Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of	)	
	)	
Applications Filed By Frontier Communications	)	WC Docket No. 15-44
Corporation and Verizon Communications Inc.	)	
For the Partial Assignment or Transfer of Control	)	
Of Certain Assets in California, Florida, and Texas	)	

COMMENTS OF CALTEL

Pursuant to the Commission's Public Notice establishing dates for petitions or comments on the Applications of Frontier Communications Corporation (Frontier) and Verizon Communications Inc. (Verizon), which seek approval for the transfer of control of Verizon wholly-owned subsidiaries in California (as well as Florida and Texas), (Application),[1] the California Association of Competitive Telecommunications Companies[2] ("CALTEL") files the following comments on behalf of its members.[3]

I. INTRODUCTION

CALTEL members are wireline competitive local exchange carriers (CLECs) that primarily provide competitive voice and broadband retail services to California residential and business end user customers. In order to do so, many CALTEL members purchase wholesale inputs from Verizon California in urban, suburban and rural regions

[1] Applications Filed by Frontier Communications Corporation and Verizon Communications Inc. for the Partial Assignment of Transfer of Control of Certain Assets in California, Florida, and Texas, Pleading Cycle Established, DA 15-320, March 12, 2015.

[2] CALTEL is a non-profit trade association working to advance the interests of fair and open competition and customer-focused service in California telecommunications. CALTEL members are entrepreneurial companies building and deploying networks to provide competitive voice, broadband, and video services. The majority of CALTEL members are small businesses who help to fuel the California economy through technological innovation, new services, affordable prices and customer choice.

[3] *See* www.caltel.org for a list of CALTEL member companies.

of the state. These inputs include Unbundled Network Elements (UNEs), special access services, loop-and-port combinations provided subject to commercial agreements, collocation arrangements, line sharing arrangements, interconnection arrangements, and Ethernet last-mile connections. Some CALTEL members also offer wholesale services to the Applicants, including interoffice circuits and Ethernet transport and last-mile connections. Consequently, CALTEL member companies are uniquely affected by the proposed transfer of control—they are at the same time competitors of the Applicants, wholesale customers of the Applicants, and wholesale suppliers to the Applicants. CALTEL therefore, acting on behalf of its members, is a party of interest with standing to comment on this Application.

Based on the information provided in the applications filed with this Commission, and with the California Public Utilities Commission (CPUC), CALTEL is concerned that the proposed transfer of control may have a harmful effect on day-to-day operations as well as on the availability and terms and conditions under which CALTEL members receive wholesale inputs and services from the Applicants. Any disruption or constraint on access to wholesale inputs and services will have an adverse effect on CALTEL members' ability to compete, thus creating a domino effect on the state of competition in the business telecommunications and data market in California.

CALTEL is only in the beginning stages of reviewing the potential impact of the proposed transfers on its members. CALTEL has filed a motion for party status in the proceeding established by the CPUC[4] and plans to file a response to the California

[4]In the Matter of the Joint Application of Frontier Communications Corporation, Frontier Communications of America, Inc. (U-5429-C), Verizon California, Inc. (U-1002-C), Verizon Long Distance LLC (U-5732-C), and Newco West Holdings LLC for Approval of Transfer of Control over

application on or before the April 27, 2015 deadline. In order to inform its comments, CALTEL has issued initial data requests to both companies in order to gather additional data.

These data requests (Attachments A and B) identify areas of potential concern to CALTEL members. In the discussion that follows, CALTEL will briefly describe these concerns and explain why the Commission should gather similar information from the Applicants, as well as from CALTEL members and other wholesale customers, to ensure that the Applicants' public interest claims are thoroughly analyzed, evaluated and addressed .

II. DISCUSSION

As a preliminary matter, it is no secret to this Commission or to the CPUC that CALTEL considers Verizon California to be an often uncooperative and indifferent-at-best wholesale supplier. In particular, Verizon's "kill-the-copper" policies, including *de facto* retirement of copper facilities by failing to properly maintain them, has resulted in increasing alarm and numerous CALTEL objections over the past seven years.[5] For that

---

Verizon California, Inc. and Related Approval of Transfer of Assets and Certifications, A.15-03-005, filed March 18, 2015.

[5] *See, e.g. Declaration of Joseph Gillan, On Behalf of CALTEL,* California Public Utilities Commission Rulemaking R.08-01-005, *Rulemaking Regarding Whether to Adopt, Amend, or Repeal Regulations Governing the Retirement by Incumbent Local Exchange Carriers of Copper Loops and Related Facilities Used to Provide Telecommunications Services,* at ¶8 and Declaration of Dane Jasper, Attachment A, Response of the California Association of Competitive Telecommunications Companies to Emergency Motion of the Utility Reform Network (TURN) Urging the Commission to Take Immediate Action to Protect Verizon Customers and Prevent Further Deterioration of Verizon's Landline Network, R.11-12-001, dated April 15, 2014. *See also* Comments of CALTEL, *Petition for Forbearance of the United States Telecom Association,* WC Docket 12-161, dated April 6, 2012, Comments of CALTEL, *Telepacific et. al. Request to Refresh the Record,* WC Docket 10-188, et. al, filed March 5, 2013, and Comments of CALTEL, Notice of Proposed Rulemaking, *In the Matter of Ensuring Customer Premises Equipment Backup Power for Continuity of Communications, Technology Transitions, Policies and Rules Governing Retirement of Copper Loops by Incumbent Local Exchange Carriers, Special Access for Price Cap Local Exchange Carriers, AT&T Corporation Petition for Rulemaking to Reform Regulation of Incumbent Local Exchange Carrier Rates for Interstate Special Access Services,* PS Docket No. 14-174 et al, filed February 5, 2015.

reason alone, CALTEL will not be sorry to see Verizon go, and welcomes acquisition of its assets and customers by a company that apparently values and plans to invest in the wireline telecommunications business.

This willingness, of course, still needs to be tested. But more importantly, however willing it is in spirit, Frontier also has to prove that it can execute operationally on this proposed transfer in a way that does not disrupt or harm competition in retail and wholesale markets. By Frontier's own admission, this is a huge transaction: acquisition of Verizon ILEC subsidiaries in California, Florida and Texas will double the size of the company and of the assets it manages.[6] In California, the transfer would transform Frontier from a primarily rural mid-sized ILEC to the second largest ILEC in the state, serving significant portions of the second largest metropolitan statistical area (MSA) in the nation, and the thirteenth largest in the world.[7]

For a number of reasons, many CALTEL member companies have little or no experience dealing with Frontier on a wholesale basis, either in California or other states where Frontier operates. This is primarily the case because California is in itself such a large and relatively self-contained market, with five of the top 25 MSAs (ranked by

---

[6] The Application explains that Frontier currently operates approximately 4 million voice lines and 2.3 million broadband connections. Exhibit 1 to Application at p. 4. The Application states that an additional 3.7 million voice lines and 2.2 million broadband connections would be transferred from Verizon in California, Florida and Texas as part of the proposed transfer-of-control. Exhibit 1 at p. 9.

[7] The Los Angeles-Long Beach-Santa Ana CA MSA is the second largest in the nation (ranked both by population and GDP), and the 13th largest in the world. http://en.wikipedia.org/wiki/Los_Angeles_metropolitan_area

GDP) in the nation located here, none of which Frontier currently serves.[8] As a result, many CALTEL member companies are regional carriers who only serve California end user customers in the AT&T and Verizon territories in California.

Even for those CLECs whose business plans are national or multi-regional in scope, Frontier is still not considered to be a major wholesale supplier due to its current operation in predominantly non-metro markets. For example, to CALTEL's knowledge, no CALTEL members currently have electronic ordering or trouble ticket interfaces with Frontier Operational Support Systems (OSS) or experience with Frontier legacy support systems.

Areas of Concern

CALTEL's areas of concern focus on the "top five" following areas.

1. Section 251/252 Interconnection Agreements/Commercial Agreements

CALTEL members currently obtain UNEs and other wholesale inputs and services pursuant to interconnection agreements that were negotiated and arbitrated under Sections 251 and 252 of the Federal Telecommunications Act. To CALTEL's knowledge, all of these agreements are in evergreen status, and because most CALTEL members do not have similar ICAs with Frontier in other states (even those states where Frontier acquired former Verizon territories in 2010), Frontier's policies and actual practice with regards to honoring the terms of ICAs being assumed from Verizon California, and for noticing renegotiation of expired ICAs, need to be ascertained and evaluated.

[8] *See* http://en.wikipedia.org/wiki/List_of_U.S._metropolitan_areas_by_GDP .

CALTEL also needs to ascertain whether its members can anticipate continued access to loop-and-port combinations provided subject to wholesale commercial agreements. It is CALTEL's understanding that some of the agreements that Frontier assumed from Verizon in the 2010 acquisition have expired or will be expiring, and that it is unclear whether Frontier plans to continue offering the product, and if so, under what rates, terms and conditions.

There are also unique conditions that affect the viability of Verizon's Section 251/252 ICAs in California. The most critical is the result of the CPUC's failure to complete the collocation phase of the generic arbitration proceeding, leaving collocation arrangements effectively undocumented and reliant on a hodgepodge of Verizon industry letters, Memorandums of Understanding (MOUs), and emails. Similarly, although Verizon is subject to a set of wholesale performance measurements in California, the CPUC never adopted a remedy plan as it committed to do,[9] and Verizon has been free to degrade wholesale performance, including maintenance of last-mile copper facilities, with impunity.

2. Special Access

[9] *Opinion on the Performance Incentives Plan for Pacific Bell Telephone Company*, D.02-03-02, R.97-10-016 and I.97-10-017, at pp. 78-79: "While we have intended to adopt simultaneously the same plan for Verizon as we adopt for Pacific, as Verizon notes in its comments on the DD, most of our analyses in this decision have been performed for Pacific. We could delay adoption of a plan for Pacific while we perform additional analyses for Verizon, but do not wish to delay Pacific further…so to prevent undue delay to Pacific, we will adopt this performance incentives plan only for Pacific at this time. We intend to adopt this plan for Verizon, by means of a separate decision, within the next few weeks pending further analyses."

Many CALTEL members currently have special access contracts with Verizon that include locations in the state of California. Frontier's plans with regards to offering the same term-and-volume discounts that are currently available from Verizon, as well as both companies' commitments to making pro-rata adjustments to current contracts in a way that does not disadvantage CLECs and other special access customers, needs to be ascertained and evaluated.

3. Wholesale OSS, Business Processes and Resources/Staffing

The Application states that Frontier plans to flash cut wholesale customers over to Frontier legacy systems immediately after the transaction is approved:

> Frontier and Verizon also have in place a plan for the transition of customers, OSS, and billing systems so that neither retail nor wholesale customers will experience service, ordering, or billing disruptions. Post-closing, the operations of the Transferring Companies will be converted to Frontier's existing OSS and billing systems, which will allow Frontier to go to market promptly in the acquired areas.[10]

CALTEL assumes that the Commission and the CPUC will want to gather more information about these plans with regards to the transitioning of retail customers given the problems that Frontier reportedly encountered in its most recent acquisition in Connecticut.[11] But, for wholesale customers, this proposal is problematic in that, as mentioned previously, to CALTEL's knowledge, Frontier does not offer electronic ordering or trouble report interfaces in California, and CALTEL is not aware that any of its members have built those interfaces in other states. CALTEL will be discussing this

[10] Exhibit 1 to Application at p. 21.

[11] *See, e.g.,* *http://www.nbcconnecticut.com/news/local/State-Stepping-in-to-Handle-Frontier-Complaints-282629031.html* *and* *http://www.courant.com/consumer/bottom-line/hc-bottom-line-frontier-att-takeover-20141204-column.html*

critical issue, as well as other operational issues that impact day-to-day wholesale operations, with Frontier in the weeks to come.

Resources and staffing levels are also a key concern. Verizon has systematically reduced resources assigned to support wireline services over the past decade to levels that chronically result in poor retail as well as wholesale performance. To make matters worse, differences in Verizon and Frontier retirement plans are rumored to already be causing accelerated early-retirements of seasoned Verizon personnel.

Therefore, in addition to analyzing and accounting for Verizon's current retail service quality problems in California, which are discussed further below, the Commission will want to review Verizon's wholesale performance measurements in order to verify current levels and to ascertain what commitments Frontier plans to rehabilitate wireline infrastructure and wholesale customer support.

4. Service Quality

As noted previously, CALTEL has been very vocal in its criticism of Verizon's alarming copper maintenance and retirement policies. These policies have resulted in a recent CPUC staff report citing AT&T and Verizon's chronically poor retail service quality and containing a proposal to impose customer credits and fines in order to try to incent significant improvements:

> AT&T and Verizon did not meet the minimum standard for the Out-of-Service measure in any of the months from 2010 through 2013...AT&T and Verizon's corrective action reports reiterated the same proposed actions that would be undertaken to improve service restoral times and that the actions cited did not result in improvements that were significant enough to meet the minimum standard for the OOS repair interval measure. Given this history, staff found that reliance on carriers' corrective actions has not been an effective means to improve service quality performance. Even if the carriers detected and disclosed their failure to meet the service quality standards under the G.O. 133-rules, some of the

> carriers did not rectify failures to provide "adequate, efficient, just, and reasonable" service to their customers.[12]

As discussed in CALTEL's comments on the Commission's Emerging Networks and Services NPRM, Verizon's service quality in this regard can be differentiated from AT&T's both quantitatively and strategically:

> AT&T's repair time results trended positively—from a dismal 50% in 2010, to 67%, 71% and 67% in the following three years. Verizon's results however trended steadily downwards—from 76% in 2010, to 73%, 72% and 70%. These trends may be indicative of the two different business plans and strategies noted in the NPRM for these two companies with regards to fiber deployment and continued reliance on copper plant: AT&T has indicated that it intends to maintain its copper for some of its services, such as its fiber to the node (FTTN)-based U-verse service and other DSL and Ethernet over Copper (EOC) services. …Where Verizon has deployed its fiber network, it generally seeks to transition customers from the legacy copper network to the fiber network...(This) fiber migration initiative includes a deliberate refusal to repair 'chronic' copper loops in targeted wire centers which certainly qualifies as intentional retirement of copper, which should be disclosed as such at the onset--before customers have been enticed or evicted onto fiber. [13]

The Application does not acknowledge or discuss these concerns, other than to include a commitment from Frontier to "prioritize maintaining and improving service quality in California, Florida, and Texas."[14] Frontier also did not acknowledge these concerns in its CPUC Application, and recently argued in comments on the CPUC Staff

---

[12] Communications Division Staff Report "Proposal for Modifications to G.O. 133-C" dated February 2, 2015, at pp. A-2 and A-4.

[13] Comments of CALTEL, Notice of Proposed Rulemaking, *In the Matter of Ensuring Customer Premises Equipment Backup Power for Continuity of Communications, Technology Transitions, Policies and Rules Governing Retirement of Copper Loops by Incumbent Local Exchange Carriers, Special Access for Price Cap Local Exchange Carriers, AT&T Corporation Petition for Rulemaking to Reform Regulation of Incumbent Local Exchange Carrier Rates for Interstate Special Access Services,* PS Docket No. 14-174 et al, filed February 5, 2015 at pp. 12-13.

[14] Exhibit 1 to Application at p. 12.

Report that the CPUC should eliminate all service quality measurements and rely on competition to protect consumers and network reliability.[15]

5. Roles and Arrangements Between Transferring and Non-Trasferring Verizon Entities

Finally, CALTEL notes that the CPUC's online database of certificated entities shows that in addition to its ILEC franchise, Verizon currently holds registrations for 10 wireless and 6 inter-exchange (IXC) entities, as well as 5 CLEC certificates in California. The application appears to indicate that although some of the wireless registrations may be transferring to Frontier, all mobile wireless service will continue to be offered by Verizon Wireless following close of the transaction. Similarly, the CPUC Application seems to indicate that at least one of the IXC registrations will be transferred from Verizon to Frontier.

What is not clear from either the Application filed with this Commission, or the one filed with the CPUC, is what will happen to the 5 CLEC entities. These entities are registered as MCI Communications Services dba Verizon Business (U-4386-C), MCI Metro Access Transmission Services dba Verizon Access Transmission Services (U-4438-C and U-5253-C), Verizon California (U-4439-C), and Verizon Select Services, Inc. (U-5494-C). Because the applications do not distinguish what retail and wholesale services are currently provided by the certificated entities managed by Verizon in California, and which are included in the proposed transfers, CALTEL sought clarifying

[15] Comments by Citizens Telecommunications Company of California Inc. (U-1024-C) and Frontier Communications of the Southwest Inc. (U-1026-C) to Assigned Administrative Law Judge's Ruling for Comments on Staff Proposal for Modifications to General Order 133-C, R.11-12-001, filed March 30, 2015.

information from Frontier. Based on that preliminary information, it appears that that Verizon's CLEC entities in California will not be transferring to Frontier.

This is important because over the past decade Verizon has been transitioning almost all of its retail business services offers, and much of its unregulated wholesale product offerings like last-mile Ethernet services, to its CLEC entities. As a result, the Application makes vague references to services that have been contracted by one Verizon entity on behalf of another:

> Where there are shared customer contracts between other Verizon entities and a Transferring Company, Frontier and Verizon have agreed to work in good faith to separate that portion of the shared contract that applies to the Transferring Company. Frontier has also agreed to honor and assume the Transferring Companies' obligations under that portion of the contract.[16]
>
> To the extent that a wholesale arrangement involves services both within and outside the acquired territories, *or involves Verizon entities in addition to the Transferring Companies*, Frontier plans to assume Verizon's rights and obligations under those arrangements solely as they relate to the acquired territories and the Transferring Companies, and Verizon will retain those rights and obligations that apply outside the acquired territories *or the Transferring Companies*. In such cases, the division and reallocation will be accomplished after notice to and discussion with the affected parties, and in some cases after amendment to the relevant contracts. Frontier stands ready to retain existing agreements or put in place new agreements on substantially the same terms and conditions, when necessary, so as not to disrupt existing arrangements.[17]
>
> The transaction contemplates a routine division of assets where some of the assets used by other Verizon entities will be retained by Verizon.[18]

CALTEL has many questions about how this proposed separations process will work, and how it will impact retail business and wholesale customers. Two things are clear, however: first, Verizon will continue to be a major provider of wireline services in

[16] Exhibit 1 to the Application at p. 3.

[17] *Id.* at pp. 20-21.

[18] *Id.* at p. 21.

California -- information which needs to be better understood and then factored in to the Commission's evaluation of the competitive impact of the proposed transfers on the business services and wholesale markets.

Second, this raises a host of questions about the current business arrangements between the Verizon ILEC and CLEC entities, including how they are documented and how they will change after Frontier acquires the ILEC entity and all of its "network facilities, equipment, customers, employees, real estate and the like."[19] If Verizon Business is the wholesale customer whose "existing arrangements" Frontier is committed to not disrupting, the Commission will want to first ensure that those arrangements are documented and are being offered to other CLECs on a non-discriminatory basis. For example, what are the interconnection arrangements for both TDM and IP-to-IP traffic that Verizon's ILEC entity has entered into with Verizon Business? CALTEL has asked both Applicants to respond to data requests in this regard, but at the very least the Commission will also want to better understand the inter-relationships between the Transferring and Non-Transferring Verizon entities, and how the Applicants propose to ensure that post-transaction arrangements do not advantage Verizon unfairly.

III. CONCLUSION

CALTEL welcomes this opportunity to provide comments on the Applications and to summarize at a high level its top five areas of concern. CALTEL has attached copies of the initial data requests it has issued to the Applicants in the CPUC proceeding, and recommends that the Commission make similar requests to inform its public interest assessment.

[19] *Id.* at p. 22.

CALTEL looks forward to providing additional comments and recommendations before this Commission and the CPUC.

April 13, 2015

Sarah DeYoung
Executive Director, CALTEL
50 California Street, Suite 1500
San Francisco, CA 94111
Telephone: (925) 465-4396
Facsimile: (877) 517-1404
Email: deyoung@caltel.org

/s/ Richard H. Levin
Richard H. Levin, Attorney at Law
309 South Main Street
P.O. Box 240
Sebastopol, CA 95473-0240
Tel.: (707) 824-0440
Facsimile: (707) 788-3507
Email: rl@comrl.com
Counsel for CALTEL

BEFORE THE PUBLIC UTILITIES COMMISSION

OF THE STATE OF CALIFORNIA

In the Matter of the Joint Application of Frontier Communications Corporation, Frontier Communications of America, Inc. (U 5429 C), Verizon California Inc. (U 1002 C), Verizon Long Distance, LLC (U 5732 C), and Newco West Holdings LLC for Approval of Transfer of Control Over Verizon California Inc. and Related Approval of Transfer of Assets and Certifications	Application 15-03-005 (Filed April 11, 2014)

FIRST SET OF DATA REQUESTS OF THE CALIFORNIA ASSOCIATION OF COMPETITIVE TELECOMMUNICATIONS COMPANIES TO FRONTIER COMMUNICATIONS

The California Association of Competitive Telecommunications Companies ("CALTEL") hereby serves this First Set of Data Requests on Frontier Communications Corporation and Frontier Communications of America, Inc. (collectively "Frontier").

INSTRUCTIONS

1. Please provide the responses to this First Set of Data Requests within fourteen (14) calendar days, i.e., by April 22, 2015.

2. All terms have their usual and customary meanings in the telecommunications industry, unless otherwise specifically defined below.

3. For each Response, state the name and job title of each person who participated in responding and/or objecting to that data request.

4. If Frontier believes that any or all of these requests is or are vague, ambiguous or unintelligible for any reason, please contact CALTEL's counsel to obtain clarification, rather than objecting on that basis.

5. These data requests are deemed to be continuing in nature and, if further information with respect thereto comes to the attention of Frontier, its officers, employees, agents, representatives, or attorneys between the date of service hereof and the date of final Commission decision on the application herein, the answers and responses must be amended accordingly.

DEFINITIONS

As used herein, the following terms have the meaning as set forth below:

1. "List," "describe," "detail," "explain," "specify" or "state" shall mean to set forth fully, in detail, and unambiguously each and every fact of which you, your company or your agents or representatives have knowledge which is relevant to the answer called for by the request.

2. The terms "document," "documents," or "documentation" as used herein shall include, without limitation, any writings and documentary material of any kind whatsoever, both originals and copies (regardless of origin and whether or not including additional writing thereon or attached thereto), and any and all drafts, preliminary versions, alterations, modifications, revisions, changes and written comments of and concerning such material, including, but not limited to: correspondence, letters, memoranda, internal communications, notes, reports, studies, surveys, books, manuals, work papers, and other written records or recordings, in whatever form, stored or contained in or on whatever medium including computerized or digital memory or magnetic media that:

(a) Are now or were formerly in your possession, custody or control; or

(b) Are known or believed to be responsive to these requests.

3. The terms “identify” and “identity” when used with respect to any entity means to state the entity's full name and the address of its principal place of business.

4. The term “identify” with respect to a document means to state the name or title of the document, the type of document (e.g., letter, memorandum, telegram, computer input or output, chart, etc.), its date, the person(s) who authored it, the person(s) who signed it, the person(s) to whom it was addressed, the person(s) to whom it was sent, its general subject matter, its present location, and its present custodian.

5. The terms “relates to” or “relating to” mean referring to, concerning, responding to, containing, regarding, discussing, describing, reflecting, analyzing, constituting, disclosing, embodying, defining, stating, explaining, summarizing, or in any way pertaining to.

6. The term “including” means “including, but not limited to.”

7. “You” or “Your” means Frontier, including its affiliates and subsidiaries or a predecessor in interest of Frontier, including its affiliates or subsidiaries.

8. “Commission” means California Public Utilities Commission.

9. “FCC” means the Federal Communications Commission

10. “CLEC” means competitive local exchange carrier.

DATA REQUESTS

1. The application that Frontier and Verizon filed with the FCC included a list of voluntary commitments that Frontier made with regards to the former Verizon territories that Frontier acquired in 2010. In that list, Frontier voluntarily committed to "honor all obligations under Verizon ILEC's current interconnection agreements, wholesale tariffs, and other existing wholesale arrangements that are in effect at closing."

   A. Is Frontier making that same commitment for California?

   B. If your response to part A of this request is yes or qualified, does this commitment include all 251/252 interconnection agreements ("ICAs"), special access contracts and tariffs, loop-and-port combination commercial agreements, line sharing agreements, and other wholesale agreements and tariffs? If not, please explain.

2. In the former Verizon territories that Frontier acquired in 2010, has Frontier made any major changes to those wholesale contracts or tariffs? For example, has Frontier notified any CLECs with ICAs in expired status that those agreements must be replaced or renegotiated? Has Frontier discontinued, replaced or made other substantive changes to wholesale contracts or tariffs? If yes, please describe.

3. Would Frontier be willing to commit to a five-year moratorium on noticing renegotiation of ICAs and loop-and-port wholesale agreements and on discontinuing, replacing or making other substantive changes to wholesale contracts and tariffs?

4. If your response to the preceding Data Request is negative, please explain what commitment Frontier might be willing to make in this regard.

5. Has Frontier noticed renegotiation of any ICAs in the former Verizon territories that Frontier acquired in 2010? If yes, please describe.

6. Has Frontier noticed renegotiation of any loop-and-port combination wholesale agreements in the former Verizon territories that Frontier acquired in 2010? If yes, please describe whether Frontier plans to continue offering this wholesale product and under what rates, terms and conditions, including whether the product will be available in former Verizon territories, former AT&T territories, and Frontier legacy markets.

7. Does Frontier have any Section 251/252 Interconnection Agreements (ICAs) with CLECs in California?

8. If your response to the preceding Data Request is affirmative or qualified, please provide electronic copies or a weblink to all in-effect agreements.

9. Do any of these ICAs include access to Unbundled Network Elements (UNEs)?

10. If your response to the preceding Data Request is affirmative or qualified, please provide an exemplar and a UNE price list.

11. In states where Frontier currently has an obligation to provide UNEs to CLECs, what is Frontier's policy regarding the need and schedule for future cost proceedings?

12. Would Frontier be willing to make commitments that it would not seek a UNE cost proceeding in California for the next five years? If no, please describe any commitment that Frontier would be willing to make in this regard.

13. CALTEL currently has a UNE price cap agreement with AT&T California (see Attachment A) that indexes UNE rates to inflation with a cap that protects both parties from large increases or decreases and provides rate certainty. Would Frontier be willing to enter into such an agreement with CALTEL?

14. If your response to the preceding Data Request is negative, please describe any commitment that Frontier would be willing to make in this regard.

15. Does Frontier currently have any ICAs in California that contain access to collocation, or is collocation purchased exclusively via tariff? Please provide copies or exemplars of any such ICAs.

16. Does Frontier have any commercial agreements for a loop-and-port combination wholesale product with CLECs in California? If yes, please provide electronic copies of same.

17. If Frontier does not have any commercial agreements in California for a loop-and-port combination wholesale product, does Frontier have agreements in other states (or multi-state agreements) for this wholesale product? If yes, please provide exemplars of same.

18. Does Frontier have any commercial agreements for last-mile Ethernet wholesale products with CLECs in California? If yes, please provide exemplars.

19. If Frontier does not have any relevant commercial agreements for last-mile Ethernet products in California, does Frontier have agreements in other states (or multi-state agreements) for these wholesale products? If yes, please provide exemplars.

20. In the former Verizon territories that Frontier acquired in 2010, Frontier voluntarily committed to "adjust pro rata the revenue and volume thresholds with respect to both retail enterprise and wholesale customers provided for in agreements to be assigned to or entered into by Frontier or tariffs to be concurred in and then adopted by Frontier, without any change in rates and charges or other terms and conditions, so that such volume pricing terms will in effect exclude volume requirements from states outside of the affected states. Frontier will amend its tariffs or satisfy other filing requirements and amend customer agreements as may be necessary to restate the applicable volume commitments."

A. Is Frontier making that same commitment for California?

B. If yes, does this commitment include retaining current Verizon volumes through term commitment?

C. Does it include committing to offer special access discount plans that are comparable to what Verizon offers in California?

D. If your response to any of the preceding parts of this Data Request is negative, please explain.

21. Does Frontier have any special access contracts with CLECs in California? If yes, please provide exemplars.

22. Does Frontier have any agreements for interconnection arrangements that enable the exchange of voice traffic in Internet Protocol ("IP") format (IP to IP) with any carrier in California? If yes, please indicate which carriers these agreements are with, and provide exemplars.

23. If Frontier does not have any relevant agreements for these types of interconnection arrangements, does Frontier have relevant agreements in other states (or multi-state agreements)? If yes, please provide exemplars.

24. Are there any wholesale products that are available via tariffs vs. interconnection or commercial agreements? If so, please provide copies of relevant tariffs.

25. Does Frontier have an electronic Access Service Request ("ASR") ordering interface operational with any CLEC in California?

26. If your response to the preceding Data Request is affirmative, please identify which carriers utilize electronic ASR processing. If your response is negative, please explain if Frontier offers an electronic ASR ordering interface and if so, why no CLECs are currently utilizing that interface.

27. Does Frontier have an electronic ASR ordering interface operational with any CLEC in the former Verizon territories that Frontier acquired in 2010?

28. If your response to the preceding Data Request is affirmative, please identify all carriers that utilize electronic ASR processing in those 13 states. If it is negative, please explain if Frontier offers an electronic ASR ordering interface and if so, why no CLECs are currently utilizing that interface.

29. Does Frontier have an electronic Local Service Request ("LSR") ordering interface operational with any CLEC in California?

30. If your response to the preceding Data Request is affirmative, please identify all carriers that utilize electronic LSR processing. If it is negative, please explain if Frontier offers an electronic LSR ordering interface and why no CLECs are currently utilizing that interface.

28. Does Frontier have an electronic LSR ordering interface operational with any CLEC in the former Verizon territories that Frontier acquired in 2010?

29. If your response to the preceding Data Request is affirmative, please identify which carriers utilize electronic LSR processing in those 13 states. If it is negative, please explain if Frontier offers an electronic LSR ordering interface and if so, why no CLECs are currently utilizing that interface.

30. Does Frontier have any electronic trouble ticket interfaces operational with any CLEC in California?

31. If your response to the preceding Data Request is affirmative, please identify all carriers that utilize electronic trouble ticket processing. If it is negative, please explain if Frontier offers an electronic trouble ticket interface and why no CLECs are currently utilizing that interface.

32. Does Frontier have an electronic trouble ticket interface operational with any CLEC in the former Verizon territories that Frontier acquired in 2010?

33. If your response to the preceding Data Request is affirmative, please identify all carriers that utilize electronic trouble ticket processing in those 13 states. If it is negative, please explain if Frontier offers an electronic trouble ticket interface and why no CLECs are currently utilizing that interface.

34. Please describe which Verizon systems Frontier plans to cut over to Frontier legacy systems if and when the proposed transaction is approved. Please include both OSS interfaces with external carriers as well as internal and back-end systems that will impact wholesale customers, and identify which systems support which category of wholesale products (e.g. UNE loops, loop-and-port combinations, last-mile Ethernet circuits, etc.).

35. If less than 10% of CLECs purchasing from Frontier are currently utilizing Frontier electronic data interchange ("EDI") or electronic bonding systems in any of the states acquired from Verizon in 2010, is Frontier willing to delay transitioning to Frontier legacy systems for a period of up to two years to allow adequate time for CLECs to perform OSS integration planning and testing? If your response is negative, please explain.

36. Please describe if and how the Verizon operational support systems ("OSS") that Frontier proposes to acquire from Verizon in California are different or the same as the Verizon OSS that were already cutover to Frontier systems in the former Verizon territories that Frontier acquired in 2010.

37. Please provide a matrix and description of which Verizon operational processes will be cutover to which Frontier operational processes if and when the proposed transaction is approved. Please include both inter-carrier processes as well as internal and back-end systems that will impact wholesale customers, and identify which processes support which category of wholesale products (e.g. UNE loops, loop-and-port combinations, last-mile Ethernet circuits, etc.).

38. Please describe if and how the Verizon operational processes that Frontier proposes to acquire in California are different or the same as the Verizon processes that were already cutover to Frontier systems in the former Verizon territories that Frontier acquired in 2010.

39. Please describe any OSS or operational process problems that affected wholesale ordering, installation, maintenance and repair in any of the territories that Frontier acquired from Verizon in 2010. Please include any problems that affected other wholesale processes such as interconnection, collocation, billing, etc.

40. Please describe any OSS or operational process problems that affected wholesale ordering, installation, maintenance and repair in the territory that Frontier acquired from AT&T in 2014 (Connecticut). Please include any problems that affected other wholesale processes such as interconnection, collocation, billing, etc.

41. With regard to wholesale billing processes, does Frontier plan to change the account numbers that CLECs currently have with Verizon? If yes, how will access to historical records be assured and maintained?

42. What commitments is Frontier willing to make with regards to resolution of billing claims that are pending with Verizon if and when the acquisition is approved?

43. Please describe how many Account Managers and related human resources are currently assigned to serve California CLECs and what Frontier plans to augment those resources if and when the proposed transaction is approved. Please include in this description any plans for acquiring Account Management personnel from Verizon.

44. Please describe what OSS Change Management processes and resources are currently used by or assigned to serve California CLECs, and what Frontier plans to augment those processes and resources if and when the proposed transaction is approved. Please include in this description any plans for acquiring OSS Change Management processes and personnel from Verizon.

45. What process did Frontier use to ensure that wholesale OSS, business processes and other documentation was timely and accurately transferred from Verizon or AT&T in the 2010 and 2014 acquisitions? Were there any problems that Frontier encountered that it plans to mitigate through changes to that process in California?

46. What process did Frontier use to ensure that wholesale records, including contact and escalation lists, was timely and accurately transferred from Verizon or AT&T in the 2010 and 2014 acquisitions? Were there any problems that Frontier encountered that it plans to mitigate through changes to that process in California?

47. What process did Frontier use to ensure that wholesale customers had timely (online) access to accurate (documented, up-to-date) contact and escalation lists when the territories were transferred from Verizon or AT&T in 2010 and 2014? Were there any problems that Frontier encountered that it plans to mitigate through changes to that process in California? What commitments is Frontier willing to make with regards to contact and escalation lists for California?

48. In addition to Account Management and OSS Change Management resources, what human resources will be being acquired from Verizon to provide dedicated support to wholesale customers? Please provide number of full-time equivalent headcount by wholesale function and geographic location or region.

49. What human resources will be acquired from Verizon to provide shared support to wholesale and retail customers (e.g. outside plant maintenance personnel, etc.)? Please provide number of full-time equivalent headcount by wholesale function and geographic location.

50. What was the number of human resources that Frontier announced it was acquiring from Verizon in the former Verizon territories that Frontier acquired in 2010? How many (or what percentage) of those former Verizon employees retired or otherwise left Verizon prior to the close of the transactions?

51. What was the number of human resources that Frontier announced it was acquiring from AT&T in Connecticut in 2014? How many (or what percentage) of those former Verizon employees retired or otherwise left Verizon prior to the close of the transaction?

52. Did Frontier determine that it needed to increase the number of human resources assigned to provide dedicated or shared support to wholesale customers in Connecticut or in the former territories acquired from Verizon in 2010? If yes, does Frontier anticipate needing to make similar increases to workforce in California?

53. What process did Frontier use to ensure that human resources assigned to supporting wholesale customers were timely and accurately trained in Verizon or AT&T systems, processes and procedures in the 2010 and 2014 acquisitions? Were there any problems that Frontier encountered that it plans to mitigate through changes to that process in California?

54. In the former Verizon territories that Frontier acquired in 2010, what is Frontier's policy regarding maintenance of copper facilities in FiOS-enabled neighborhoods? Specifically, does Frontier offer a POTS retail voice product that is provisioned over FiOS facilities?

55. If the answer to the preceding Data Request is affirmative, does Frontier have a policy of refusing to repair copper facilities that it considers "chronic", e.g. after the retail customer calls in a certain number of trouble tickets?

56. Please describe if and how Frontier has rehabilitated or otherwise made improvements to copper facilities that Frontier acquired from Verizon in 2010.

57. Please describe what commitments Frontier is willing to make regarding rehabilitation or other improvements to the copper facilities that it is proposing to acquire from Verizon in California.

58. In the comments that Frontier recently signed on to in response to Windstream's Petition for Declaratory Ruling,[1] Frontier's trade association, ITTA, stated that ILECs are not obligated to provide access to DS1 and DS3 unbundled loops when they have converted from copper to fiber networks or have transitioned from TDM to IP transmission.[2] Please explain if this accurately describes Frontier's policy with regards to this issue.

59. In the comments that Frontier recently signed on to in the FCC's Emerging Networks NPRM[3] Frontier's trade association, ITTA refers to the rates, terms and conditions of "IP replacement products" that CALTEL assumes are available from ITTA member companies.[4] Please describe what wholesale replacement products Frontier offers (or plans to offer) to CLECs in California when it retires copper facilities?

60. Does Frontier currently have any wholesale performance measurements or remedy plans in place in any of the states where it operates? If yes, please describe where and if those measurements or plans were assumed from Verizon or AT&T as a result of the 2010 or 2014 acquisitions.

61. As part of the 2010 and 2014 acquisitions did Frontier offer an expedited dispute resolution ("EDR") process to wholesale customers in order to ensure that any transition-related issues and concerns were timely and accurately addressed and resolved? If no, would Frontier be willing to make commitments to put such a process in place in California? If no, please describe any commitment that Frontier would be willing to make in this regard.

---

[1] "Wireline Competition Bureau Seeks Comment on Windstream's Petition for Declaratory Ruling Seeking to Confirm ILECs' Continued Obligation to Provide DS1s and DS3s on an Unbundled Basis After Technology Transitions," Public Notice, WC Docket No. 15-1, GN Docket No. 13-5, DA 15-4 (rel. Jan. 6, 2015).
[2] ITTA comments at p. 2.
[3] In the Matter of Ensuring Customer Premises Equipment Backup Power for Continuity of Communications; Technology Transitions; Policies and Rules Governing Retirement Of Copper Loops by Incumbent Local Exchange Carriers; Special Access for Price Cap Local Exchange Carriers AT&T Corporation Petition for Rulemaking to Reform Regulation of Incumbent Local Exchange Carrier Rates for Interstate Special Access Services, PS Docket No. 14-174, GN Docket No. 13-5, WC Docket No. 05-25, RM-11358, RM-10593, Notice of Proposed Rulemaking, FCC 14-185 (rel. Nov. 25, 2014) ("NPRM").
[4] ITTA comments at p. 12.

62. What is Frontier's policy with regards to interoffice circuits offered to wholesale customers to connect its non-contiguous territories in California? Can wholesale customers use UNE Enhanced Extended Links ("EELs") to make those connections? Does the answer depend on what legacy ILEC territory the central office is located in?

63. What is Frontier's policy with regards to interoffice circuits offered to wholesale customers to connect any non-contiguous territories acquired from Verizon in 2010? Can wholesale customers use UNE EELs to make those connections? Does the answer depend on whether the central offices are located in legacy GTE or Contel territories?

Propounded by:

/s/
Richard H. Levin
Attorney at Law
309 South Main Street
P.O. Box 240
Sebastopol, CA 95473-0240
707.824.0440, 415.829.9899
Fax: 707.788.3507
rl@comrl.com

Attorney for CALTEL

SETTLEMENT AGREEMENT

This Settlement Agreement ("Settlement") is made and entered into this 1st day of December 2008, by and between Verizon California Inc. ("Verizon") and the California Association Competitive Telecommunications Companies ("CALTEL") on behalf of itself and its members. Verizon and CALTEL are each referred to individually herein as a "Party" and collectively as the "Parties."

This Settlement Agreement is entered into in accordance with the Assigned Commissioner's Ruling dated July 30, 2008. The Parties believe that this Settlement Agreement is a reasonable compromise of their opposing positions regarding the re-examination process at issue in the California Public Utilities Commission's ("CPUC's") Proceeding R.93-04-003\ I.93-04-002. The Parties agree that the provisions of this Settlement Agreement adequately balance the interests of Verizon and CALTEL's members. The Parties aver that this Settlement Agreement is reasonable in light of the whole record, consistent with law, and in the public interest. The Parties agree jointly to support the provisions of the Settlement Agreement set forth below.

RECITALS

WHEREAS, in R.93-04-003, I.93-04-002 the Commission is considering the process for re-examining Commission-determined Unbundled Network Element ("UNE") rates; and

WHEREAS, in R.93-04-003, I.93-04-002 the Parties have submitted their proposals for re-examining Commission-determined UNE rates; and

WHEREAS, on July 30, 2008, an Assigned Commissioner's Ruling Setting 120-Day Negotiation Period was issued allowing Parties to negotiate an agreement on the UNE re-examination process to be used by the Commission; and

WHEREAS, pursuant to this Assigned Commissioner's Ruling, the Parties have engaged in negotiation of an agreement on the UNE re-examination process to be used; and

WHEREAS, the Parties desire to settle the dispute over the UNE re-examination process to be used;

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants and agreements contained herein, the receipt and sufficiency of consideration which are hereby acknowledged by each Party to the other, Verizon and CALTEL, covenant and agree as follows:

COVENANTS

1. Recitals; Defined Terms

The foregoing Recitals are hereby incorporated into and made a part of this Agreement. UNEs are defined as those required by 47 U.S.C 251(c)(3) as determined by the Federal Communications Commission ("FCC").

2. UNE Re-examination Process – Verizon

The Parties agree that a "lock-out" process applies to UNE recurring rates set in D.06-03-025, as subsequently modified by D.07-10-003.

3. Term for "Lock-Out" Process

The Term of this "Lock-Out" Process shall be from December 1, 2008 (or date of settlement) through October 1, 2014 ("Term"). Verizon may provide a statement of intent to file a UNE rate proceeding with the CPUC and the anticipated date for such a filing, no later than six months prior to such filing. Verizon may not file a UNE rate proceeding with the CPUC until the end of the Term, and only after notice consistent with this provision.

4. Further Requirements

a. The Parties agree that this Settlement is a compromise and settlement of disputed claims at issue regarding the appropriate and legal UNE re-examination process at issue in R.93-04-003, I.93-04-002 and that the Parties have conducted settlement negotiations in compliance with the Assigned Commissioner's Ruling dated July 30, 2008.

b. This Settlement Agreement is subject to approval by the CPUC. Nothing in this Settlement shall be deemed as an admission or an assessment of the outcome that could have been reached without voluntary negotiations. Further, the Parties agree that the obligations set forth in this Settlement are without any prejudice to positions each Party has taken, or may hereafter take, in any proceeding in another state, or in any future proceeding at the CPUC after the expiration of the term of this Settlement. Commission adoption of this settlement does not constitute approval of, or precedent regarding, any principle or issue in R.93-04-003, I.93-04-002, or in any future proceeding.

c. No Party shall engage in any *ex parte* contact with the CPUC in regard to this Settlement Agreement unless such Party states that it is in full support of the Settlement Agreement and each and every term thereof. No Party shall seek, directly or indirectly, to have the CPUC modify the terms of this or any other Settlement Agreement in this phase of this proceeding without the express consent of all other Parties.

d. The Parties each agree, without further consideration, to execute and/or cause to be executed, any other documents, and to take any other action as may be necessary, to effectively consummate the subject matter of this Settlement Agreement.

e. This Settlement Agreement, shall not establish, be interpreted as establishing, or be used by any Party to establish or to represent their relationship as any form of agency, partnership or joint venture. No Party shall have any authority to bind the other or to act as an agent for the other unless written authority, separate from this Settlement Agreement, is provided.

f. This Settlement Agreement and all covenants set forth herein shall be binding upon and shall inure to the benefit of the respective Parties hereto, their legal successors, heirs, assigns, partners, representatives, executors, administrators, parent companies, subsidiary companies, affiliates, divisions, units, agents, attorneys, officers, directors, and shareholders.

g. This Settlement Agreement and the provisions contained herein shall not be construed or interpreted for or against any party hereto because that party drafted or caused its legal representative to draft any of its provisions.

h. This Settlement Agreement shall be governed by and interpreted in accordance with the domestic laws of the State of California.

i. This Settlement Agreement may be executed in any number of counterparts and by different Parties hereto in separate counterparts, with the same effect as if all Parties had signed one and the same document. All such counterparts shall be deemed to be an original and shall together constitute one and the same Agreement.

j. The provisions of this Settlement Agreement are not severable. If the CPUC or any court of competent jurisdiction rules that any material provision of this Settlement Agreement is invalid or unenforceable, or materially modifies any material provision of this Settlement Agreement, then this Settlement Agreement shall be deemed rescinded and the Parties returned to the status quo as of the date of execution of this Settlement Agreement.

k. If the FCC or a court of competent jurisdiction substantially revises the FCC TELRIC rules affecting UNE pricing, then any party may petition the Commission for permission to file a UNE rate proceeding notwithstanding this Settlement Agreement. Nothing in this Settlement Agreement shall prevent any party from opposing any such petition.

l. The Parties hereto acknowledge each has read this Settlement Agreement, that each fully understands its rights, privileges and duties under this Settlement Agreement, and that each enters this Agreement freely and voluntarily. Each Party further acknowledges that it has had the opportunity to consult with an attorney of its own choosing to explain the terms of this Settlement Agreement and the consequences of signing it.

m. The Parties each represent that they and/or their counsel have made such investigation of the facts and law pertaining to the matter described in this Settlement Agreement as they deem necessary and that they have not relied and do not rely upon any statement, promise or representation by any other Party or its counsel, whether oral or written, except as specifically set forth in this Settlement Agreement. The Parties each expressly assume the risk of any mistake of law or fact made by them or their counsel.

n. Each Party is aware that it may hereafter discover claims or facts in addition to or different from those it now knows or believes to be true with respect to the subject regarding the appropriate UNE re-examination process at issue in R.93-04-003, I.93-04-002. Nevertheless, it is the intention of the Parties to fully settle all issues related to the UNE re-examination process for the term described herein, which does not now exist, may exist, or heretofore have existed between them. In furtherance of such intention, for the term described herein, the releases given herein shall be and remain in effect as full and complete mutual releases of all such claims, notwithstanding the discovery or existence of any additional or different claims or facts relative thereto.

o. With respect to this Settlement Agreement and the releases set forth herein, the Parties hereby expressly waive the Section 1542 of the California Civil Code, which provides that:

> A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor.

The Parties further acknowledge that this Settlement has been negotiated and agreed upon in light of this situation and expressly waive any and all rights which they may have under Section 1542 of the California Civil Code, or any other state or federal statute or common law principle of similar effect.

p. The parties acknowledge that the provisions of this Settlement Agreement will be incorporated into an order approved by the CPUC, and that such order shall be binding on all regulated entities to the full extent of the CPUC's jurisdiction over such entities.

q. The undersigned hereby acknowledge and covenant that they have been duly authorized to execute this Settlement Agreement on behalf of their respective principals and that such execution is made within the course and scope of their respective agency and/or employment.

IN WITNESS WHEREOF, the Parties have executed this Settlement Agreement on the pages that follow.

Settlement Agreement between
Verizon California Inc. ("Verizon") and
California Association Competitive
Telecommunications Companies ("CALTEL")

Verizon California Inc.

By: Elaine M. Duncan

Printed Name: Elaine M. Duncan

Title: VP-General Counsel

Date: December 1, 2008

California Association Competitive
Telecommunications Companies
("CALTEL")

By: Sarah C. Young

Printed Name: Sarah De Young

Title: Executive Director

Date: 12-1, 2008

(END OF APPENDIX A)

APPENDIX B

Settlement Agreement between
Pacific Bell Telephone Company d/b/a
AT&T California ("AT&T") and
California Association Competitive
Telecommunications Companies ("CALTEL")

SETTLEMENT AGREEMENT

This Settlement Agreement ("Settlement") is made and entered into this 2nd day of December 2008, by and between Pacific Bell Telephone Company d/b/a AT&T California ("AT&T") and the California Association Competitive Telecommunications Companies ("CALTEL") on behalf of itself and its members. AT&T and CALTEL are each referred to individually herein as a "Party" and collectively as the "Parties."

This Settlement Agreement is entered into in accordance with the Assigned Commissioner's Ruling dated July 30, 2008. The Parties believe that this Settlement Agreement is a reasonable compromise of their opposing positions regarding the re-examination process at issue in the California Public Utilities Commission's (CPUC's) Proceeding R.93-04-003\ I.93-04-002. The Parties agree that the provisions of this Settlement Agreement adequately balance the interests of AT&T and CALTEL's members. The Parties aver that this Settlement Agreement is reasonable in light of the whole record, consistent with law, and in the public interest. The Parties agree jointly to support the provisions of the Settlement Agreement set forth below.

RECITALS

WHEREAS, in R.93-04-003, I.93-04-002 the Commission is considering the process for re-examining Commission-determined Unbundled Network Element ("UNE") rates; and

WHEREAS, in R.93-04-003, I.93-04-002 the Parties have submitted their proposals for re-examining Commission-determined UNE rates; and

WHEREAS, on July 30, 2008, an Assigned Commissioner's Ruling Setting 120-Day Negotiation Period was issued allowing Parties to negotiate an agreement on the UNE re-examination process to be used by the Commission; and

WHEREAS, pursuant to this Assigned Commissioner's Ruling, the Parties have engaged in negotiation of an agreement on the UNE re-examination process to be used; and

WHEREAS, the Parties desire to settle the dispute over the UNE re-examination process to be used;

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants and agreements contained herein, the receipt and sufficiency of consideration which are hereby acknowledged by each Party to the other, AT&T and CALTEL, covenant and agree as follows:

COVENANTS

1. Recitals; Defined Terms

The foregoing Recitals are hereby incorporated into and made a part of this Agreement. UNEs are defined as those required by 47 U.S.C 251(c)(3) as determined by the Federal Communications Commission ("FCC").

2. UNE Re-examination Process – AT&T

The Parties agree that the following indexing mechanism applies to UNE recurring rates set in D.04-09-063, as subsequently modified by D.05-05-031:

$$new\ price_{UNE} = old\ price_{UNE} * (1 + \text{index})$$
where
$$index = \text{Inflation}_{previousyear} - 2.25\%$$
where
$$Inflation_{previousyear} \leq 3.00\ and \geq 1.50.$$

Inflation = The prior calendar year's calculated percent change in the Gross Domestic Product Price Index published in the current year's August edition of the U.S. Department of Commerce's Bureau of Economic Analysis *Survey of Current Business* as currently tabulated in Table 7 Line 45 of: http://www.bea.gov/newsreleases/national/gdp/2008/xls/gdp308a.xls

The index will be calculated and included in annual advice letter filings modifying the UNE recurring rates in Interconnection Agreements on October 1 of each year beginning October 1, 2010. New rates noticed in each such advice letter will become effective January 1 of the year following the October 1 advice letter filing.

3. Term for Indexing Mechanism Process

The Term of this Indexing Mechanism Process shall be from October 1, 2010 through October 1, 2015 ("Indexing Term"). Thereafter, the Indexing Mechanism Process shall continue for one or more Renewal Terms, each on a three year basis unless notice is given by either Party to terminate 6 months in advance of the conclusion of the Initial Term or any Renewal Term. In the event that AT&T seeks to terminate under this provision, in addition to the notice, AT&T will also provide a statement of whether it intends to file a request for cost proceeding with the CPUC and the anticipated date for such a filing. AT&T may not file a request for a cost proceeding with the CPUC until the end of the Initial Term or Renewal Term, and only after notice consistent with this provision.

4. Further Requirements

a. The Parties agree that this Settlement is a compromise and settlement of disputed claims at issue regarding the appropriate and legal UNE re-examination process at issue in R.93-04-003, I.93-04-002 and that the Parties have conducted settlement negotiations in compliance with the Assigned Commissioner's Ruling dated July 30, 2008.

b. This Settlement Agreement is subject to approval by the CPUC. Nothing in this Settlement shall be deemed as an admission or an assessment of the outcome that could have been reached without voluntary negotiations. Further, the Parties agree that the obligations set forth in this Settlement are without any prejudice to positions each Party has taken, or may hereafter take, in any proceeding in another state, or in any future proceeding at the CPUC after the expiration of the term of this Settlement. Commission adoption of this settlement does not constitute approval of, or precedent regarding, any principle or issue in R.93-04-003, I.93-04-002, or in any future proceeding.

c. No Party shall engage in any *ex parte* contact with the CPUC in regard to this Settlement Agreement unless such Party states that it is in full support of the Settlement Agreement and each and every term thereof. No Party shall seek, directly or indirectly, to have the CPUC modify the terms of this or any other Settlement Agreement in this phase of this proceeding without the express consent of all other Parties.

d. The Parties each agree, without further consideration, to execute and/or cause to be executed, any other documents, and to take any other action as may be necessary, to effectively consummate the subject matter of this Settlement Agreement.

e. This Settlement Agreement, shall not establish, be interpreted as establishing, or be used by any Party to establish or to represent their relationship as any form of agency, partnership or joint venture. No Party shall have any authority to bind the other or to act as an agent for the other unless written authority, separate from this Settlement Agreement, is provided.

f. This Settlement Agreement and all covenants set forth herein shall be binding upon and shall inure to the benefit of the respective Parties hereto, their legal successors, heirs, assigns, partners, representatives, executors, administrators, parent companies, subsidiary companies, affiliates, divisions, units, agents, attorneys, officers, directors, and shareholders.

g. This Settlement Agreement and the provisions contained herein shall not be construed or interpreted for or against any party hereto because that party drafted or caused its legal representative to draft any of its provisions.

h. This Settlement Agreement shall be governed by and interpreted in accordance with the domestic laws of the State of California.

i. This Settlement Agreement may be executed in any number of counterparts and by different Parties hereto in separate counterparts, with the same effect as if all Parties had signed one and the same document. All such counterparts shall be deemed to be an original and shall together constitute one and the same Agreement.

j. The provisions of this Settlement Agreement are not severable. If the CPUC or any court of competent jurisdiction rules that any material provision of this Settlement Agreement is invalid or unenforceable, or materially modifies any material provision of this Settlement Agreement, then this Settlement Agreement shall be deemed rescinded and the Parties returned to the status quo as of the date of execution of this Settlement Agreement.

k. If the FCC or a court of competent jurisdiction substantially revises the FCC TELRIC rules affecting UNE pricing, then any party may petition the Commission for permission to file a UNE rate proceeding notwithstanding this Settlement Agreement. Nothing in this Settlement Agreement shall prevent any party from opposing any such petition.

l. The Parties hereto acknowledge each has read this Settlement Agreement, that each fully understands its rights, privileges and duties under this Settlement Agreement, and that each enters this Agreement freely and voluntarily. Each Party further acknowledges that it has had the opportunity to consult with an attorney of its own choosing to explain the terms of this Settlement Agreement and the consequences of signing it.

m. The Parties each represent that they and/or their counsel have made such investigation of the facts and law pertaining to the matter described in this Settlement Agreement as they deem necessary and that they have not relied and do not rely upon any statement, promise or representation by any other Party or its counsel, whether oral or written, except as specifically set forth in this Settlement Agreement. The Parties each expressly assume the risk of any mistake of law or fact made by them or their counsel.

n. Each Party is aware that it may hereafter discover claims or facts in addition to or different from those it now knows or believes to be true with respect to the subject regarding the appropriate UNE re-examination process at issue in R.93-04-003, I.93-04-002. Nevertheless, it is the intention of the Parties to fully settle all issues related to the UNE re-examination process for the term described herein, which does not now exist, may exist, or heretofore have existed between them. In furtherance of such intention, for the term described herein, the releases given herein shall be and remain in effect as full and complete mutual releases of all such claims, notwithstanding the discovery or existence of any additional or different claims or facts relative thereto.

o. With respect to this Settlement Agreement and the releases set forth herein, the Parties hereby expressly waive the Section 1542 of the California Civil Code, which provides that:

> A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor.

The Parties further acknowledge that this Settlement has been negotiated and agreed upon in light of this situation and expressly waive any and all rights which they may have under Section 1542 of the California Civil Code, or any other state or federal statute or common law principle of similar effect.

p. The parties acknowledge that the provisions of this Settlement Agreement will be incorporated into an order approved by the CPUC, and that such order shall be binding on all regulated entities to the full extent of the CPUC's jurisdiction over such entities.

q. The undersigned hereby acknowledge and covenant that they have been duly authorized to execute this Settlement Agreement on behalf of their respective principals and that such execution is made within the course and scope of their respective agency and/or employment.

IN WITNESS WHEREOF, the Parties have executed this Settlement Agreement on the pages that follow.

California Association Competitive Telecommunications Companies ("CALTEL")	**Pacific Bell Telephone Company d/b/a AT&T California by AT&T Operations, Inc., its authorized agent**
Signature: [signature]	Signature: _____
Name: Sarah De Young (Print or Type)	Name: _____ (Print or Type)
Title: President/ Executive Director (Print or Type)	Title: _____ (Print or Type)
Date: December 2, 2008	Date: _____

IN WITNESS WHEREOF, the Parties have executed this Settlement Agreement on the pages that follow.

California Association Competitive Telecommunications Companies ("CALTEL")	**Pacific Bell Telephone Company d/b/a AT&T California by AT&T Operations, Inc., its authorized agent**
Signature: _____	Signature: John C. Nolan
Name: _____ (Print or Type)	Name: JOHN C. NOLAN (Print or Type)
Title: _____ (Print or Type)	Title: EXEC. DIR. PRODUCT MKTG. (Print or Type)
Date: _____	Date: 12/2/08

(END OF APPENDIX B)

Attachment B

BEFORE THE PUBLIC UTILITIES COMMISSION

OF THE STATE OF CALIFORNIA

In the Matter of the Joint Application of Frontier Communications Corporation, Frontier Communications of America, Inc. (U 5429 C), Verizon California Inc. (U 1002 C), Verizon Long Distance, LLC (U 5732 C), and Newco West Holdings LLC for Approval of Transfer of Control Over Verizon California Inc. and Related Approval of Transfer of Assets and Certifications	Application 15-03-005 (Filed April 11, 2014)

FIRST SET OF DATA REQUESTS OF THE CALIFORNIA ASSOCIATION OF COMPETITIVE TELECOMMUNICATIONS COMPANIES TO VERIZON COMMUNICATIONS

The California Association of Competitive Telecommunications Companies ("CALTEL") hereby serves this First Set of Data Requests on Verizon California Inc., and any other Verizon affiliates and subsidiaries that provide retail or wholesale services in the state of California (collectively "Verizon").

INSTRUCTIONS

1. Please provide the responses to this First Set of Data Requests within fourteen (14) calendar days, i.e., by April 24, 2015.

2. All terms have their usual and customary meanings in the telecommunications industry, unless otherwise specifically defined below.

3. For each Response, state the name and job title of each person who participated in responding and/or objecting to that data request.

4. If Verizon believes that any or all of these requests is or are vague, ambiguous or unintelligible for any reason, please contact CALTEL's counsel to obtain clarification, rather than objecting on that basis.

5. These data requests are deemed to be continuing in nature and, if further information with respect thereto comes to the attention of Verizon, its officers, employees, agents, representatives, or attorneys between the date of service hereof and the date of final Commission decision on the application herein, the answers and responses must be amended accordingly.

DEFINITIONS

As used herein, the following terms have the meaning as set forth below:

1. "List," "describe," "detail," "explain," "specify" or "state" shall mean to set forth fully, in detail, and unambiguously each and every fact of which you, your company or your agents or representatives have knowledge which is relevant to the answer called for by the request.

2. The terms "document," "documents," or "documentation" as used herein shall include, without limitation, any writings and documentary material of any kind whatsoever, both originals and copies (regardless of origin and whether or not including additional writing thereon or attached thereto), and any and all drafts, preliminary versions, alterations, modifications, revisions, changes and written comments of and concerning such material, including, but not limited to: correspondence, letters, memoranda, internal communications, notes, reports, studies, surveys, books, manuals, work papers, and other written records or recordings, in whatever form, stored or contained in or on whatever medium including computerized or digital memory or magnetic media that:

(a) Are now or were formerly in your possession, custody or control; or

(b) Are known or believed to be responsive to these requests.

3. The terms “identify” and “identity” when used with respect to any entity means to state the entity's full name and the address of its principal place of business.

4. The term “identify” with respect to a document means to state the name or title of the document, the type of document (e.g., letter, memorandum, telegram, computer input or output, chart, etc.), its date, the person(s) who authored it, the person(s) who signed it, the person(s) to whom it was addressed, the person(s) to whom it was sent, its general subject matter, its present location, and its present custodian.

5. The terms “relates to” or “relating to” mean referring to, concerning, responding to, containing, regarding, discussing, describing, reflecting, analyzing, constituting, disclosing, embodying, defining, stating, explaining, summarizing, or in any way pertaining to.

6. The term “including” means “including, but not limited to.”

7. “You” or “Your” means Verizon, including its affiliates and subsidiaries or a predecessor in interest of Verizon, including its affiliates or subsidiaries.

8. “Commission” means California Public Utilities Commission.

9. “FCC” means the Federal Communications Commission

10. “CLEC” means competitive local exchange carrier.

DATA REQUESTS

1. Please describe the corporate structure of Verizon in California, including all ILEC and CLEC subsidiaries and affiliates that provide landline retail and wholesale services. Please also explain which entities Verizon is proposing to transfer to Frontier Communications, and which will continue to be operated by Verizon following close of the proposed transfer.

2. The application that Frontier and Verizon filed with the FCC included a list of voluntary commitments that Frontier made with regards to the former Verizon territories that Frontier acquired in 2010. In that list, Frontier voluntarily committed to "honor all obligations under Verizon ILEC's current interconnection agreements, wholesale tariffs, and other existing wholesale arrangements that are in effect at closing."

   A. What types of wholesale contracts, agreements and tariffs does Verizon California currently maintain in California? Please confirm CALTEL's understanding that wholesale arrangements with Verizon California include 251/252 interconnection agreements (ICAs), special access contracts and tariffs, loop-and-port combination commercial agreements, line sharing agreements, and other wholesale agreements and tariffs. If not, or if there are additional ways that Verizon California uses to document wholesale arrangements with CLECs, please explain.

3. Do other Verizon affiliates or subsidiaries (e.g. MCI Communications Services, Inc. dba Verizon Business Services) currently offer wholesale products and maintain wholesale contracts, agreements and tariffs with CLECS in California?

4. Has Verizon California noticed renegotiation of any ICAs in the last three years? If yes, please describe.

5. Has Verizon California noticed renegotiation of any Wholesale Advantage agreements in the last three years? If yes, please describe.

6. How many Section 251/252 Interconnection Agreements (ICAs) does Verizon California have with CLECs in California?

7. Please provide electronic copies or a weblink to all in-effect agreements.

7. Does Verizon California currently have any ICAs in California that contain access to collocation, or are collocation arrangements purchased exclusively via tariff? Please provide copies or exemplars of any such ICAs or tariffs. If collocation arrangements are in place but are not documented in ICAs or tariffs, please explain.

8. Please confirm that Verizon currently has wholesale performance measurements documented in ICAs with CLECs in California, but that no remedy plans were ever adopted by the California PUC. If yes, please provide electronic access to aggregated

"All CLEC" data for each wholesale performance measurement contained in the current JPSA (Joint Partial Settlement Agreement) for the last five years.

9. How many Wholesale Advantage commercial agreements does Verizon have with CLECs in California? Please provide electronic copies of same.

10. How many multi-state Wholesale Advantage commercial agreements does Verizon have that include California? Please provide the number of these agreements and exemplars of same.

11. Does Verizon California have any commercial agreements for last-mile Ethernet wholesale products with CLECs in California? If yes, please quantify and provide exemplars.

12. If Verizon California does not have any relevant commercial agreements for last-mile Ethernet products in California, do any Verizon affiliates and subsidiaries offer and maintain agreements for California (or multi-state agreements that include California) for these wholesale products? If yes, please explain which Verizon affiliate offers wholesale Ethernet products to CLECs, quantify the number of agreements for California, and provide exemplars.

13. Does Verizon California have any special access contracts with CLECs in California? If yes, please quantify and provide exemplars.

14. In the former Verizon territories that Frontier acquired in 2010, Verizon voluntarily committed to "adjust pro rata (or as otherwise agreed to by customers) the revenue commitments and volume thresholds with respect to such agreements in the states it is retaining, so that customers that maintain the volumes they currently purchase in Verizon's remaining states will continue to be eligible for the same volume discounts as they did pre-transaction (excluding volume requirements from states to be transferred to Frontier). Verizon will amend its tariffs or satisfy other filing requirements and amend customer agreements as may be necessary to restate the applicable pro-rata volume commitments."

    A. Is Verizon making that same commitment for California?

    B. If your response to any of the preceding parts of this Data Request is negative, please explain.

15. Does Verizon California have any agreements for interconnection arrangements that enable the exchange of voice traffic in Internet Protocol ("IP") format (IP to IP) with any carrier in California? If yes, please indicate which carriers these agreements are with, and provide exemplars.

16. If Verizon California does not have any relevant agreements for these types of interconnection arrangements, does Verizon have relevant agreements in other states (or multi-state agreements)? If yes, please provide exemplars.

17. How does Verizon California exchange voice traffic in Internet Protocol ("IP") format (IP to IP) with its affiliates, including Verizon Business? Are these interconnection arrangements documented? If yes, please provide an electronic copy and indicate if this agreement is included in the ICA between Verizon California and Verizon Business.

18. If the transfer of control of Verizon California to Frontier is approved, will this change how IP to IP traffic is exchanged, and how those interconnection arrangements are documented, between Verizon Business and Frontier? If yes, please explain.

19. Does Verizon California offer any wholesale products that are available via tariffs vs. interconnection or commercial agreements? If so, please provide copies of relevant tariffs.

20. Please confirm that Verizon California has an electronic Access Service Request ("ASR") ordering interface operational with CLECs in California.

21. If your response to the preceding Data Request is affirmative, please identify which carriers utilize electronic ASR processing.

22. Please confirm that Verizon California has an electronic Local Service Request ("LSR") ordering interface operational with CLECs in California.

23. If your response to the preceding Data Request is affirmative, please identify all carriers that utilize the electronic LSR processing.

24. Please confirm that Verizon California has an electronic trouble ticket interfaces operational with CLECs in California.

25. If your response to the preceding Data Request is affirmative, please identify all carriers that utilize electronic trouble ticket processing.

26. Please describe which Verizon systems Frontier plans to cut over to Frontier legacy systems if and when the proposed transaction is approved. Please include both OSS interfaces with external carriers as well as internal and back-end systems that will impact wholesale customers, and identify which systems support which category of wholesale products (e.g. UNE loops, loop-and-port combinations, last-mile Ethernet circuits, etc.).

27. If Frontier confirms to CALTEL that less than 10% of CLECs are currently utilizing Frontier electronic data interchange ("EDI") or electronic bonding systems in California, is Verizon willing to commit to develop an integration plan that would permit CLECs to continue to use Verizon interfaces and support systems, and to delay transitioning to Frontier legacy systems, for a period of up to two years to allow adequate

time for CLECs to perform OSS integration planning and testing? If your response is positive, please explain if additional resources would need to be transferred to Frontier in order to support this commitment. If your response is negative, please explain.

28. Please describe if and how the Verizon operational support systems ("OSS") that Frontier proposes to acquire from Verizon in California are different or the same as the Verizon OSS that were already cutover to Frontier systems in the former Verizon territories that Frontier acquired in 2010.

29. Please provide a matrix and description of which Verizon operational processes will be cutover to which Frontier operational processes if and when the proposed transaction is approved. Please include both inter-carrier processes as well as internal and back-end systems that will impact wholesale customers, and identify which processes support which category of wholesale products (e.g. UNE loops, loop-and-port combinations, last-mile Ethernet circuits, etc.).

30. Please describe if and how the Verizon operational processes that Frontier proposes to acquire in California are different or the same as the Verizon processes that were already cutover to Frontier systems in the former Verizon territories that Frontier acquired in 2010.

31. Please describe any OSS or operational process problems that affected wholesale ordering, installation, maintenance and repair in any of the territories that Frontier acquired from Verizon in 2010. Please include any problems that affected other wholesale processes such as interconnection, collocation, billing, etc.

32. With regard to wholesale billing processes, is Verizon aware of whether Frontier plans to change the account numbers that CLECs currently have with Verizon? If yes, how will access to historical records be assured and maintained?

33. What commitments is Verizon California willing to make with regards to resolution of wholesale billing claims that are pending before the acquisition is approved?

34. Please describe how many Account Managers and related human resources are currently assigned to serve California CLECs. Please include in this description any plans for transferring Account Management personnel to Frontier.

35. Please describe what OSS Change Management processes and resources are currently used by or assigned to serve California CLECs. Please include in this description any plans for transferring OSS Change Management processes and personnel to Frontier.

36. What process did Verizon use to ensure that wholesale OSS, business processes and other documentation was timely and accurately transferred to Frontier in the 2010 acquisitions? Were there any problems that Verizon and Frontier encountered that they plan to mitigate through changes to that process in California?

37. What process did Verizon use to ensure that wholesale records, including contact and escalation lists, were timely and accurately transferred to Frontier in the 2010 acquisitions? Were there any problems that Verizon and Frontier encountered that they plan to mitigate through changes to that process in California?

38. What process did Verizon use to ensure that wholesale customers had timely (online) access to accurate (documented, up-to-date) contact and escalation lists when the territories were transferred to Frontier in 2010? Were there any problems that Verizon and Frontier encountered that they plan to mitigate through changes to that process in California?

39. In addition to Account Management and OSS Change Management resources, what human resources will be being transferred from Verizon to Frontier to provide dedicated support to wholesale customers? Please provide number of full-time equivalent headcount by wholesale function and geographic location or region, and how those numbers have changed over the past three years.

40. What human resources will be transferred from Verizon to Frontier to provide shared support to wholesale and retail customers (e.g. outside plant maintenance personnel, etc.)? Please provide number of full-time equivalent headcount by wholesale function and geographic location, and how those numbers have changed over the past three years.

41. What was the number of human resources that Verizon announced it was transferring to Frontier in the former Verizon territories that Frontier acquired in 2010? How many (or what percentage) of those former Verizon employees retired or otherwise left Verizon prior to the close of the transactions?

42. What process did Verizon use to ensure that human resources who were not current Verizon employees, but were assigned by Frontier to supporting wholesale customers after the 2010 transactions closed, were timely and accurately trained in Verizon systems, processes and procedures? Were there any problems that Verizon and Frontier encountered that they plan to mitigate through changes to that process in California?

43. As part of the 2010 acquisitions did Verizon and Frontier offer an expedited dispute resolution ("EDR") process to wholesale customers in order to ensure that any transition-related issues and concerns were timely and accurately addressed and resolved? If no, would Verizon be willing to make commitments to put such a process in place in California? If no, please describe any commitment that Verizon would be willing to make in this regard.

44. What is Verizon's policy with regards to interoffice circuits offered to wholesale customers to connect its non-contiguous territories in California? Can wholesale customers use UNE Enhanced Extended Links ("EELs") to make those connections? Does the answer depend on what legacy ILEC territory the central office is located in?

Propounded by:

/s/
Richard H. Levin
Attorney at Law
309 South Main Street
P.O. Box 240
Sebastopol, CA 95473-0240
707.824.0440, 415.829.9899
Fax: 707.788.3507
rl@comrl.com

Attorney for CALTEL