on May 28, 2021.

Public Advocates Settlement Agreement Attachment 1, Paragraph F. 36 - Frontier will notify the Communications Division, Cal Advocates, TURN and CWA of the date it emerges from Chapter 11 within 5 days of its emergence from Chapter 11.

Status update: Complete. Frontier notified the Communications Division, Cal Advocates, TURN and CWA of its May 1, 2021, emergence from Chapter 11 on May 3, 2021.

Public Advocates Settlement Agreement Attachment 1, Paragraph F. 37 - Frontier shall meet and confer with CWA quarterly regarding updates on settlement commitments, service quality, hiring, training and any issues arising under its collective bargaining agreements with CWA.

Status update: Not yet due. Frontier intends to schedule its first quarterly meeting with CWA this quarter.

Frontier Quarterly Compliance Report in compliance with Ordering Paragraph 4 (e) of California Public Utilities Commission Decision No. D.21-04-008.

Public Advocates Settlement Agreement Attachment 1, Paragraph F. 38 - Within 1 year of its emergence from Chapter 11, Frontier will offer and provide training for its employee technicians in California on mixed generation technologies.

Status update: In process. Not yet due.

Public Advocates Settlement Agreement Attachment 1, Paragraph F. 39 - Frontier and CWA agree that their current collective bargaining agreements in California are currently in effect as of the execution of this Agreement and remain in effect through the current extension date of September 4, 2021. Frontier reaffirms and CWA agrees that under the Plan approved by the Bankruptcy Court these collective bargaining agreements that are in place as of the date Frontier emerges from Chapter 11 will be assumed by the reorganized Frontier companies and shall remain in place at emergence from Chapter 11. Frontier reaffirms its commitment to fulfill the terms of these California agreements through the remainder of the collective bargaining agreements extended terms, however, CWA and Frontier agree that any and all grievances, arbitrations, disputes, violations, remedies, issues or claims under the collective bargaining agreements will be resolved by the terms of those agreements and will not be submitted to, considered or addressed by the Commission.

Status update: In compliance.

Public Advocates Settlement Agreement Attachment 1, Paragraph F. 40 - Frontier shall invite the Governor's Office of the Tribal Advisor, the Yurok Tribe and other tribal government representatives and conduct quarterly meetings with interested tribal representatives regarding updates on settlement commitments, service quality, broadband deployment and any issues with Frontier's services impacting tribal lands or tribal communities.

Status update: In process. Frontier conducted the first meeting on August 5, 2021. Participants included representatives from the Yurok Tribe, the Mewuk Tribe, TURN, PAO and the California PUC.

California Emerging Technology Fund ("CETF") Settlement Agreement Attachment 2, Paragraph B.2.c.(ii) and (iii) – (ii) As of December 1, 2020, Frontier has purchased 29,221 Chromebooks, which includes 4,000 devices that are currently on order and are expected to be distributed by December 31, 2020. (iii) Frontier shall undertake good faith efforts to purchase and the Parties shall jointly work to distribute the remaining 20, 779 Wi-Fi capable devices by September 1, 2021. All remaining devices are eligible to be distributed to low-income students in high need school districts or other similar student or community distribution program as the Parties may jointly develop and no fewer than 4,000 devices shall be distributed in Tribal communities. Frontier will continue to advance additional funds to CETF at \$60 per qualified

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adoptions from the \$3 million identified in paragraph 24 of the MOU as set forth at para. 13 (iii). in the Amendment and in order to facilitate the digital literacy training efforts it and the CBOs are undertaking in connection with the devices distributed to students or community members. In the event that not all devices are, or are expected to be, distributed by September 1, 2021, the parties agree to meet and confer to discuss next steps to attempt to accomplish distribution of the balance of Wi-Fi enabled devices by December 31, 2021. In the event supply chain issues arise throughout the year and all devices are not either distributed or on order by December 31, 2021, the parties agree that Frontier may elect to fulfill this condition through a lump sum payment after December 31, 2021 equal to the cost per unit of remaining undistributed devices (including tax and shipping fees). In addition, if the lump sum payment option is exercised, Frontier shall pay, at the same time, all remaining outstanding adoption payments to CETF.

Status update: In compliance. To date, Frontier has distributed over 50,000 chrome books of which 3,416 have been distributed to tribes in Northern and Southern California.

California Emerging Technology Fund (“CETF”) Settlement Agreement Attachment 2, Paragraph C.7 - Frontier shall continue to offer its Affordable Broadband and Frontier Fundamental low-income broadband service plans at equal or lower pricing than current rates through December 31, 2023. While the Agreement is in effect, and every low-income household enrolling in any such service shall be counted toward the aspirational goal set forth in Section A (3). In the event that neither the California Public Utilities Commission nor the Federal Communications Commission has finalized action on Lifeline or an equivalent support mechanism for low-income broadband services by December 31, 2023, the Parties agree to meet and confer regarding an extension for a period of one year (to December 31, 2024) of Frontier's Affordable Broadband and Frontier Fundamental low income broadband service plans at equal or lower pricing than current rates

Status update: In compliance.

California Emerging Technology Fund (“CETF”) Settlement Agreement Attachment 2, Covenant 9 of MOU - Requires the Parties to mutually identify 50 locations where Frontier will install public Wi-Fi subject to the conditions of Covenant 9(a). In addition, Wi-Fi deployments were addressed in Paragraph 17 of the Amendment. As of the effective date of this Second Amendment, Frontier has installed public Wi-Fi at 19 locations despite good faith efforts in collaboration with CETF to identify and complete more deployments and to surmount the access and deployment challenges presented by the COVID-19 pandemic. Accordingly, to achieve the core goal of this Covenant 9 of the MOU-expanded community-based access to broadband services, particularly for low-income and underserved community members-the Parties agree to revise Frontier's Wi-Fi hot spot deployment obligations as set forth herein. Specifically, the Parties agree to expand the locations eligible for public Wi-Fi to include any community location organization, or other institution (such as libraries, skilled nursing facilities, shelters, etc.), that is capable of facilitating Wi-Fi service to primarily low-

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income or underserved users as the Parties mutually agree and shall jointly work to identify and prioritize Tribal locations for Wi-Fi hotspot deployments. In addition, the Parties agree that in lieu of a Wi-Fi deployment, where it has facilities deployed to a community location, organization, or other institution that facilitates broadband access and use by low-income or underserved community members, Frontier may elect to provide two years of free broadband service to a community location, organization, or other institution in order to facilitate broadband access by low-income or underserved community members with priority given to those locations/entities serving Tribal members. Frontier shall work diligently and in good faith to complete its Wi-Fi community access commitment to 31 locations despite the challenges created by the COVID-19 pandemic by December 31, 2021 by: 1) completing a Wi-Fi installation; or 2) providing two years of free broadband service to a community location, organization, or other institution that facilitates broadband access/use by low-income or underserved community members as the parties mutually agree; or 3) any combination thereof. In the event that Frontier is not able to complete its Wi-Fi community access commitment by December 31, 2021, Frontier may elect to immediately disburse an amount equal to the sum of the number of remaining deployments multiplied by \$4,000.00 to CETF, which is calculated to include both the average cost of a Wi-Fi deployment, including the efforts of CETF staff resources to oversee and achieve the remaining Wi-Fi deployments.

Status update: In process. Not yet due.

Yurok Tribe Settlement Agreement Attachment 3, Terms and Conditions Numbers 1. A and 1. B - In collaboration with the Yurok Tribe, Frontier will coordinate with the Yurok Tribe and potential third parties on the evaluation and potential deployment of:

- A. “Middle-mile” fiber from the Klamath River Rural Broadband Initiative (“KRRBI”) project end in Orick, CA to Hunter Creek Rd. in Klamath, CA; and,
- B. “Fiber to the Premises” to certain Yurok Reservation locations along the above- referenced middle-mile fiber route (collectively, the “Project”).

Status update: Frontier has begun coordination with the Yurok tribe.

Yurok Tribe Settlement Agreement Attachment 3, Terms and Conditions Number 2. A - Frontier and the Yurok Tribe will collaborate to complete the Project. Frontier will contribute 1/2 of the Project costs, up to a \$5.0 million cap, from its planned capital expenditures and broadband deployment commitments made in the Cal Advocates/TURN/CWA Settlement. This expenditure will include upfront payment to the Yurok Tribe of \$75,000 to cover startup costs related to Project planning and implementation, including securing additional funding. The

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remainder of the funds shall be released by Frontier for Frontier's use to complete the Project upon the Yurok Tribe securing its portion of Project funding.

Status update: Complete in part. Frontier provided the upfront payment to the Yurok Tribe of \$75,000 to cover startup costs on May 28, 2021. Frontier and the Yurok Tribe's collaboration to complete the Project is in process.

Yurok Tribe Settlement Agreement Attachment 3, Terms and Conditions Number 2. C -

Frontier will be primarily responsible for the design, engineering, and construction of the Project. The Yurok Tribe will be primarily responsible for securing any necessary federal, state, local or tribal permits and authorizations; Frontier will assist with such efforts as needed, including providing information, licenses, or other proof necessary to complete competitive funding applications. Where applicable, Frontier will work with the Yurok Tribe to leverage state and federal funding opportunities for the benefit of the Project (e.g. CASF, etc.).

Status update: In process. Not yet due.

Yurok Tribe Settlement Agreement Attachment 3, Terms and Conditions Number 2. D -

Frontier will coordinate with the Tribe to complete the construction.

Status update: In process. Not yet due.

Yurok Tribe Settlement Agreement Attachment 3, Terms and Conditions Number 2. E and 2. F -

Upon completion, the Tribe will be provided 1) ownership and use of the constructed fiber capacity based on its proportionate financial contribution to the Project and 2) other non-fiber benefits (e.g. income, etc.) that may arise as a result of the Project's supplemental infrastructure (e.g leasing space on tower infrastructure, conduit space, etc.) based on its proportionate financial contribution to the Project. For example, if the Project ultimately costs \$15 million and the Yurok Tribe directly or indirectly contributes \$10 million, the Yurok Tribe will receive 66% of the Project fiber capacity and other non-fiber project benefits. For purposes of clarity, Frontier may use its proportional fiber capacity to provide telecommunications services and this use and the provision of telecommunications services are not considered other non-fiber benefits to be shared or provided to the Yurok Tribe.

If the Yurok Tribe is unable to secure the necessary resources and/or funding to complete the Project within four years, Frontier shall deploy \$3 million, less any funding already expended by Frontier on the Project, to benefit, improve, or expand infrastructure serving the Yurok Reservation, Yurok Lands, and Yurok's ancestral territory in compliance with the terms of the Cal Advocates/TURN/CWA Settlement. Frontier and the Tribe shall consult in good faith to determine these alternate projects or activities, prioritizing work within the Yurok Reservation.

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Status update: Contingent on completion Condition # 2.A which is in process as described above. Not yet due.

Yurok Tribe Settlement Agreement Attachment 3, Terms and Conditions Numbers 3.A and 3.B

- A. Within sixty (60) days of the consummation of Frontier’s corporate Restructuring and its emergence from Chapter 11, Frontier will provide the Yurok Tribe with \$400,000 to enable the Tribe to administer and provide reimbursement, credits or discounts for any services provided to consumers or business on Yurok Lands or in the Yurok Tribe’s ancestral territory; to cover its costs related to the Frontier restructuring transaction: and/or to provide reimbursement, credits or discounts to the Yurok Tribe for its and its affiliated business and consumer subscriptions and “backhaul services” contract fees, for the period between 2017-2022; and

- B. Within sixty (60) days of the consummation of Frontier’s corporate Restructuring and its emergence from Chapter 11, Frontier will provide the Yurok Tribe an additional \$100,000 for its use as described in 3.A if the Yurok Tribe works in good faith to support Frontier’s efforts to quickly conclude the A.20-05-010 proceeding, including by finalizing and submitting this Settlement by January 19, 2021, filing comments in support of the Cal Advocates/TURN/CWA and CETF Settlements by January 20, 2021, and the Commission approving Frontier’s transfer of control/restructuring application in A.20-05-010 by March 30, 2021.

Status update: Complete. Frontier issued the \$400,000 payment due in subpart A. on May 14, 2021. Frontier issued the \$100,000 payment due in subpart B. on May 13, 2021.

Yurok Tribe Settlement Agreement Attachment 3, Terms and Conditions Number 4 - Within sixty (60) days of the consummation of Frontier’s corporate Restructuring and its emergence from Chapter 11, Frontier will provide the Yurok Tribe with its existing local maps of Frontier’s infrastructure and equipment along with information on infrastructure and equipment within the Yurok Tribe’s ancestral territory, together with any existing maps of adjacent areas that identify the points of integration of such infrastructure with the remainder of Frontier’s system.

Status update: Complete. On June 7, 2021, Frontier provided the Yurok Tribe with its existing local maps of Frontier’s infrastructure and equipment along with information on infrastructure and equipment within the Yurok Tribe’s ancestral territory.

Yurok Tribe Settlement Agreement Attachment 3, Terms and Conditions Number 5 - Within three (3) months of the consummation of Frontier’s corporate Restructuring and its emergence from Chapter 11, Frontier agrees to hire or designate a local, high-level employee as the Yurok

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Tribe's point of contact or tribal liaison to provide Out Of Service response, customer service, and information sharing. The Yurok Tribe shall have direct access to the tribal liaison via phone and email. The tribal liaison shall have the availability, access, and authority to generally provide a response to the Yurok Tribe within 24 hours. To the extent the Commission approves the Cal Advocates/TURN/CWA Settlement's tribal liaison condition, the Yurok Tribe anticipates that the Yurok Tribe's tribal liaison contemplated in this term could also satisfy that condition.

Status update: Complete. Frontier designated a local, high-level employee as the Yurok Tribe's point of contact or tribal liaison—and communicated this information to the Yurok tribe—to provide Out of Service response, customer service, and information sharing.

Yurok Tribe Settlement Agreement Attachment 3, Terms and Conditions Number 6 - Frontier will evaluate and make good faith efforts to negotiate an increased bandwidth backhaul services contract with the Yurok Tribe for the benefit of Yurok Connect, with a price that is lower than the standard business pricing to account for the public service purpose of the contract. The Tribe recognizes that bandwidth capacity is limited by the microwave facilities use for backhaul services and Frontier may not be able to significantly increase bandwidth capacity available. However, Frontier will prioritize the Yurok Tribe by providing the Tribe with an option to purchase increased bandwidth as it becomes available.

Status update: In compliance. Evaluation and discussions are ongoing.

Yurok Tribe Settlement Agreement Attachment 3, Terms and Conditions Number 7 - Frontier will work with the Yurok Tribe and hold good faith discussions and share information for the purpose of an acquisition feasibility study by the Yurok Tribe and potential acquisition at a fair market value identified by one or more independent third parties (excluding the market value of the Project at the time of the transfer). The potential acquisition would include infrastructure, staffing, equipment, assets, licenses and authorizations related to Frontier's seven (7) wire centers/exchanges: six (6) which Frontier acquired from Verizon in 2010 comprising Verizon West Coast, Inc. (Klamath, Orick, Crescent City, Smith River, Gasquet, Hiouchi and one (1) additional wire center/exchange (Hoopa) which Frontier acquired from Verizon in 2016 (hereafter "Feasibility Study Facilities")).

Status update: In compliance, ongoing. Frontier and the Yurok tribe are engaged in good faith discussions and information sharing in furtherance of this commitment. In July, the Yurok tribe submitted a prioritized list of data requests and Frontier has responded to the highest priority data requests and continues to provide additional responses and information as it is identified and assembled.