amount of debt issued and/or assumed by Spinco is fixed at $3.333 billion dollars and the dollar value of equity to be issued by Frontier is set at $5.247 billion. What is impacted by the stock price collar is the number of shares to be issued. The number of shares of Frontier common stock issued to Verizon shareholders fluctuates within the stock price collar ($7.00 to $8.50 per share) and will be calculated at closing by dividing the $5.247 billion of fixed equity consideration by the 30- day weighted average of Frontier's share price, calculated three days prior to the closing date. The number of shares issued will impact the amount of dividends that will be paid. The price per share depicted on page 15 of the November 2009 presentation is the mid-point of the stock price collar.

Frontier's S-4 Registration Statement filed with the Securities and Exchange Commission on September 14, 2009, contains selected historical financial and operating information of Financial and operating information for Verizon's Separate Telephone Operations included in the proposed transaction derived from audited financial statements for the year ended December 31, 2008 and selected financial and operating information of the Verizon Separate Telephone Operations derived from unaudited interim financial statements for the six months ended June 30, 2009 at pages F-64 through F-94. Frontier does not expect that the transaction summary included in the November 2009 Investor Presentation will be materially affected by using the final year-end 2009 financial results for Frontier and Spinco rather than year-end 2008 financial results.

a(2). The financial and operating information included in the transaction summary on pages 14-15 of the November 2009 Investor Presentation was derived from the financial and operating information of Frontier and the Verizon Separate Telephone Operations included in Frontier's Registration Statement. The Registration Statement at pages F-2 through F-63 contains selected historical consolidated financial and operating information of Frontier derived from audited financial statements for the year ended December 31, 2008 and selected historical consolidated financial and operating information of Frontier derived from unaudited interim consolidated financial statements for the six months ended June 30, 2009. Financial and operating information for Verizon's Separate Telephone Operations included in the proposed transaction are also included in the Registration Statement at pages F-64 through F-94. Frontier used a financial model to estimate and project its financial results for future years.

a(3). Documents responsive to this request are identified in Frontier's master index listing, at Appendix A, and copies of responsive documents will be provided.

b. Slide 16 presents the total projected 2008 pro forma revenue and EBITDA for Frontier, Spinco and the combined company, and then provides an explanation of how projected EBITDA is reconciled to projected Free Cash Flow. The remainder of the slide then calculated projected Net Debt/EBITDA and EBITD/Interest Expense ratios, as well as projecting the amount of dividends and the resulting dividend payout ratio (dividend payments as a percentage of Free Cash Flow).

b(1). The calculation of the $500 million in synergies and cost savings was based on the level of annual expenses incurred by Verizon prior to closing, compared to the level of expenses Frontier has determined is needed to appropriately manage the business based on its organizational structure, existing centralized support groups, approach to the business and by applying its cost structure to a company the size and activity levels of these 14 states. It is expected that the first full year that $500 million in synergies will be achieved is 2013. Additionally,

- The $500 million in synergies is a gross number; therefore it is not shown net of implementation costs.

- Although Frontier expects that there may be capital synergies based on volume discounts, purchasing discounts and other benefits of scale, it currently estimates that the overall capital spend in the 14 states will initially increase (as viewed in absolute terms and as a percentage of revenue) after closing.

- Revenue enhancements are not included in the $500 million synergy estimate.

- Net present value calculations were not used in the estimate of synergies.

- As discussed above, the portion of synergies attributable to any individual state has not been determined.

b(2). Net debt is defined as gross debt less cash on hand.

b(3). The impact of the severance, early retirement, and legal settlement costs summarized on page 16 of the November 2009 presentation to Frontier's investors was approximately $10 million.

b(4). The 2008 audited financials were adjusted for non cash pension expense in the case of Frontier, and certain revenue and expense items that are currently part of the Spinco operations, but that are not transferring as part of the transaction (most notably the benefit expenses associated with preVerizon employees that retire prior to closing).-retirees).

b(5). The impact of the collar range would be to issue proportionately more or less shares of Frontier stock to effect the stock swap with existing Verizon shareholders. At the low end of the collar, Frontier will issue more shares of stock; at the high end, fewer shares of stock. Assuming no subsequent share repurchases, this may result in proportionately increased or decreased total annual dividends (shares times dividend per share) annually. The following outlines the annual impact (without regard to subsequent share repurchases).

	Shares issued	Annual Dividend
At mid-point of collar	677 million	$507.75 million

At low end of collar	750 million	$562.50 million
At high end of collar	617 million	$462.75 million

b(6). The financial and operating information included in the transaction summary on page 16 of the November 2009 presentation to Frontier's investors was derived from the financial and operating information of Frontier and the Verizon Separate Telephone Operations included in Frontier's Registration Statement.

c. With respect to Frontier, as of December 31, 2009, Frontier's pension plan was under-funded by $282 million. The under-funding was primarily a result of low asset returns in the prior year 2008. Frontier was not required to contribute any cash to the pension plan in 2009. Frontier expects to be required to make a cash payment to the pension fund in 2010 of approximately $10 million.

Verizon's pension plans will transfer funds with respect to employees of Spinco in accordance with the terms of the Employee Matters Agreement. Under the parties' Employee Matters Agreement, the assets to be transferred to the successor Frontier tax-qualified pension plans must, in the aggregate, be sufficient to fully fund the plans' aggregate projected liabilities. If the aggregate assets transferred from each of the individual plans based on the Internal Revenue Code rules are less than the aggregate projected benefit liabilities (determined as of the closing of the merger), then Verizon will be responsible for the differential.

d(1-3). In Frontier's view, the transaction presents numerous opportunities for further value creation and increased revenues. Frontier's key metrics in its current service territories – which are more rural than the ones it is acquiring in this transaction – exceed those of Verizon in the acquired territories to be transferred. In particular, while Verizon had experienced access line losses of approximately 10% in the service areas Frontier is acquiring from Verizon, Frontier's rate of access line loss had been approximately 7%. Verizon had deployed broadband to only approximately 60% of the customers in its territory, whereas Frontier had made broadband available to over 92% of the households in its service territory. Frontier's penetration rate for key services also surpasses Verizon's in the acquired territories.

In time, following the transaction, Frontier expects that it will be able to bring its product and service penetration in the acquired areas much closer in line to its performance in its current service areas, resulting in more services for customers and greater revenue. In addition, the transaction will transform Frontier, strengthening its balance sheet through a substantial decrease in its ratio of debt to EBITDA, a 25% reduction in its shareholder dividend and a reduced dividend payout ratio. This stronger financial structure and increased cash flow will provide the financial flexibility Frontier needs to make the investments it deems necessary to improve its ability to compete and provide expanded services. The transaction will increase Frontier's size and scale so as to enable more efficient operations and to allow it to better serve its customers. From a

financial point of view, no synergies will be required to make this transaction financially sound for the pro forma combined Frontier and its customers. Frontier is convinced that its cost-savings and synergy estimates are realistic and achievable. However, if one were to take the extreme approach of assuming that *no synergies* of any kind are realized (an unrealistic assumption), the company still would be well positioned, with or without synergies, to achieve key financial metrics that will allow the company to be among the strongest in the non-RBOC ILEC industry. Additional rationale, assumptions and risks associated with the proposed transaction are summarized in the Frontier Board of Director presentation materials dated April 16, 2009, May 1, 2009 and May 13, 2009, and as required by the SEC in the Frontier's Registration Statement and Proxy Statement/Prospectus.

Documents responsive to this request are identified in Frontier's master index listing, at Appendix A, and copies of responsive documents will be provided.

e(1). Slide 24 of the November 2009 investor presentation provides a summary of key product metrics, comparing the existing Frontier properties with the Verizon Spinco properties. Based on its due diligence, Frontier believes that the Spinco markets are very similar to Frontier's existing markets (from primarily rural nature, to level and strength of competition). As such, Frontier believes that the introduction of its local engagement model (product portfolio and pricing, service approach, community involvement, etc) and increased broadband availability over time will yield results in the Spinco markets similar to those currently experienced in the Frontier markets.

e(2). Frontier's assessment of the impact of the various risk factors to the business is reflected in the documents provided in response to data request 9.d.

C. FINANCING

REQUEST #10

How will Frontier finance the acquisition? Please provide a detailed account of the sources of funding to be used for the transaction, including but not limited to:

a. Balance Sheet Cash;

b. New equity (common or preferred) issued;

c. Rollover Equity

d. Third-party debt (bank or bonds);

e. Vendor-provided debt; and

f. Seller-provided debt.

RESPONSE TO REQUEST #10

a. Balance sheet cash will not be used to finance the transaction.

b. Frontier common shares with a value of $5.247 billion will be issued to the shareholders of Verizon. The number of shares will be calculated using the 30-day weighted average of Frontier stock as calculated 3 days prior to the closing date. Furthermore, the Frontier share price used to calculate the number of shares issued is subject to a collar with a range of $7.00/share to $8.50/share. Thus, the maximum number of shares issued will be 749.6 million (at the $7.00 bottom of the collar) and the minimum number of share will be $617.3 million (at the $8.50 upper end of the collar).

c. No rollover equity is used to fund this transaction.

d. It is anticipated that Spinco will raise the capital necessary to make the special payment to Verizon by issuing approximately $3.1 billion of Senior Unsecured Notes in the bond markets. See response to Request # 11.

e. Vendor-provided debt is not being used to fund this transaction.

f. Seller-provided financing is not being used to fund this transaction.

REQUEST #11

With respect to 10(d), please state the type of debt (bank or bonds, etc.) and supply copies of any existing agreements relating thereto, specimen term sheets relating thereto, or similar.

RESPONSE TO REQUEST #11

At this time, Spinco/Frontier has not entered into any agreement with respect to financing. It is anticipated that Spinco will raise the capital necessary to make the special payment to Verizon by issuing approximately $3.1 billion of Senior Unsecured Notes in the bond capital markets. The notes may be issued prior to closing and the proceeds held in an escrow account until the merger is closed. At closing, Frontier will assume this Spinco debt.

In terms of understanding Frontier's ability to secure the financing on reasonable terms, the most direct approach is to look to the financial markets to assess their current opinion of the attractiveness of providing financing to Frontier. One indicator of the financial markets' assessment of Frontier's creditworthiness came on September 17, 2009, when Frontier was able to arrange new debt financing to raise net proceeds of $577.6 million (gross proceeds of $600 million), through 8.125% (8.375% yield to maturity) Senior Notes due in 2018. A copy of the Prospectus Supplement associated with this $600 million financing at 8.125% in September 2009 ("Prospectus Supplement") is being provided. It is anticipated that the terms and conditions of the financing for the proposed transaction will be substantially the same as the financing completed by Frontier in September 2009. However, these terms are always subject to changes in financial market conditions. As part of the state regulatory approval process, Frontier's Treasurer David Whitehouse met with Commission staffs in Nevada, Oregon and Washington, and provided testimony in certain state regulatory approval proceedings associated with this transaction. Mr. Whitehouse provided information regarding the expected financing associated with the Transaction in presentations with the states, including a presentation in August 2009 that contained illustrative terms and conditions of a bond offering. Copies of the powerpoint presentation documents are being provided with this response.

Documents responsive to this request are identified in Frontier's master index listing, at Appendix A, and copies of responsive documents will be provided.

REQUEST #12

With respect to 10(e) and (f), please provide copies of all existing documentation relating or referring to the availability or provision of any vendor-provided or seller-provided debt financing with respect to the transaction. Documents should be provided by both Frontier and Verizon in response to this specification.

RESPONSE TO REQUEST #12

Neither vendor-financing nor seller-provided financing is being used to fund this transaction.

REQUEST #13

With respect to 10(d), (e), and (f), if the transaction were to close on the date of your replies to these questions:

a. What interest rate would be available to Frontier, and from whom, for either bank borrowing or the bond market?

b. What positive and negative financial covenants would Frontier be required to agree to?

c. Please provide draft documentation or term sheets concerning the above, to the extent they are available. If not available, please treat this as a continuing request and supply the requested documentation as it becomes available, up to and including the date of the Commission's order disposing of this matter.

RESPONSE TO REQUEST #13

a. As of February 17, 2010, Frontier estimates it could raise the necessary capital in the bond market on a senior unsecured basis at approximately 8.5%.

b. Similar to the existing terms and conditions of Frontier's senior unsecured bonds, covenants would include limitations on subsidiary indebtedness, limitations on liens, limitations on the merger, consolidation and sale of assets, and change of control provisions. Frontier also has several bank facilities in place which include a revolving credit facility and three bank term loans. Each of these credit agreements contains a financial covenant which limits the ratio of Net Debt to EBITDA to 4.5 times.

c. Frontier is in the process of preparing the necessary documentation to begin the financing process in late March 2010 and can produce documentation associated with the financing when it becomes available.

REQUEST #14

Please provide examples of documentation for bonds or bank debt that Frontier has entered into most recently, or a list of principal terms and positive and negative financial covenants from such instruments.

RESPONSE TO REQUEST #14

Copies of the Prospectus and Prospectus Supplement associated with this $600 million financing at 8.125% in September 2009 ("Prospectus Supplement") are being provided. These Frontier senior unsecured bonds include covenants, which are described in more detail in the Prospectus Supplement, on subsidiary indebtedness, limitations on liens, limitations on the merger, consolidation and sale of assets, and change of control provisions.

REQUEST #15

Please provide an explanation of the rationale and the timing of Frontier's recent debt covenant amendments. Provide any documents that discuss these debt covenants as they relate to the proposed transaction.

RESPONSE TO REQUEST #15

In 2009, Frontier amended the financial covenant in a $200 million term loan facility with the Rural Telephone Finance Cooperative. The Net Debt to EBITDA ratio was changed from 4.0 times to 4.5 times. This change was made to conform the covenants of this facility to the Net Debt to EBITDA ratios in other Frontier bank facilities in addition to providing the company with additional flexibility on the covenant. This debt covenant and $200 million term loan facility will not be affected by the proposed transaction.

As requested by the staff, Frontier will supplement this response if and when any future amendments to debt covenants occur.

REQUEST #16

Please provide Frontier's detailed *pro forma* statement of cash flows for the most recent period as of the closing date. Please treat this as a continuing request, and provide updates as and when available.

RESPONSE TO REQUEST #16

There is not a *pro forma* statement of cash flows for the combined entity, but Frontier's S-4 Registration Statement and Prospectus contains statements of cash flows for the individual entities as of December 31, 2008 and June 30, 2009. The table below summarizes Frontier's historical free cash flow generation, as well as pro forma free cash flow expectations for the new Frontier based on 2008 audited financial statements. Free cash flow here is cash generated after funding all cash operating expenses to run the business—cash taxes, cash interest expense on the company's debt, and all capital expenditures. Free cash flow does not include funds derived from financing activities, such as loan proceeds or other borrowings.

Frontier Free Cash Flows—Historical and Pro Forma Combined

						2008 Pro Forma	
($s in 000s)	2005	2006	2007	2008	4-yr. Total	Pre-Syn	Post-Syn
FCF Generation							
Free Cash Flow [1]	$527,971	$561,784	$528,005	$493,197	$ 2,110,957	$ 1,423,000	$ 1,733,000
Dividends Paid [2]	338,364	323,671	336,025	318,437	1,316,497	742,000	742,000
Payout Ratio	***64%***	***58%***	***64%***	***65%***	***62%***	***52%***	***43%***
Free Cash Flow after Dividends	**$189,607**	**$238,113**	**$191,980**	**$174,760**	**$ 794,460**	**$ 681,000**	**$ 991,000**

[1] Post-Synergies Pro Forma Free Cash Flow reflects the after-tax impact of $500 million in synergies and a 38% tax rate

[2] Assuming Frontier issues shares at the mid-point of the collar.

REQUEST #17

Please provide Frontier's leverage ratio (debt to EBITDA) for 2009, as well as Frontier's *pro forma* debt-to-EBITDA ratio for the most recent period.

RESPONSE TO REQUEST #17

Frontier's leverage ratio (net debt/EBITDA) for 2009 is 3.9x. The 2008 pro forma leverage ratio for the combined entity is 2.6x, without including the benefit of expected cost-savings. If projected synergies were immediately realized, the pro forma 2008 leverage ratio would be approximately 2.2x.

REQUEST #18

For Frontier's borrowings, including bond issuances, for the past five years, please state the type of borrowing and the interest rate for each such borrowing.

RESPONSE TO REQUEST #18

ISSUE DATE		STATED INTEREST RATE/COUPON	PRINCIPAL AMOUNT AT ISSUANCE	MATURITY DATE
12/6/2006	CoBank Credit Facility 12/06/2006	Libor + 1.375%	150,000,000	12/31/2012
12/22/2006	7.875% Notes Due 2027	7.875%	400,000,000	1/15/2027
3/23/2007	6.625% Notes Due 2015	6.625%	300,000,000	3/15/2015
3/23/2007	7.125% Notes Due 2019	7.125%	450,000,000	3/15/2019
5/18/2007	Deutsche Bank Credit Agreement (Facility currently undrawn)	Libor + 0.875%	250,000,000	5/18/2012
3/10/2008	CoBank Credit Facility 03/10/2008	Libor +1.75%	135,000,000	12/31/2013
4/9/2009	8.25% Senior Notes Due 2014	8.250%	600,000,000	5/1/2014
10/1/2009	8.125% Senior Notes Due 2018	8.125%	600,000,000	10/1/2018

REQUEST #19

Under what conditions (*i.e.*, combination of business metrics) will Spinco's financials hinder Frontier's ability to: (1) service the debt from the deal; (2) be cash-flow negative; (3) be EBIT negative; (4) be EBITDA negative; (5) be dilutive (*i.e.*, reduce Frontier's margins)? What combination of residential and business line loss, declines in average revenue per user (both in price and in mix of products), offset by what gains in broadband or video penetration, leads to each of the above?

RESPONSE TO REQUEST #19

Based on Frontier's projections using its Pro Forma financial model, which is being provided with this response, expected cash flow (including impact of interest expense, income taxes and capital but excluding impact of dividends) from SpinCo ranges from approximately
to
and combined cash flow after impact of all cash outflows (including dividends) average approximately
. As such, Frontier believes –

(1). There are no probable or realistic conditions that would inhibit Frontier's ability to service the debt resulting from the transaction.

(2). Overall cash flow would have to decrease by an average of approximately
per year
before the post-transaction Frontier would be cash-flow negative. To experience that level of decrease, the combined company would have to experience a combination of the following events:

- No or minimal achievement of synergies;

- A substantial increase in capital spending above the increases already forecast;

- Baseline operating expenses would have to rise or be flat or increasing (despite declining revenues);, and despite the fact that management would likely take some cost-reduction actions in response to such a significant decline in revenues;

- Revenues would have to decline at approximately
.

Frontier does not believe that any combination of such events is probable or realistic.

(3). EBIT for the post-transaction Frontier would have to decrease by a range of approximately
to
to become negative. In addition to the unlikely factors discussed in (2) above (excluding (2)(b) associated with capital expenditures), the combined enterprise would have to also experience a dramatic increase in depreciation or interest expense. Depreciation, in large part, is dictated by historical spending and is not considered volatile. Interest expense on the new debt issued to finance the transaction is effectively capped by the 9.5% interest rate financing cap included in the Merger Agreement.

(4). EBITDA for the post-transaction Frontier would have to decrease by
to become negative. In addition to the achievement of no synergies, the combined company would have to experience revenue declines and expense increases totaling
. This would equate to an approximately
reduction in revenue with no change in expense, or a nearly
in expenses while revenue is declining. Frontier does not believe that such changes are likely realistic to occur.

(5). The identified synergies move Spinco's margins to levels currently experienced by Frontier. Reduction in the level of synergies could negatively impact Frontier's combined company margins.

Because these results are improbable, Frontier has not calculated the level of line loss that would be required to reduce revenues to the levels anticipated in the scenarios described above. In our experience, line loss does not translate one-for-one into reduced revenues because Frontier continues to add customer broadband subscriptions which mitigate the effect of line losses.

D. SYNERGIES MODEL

REQUEST #20

Please provide:

a. All documents prepared expressly for Frontier (whether prepared internally or by outside advisors) that discuss the potential for annual synergies from the proposed transaction.

   (1) Describe each step Frontier will take to achieve these synergies or efficiencies; the costs the company will incur to achieve these synergies or efficiencies; the risks involved in achieving these synergies or efficiencies; the underlying assumptions for achieving these synergies or efficiencies; and the time required to achieve these synergies or efficiencies, including whether these synergies or efficiencies are primarily short-term or long-term.

   (2) Explain whether these synergies will represent savings in fixed costs or marginal costs, and describe the assumptions underlying your response to this specification.

   (3) In addition, explain how these savings are directly related to the proposed transaction and why these synergies or efficiencies could not be reaped by Frontier alone or by merging with another firm.

b. A copy of all documents and spreadsheets prepared expressly for Frontier (whether prepared internally or by outside advisors) that were used to prepare any response to this specification; and

c. An explanation of what metrics or thresholds Frontier will use to determine whether actual experience is consistent with its model, as well as what Frontier's plans are to address deviations from the model.

RESPONSE TO REQUEST #20

a. The attached documents summarize the process Frontier completed to project the synergies Frontier will recognize following the closing of the transaction and summarize the estimated synergies to be achieved beginning in calendar year 2013.

a(1). As described in the attached documents, Frontier expects to achieve $500 million in annual synergies commencing in the year 2013, the first year that the full synergy level is expected to be realized as compared to the expenses reported by Verizon. Frontier determined the level of synergies by comparing the total Verizon expenses incurred in the service areas included in the proposed transaction with Frontier's estimated organization and costs structure to support the business and activity levels in the Verizon service areas

in the proposed transaction. Frontier identified the various components of the business (local, long distance, and data services) that would be acquired as part of the transaction and generated a historical and forward looking view of revenues and product units for the Spinco properties. Using this revenue and unit information, and the underlying metrics of demand activity that were available in the data room and via discussions with Verizon personnel, Frontier compared its stand-alone operating performance metrics to the projected view of Spinco for the FY 2013 and had Frontier's functional area teams develop a view of incremental headcount, wage expense and non-wage expenses) necessary to operate the acquired properties at current Frontier stand-alone performance levels. In view of the limitations of the expense synergy process and therefore to be conservative in the identification of expense synergy savings opportunities, Frontier added to the build-up an additional $250 million of unidentified costs as a means of providing for a contingency for wage and non-wage expenses that may be higher than expected.

a(2). Frontier's synergy analysis did not allocate synergies between fixed or variable costs.

a(3). The synergies forecast by Frontier are attributable to either (1) operating efficiencies by introducing Frontier's organization cost structure in the Spinco properties (these synergies are dependent on the transaction), (2) changes in common cost allocations from Verizon to Frontier, which is dependent on the transaction or (3) scale related efficiencies which are dependent on a transaction.

b. See response to (a).

c. Traditionally, Frontier uses two approaches to track synergies:

c(1). Track on-going recurring vs. non-recurring cost (integration) to view the combined entity cost structure (excluding one-time integration costs) and compare pre-merger vs. post merger costs.

c(2). Track specific items and projects. Examples of these are elimination of corporate overhead allocations, elimination of duplicative Corporate costs (HR, Legal, Regulatory, Accounting, Finance, Audit, Investor Relations, Treasury, Etc.) or and recognition of vendor synergies (audit fees, bank fees, actuary fees, insurance, maintenance agreements, LD costs, benefits, etc).

Frontier does not use metrics or thresholds, but rather will track the actual synergies achieved. As a result, if a variation does occur, Frontier may determine the appropriate action to achieve the anticipated cost savings or revise its assumptions. From a financial point of view, no synergies will be required to make this transaction financially sound.

Documents responsive to this request are identified in Frontier's master index listing, at Appendix A, and copies of responsive documents will be provided.

E. MISCELLANEOUS

REQUEST #21

In the adjacent exchange areas, are there unbundled network elements (UNE) rates or interconnection rights for network elements that differ from the UNE rates or interconnection rights in the transaction market area? If so, please list these differing service offerings and prices for wholesale customers in each area, and provide an explanation for the differences between the rates or interconnection rights in each adjacent exchange area.

RESPONSE TO REQUEST #21

Frontier does not currently conduct ILEC operations in North Carolina, South Carolina and Washington and therefore does not offer wholesale services in those states. The Frontier ILECs operating in the other 11 overlapping states have entered into interconnection agreements with competitive carriers in those states. In several instances, the interconnection agreement is in place to address the interconnection of respective networks and to exchange traffic and the interconnection agreement does not include terms, rates and conditions associated with the provisioning of UNEs. Frontier is providing a summary of Frontier's UNE rates reflected in existing interconnection agreements in these overlapping states.

Documents responsive to this request are identified in Frontier's master index listing, at Appendix A, and copies of responsive documents will be provided.

REQUEST #22 (Revised per FCC Staff)

To what extent, if any, does Frontier anticipate that it will be a rural telephone company, as that term is defined in section 3(37) of the Communications Act, in the transaction market areas? Has Frontier used the rural exemption to deny requests for or influence negotiations of interconnection agreements under Section 251(c) of the Act, and does it intend to do so post-consummation in the transaction market areas? Please provide all documentation that discusses any such use of or plans to use the rural exemption by Frontier.

RESPONSE TO REQUEST #22

Frontier Communications Corporation is the parent company to approximately 50 ILEC operating companies identified in the attached list of telecommunications carrier subsidiaries. With the exception of Frontier Telephone of Rochester, all of Frontier's existing ILECs are rural telephone companies under Section 3(37) of the 1996 Communications Act. However, none of these ILECs, while operating under Frontier's control, have declined to enter into an interconnection agreement in response to a bona fide request, nor sought a continued exemption, from a state commission under 251(f) of their obligations under Section 251(c) of the Act and these Frontier ILECs have entered into interconnection agreements with requesting carriers. Frontier has no intention of asserting the rural exemption in the transaction market areas, and will meet the related requirements of its state settlements or conditions. Frontier will honor all obligations under Verizon ILEC's current interconnection agreements, wholesale tariffs, and other existing wholesale arrangements that are in effect at closing. In other words, competitive carriers will have exactly the same contractual rights to retain and purchase the same interconnection and wholesale services, support and arrangements as those provided for in their existing interconnection agreement prior to the closing of the proposed transaction. Frontier has agreed not to try to move or reclassify any exchanges or wire centers currently located in Verizon-West Virgina's legacy service areas so as to be included in the Citizens Telecom service area in order to take advantage of the rural exemption.

REQUEST #23

Provide an explanation of Frontier's co-marketing arrangements with Dish Network Satellite TV. To the extent that take rates for this service vary across Frontier's market areas, please explain why such variances arise, and explain what factors Frontier considered in its assumptions about the potential take rate for the Dish Network Satellite TV services in the transaction market areas.

RESPONSE TO REQUEST #23

Frontier offers its customers the option to purchase Dish Network Satellite TV services and to be billed for that service on their Frontier telephone service bill. Frontier and Dish Network co-market and jointly fund certain promotions that include certain Dish programming packages and Frontier service offerings.

Take rates for the Dish Network service vary across Frontier's footprint based on a number of factors, including access to satellite signal, competition for cable and other competitive providers, promotional offerings, availability of local channels (especially HD) and availability of other key programming (i.e. YES network in the Northeast).

Frontier did not make assumptions regarding potential take rates for a Dish product in the Spinco properties. The Verizon properties currently have a DirecTV offering, which is expected to be available after the transaction closes for these markets.

REQUEST #24

For each transaction market area in which FiOS is currently offered, provide:

a. A description of the facilities that Frontier would need to acquire in order to provide video services. Could any of these facilities be used to provide video services in any Frontier franchise areas?

b. An explanation of how Frontier will provide these services in the future.

c. An estimate of the cost for Frontier to provide video services to former FiOS customers post-closing.

d. An explanation of any contractual arrangements that will either continue or need to be negotiated to enable Frontier to provide video services in the transaction markets in which Verizon currently offers FiOS. Could any of these contracts be used to provide video services in any Frontier franchise areas?

RESPONSE TO REQUEST #24

a. These are described in the attached specification document. A number of these facilities could be used to provide video services in other Frontier franchises. Specifically, Video on Demand, transport network, Linear content, conditional access system, ad insertion, content management center, billing and provisioning.

b. Frontier intends to use the same equipment and processes as outlined in the FiOS Video Functional Specification Document (Plan of Record) (see response to question 24a above). Going forward, Frontier expects to make changes based on customer requirements and to take advantage of new technologies.

c. A number of the components of the cost structure are designed to support both video and data. As a result, Frontier's estimates are based on providing both video and data services. The current estimate for content (including content management) and transport (including head end connectivity) is approximately

per month per customer. Nonrecurring costs per customer would also include the cost of the set top box (approximately

)

and gateway (approximately

).

d. The following contractual arrangements will either continue or need to be negotiated to enable Frontier to provide video services in the transaction markets in which Verizon currently offers FiOS: IMG contracts for middleware; Maintenance

contracts for support of Motorola, Cisco, and SeaChange equipment. In addition, Frontier will obtain linear and VOD programming through its membership in NCTC, through contracts directly with programmers, and at its option through other aggregators. Frontier will obtain local broadcast programming through assignment by Verizon to Frontier of Verizon's retransmission agreements and contracts directly with local broadcasters in the local markets in which Frontier will operate following the closing of the transaction. All these contracts could be used to provide video services in other Frontier franchise areas, with the exception of local programming rights.

Documents responsive to this request are identified in Frontier's master index listing, at Appendix A, and copies of responsive documents will be provided.

E. PUBLIC INTEREST ANALYSIS

REQUEST #25

Provide copies of all documents prepared expressly for Frontier (either internally or by outside advisors) which discuss the impact of the transaction on broadband availability in the merged entity's market areas.

RESPONSE TO REQUEST #25

Frontier's plan is to focus on and invest over time in network facilities to allow it to significantly increase the levels of broadband availability in the Verizon transferred service areas. In the state regulatory commission proceedings regarding the approval of the proposed transaction, Frontier has generally indicated that it will expand broadband availability above the level of Verizon's broadband deployment in the state by the end of 2013. The discussion of the impact of the transaction on broadband availability in each the states is reflected in prefiled testimony in these proceedings. In addition, in Ohio, West Virginia, Illinois, Oregon and Washington, Frontier has entered into settlement agreements, or otherwise made commitments, to expand the availability of broadband services. In Ohio, West Virginia and Illinois, Frontier has committed to make broadband available to 85% of the households in the Verizon service areas to be transferred to Frontier. In Oregon and Washington, *inter alia*, Frontier has committed to deploying broadband at certain availability levels in wire centers that are unserved and underserved by broadband. The settlements and other documents memorializing these commitments are included with this response.

In analyzing the cost and requirements to expand broadband availability in the Verizon service areas, Frontier has utilized an internal model to estimate the cost of expanding DSL service from Verizon's current level of deployment in the state to 85% deployment coverage at 3 Mbps by the end of calendar year 2013. Frontier is providing a copy of the model for AZ, ID, IL, IN, MI, NC, NV, OH, OR, SC, WA, WI and WV, which estimates the costs to deploy broadband services to 85% in each respective state. The individual state models are included with this response.

In addition, Frontier has retained an outside firm, AltmanVilandrie (AVCo), to undertake additional review and analysis associated with the build out of broadband in the Verizon service territories included in the proposed transaction. Frontier is providing the most recent versions of different summary analyses prepared by AVCo for Frontier.

The Frontier model had its own unique set of assumptions, but the major difference in the models is that the Frontier models include backbone costs to upgrade the aggregation backhaul network to Frontier's National Data Backbone while the AVCo model only addresses costs for the local access network.

Documents responsive to this request are identified in Frontier's master index listing, at Appendix A, and copies of responsive documents will be provided.