



January 9, 2013

Ms. Barcy F. McNeal, Secretary  
Public Utilities Commission of Ohio  
180 E. Broad St., 11th Floor  
Columbus, OH 43215-3793

Re Case No. 09-454-TP-ACO

Dear Ms. McNeal:

Frontier Communications, Inc. ("Frontier") submits this executed amendment to the December 8, 2009 Stipulation and Recommendation of the Joint Applicants, PUCO staff, and the Office of the Ohio Consumers' Counsel.

Please feel free to contact me with any questions or comments.

Sincerely,

*Rachel G. Winder*

Rachel G. Winder  
Frontier Communications  
614-578-9999  
Rachel.winder@ftr.com

**BEFORE  
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of Frontier	)	
Communications Corporation, New	)	Case No. 09-454-TP-ACO
Communications Holdings Inc. and Verizon	)	
Communications Inc. for Consent	)	
and Approval of a Change in Control.	)	

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**AMENDMENT TO THE DECEMBER 8, 2009 STIPULATION AND  
RECOMMENDATION OF THE JOINT APPLICANTS, PUCO STAFF AND THE  
OFFICE OF THE OHIO CONSUMERS' COUNSEL**

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On May 29, 2009, Frontier Communications Corporation ("Frontier"), New Communications Holdings, Inc., and Verizon Communications Inc. (collectively, "Joint Applicants") filed an application seeking approval of a change in ownership whereby Frontier would acquire control of Verizon North Inc. On December 7, 2009, the Staff of the Public Utilities Commission of Ohio ("PUCO Staff"), and the parties hereto,<sup>1</sup> being the Joint Applicants and the Office of the Ohio Consumers' Counsel ("OCC") (collectively, "Stipulating Parties"), entered into a Stipulation and Recommendation ("Stipulation") to resolve issues in this proceeding.<sup>2</sup>

The Stipulation was submitted to the Public Utilities Commission of Ohio ("Commission") on December 8, 2009. After a hearing on the Stipulation, the Commission approved the application, subject to the commitments expressed in the Stipulation, by Order dated February 11, 2010.

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<sup>1</sup> Pursuant to Ohio Adm. Code 4901-1-10 and 4901-1-30, the Staff is a party for purposes of this Stipulation.

<sup>2</sup> On December 8, 2009, Cincinnati Bell Extended Territories LLC filed a concurrence to the Stipulation.

Among the commitments in the Stipulation, Frontier agreed to meet certain metrics for three years to provide adequate service quality to consumers. Specifically, Frontier agreed to a benefit for customers of maintaining an average 12-month statewide performance level of not more than 1.44 troubles per 100 access lines, of maintaining an average 12-month statewide performance level of not more than 16.2% repeat troubles within thirty days after the initial trouble is cleared, of maintaining an average 12-month statewide performance level of 90% for restoring out-of-service conditions within 24 hours for customers, and of maintaining an average 12-month statewide performance level of 85% for restoring service-affecting conditions within 48 hours for customers. The Stipulation requires Frontier to submit reports to the Commission and OCC to help track Frontier's performance in meeting the service quality metrics for its customers.

Under Section 4.b.ii. of the Stipulation, if Frontier fails to meet one or more of the four service metrics for any two years of this commitment, Frontier will forfeit \$100,000 to the State of Ohio for each of the four service metrics it so failed to meet. In addition, if Frontier fails to meet one or more of the four performance metrics for the three 12-month periods during the term of this commitment, Frontier will forfeit an additional \$100,000 to the State of Ohio for each of the four service metrics it so failed to meet.

The latest service quality report Frontier provided to the Commission and OCC shows that Frontier failed to meet the performance metric for repairing customers' out-of-service conditions for two consecutive years. Thus, under the Stipulation, Frontier is required to forfeit \$100,000 to the State of Ohio.

The Stipulating Parties, however, believe that the public interest would be served if Frontier were required to spend this \$100,000 forfeiture on a project that would more

directly benefit Frontier's customers. In accordance with Section 5.c. of the Stipulation, the Stipulating Parties therefore recommend that the Commission approve this Amendment to Section 4.b.ii. of the Stipulation that would allow this \$100,000 forfeiture to be spent in a manner and time frame to be agreed upon by all the Stipulating Parties. Because the \$100,000 is meant to be a penalty for Frontier's failure to meet a commitment for customers in the Stipulation, the Stipulating Parties agree that the objective for use of the funds will be to provide a benefit for customers, and not for the financial benefit or other benefit of Frontier. For example, the funds will not be used for any project already planned or in planning by Frontier, whether planned through the Stipulation, its business plan or otherwise. The funds will be used for a project that has the unanimous agreement of the Stipulating Parties, and upon such agreement Frontier shall expend the funds within sixty days without a further ruling by the Commission. In identifying a project for the funds, the Stipulating Parties agree that Frontier will fund a project in the amount of the \$100,000 penalty, unless Frontier consents to spending more on the project.

The Stipulating Parties agree that if the Commission rejects this Amendment or does not approve it within one hundred twenty (120) days, or if the Stipulating Parties cannot unanimously agree on a project, Frontier will remit the \$100,000 to the State of Ohio within 30 days for a forfeiture, as provided in Section 4.b.ii. of the Stipulation. This Amendment to the Stipulation is limited to addressing the above-indicated \$100,000 that Frontier currently is obligated to pay, and does not affect any other provisions of the Stipulation, including for any other forfeitures that Frontier may be required to pay under the Stipulation.

The Stipulating Parties also agree that this Amendment is not to be deemed binding upon or precedent for the Stipulating Parties in any other proceeding except as provided for elsewhere in this Amendment and in the Stipulation. All terms and conditions of the Stipulation not altered by this Amendment remain in effect and apply to this Amendment as if it were part of the original Stipulation.

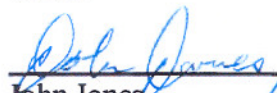
Each of the undersigned Stipulating Parties hereby stipulates, agrees and represents that it is authorized to enter into this Amendment to the Stipulation and Recommendation this 7th day of January, 2013.

AGREED TO AND EXECUTED BY:


ON BEHALF OF FRONTIER  
COMMUNICATIONS CORPORATION

  
Kevin Saville  
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ON BEHALF OF THE STAFF OF THE  
PUBLIC UTILITIES COMMISSION OF  
OHIO

  
John Jones *per authorization*  
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Ohio Attorney General  
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ON BEHALF OF THE OFFICE OF THE  
OHIO CONSUMERS' COUNSEL

  
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**Case No(s). 09-0454-TP-ACO**

Summary: Agreement by Frontier North, Inc., PUCO staff, and the Office of the Ohio Consumers' Counsel to amend the December 8, 2009 Stipulation and Recommendation electronically filed by Ms. Rachel G Winder on behalf of Frontier North, Inc.