At a session of the PUBLIC SERVICE COMMISSION OF WEST VIRGINIA in the City of Charleston on the 16th day of September 2020.

CASE NO. 18-0291-T-P

FRONTIER WEST VIRGINIA, INC. AND CITIZENS TELECOMMUNICATIONS COMPANY OF WEST VIRGINIA dba FRONTIER COMMUNICATIONS OF WEST VIRGINIA

Petition to initiate a general investigation into the current status of Frontier’s copper network in West Virginia and the service quality problems related to the network

COMMISSION ORDER

The Focused Management Audit, as required by this Commission, of Frontier West Virginia, Inc. and Citizens Telecommunications Company of West Virginia dba Frontier Communications of West Virginia describes recommendations designed to help Frontier improve customer service. At this time, there is enough information to make a preliminary ruling regarding some of the recommendations in the Focused Management Audit Report.

This Order identifies improvement programs for which Frontier has given us an estimated cost per year to accomplish. Further, this Order requires Frontier to quantify and provide a time line for completion of the remaining recommendations in the Focused Management Audit Report before a final Order can be rendered.

The Commission also requires Frontier to verify that the expenditures required can be accomplished given Frontier’s financial condition and access to capital.

The Commission also denies a petition to intervene.

BACKGROUND

On March 2, 2018, the Communications Workers of America, AFL-CIO (CWA) filed a petition requesting a general investigation of Frontier West Virginia, Inc. and Citizens Telecommunications Company of West Virginia dba Frontier Communications of West Virginia (Frontier). CWA asked that the Commission use the general
investigation to review the state of the Frontier copper network in this state. CWA said that the investigation should include (i) a financial analysis of copper network revenue and expenditures since 2010 when Frontier acquired the former Verizon West Virginia Inc. properties, (ii) the current state of the copper infrastructure, (iii) staffing levels dedicated to preventive maintenance, repair, installation, and customer service since 2010, and (iv) a review of policies and procedures that impact the quality of service that customers receive.

Following filings by the parties regarding the CWA request to open a general investigation and other procedural filings, on August 30, 2018, the Commission initiated a focused management audit pursuant to Rule 5.5, Management Audits, of the Rules and Regulations for the Government of Telephone Utilities, 150 C.S.R. 6 (Telephone Rules). The Commission required that Frontier, with the assistance of Commission Staff, develop and file a proposed Request For Proposal (RFP) for use in selecting an auditor.

Following an extensive RFP process, on May 24, 2019, Frontier filed, under seal, a written summary of the proposals, an overview of its selection criteria, a summary of the scoring/assessments of the proposals submitted by each audit firm responding to the RFP, and the auditing firm recommended for selection. Frontier also filed the full RFP submissions by the auditor firm candidates.

On June 18, 2019, the Commission issued an Order addressing the Frontier selection. After conducting its own review of the bid information provided by the auditor candidates, the Commission concluded:

The Frontier-selected auditor may have the experience and personnel to perform the audit. Our concern, however, is that no such showing was made to address the items key to the audit. Based on its detailed review and evaluation of the scoring assessment, the responses to the RFP and recommendation of Frontier, the Commission cannot approve Frontier’s selection of the auditor to perform the focused management audit.

June 18, 2019, Order at 9-10. The Order provided options as to how to proceed with the audit selection process.

On July 25, 2019, the Commission, finding it untenable to further delay the process of identifying and prioritizing solutions to Frontier’s service challenges, selected Schumaker and Company (Schumaker) to perform the focused management

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1 The procedural history of this case is extensive. The case involved discovery disputes, motions to compel, motions to protect, a Freedom of Information Act request, and numerous delays. Please see the Commission’s docket to view all of the filings in this proceeding.
audit and (ii) directed that Schumaker and Frontier proceed with the focused management audit under the timetable in the Frontier RFP.

Following minor delays in the audit process, on March 18, 2020, Schumaker filed the Focused Service Quality Management Audit Report (Report) under seal.

On March 25, 2020, Frontier filed a Motion for Protective Order and a redacted public version of the Report.

Following an initial round of comments from Frontier and the other parties regarding the Report, on June 26, 2020, the Commission issued an Order requiring additional information. The Order noted that Staff and CAD recommend implementation of all Report recommendations without reservation. Regarding the Frontier comments, the Commission stated:

While the Commission appreciates the Frontier responses, it is disappointed by the omission of any meaningful detail about Frontier’s plan to address each recommendation. Frontier did not provide (a) the priority by which each recommendation would be implemented, (b) a timeline or critical path outline for completion of the individual recommendations, or (c) the cost estimate to implement each recommendation.

Before the Commission can rule on whether to require implementation of each Audit recommendation, it is critical to have a detailed understanding of how and when implementation would occur. Accordingly, we will require that Frontier provide additional information regarding each Audit recommendation that includes prioritization of the recommendations, a timeline for completion of each recommendation, and a cost estimate for implementing each recommendation.

June 26, 2020 Order, at 4. The Order allowed the other parties to file responses to the Frontier filing. The parties filed in accordance with the June 26, 2020 Order.

On August 27, 2020, the West Virginia Broadband Enhancement Council (Council) filed a petition to intervene. The Council stated that it was created by the West Virginia Legislature to, among other things, explore ways to expand access to broadband services, and explore the potential for increased use of broadband service for the purposes of education, career readiness, workforce preparation and alternative career training. Additionally, the Council was created to advocate for the development of policies to extend broadband access to all West Virginians, by removing restraints on development and construction of the necessary infrastructure. The Council stated that it accepts the
record as it is and believed that it can meaningfully participate in any remaining steps in the Audit process.

On September 8, 2020, Frontier filed a response to the Council’s petition to intervene. Frontier stated that broadband deployment is the Council’s only interest in this proceeding and only reason for seeking to intervene, and that the promotion of broadband expansion is outside the scope of this case. Additionally, Frontier stated that at this stage of the case there is no meaningful way for the Council to participate.

On September 14, 2020, the Council filed a reply to the Frontier response asserting its interest in Frontier’s overall telecommunication service because of the impact on the economic development of the state.

Throughout the course of this proceeding the Commission received scores of comments from customers and letters from the Kanawha County and Hampshire County Commissions expressing concern regarding the quality of service from Frontier.

**DISCUSSION**

Frontier customers in this state remain plagued with service problems even as the customer base – and the corresponding revenue – declines. The Focused Management Audit was designed to find the underlying service quality problems, and possible solutions, in the hopes of placing Frontier on a better path. The Report did its part by outlining deficiencies in Frontier’s operations. The Report also recommended methods to address those deficiencies.

Frontier’s April 30, 2020 response to the Report was disappointing. As stated in the Commission’s June, 26, 2020 Order:

> While the Commission appreciates the Frontier responses, it is disappointed by the omission of any meaningful detail about Frontier’s plan to address each recommendation. Frontier did not provide (a) the priority by which each recommendation would be implemented, (b) a timeline or critical path outline for completion of the individual recommendations, or (c) the cost estimate to implement each recommendation.

June 26, 2020 Order at 4. That Order required Frontier to file an additional response to include prioritization of the recommendations, a timeline for completion of each recommendation, and a cost estimate for implementing each recommendation.

Frontier’s July 27, 2020 response was better, but it also lacked the specificity necessary to assure implementation of the Report recommendations.
Below are the Report recommendations and the Frontier initial and supplemental responses. Following each is the Commission’s position regarding that recommendation. The Commission positions marked “Commission Request for Additional Information” require additional information from Frontier. Within 30 days of the date of this Order, Frontier shall file the requested response. As noted above, some of the prior responses from Frontier have been lacking in specificity. We expect full and clear responses from Frontier.

The Commission positions marked “Commission Decision” are preliminary decisions by the Commission. Although these preliminary decisions might change slightly between now and the final order (depending on Frontier’s responses to the requests for additional information), we do not expect the changes to be significant. Within 30 days of the date of this Order, Frontier should respond to these items by filing a managerial and financial commitment to implement these recommendations.

The remainder of the Commission positions are labeled “Commission Decision and Request for Additional Information.” These positions reflect a preliminary decision and a request for additional information. Within 30 days of the date of this Order, Frontier should file its managerial and financial commitment to implement the recommendation along with the requested information.

The Management Audit Status Reports (MASRs) referenced in the Commission positions will be described in greater detail in the final order. In short, the Commission plans to integrate all of Frontier’s reporting requirements into the MASRs for purposes of administrative efficiency.

It cannot go without mention that Frontier is now in bankruptcy. The Commission is reviewing, in Case No. 20-0400-T-PC, a reorganization plan for Frontier by which it proposes to emerge from bankruptcy. Although Case No. 20-0400-T-PC and this case are separate filings, we believe it is critical that the new ownership of Frontier understands that the financial and managerial commitments required by this Focused Management Audit will apply to the reorganized entity. That concern will be addressed in Case No. 20-0400-T-PC.

Section IV. Current Status and Condition of Frontier's Copper Network in West Virginia

**Recommendation IV-1:** Frontier needs to implement the replacement for PPM that will interface with VX-Field. (Refer to Finding IV-7.)
**Original Response**: Frontier is prepared to implement improvements to its proactive preventative maintenance ("PPM") program. Frontier agrees that certain additional automation could enhance both the assignment of work and efficiency of the performance of work tasks. However, the precise technical interface recommended by the Auditor, between PPM and VX-field, needs further examination and may not be the correct or even a feasible technical approach. Frontier is undertaking additional analysis to determine what the best system and features are to improve automation in order to accomplish the same or similar ends. Accordingly, Frontier is prepared to introduce more automation in the allocation and assignment of preventative maintenance-related work as recommended.

**Supplemental Response**: Since its original response, Frontier has undertaken further evaluation of the most efficient and practical technical interface to dispatch preventative maintenance work. As previously noted, VX-Field is the dispatch software utilized for work initiated by a customer request (i.e. install and repair work) and, therefore, is not appropriate for dispatching maintenance activity. On June 22, 2020, Frontier implemented the Long Duration Maintenance Plan ("LDMP") program. The LDMP program is a preventative maintenance program that targets identification and tracking of outside plant repairs that can be worked/completed in the ordinary course (i.e. without the need of special engineering, budget or other extended project work). The LDMP dispatches maintenance work and tracks the successful completion of outside plant maintenance activities. The LDMP generates weekly tracking and aging reports and interfaces with the Varasett system, which is the Engineering and Construction work management tool. This will enable Frontier to identify and track plant maintenance activities in a centralized location.

a) **Priority of Implementation**: Immediate.
b) **Timeline or Critical Path for Completion**: In progress.
Anticipated completion date within 60 days.
c) **Cost Estimate to Implement**: Frontier's implementation costs include the National Support Group labor expenses related to the LDMP development, documentation, and implementation as well as the cost of the Field Management team to launch training to the field technicians. Expenses to date have been less than $100,000, and Frontier estimates that it will incur an average additional expense of approximately $250,000 annually to fully implement this Recommendation.

**Commission decision**: We agree with the changes made by Frontier. Frontier should continue to move forward with this plan and report progress on its MASRs to be filed with the Commission.
**Recommendation IV-2:** Enable VX-Field to capture the specific piece of equipment or location of the source of trouble via GIS or enhancements to the VX-Field program. (Refer to Finding IV-14.)

**Original Response:** Frontier generally agrees that capturing more detail about equipment associated with a trouble can be a helpful component of an enhanced preventative maintenance plan. Frontier is prepared to develop a protocol for identifying the equipment associated with troubles in greater detail, such as by noting the specific cable span, in order to identify and execute on additional preventative maintenance opportunities. However, VX-Field is a dispatch system and has no relevance to the purpose of the Recommendation. Accordingly, Frontier will identify another mechanism for capturing, storing, and incorporating this information into an enhanced preventative maintenance program.

**Supplemental Response:** Frontier is committed to developing reports that better identify the sources of troubles. However, VX-Field is a dispatch system and not a reporting system, so it cannot be used for this purpose. IT work is underway to develop reporting that captures enhanced data on the both the source and location of equipment leading to the generation of trouble tickets.

a) **Priority of Implementation:** Immediate.
b) **Timeline or Critical Path for Completion:** In progress. Expected completion within 90 days.

c) **Cost Estimate to Implement:** Frontier's implementation costs include the National Support Group labor and IT-related expenses related to the development, documentation, and implementation of new reporting as well as the cost of the Field I&M Management team to train field technicians on the new process/reports. Frontier's expenses have been less than $100,000 to date. Further expense is expected, but cannot be determined at this time as it is related to currently unknown, additional IT work and expenses are needed to fine tune initial reporting functionality.

**Commission decision:** We agree with the changes made by Frontier. Frontier should continue to move forward with this plan and report progress on its MASRs to be filed with the Commission.

**Recommendation IV-3:** Frontier WV should evaluate the extension of fiber optic digital capability to each of its cross boxes not only based on return on investment but also the reduction in potential interruptions and potential DS customers. (Refer to Finding IV-4.)
**Original Response:** Frontier’s business process for evaluating the extension of fiber optic facilities is multi-factored and already includes both return on investment and service performance and reliability considerations, among others. Very often, however, it is not economically feasible to extend fiber in certain rural areas. Frontier already deploys fiber where economical, engineering and other considerations—including reductions in potential interruptions and potential new customers—support it. Therefore, Frontier has already implemented this Recommendation.

**Supplemental Response:** Frontier reiterates that it currently evaluates the feasibility of deploying fiber optic digital capability based both on return on investment and service performance considerations. Specifically, Frontier installs fiber where its analysis confirms it is economical and promotes service quality. In that sense, Frontier already complies with the recommendation. If the above recommendation is read to suggest or require that Frontier deploy fiber to all its existing cross boxes in West Virginia, it is entirely unfeasible. Frontier has approximately 3,255 existing cross-box locations in West Virginia and fiber deployment to each and every one would be prohibitively expensive and would require deployment of electronic equipment, including new equipment that would effectively duplicate existing network functionality without any improvement in service. Given the exorbitant expense associated with such a comprehensive endeavor, the cost of voice service would consequently increase to unsustainable levels.

a) **Priority of Implementation:** Unfeasible.

b) **Timeline or Critical Path for Completion:** Each cross-box project would require separate, individualized and extensive network engineering and construction planning and execution, the equivalent of building an entirely new network. Given the detail and variability of each cross-box project, as well as necessary permitting, access to rights of way, and other dependencies, such an endeavor would be a multi-year effort, would not significantly improve customer service and Frontier is unable to estimate a timeline for completion at this time.

c) **Cost Estimate to Implement:** Frontier's initial review and estimate is that it would cost approximately $100 million to build fiber to every cross-box. Further, deploying the additional electronic equipment needed to convert regulated voice service to optical-based voice service would increase that estimate to approximately $200 million.

**Commission Request for Additional Information:** The Commission understands that implementation of replacement of copper wire with fiber optic is a major undertaking. Although replacing the copper wire may be feasible, it may be financially unrealistic to accomplish in a short period of time. The Commission will require Frontier to study,
identify, and report a reasonable replacement life cycle for the existing wire system. Frontier should develop a 5 year plan to begin replacement of the copper wire lines over the identified remaining life cycle. This 5-year plan should include a reasonable level of replacement investment funded from internal cash, or external funding that may be available to Frontier.

**Recommendation IV-4:** Frontier WV should track its Battery Assets within its GIS and use the PPM system to track preventative maintenance performed (Refer to Finding IV-6.)

**Original Response:** Frontier currently tracks battery assets in a central database. Frontier is prepared to ensure that the testing process and repairs are tracked as a part of its preventative maintenance program. However, including battery assets in GIS does not correlate with improved service quality. In fact, it would hamper improved service quality as entering assets into GIS would be extremely labor-intensive and divert resources from other activities more directly connected to service quality. Accordingly, Frontier is prepared to implement this Recommendation, in part.

**Supplemental Response:** Frontier's battery assets are tracked in a centralized database, which includes specific location data. This database is used by the Engineering and Operations teams to manage battery assets and Frontier is unable to identify any added benefit gained by duplicating this information in its GIS. In fact, such an effort could lead to confusion, conflicting information and loss of line of sight of the most current and accurate battery asset detail. As previously indicated, Frontier is committed to using its PPM system to track preventative maintenance on its battery assets. Specifically, Frontier is prepared to use the PPM system to assign, track and complete its regularly scheduled preventative maintenance work (like inspections, load tests, generator run downs and rectifier tests).

a) **Priority of Implementation:** Immediate.
b) **Timeline or Critical Path for Completion:** In progress. Expected completion within 90 days and then ongoing.
c) **Cost Estimate to Implement:** Frontier estimates that necessary system enhancements, training, compliance reporting and labor associated with battery asset testing and tracking will be approximately $300,000 annually.

**Commission Decision and Request for Additional Information:** We agree that it is not necessary to include the battery assets in GIS. The Commission will require that Frontier provide (i) a timeline to address the replacement of the batteries, including the number of batteries to be reviewed annually as part of the preventive maintenance
program and (ii) the life cycle of those batteries and a 5-year plan to address preventive maintenance or replacement of those batteries over the identified life cycle.

**Recommendation IV-5:** Frontier WV should consider developing and implementing a "Hot Spot" tree trimming program. (Refer to Finding IV-8.)

**Original Response:** Frontier is prepared to develop and implement a “Hot Spot” tree trimming program that builds on its current vegetation management efforts.

**Supplemental Response:** Frontier is committed to augmenting its existing tree trimming program to include a process to identify and address “Hot Spots.” Specifically, identification and reporting of tree trimming “Hot Spots” will be incorporated into Frontier's pole inspections program, discussed in greater detail in response to IV-7 below.

a) **Priority of Implementation:** Immediate.
b) **Timeline or Critical Path for Completion:** In progress. Expected completion October 2020.
c) **Cost Estimate to Implement:** Because its “Hot Spot” tree trimming program will be a component of its random pole inspections program, Frontier has included the estimated expense of the system enhancements, training and compliance reporting necessary to implement this Recommendation as part of its cost estimate for Recommendation IV-7. Frontier already spends approximately $2.5 million annually on tree trimming and removal in West Virginia.

**Commission Request for Additional Information:** Frontier should provide the appropriate cycle for a tree trimming program that would move Frontier through its entire system on a regular basis and a 5-year plan with estimated costs to initiate the tree-trimming program. Frontier should compare the cost of the tree trimming at the appropriate cycle period to the amount Frontier currently expends for tree trimming annually.

Frontier should consider entering into discussions with electric companies in its service territories to determine whether it would be mutually beneficial to share in the cost of tree trimming.

**Recommendation IV-6:** Develop and execute a plan to standardize the data stored within the pole asset database. (Refer to Finding IV 9.)
Original Response: This Recommendation is based on a finding that power company names were not consistently labeled within Frontier's FROGS database. Standardizing the names of the power companies for ministerial purposes is highly labor intensive and does not correlate to improved service quality. In fact, it would hamper improved service quality by diverting resources from other activities more directly connected to service quality. Accordingly, Frontier is not prepared to implement this Recommendation.

Supplemental Response: Power company name standardization is a data entry exercise that has virtually no impact on improving service quality. Frontier personnel routinely and successfully utilize Frontier's existing pole asset database and have not experienced or reported difficulty in determining pole ownership due to the use of similar but sometimes varying references to power companies. For example, Frontier's employees (and for that matter, the Commission's Staff) can readily identify what company is referred to by “APCo”, “Appalachian Power”, “Appalachian” or even, in a specific area, “AEP” or some other readily understandable name). This is, at best, a low priority of limited value, and if embarked upon, would not be completed before year-end at the earliest.

   a) Priority of Implementation: Low.
   b) Timeline or Critical Path for Completion: If required, Frontier anticipates that name standardization would take at least 6 months, and possibly longer.
   c) Cost Estimate to Implement: Frontier estimates the initial cost of data entry modification into FROGS at less than $100,000. However, ongoing compliance will be difficult due to the fact that data entry necessarily is subject to human error. Training expense cannot be estimated at this time. This work will not meaningfully improve service quality in any event.

Commission Decision: Frontier prospectively should develop a process to create a standardized naming mechanism applicable prospectively to all newly installed poles.

Recommendation IV-7: Frontier should consider doing a random sample inspection of poles identified to be 60 or more years old with internal resources and use the results to make decisions about planned pole replacements versus unplanned replacements and possible liability costs. (Refer to Finding IV-10 and Finding IV-11)

Original Response: Frontier's current practices for the inspection and treatment of its poles have been in place since the early 1990s when Frontier was part of Bell Atlantic. These practices require a Frontier technician to both visually inspect and test a pole for soundness before performing any work on it. Any pole that
has an unsafe condition or is unsound is replaced. In addition, Frontier routinely replaces poles whenever local officials or residents call to report unsafe conditions. Frontier's experience in other states shows that having a separate program to test and treat poles does not provide significant benefit financially, in terms of improving service quality, or in reducing risk. Indeed, Frontier established its current pole inspection and treatment practices in West Virginia decades before the current service quality issues arose. However, Frontier is prepared to implement this Recommendation and to commit to performing a limited random sample inspection of poles identified to be 60 or more years old with internal resources and use those results to make decisions about planned pole replacements.

**Supplemental Response:** As previously noted, Frontier is committed to performing random samples of poles and to addressing any necessary replacement as a result within its corporate capital budget. Frontier is establishing a Field Operations process for performing and recording the results of this testing.

a) **Priority of Implementation:** Immediate.

b) **Timeline or Critical Path for Completion:** In progress. Expected completion is within 90 days.

c) **Cost Estimate to Implement:** Frontier's implementation costs include the National Support Group labor expenses related to process development, documentation, and implementation as well as the cost of the Field Management team to launch training to the field technicians. Frontier estimates the initial cost of implementing this Recommendation for random sampling of poles to be less than $100,000. As noted in response to Recommendation IV 8, the costs associated with replacement of poles that are identified as defective would require additional expenditures.

**Commission Request for Additional Information:** Frontier should summarize the results of its sample pole data in a report, extrapolating the results of its random sample to the entire pole inventory. From that data, Frontier should develop a cost estimate to systematically replace aged poles on a regular cycle and provide a specific 5-year plan cost estimate to accomplish that process.

**Recommendation IV 8:** Pending results from Recommendation IV-7, Frontier should program, within its Capital Budget, funds to address below average conditions of its pole assets. (Refer to Finding IV-11.)

2 Upon further review, Frontier believes that the auditor's finding with respect to the number of poles over 60 years is overstated due to assumptions the auditors made for records with the "invalid" date code of 1900. Frontier believes the actual number of poles over the age of 60 years is in the range of approximately 15,000.
Original Response: Based upon the results of the audit in Recommendation IV-8, Frontier is prepared to implement this Recommendation and to address necessary replacement of poles that are 60 or more years old within its corporate capital budget.

Supplemental Response: As previously communicated, Frontier remains ready to address necessary replacement of poles within its corporate capital budget. However, large-scale, mass replacement of poles outside of Frontier's capital budget is not feasible, and it would not have a significant impact on service quality. Frontier's data suggests that defective pole failures (which does not include sound poles struck in accidents) cause less than 1% of service troubles.

a) Priority of Implementation: Immediate, if within capital budget, but dependent on IV-7 implementation.

b) Timeline or Critical Path for Completion: Completion of this recommendation relies on the findings of Recommendation IV-7. Accordingly, execution will not begin until the October 2020, at the earliest. Frontier expects this to be an ongoing initiative with no completion date identifiable at this time.

c) Cost Estimate to Implement: Frontier is unable to estimate with specificity the total cost of pole replacement given that this recommendation is dependent on the outcome of the implementation of Recommendation IV-7. The Auditor grossly overstated the number of poles over 60 years old based on a misunderstanding of data. The number is actually far smaller. However, Frontier estimates the mass replacement cost for poles greater than 60 years old (if all poles need replacement, which they certainly do not) to be approximately $417.4 million (using the auditor's incorrect number) and roughly $52.5 million (using Frontier's number). More accurate figures may be available after the implementation of Recommendation IV-7.


Section V. Staffing

Recommendation V-1: Frontier WV should prepare a manpower study and succession plan for the WV Engineering Department. (Refer to Finding V-2.)

Original Response: Frontier regularly assesses and adjusts its manpower needs. In addition, Frontier has appropriate succession plans in place for its workforce. Resource planning is addressed in coordination with various corporate departments including Frontier's Human Resources and Talent Acquisition.
Department. As attrition occurs, Frontier adjusts its workforce accordingly. Thus, Frontier has already implemented this Recommendation.

a) **Supplemental Response:** As previously noted, Frontier adjusts staffing as necessary for business needs on a regular basis.

b) **Priority of Implementation:** Immediate.

c) **Timeline or Critical Path for Completion:** Completed and ongoing.

**Cost Estimate to Implement:** Frontier already incorporates manpower and succession needs in its planning so there is no additional cost associated with this Recommendation. In calendar year 2020 to date, Frontier has added Engineering workforce (i.e. employees) at a cost of approximately $337,000.

**Commission Request for Additional Information:** Frontier should develop a 5-year succession plan for all experienced employees who are critical to internal and/or external operations.

**Recommendation V-2:** Assign the responsibility and accountability for the improvement of the top 25 (worst) wire centers to the Director of Engineering and consider establishing a specific position such as a project manager to address the top 25 worst call centers and make recommendations to improve their trouble performance develop a standardized repeatable investigative process for improving the performance of these centers. (Refer to Finding V-3.)

**Original Response:** Frontier is prepared to implement this Recommendation and assign responsibility and accountability for the improvement of the top 25 wire centers within the Engineering Department. Engineering management will, among other steps, develop a process for identifying and implementing measures designed to improve performance.

**Supplemental Response:** As previously noted, Frontier is prepared to and is implementing this Recommendation. Of note, Frontier understands the auditor to have meant to refer to top 25 worst wire centers in the above Recommendation instead of "call centers" in the one instance and has focused its effort on additional staffing directed at the top 25 worst wire centers.

a) **Priority of Implementation:** Immediate.

b) **Timeline or Critical Path for Completion:** In process. Anticipated completion date within 60 days.

c) **Cost Estimate to Implement:** Frontier estimates the cost of implementing this Recommendation to be approximately $110,000 annually.
**Commission Request for Additional Information:** Frontier should develop a list of the top 25 worst wire centers and provide a specific 5-Year Plan with estimated costs to address the deficiencies in those centers on a priority basis.

**Recommendation V-3:** Frontier WV should conduct, and update annually, a comprehensive manpower study to determine the optimal number of technicians by classification, the optimal amount of work to be contracted out, and the amount of work be performed on overtime. (Refer to Finding V-10.)

**Original Response:** Frontier has processes and procedures in place to manage its workforce and plan for resource allocation. Frontier's ability to utilize overtime and contractors in its overall management of workload is impacted by extensive and detailed union contract provisions discussed more fully below. As part of its enhanced preventative maintenance program, Frontier is confident that its current processes and procedures are adequate to appropriately and efficiently allocate work and ensure its timely completion. As the Auditors concluded based on their observations and data, Frontier's staffing levels in West Virginia are adequate. Thus, Frontier has already implemented this Recommendation.

**Supplemental Response:** As previously noted, Frontier's ability to utilize overtime and contractors in its overall management of workload is constrained by extensive and detailed union contract provisions. Frontier is prepared to update its manpower study for use in 2021.

- **Priority of Implementation:** High/Near-term
- **Timeline or Critical Path for Completion:** Year-end 2020.
- **Cost Estimate to Implement:** Frontier estimates the cost of implementing this Recommendation to be approximately $50,000 or less.

**Commission Decision:** Frontier should file a complete copy of the study as part of its MASRs when it is completed in order to assist the Commission in assessing improvements to Frontier’s service quality. The filing should include a discussion as to how Frontier will utilize the study to effectively manage workforce and improve service levels.

**Recommendation V-4:** The company should add metrics to local managers scorecard to measure the backlog of company originated work and a target for its completion. (Refer to Finding V-7.)

**Original Response:** Frontier is prepared to implement this Recommendation and to modify the local manager scorecard to include an addendum report that is
published once a month in order to track company originated work as an aged view by local manager. This report will include information on backlogs sorted according to <30 days, <60, and >89 days in order to permit Frontier greater visibility into backlogs and ensure the completion of backlogged work.

Supplemental Response: Implementation of this Recommendation is dependent on completion of Recommendation IV-1 that describes the new automated outside plant preventative maintenance program that is estimated to be completed within 60 days. Frontier is prepared to begin compiling and distributing weekly reporting the month following completion of implementation of Recommendation IV-1 to endure field operations is in compliance with the program.


b) Timeline or Critical Path for Completion: Estimated implementation date is within 90 days, based on completion of implementation of Recommendation IV-1.

c) Cost Estimate to Implement: Frontier estimates the cost of implementing this Recommendation to be less than $100,000 annually.

Commission Decision: The Commission does not understand why this recommendation should be limited to only employees responsible for the PPM program. Frontier should provide a copy of the revised local manager scorecard, highlighting and describing all changes from the existing scorecard. The scorecard metrics should be utilized to measure and improve the performance of each local manager. The local manager scorecard should track the number of customer service complaints and how those complaints are timely addressed.

Recommendation V-5: Frontier WV should phase out the practice of limiting the completion of construction work to a few dedicated technicians. (Refer to Finding V-9.)

Original Response: Frontier is prepared to implement this Recommendation and to utilize a more dynamic communication between Dispatch and the Construction department to provide flexibility for Installation Repair Technicians to perform construction work. Through this enhanced coordination, Frontier expects more frequent and improved allocation of resources in each department for install/repair and construction work.

Supplemental Response: Frontier is actively developing a process to identify when Install & Repair technicians are available to perform construction and PPM work.
Recommendation V-6: Improve the modeling used for resource planning to include all work, company originated, construction and customer originated. (Refer to Finding V-10.)

Original Response: Frontier is prepared to implement this Recommendation and to expand its planning/resource forecasting model to incorporate and address work identified through its enhanced preventative maintenance program.

Supplemental Response: As previously noted, Frontier is prepared to modify its installation and repair planning/resource forecasting model to incorporate PPM (company-generated) work and the resources required. However, installation and repair PPM is the only work that is suitable for this kind of modeling. By contrast, other work, for example construction, varies dramatically from time to time and season to season. Modeling of the nature suggested by the auditors is not of value of this kind of work.

Commission decision: Frontier should provide a description of the enhancements that will be made to monitor progress in the PPM tracking system. The PPM tracking system should be further enhanced to include tracking and monitoring of construction work and work originating from customer inquiries. Frontier should provide, through its periodic MASRs, updates regarding its further efforts and progress in these areas.
Section VI. Capital Investment in the Copper Network since July 2010 for West Virginia

Recommendation VI-1: Frontier West Virginia and CTC of West Virginia should develop and utilize their own capital budgets. (Refer to Finding III-1)

Original Response: Frontier develops capital projects for each state, and they are approved through an annual corporate capital process. This corporate budgeting has resulted in the allocation of substantial resources to Frontier's West Virginia operating companies—indeed more funds than they have generated—for the last ten years. Frontier is not prepared to change its corporate budgeting process as suggested by the Report as such an effort would introduce further administrative costs that could otherwise be used to further investment in West Virginia.

Supplemental Response: As previously noted, Frontier is not prepared to implement a change to its established corporate budgeting process and protocol, which implicates all 25 states in which it operates. Frontier's capital budget needs for West Virginia are taken into account in the existing budget process and no operational benefit would be achieved by creating two separate budgets for the two ILECs in the state, especially given that many capital resources (buildings, trucks, etc.) support both companies.

a) Priority of Implementation: Low/Unnecessary.
b) Timeline or Critical Path for Completion: If required, Frontier anticipates that the two separate capital budgets would be completed as part of its annual budgeting process which is generally completed in December for the following calendar year.
c) Cost Estimate to Implement: Frontier estimates the initial cost of preparing separate capital budgets at less than $100,000. However, this work will not meaningfully improve service quality in any event.

Commission Request for Additional Information: Frontier's response is unclear. If Frontier is stating that it does not submit for approval to Frontier ownership and receive an approved state-by-state capital budget, that is not acceptable to the Commission. If a state-by-state capital budget and 5-year plan is available (specific to West Virginia), Frontier should provide those documents to the Commission. If Frontier does not currently have a West Virginia specific capital budget and 5-year plan, we will require that Frontier develop and provide such West Virginia specific information. In addition, Frontier shall prepare a West Virginia specific annual and 5-year plan for capital spending on an ongoing basis. Frontier shall provide in the periodic MASRs the latest actual-to-budget comparison of the capital budget along with a discussion of the current
status of the budget at that time. The MASRs shall provide explanations of any significant modifications to the capital budget as they occur during the year.

Section VII. Frontier Service Quality Policies and Procedures

**Recommendation VII-1:** Frontier needs to continue to leverage its technology to better support its operations and maintenance activities. (Refer to Finding VII-1)

**Original Response:** Frontier is prepared to implement this Recommendation and to continue its ongoing effort to leverage its technology to support its efficient operation and maintenance activities, specifically its enhanced preventative maintenance program.

**Supplemental Response:** In July 2020, Frontier initiated a project to continue to leverage its technology to better support its operations and maintenance activities. Specifically, Frontier started the process of migrating Central Office maintenance tasks into the Matrix5 system, which was reviewed in the audit. The project will ensure that maintenance routines are scheduled, completed, and dispatched in accordance with business as usual work. Additionally, the project will enable Frontier to standardize time (job duration) and allocate tasks based on function, which will improve Frontier's ability to align workforce vs. workload. This is a major project that will automate many processes that are currently manually administered. Further, this project is expected to improve management oversight, analytics, and visibility into the completion rate of maintenance routines. The project is in the early stages, but approximate initial cost to deploy is $600,000 with the potential for additional ongoing costs that are not yet determinable. Implementation timelines are still being worked, but it is expected to take up to 12 months for full completion on the project.

a) **Priority of Implementation:** Immediate.

b) **Timeline or Critical Path for Completion:** In progress. The project is in the initial stages and is a major undertaking that involves the coordination on multiple different functions and systems. Therefore, it is expected to take up to 12 months to fully complete. Accordingly, Frontier's anticipated completion date is August 2021.

c) **Cost Estimate to Implement:** Frontier estimates the initial cost of implementing this Recommendation to be at least approximately $600,000 with the potential for additional ongoing costs that are not yet determinable.
**Commission decision:** Frontier should provide updates on the progress of technology improvements that support its operation and maintenance activities through its periodic MASRs.

**Section VIII. Adequacy of the Service Quality Metrics**

**Recommendation VIII-1:** Frontier Should Provide the Required Reporting Data or, Alternatively, Request the Regulations Be Revised to Eliminate Such Reporting (Refer to Finding VIII-1.)

**Original Response:** Frontier has filed annual service quality reports with the Commission in the same format and with the same metrics included since before 2010. At no time in more than a decade has either the Commission or staff suggested to Frontier that any required transmission quality or call completion data was missing from its reports, which demonstrates that neither considered the metrics of any value. Frontier does not agree that metrics that have not been provided to, asked for, or reviewed by the Commission or staff in more than 10 years are appropriate. Accordingly, Frontier recommends that the Commission revise its regulations regarding Satisfactory Transmission Quality and Satisfactory Call Completion to formally eliminate these metrics.

**Supplemental Response:** With respect to this Recommendation, Frontier recommends that the Commission consider updating its metrics and formally eliminating the Satisfactory Transmission Quality and Satisfactory Call Completion metrics in line with its decades-long pattern and practice of not requiring or reviewing these metrics.

a) **Priority of Implementation:** Low

b) **Timeline or Critical Path for Completion:** If required, Frontier is prepared to implement this Recommendation on a going forward basis.

c) **Cost Estimate to Implement:** Frontier estimates the cost of implementing this Recommendation to be de minimus.

**Commission decision:** Frontier shall continue to provide the service metric report as it now exists as part of it MASRs until further order of the Commission.

**Recommendation VIII-2:** The Out-of-Service Metric Should Be Consistent with the Commission's Intent and Changed From >48 hours to 00S>24 hours. (Refer to Finding VIII-2.)
Original Response: This Recommendation is unclear. Frontier already reports the % OOS < 24 in addition to % OOS < 48 hours results in its monthly report for Frontier West Virginia, Inc. The OOS objective per its Retail Service Quality Plan is 85% OOS cleared within 48 hrs. Frontier's reporting is currently in compliance with its Retail Service Quality Plan. Frontier believes that any service quality metrics applied to it should also be applied to all other providers of voice service in the state.

Supplemental Response: Frontier currently reports its metrics according to the Commission's Rules and Frontier's Retail Service Quality Plan applicable to each respective operating entity in West Virginia. To the extent to which this Recommendation proposes changing the required (versus reported) metric, any service quality metrics should also be applied to all other providers of voice service in the state, including wireless providers (which provide the large majority of the voice connections), as the result of a generic proceeding. The Commission should also consider the relevancy of this OOS metric today because wireless and other providers dominate the voice market. More than half of West Virginians has wireless service only, and approximately 95% of households in West Virginia have at least one wireless phone. Only 5.7% of households are landline only. This was not the case when the Commission established the OOS metric more than a decade ago.

a) Priority of Implementation: Low.
b) Timeline or Critical Path for Completion: Frontier is already reporting all required data. On the other hand, the cost of implementing a new required metric cannot be estimated without the establishment of a percentage objective for service restoral within the new period. It is expected, however, to be significant. Moreover, as noted, the adoption of a new metric and percentage objective for restoral should apply to all providers, including wireless providers, as the result of a generic proceeding.

c) Cost Estimate to Implement: Adding information on reporting for an additional reporting element should be de minimus.

Commission decision: Frontier shall continue to provide the service metric report as it now exists as part of its MASRs until further order of the Commission.

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Recommendation VIII-3: Frontier Should Provide Consumers Credit in Situations Where the Same Trouble for the Same Service are Reported on the Same Line Within 30 Days. (Refer to Finding VIII-3.)

Original Response: Frontier is prepared to implement this Recommendation and to voluntarily extend its credit policy to situations where a customer has experienced and reported the same trouble within 30 days. Frontier believes that any service quality metrics, including credit requirements, applied to it should also be applied to all other providers of voice service in the state.

Supplemental Response: Frontier is prepared to implement a $25 credit for a trouble reported within 30 days of a prior ticket being completed for the same reported trouble.

a) Priority of Implementation: Intermediate.
b) Timeline or Critical Path for Completion: If required, Frontier can implement this Recommendation within 90 days.
c) Cost Estimate to Implement: Frontier estimates the cost of implementing this Recommendation to be approximately less than $50,000 per year.

Commission Decision and Request for Additional Information: Frontier shall implement this recommendation. Frontier shall provide a copy of the current credit policy along with an explanation of how the current credit policy differs from the new $25 credit.

Recommendation VIII-4: Frontier Should Report the Percentage of Residential / Business / Repair Calls that Meet its Existing Benchmark (80% within 30 seconds) on a Monthly Basis to the West Virginia Public Service Commission. (Refer to Finding VIII-4.)

Original Response: Frontier is prepared to implement this Recommendation and voluntarily report on a monthly basis the percentage of residential/business repair calls against its existing benchmark to the Commission. Frontier believes that any service quality metrics applied to it should also be applied to all other providers of voice service in the state.

Supplemental Response: Frontier is prepared to implement this Recommendation if required.

a) Priority of Implementation: Intermediate.
b) Timeline or Critical Path for Completion: If required, Frontier can implement this Recommendation within 90 days.
c) **Cost Estimate to Implement:** Frontier estimates the cost of implementing this Recommendation to be de minimus.

**Commission decision:** Frontier shall report the percentage of residential / business / repair calls that meet its existing Benchmark (80% within 30 seconds) as part of its MASRs.

**Recommendation VIII-5:** Frontier should continue to report on the 25 wire centers with the highest network trouble report rate, however, the highest 25 should be the highest 25 for both companies. Alternatively, a benchmark should be established for Customer Trouble Repair Rates (CTRR) and monthly data for both companies should be submitted to the WVPSC. (Refer to Finding VIII-5.)

**Original Response:** Frontier is prepared to implement this Recommendation and voluntarily report the top 25 wire centers with the highest network trouble report rate inclusive of both operating entities. Frontier believes that any service quality metrics applied to it should also be applied to all other providers of voice service in the state, including wireless providers.

**Supplemental Response:** Frontier is prepared to implement this Recommendation if required.

a) **Priority of Implementation:** Intermediate.

b) **Timeline or Critical Path for Completion:** If required, Frontier can implement this Recommendation within 60 days.

c) **Cost Estimate to Implement:** Frontier estimates the cost of implementing this Recommendation to be less than $10,000 annually.

**Commission decision:** Frontier shall include information on the top 25 wire centers with the highest network trouble as part of its MASRs.

**Recommendation VIII-6:** Frontier should standardize service quality reporting metrics/benchmarks for Frontier West Virginia and Citizens Telecommunications of West Virginia. (Refer to Finding VIII-6.)

**Original Response:** Frontier is prepared to implement this Recommendation and voluntarily standardize the format of its service quality reporting for both of its West Virginia operating entities.

**Supplemental Response:** Frontier is prepared to implement this Recommendation if required.
a) **Priority of Implementation:** Intermediate.

b) **Timeline or Critical Path for Completion:** If required, Frontier can implement this Recommendation within 60 days. Recommendation to be less than $10,000 annually.

c) **Cost to implement:** Frontier estimates the cost of implementing this Recommendation to be less than $10,000 annually.

**Commission decision:** Frontier shall report the standardized service quality information as part of its MASRs.

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**Section IX. Impact of the Declining West Virginia Customer Base on Internal Cash Flow from Frontier Operations, Relative to Historic and Current Copper Infrastructure Maintenance and Capital Expenditures.**

**Recommendation IX-1:** Cash balances that belong to the West Virginia ILECS should be recorded on their financial statements. (Refer to Finding IX-5, Finding IX-6 and Finding IX-7.)

**Original Response:** The West Virginia operating entities are part of a centralized cash management system in which cash received by and cash disbursements made on their behalf are recorded through intercompany accounts. These transactions include receipts and disbursements related to direct operating expenses, income taxes attributable to federal and state jurisdictions, and capital expenditures, among others. Any excess of receipts over disbursements and allocated expenses—i.e. Advances from Parent and Affiliates, net—is managed at the parent level and is considered an investing activity in the accompanying statements of cash flows. Thus, the cash balance would be zero. Frontier is not rate-of-return regulated and there is no basis for requiring it to modify its accounting practices or financial statements to comply with requirements for such regulation. Accordingly, Frontier is not prepared to implement this Recommendation.

**Supplemental Response:** Frontier maintains a centralized cash management system. Any West Virginia specific change would require a comprehensive and significant re-engineering of Frontier's established remittance and accounts payable organization and processes, including the processing of customer payments as well as vendor set-up and handling of payments. Such an initiative would require Frontier to significantly add to its corporate, central services headcount in order to administer a new state-level cash management system and the Auditor did not identify any functional or operational benefit to be gained from the implementation of this requirement.
Perhaps most importantly, this is an accounting exercise and given that Frontier is not rate of return regulated it is unnecessary. It imposes significant administrative costs without improving service quality in the field.

a) **Priority of Implementation**: Low/Unnecessary.

b) **Timeline or Critical Path for Completion**: In light of the complexity and inherent lack of necessity of implementing this Recommendation, Frontier would be unable to implement this Recommendation until it fully emerges from the Chapter 11 process.

c) **Cost Estimate to Implement**: In light of the complexity of implementing this Recommendation, Frontier is currently unable to estimate the cost of implementing this Recommendation.

**Commission Request for Additional Information**: See response to Recommendation IX-2.

**Recommendation IX-2**: Financial statements should include all appropriate financial transactions that apply to both West Virginia ILECs. (Refer to Finding IX-5, Finding IX-6, and Finding IX-7.)

**Original Response**: Frontier's financial statements comport with the Commission's requirements and requiring additional content increases their complexity and the administrative costs associated with completing them to the detriment of enhanced investment in the state. Therefore, Frontier is not prepared to implement this Recommendation.

**Supplemental Response**: The Auditor did not identify any functional or operational benefit to be gained from the implementation of this requirement. This is an accounting exercise and given that Frontier is not rate of return regulated it is unnecessary. However, Frontier is prepared to implement this Recommendation if required.

a) **Priority of Implementation**: Intermediate.

b) **Timeline or Critical Path for Completion**: If required, Frontier can implement this Recommendation on a go forward basis. Recommendation to be less than $10,000 annually.

**Commission Request for Additional Information to Recommendations IX-1 and IX-2**: Frontier's response is not clear. To the extent Frontier is stating that it does not maintain distinct accounting records for each state operation, that is not acceptable to the Commission. Many utility holding company structures centralize cash management
functions, however, the identity of the cash collections, cash disbursements and overall cash position for each state operation is maintained in the accounting records. The state-by-state accounting records would likely include any number of inter-company receivables and payables that would be required to maintain the overall state utility operation cash positions. If Frontier does not currently maintain a West Virginia-specific cash position, Frontier should implement and maintain one prospectively. Frontier's West Virginia financial records and statements shall be maintained as a separate corporate entity, if they are not already. To that end, the cash generated by Frontier WV shall be separated and tracked on the West Virginia balance sheet. Frontier shall also provide further clarification on whether it is able to identify its cash position specific to West Virginia operation.

**Recommendation IX-3:** Financial data should be developed concerning the operations below the ILEC level. (Refer to Finding IX-9 and Finding IX-10.)

**Original Response:** There is zero positive impact on service quality of developing financial data concerning operations below the ILEC level. To the contrary, such an exercise would divert valuable resources that could otherwise support enhanced investment in the state. Therefore, Frontier is not prepared to implement this Recommendation.

**Supplemental Response:** No service quality benefits are achieved by maintaining separate financials for each of its over 200 wire centers. Implementing such a Recommendation would require significant changes to Frontier's current accounting practices and protocols, system enhancements and additional corporate, central services headcount. This would be primarily an unnecessary accounting exercise that would impose significant administrative costs without improving service quality in the field.

a) **Priority of Implementation:** Low/Unnecessary.
b) **Timeline or Critical Path for Completion:** No such accounting system has been required of Frontier companies to date, and at this time, Frontier is unable to estimate a timeline for completion of such an unprecedented action.
c) **Cost Estimate to Implement:** No such accounting system has been required of Frontier companies to date, and at this time, Frontier is unable to estimate a cost for completion at of such an unprecedented action. Administrative costs are expected to be significant without improving service quality in the field.

**Commission Request for Additional Information:** It is not clear whether Frontier has cost centers that track actual and budgeted costs for each local manager’s area of responsibility. If Frontier does not have such cost centers, how does Frontier hold each local manager responsible for the costs generated at the sub-ILEC level? Frontier should
provide a description of its corporate structure below the West Virginia ILEC level and how costs are tracked against budget to maximize efficiency.

Section X. LABOR RELATIONS

Recommendation X-1: Frontier Should Revise the PPM to Incorporate Hours Allocated to Maintenance and Other Tasks. (Refer to Finding X-1.)

Original Response: Frontier does not understand this Recommendation. The PPM is a database where technicians enter potential projects. The allocation of hours associated with maintenance and other tasks is outside of the scope of the technicians' responsibility. Frontier has an established process for developing and assigning hours to potential projects. Accordingly, Frontier is not prepared to implement this Recommendation.

Supplemental Response: Frontier continues to be confused by this Recommendation. The PPM database and the new LDMP process are suitable mechanisms for technicians to report potential maintenance projects. However, the allocation of hours associated with maintenance projects is outside of the scope of a technician's responsibility. As part of the project to support Recommendation VII-I, Frontier is standardizing the allocation of hours for plant maintenance tasks based on functions in Matrix5. This new approach to maintenance management is expected to improve Frontier's ability to align workforce vs. workload, with the expected benefit of improved service quality.

a) Priority of Implementation: The priority designation for Recommendation VIII, as understood by Frontier is High/Immediate.

b) Timeline or Critical Path for Completion: Frontier's implementation work on Recommendation VII-I is in progress. The project is in the initial stages and is a major undertaking that involves the coordination on multiple different functions and systems. Therefore, it is expected to take up to 12 months to fully complete. Accordingly, Frontier's anticipated completion date is August 2021.

c) Cost Estimate to Implement: Frontier estimates the initial cost of implementing Recommendation VII-I to be approximately $600,000 with the potential for ongoing costs which are not yet determinable.

Commission Request for Additional Information: Frontier should track and monitor productivity for each employee. If only PPM hours are included, Frontier shall provide an explanation of how Frontier monitors the overall productivity and efficiency of its employees.
Filing of Additional Information

As stated above, this Order provides an advanced look at how the Commission plans to address some of the recommendations and requires additional information for the balance of the recommendations prior to arriving at the Commission’s final order regarding the implementation of all of the Report recommendations.

The specific recommendations that have a Commission position titled “Commission Decision” reflect a myriad of various types of one-time implementation costs and estimated on-going costs that Frontier has indicated (i) they are currently spending, (ii) they will spend, or (iii) need to be revised for more definitive estimates of annual or ongoing costs. Specifically,

- **Recommendation IV-1**: $250,000 per year
- **Recommendation IV-2**: $100,000 per year (to date)
- **Recommendation IV-4**: $300,000 per year
- **Recommendation IV-6**: $100,000 per year
- **Recommendation V-3**: $50,000 one time cost
- **Recommendation V-4**: $100,000 per year
- **Recommendation V-5**: $100,000 per year
- **Recommendation V-6**: $50,000 one time cost
- **Recommendation VII-1**: $600,000 (initial costs)
- **Recommendation VIII-1**: de minimus
- **Recommendation VIII-2**: de minimus
- **Recommendation VIII-4**: de minimus
- **Recommendation VIII-3**: $50,000 per year
- **Recommendation VIII-5**: $10,000 per year
- **Recommendation VIII-6**: $10,000 per year

Regarding these “decided” items, Frontier should file a managerial and financial commitment to implement these recommendations. This partial list of specific costs identified by Frontier do not include costs, if any, that will result from Frontier’s further evaluations of increased fiber optic line to crossboxes, increased pole and battery replacement programs, increased tree trimming costs, or other recommendations where the Commission is requesting further information. Final estimated annual and 5-year plan costs will be significantly greater than the preliminary specific implementation costs identified above.
Frontier should provide the required information within 30 days of the date of this Order. Other parties may file responses within 10 days of Frontier’s filing.

**Council petition to intervene**

The Council petition to intervene asserts a legal interest in quality telecommunication services, which is an interest that is represented by other parties to this case including Staff, CAD and CWA. It is clear from its statutory mandate and its petition to intervene that the Council’s main interest in this proceeding is Frontier’s improved provision and deployment of broadband service. Petition to intervene filed August 27, 2020; W. Va. Code §31G-1-4.

Commission jurisdiction over Frontier’s broadband service is very narrow and limited insofar as it stems from Case No. 09-0871-T-PC in which the Commission noted the differences between the Verizon West Virginia Inc. business plan to de-emphasize landline service and the Frontier business plan to focus on reducing the losses in landline subscribers. Based in part on the importance of adequate communication service in many rural areas of West Virginia, the Commission regarded the Frontier plan to focus on both landline and broadband service as a reason to approve Frontier’s acquisition of the Verizon West Virginia local exchange operations. In its Order approving that acquisition, the Commission stated:

Frontier has indicated that it views the Verizon business plan (to reduce its involvement in landlines and to focus on high speed broadband and cellular service in more densely populated areas) as presenting an opportunity for Frontier to arrest the downward slide in the number of landlines in this and other states by coupling its landline service with a commitment, after the acquisition, to extend broadband internet service into areas where Verizon is not willing to make the capital commitment for new or enhanced broadband service in this State.

Case No. 09-0871-T-PC Commission Order May 13, 2010, at 3. The Commission lacks jurisdiction, however, to order where and when Frontier should expand its broadband service. Because the public interest in quality voice telecommunications service is adequately represented by Staff and CAD and because Council intervention for the purpose of improving expansion of broadband service would unduly broaden the issues in this case we will deny the Council’s petition to intervene.

**FINDING OF FACT**

The Council seeks to intervene in this proceeding. Council petition.
CONCLUSIONS OF LAW

1. The Commission requires additional information.

2. The Commission should deny the petition to intervene filed by the Council because the interest it asserts in assuring quality voice telecommunication services is represented by other parties and its participation for the purpose of improving expansion of broadband service would unduly broaden the issues in this case.

ORDER

IT IS THEREFORE ORDERED that within 30 days of the date of this Order, Frontier West Virginia, Inc. and Citizens Telecommunications Company of West Virginia dba Frontier Communications of West Virginia shall file responses (as described on page 5 of this Order) to the recommendations of the Report. Other parties to the case may file replies to Frontier’s responses within 10 days thereafter.

IT IS FURTHER ORDERED that the West Virginia Broadband Enhancement Council’s petition to intervene is denied.

IT IS FURTHER ORDERED that the Executive Secretary of the Commission serve a copy of this Order by electronic service on all parties of record who have filed an e-service agreement, by United States First Class Mail on all parties of record who have not filed an e-service agreement, and on Staff by hand delivery.

A True Copy, Teste,

Connie Graley, Executive Secretary

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