

BEFORE THE STATE OF MINNESOTA  
PUBLIC UTILITIES COMMISSION

In the Matter of a Request for Approval of  
Reorganization of Frontier Communications  
Corporation and its Subsidiaries.

PUC Docket No.  
P405, P407, P5316 / PA-20-504

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PETITION OF  
COMMUNICATIONS WORKERS OF AMERICA  
FOR RECONSIDERATION OF DECEMBER 7, 2020, ORDER  
APPROVING TRANSFER OF CONTROL

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In response to the Notice of Comment Period issued by the Commission on December 8, 2020, the Communications Workers of America - District 7 (“CWA”) submits this Petition for Reconsideration of the Commission's December 7, 2020, Order Approving Transfer of Control of Minnesota Telecommunications Subsidiaries in the above-captioned proceeding.

The Order that was issued on December 7 memorialized a vote taken by the Commission on September 24. At the time the Commission voted, it was reasonable for the Commission to conclude that there was no compelling reason to require Frontier to make specific commitments to additional investments in Minnesota or to require any type of “most favored state” provision that would keep Minnesota on par with other states. Indeed, as of September 24, Frontier had not made any significant investment commitments in other states that could potentially divert resources away from Minnesota.

That is no longer the case.

Since September 24, Frontier has made commitments to invest over two billion dollars in at least three other states -- commitments that have the potential to divert resources away from Minnesota and leave consumers without access to essential high-speed broadband services.

Initially, in the Connecticut reorganization proceeding, Frontier filed its Reply Brief on December 2, 2020.<sup>1</sup> On page 38 of that brief, for the first time, Frontier made the following commitment: “The Company will agree to expand its fiber to the premises (“FTTP”) network to at least 100,000 additional locations in Connecticut within four years after the Authority's approval of the Restructuring and the Company's emergence from Chapter 11.” This fiber deployment will require a multimillion-dollar annual investment for each of the next four years.

Second, on December 18, 2020, Frontier, CWA, Staff of the Public Service Commission of West Virginia, and the Consumer Advocate Division of the Public Service Commission of West Virginia filed a joint stipulation that, among others, classifies Frontier’s operations in West Virginia as “InvestCo“ Companies, requires Frontier to deploy Gigabit capable fiber to not fewer than 150,000 locations in West Virginia by the end of 2027, and requires a minimum investment of \$200 million in West Virginia over a three-year period ending on December 31, 2023.<sup>2</sup>

Most recently, Frontier, CWA, The Utility Reform Network (“TURN”), and the Public Advocates Office at the California Public Utilities Commission (“Cal Advocates”) filed a settlement agreement on December 24, 2020.<sup>3</sup> In that settlement, Frontier agreed to strengthen its workforce to meet service quality standards and expand fiber deployment

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<sup>1</sup> The Southern New England Telephone Company d/b/a Frontier Communications of Connecticut (SNET) Bankruptcy Proceeding and Change of Control, CT Pub. Util. Reg. Auth. Docket No.20-04-31, Reply Brief of Frontier Communications Corp., et al., Dec. 2, 2020, available at: <http://www.dpuc.state.ct.us/dockcurr.nsf/8e6fc37a54110e3e852576190052b64d/e0fb63fa9987b62c852586330044df1c?OpenDocument>

<sup>2</sup> Joint Stipulation and Settlement Agreement, WV PSC No. 20-0400-T-PC, Dec. 18, 2020, available at: <http://www.psc.state.wv.us/scripts/WebDocket/ViewDocument.cfm?CaseActivityID=558128&NotType=%27WebDocket%27>

<sup>3</sup> Joint Motion for Adoption of Settlement Agreement, CA PUC No. A. 20-05-010, Dec. 24, 2020, available at: <https://docs.cpuc.ca.gov/EFileSearchForm.aspx>

across the state. As part of the proposed settlement, Frontier committed to spend at least \$1.75 billion over the next four years on service quality and network enhancement projects, as well as provide a detailed plan with input from CWA, TURN and Cal Advocates that identifies needs like plant repair, maintenance, hiring, and how Frontier intends to address them. Under this settlement, Frontier will deploy FTTP to 350,000 locations within the next six years. Furthermore, Frontier made other commitments, such as maintaining its total employee technician staffing in California over the next three years and providing expanded training to its employee technicians.

In addition to these specific commitments in three states, on December 15, 2020, Frontier made a presentation to its investors.<sup>4</sup> In that presentation, Frontier discusses its fiber investment plans as follows: “~2.6M of the ~2.9M targeted new fiber home passings in the Modernization Plan are aimed at increasing fiber density in ‘CTFC’ (CA, TX, FL, and CT), and ‘WINO’ (WV, IL, NY, and OH).”<sup>5</sup> On that same page, it mentions only two other states as possible candidates for additional fiber investment: Indiana and Pennsylvania.

It is now readily apparent that Frontier has no plans to increase the level of investment in Minnesota, and certainly not its investment in fiber to the premises.

None of these commitments and plans in other states were known or knowable by the Commission when it voted on September 24, 2020. CWA submits that these commitments require the Commission to reconsider the decision that does not require Frontier to make any additional commitments to investment, service enhancement, or FTTP deployment in Minnesota. To do otherwise runs the risk that Frontier will divert resources away from Minnesota in order to meet its commitments in other states.

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<sup>4</sup> Frontier Communications Corp., Quarterly Investor Update, Dec. 15, 2020, available at: [https://s1.q4cdn.com/144417568/files/doc\\_financials/2020/q3/FTR-Q3-2020-Investor-Update-Final.pdf](https://s1.q4cdn.com/144417568/files/doc_financials/2020/q3/FTR-Q3-2020-Investor-Update-Final.pdf)

<sup>5</sup> Id., p. 23.

For the reasons explained above, therefore, CWA requests the Commission to reconsider its December 7, 2020, Order and implement conditions that require Frontier to make significant additional investments to improve the services received by consumers in Minnesota, including investments in fiber-to-the-premises services.

Respectfully submitted,



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