

**OFFICE OF CONSUMER ADVOCATE AND OFFICE OF SMALL BUSINESS ADVOCATE  
V. COMMONWEALTH TELEPHONE COMPANY, LLC D/B/A FRONTIER  
COMMUNICATIONS TELEPHONE COMPANY**

**DOCKET NO. C-2023-3037574**

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**Why did the Office of Consumer Advocate and Office of Consumer Advocate bring the Joint Formal Complaint against Frontier Commonwealth?**

The Office of Consumer Advocate (OCA) and Office of Small Business Advocate (OSBA) jointly filed a Formal Complaint against Frontier Commonwealth on behalf of the public, including residential and small business customers. The Joint Complaint focused on the quality and reliability of Frontier Commonwealth's service, including promptness of repairs and the Frontier's insufficient investment to maintain and improve their network and facilities.

The Joint Complaint was filed with the PUC on January 9, 2023. However, Frontier Commonwealth residential consumers and small businesses have long experienced telephone service outages and other service quality troubles, as well as broadband service availability problems. The impacted Frontier Commonwealth consumers and small businesses sought help first from state legislators and in turn from the OCA and OSBA.

**Why did the OCA agree to settle this case?**

In deciding whether to settle a case or fully litigate a case, the OCA considers whether the outcome of the case, if fully litigated, is likely to be more favorable than agreeing to settle the case. In making this decision, the OCA assesses the strengths and weaknesses of the Joint Complaint, the evidence provided by the OCA and OSBA expert witness, public input hearing testimony, and the Company's defense. The OCA also considers the PUC's approach and disposition of similar broad quality of service complaints brought against other utilities.

In consideration of those factors, the OCA determined that a settlement of the Joint Complaint in this case was the best option.

Significantly, the Proposed Settlement between the OCA, OSBA, and Frontier Commonwealth will improve the quality of service for Frontier Commonwealth customers and will require it to invest in its network, be more responsive to customer trouble reports, and provide certain refunds and credits.

### **What consumer protections and benefits are contained in the settlement?**

Attached to this document is a 4 page summary of the settlement. A full copy of the settlement along with the statements in support of the settlement can be found at the [PUC's Docket for this case \(C-2023-3037574\)](#) or on the OCA's website <https://www.oca.pa.gov/wp-content/uploads/Joint-Petition-for-Approval-of-Settlement-and-Statements-in-Support.pdf>.

### **What happens now with the Settlement?**

At this time, the OCA, OSBA and Frontier Commonwealth have submitted the Joint Petition for Settlement to the two Administrative Law Judges who have been overseeing this Joint Complaint proceeding. Each party has provided a Statement in Support. The ALJs will review the Settlement and Statements in Support, to develop a Recommended Decision.

The Parties have agreed that the filing of the Joint Petition for Settlement will start a 45-day period for Public Comment on the Joint Petition for Settlement. The details are described below. After the close of the public comment period, the Parties will have 15 days to file comments in response, for consideration by the ALJs.

The ALJs will issue a Recommended Decision that may recommend PUC approval of the settlement, all or in part, or recommend rejection of the Petition for Settlement. The Parties will have an opportunity to file "exceptions" to the Recommended Decision, for the Commission to consider alongside with the Joint Petition for Settlement, Recommended Decision, and any public comments. The PUC would make the final decision on the proposed settlement and public interest.

**How can Frontier Commonwealth customers provide comments on the Settlement within the 45-day comment period?**

By the terms of the proposed Settlement and the ALJs' procedural Settlement Order entered on October 13, 2023, the OCA is posting a copy of the full Joint Petition for Settlement on the OCA website as of October 25, 2023 (<https://www.oca.pa.gov/wp-content/uploads/Joint-Petition-for-Approval-of-Settlement-and-Statements-in-Support.pdf>). The Parties have served the Joint Petition for Settlement on the ALJs and the Commission's Bureau of Investigation and Enforcement (I&E).

The 45-day Public Comment Period officially starts October 26, 2023, and ends on December 11, 2023 (45 days + weekend). Comments may be submitted to the OCA electronically at [FrontierSettlement@paoca.org](mailto:FrontierSettlement@paoca.org) or by first class mail to: Office of Consumer Advocate, Attn: Frontier Settlement, 555 Walnut St., 5<sup>th</sup> Fl, Forum Place, Harrisburg, PA 17101-1923.

The OCA will file copies of all the Comments transmitted to OCA during the comment period with the Commission, the ALJs, and Parties.

**What would happen procedurally if modification or rejection of the Joint Petition for Settlement is recommended by the ALJs or ordered by the Commission?**

The OCA has negotiated and signed the Joint Petition for Settlement as in the public interest to be approved by the Commission. In the event the ALJs recommend modifications to the proposed Settlement or the Commission rules that the Settlement is approved subject to modifications, each Party to the Settlement may consider whether to withdraw from the Settlement or accept the modification. Any outcome other than a Commission order approving the Joint Petition for Settlement as in the public interest, without modification, opens the possibility of a return to litigation of the OCA and OSBA Joint Complaint.

## COMMITMENTS MADE BY FRONTIER IN THE SETTLEMENT

### COMMITMENTS THAT HELP CUSTOMERS

#### Credits for Telephone Outages and Poor-Quality Telephone Service

Frontier will provide bill credits for any future harm to current customers consistent with the terms of the settlement. The credits outlined below will be applied automatically within two billing cycles without a customer having to make a request for credit.

- **Telephone Out of Service for more than 24 hours:** Credit equals a credit of 1/30<sup>th</sup> of the monthly local telephone service recurring charge.
- **Telephone Out of Service for Longer than 48 hours:** A daily credit of:
  - \$6 for a residential customer or \$12 for a small business customer, for the period beginning 48 hours after the report of the outage or a later date for repair if requested by the customer until service is reinstated.
  - For telephone service outages that last longer than 10 days, a credit of \$10 per day for residential customers or \$20 per day for business customers will be provided for the 11th and succeeding days until service is reinstated.
- **Telephone Service Quality Problems:** Trouble reports of static, cross talk, or other noise that are within Frontier facilities (not on the customer side) and that result in an inability to use the telephone service will be eligible for credits equal to the above after 72 hours.
- **Repeated Trouble:** When the same trouble for telephone service is reported on the same access line within 30 days, Frontier will credit a residential customer \$10 for each like-occurrence and a business customer \$20 for each like-occurrence.
- **Emergency First Responder Credits:** Where an Emergency First Responder (including police and fire departments, 911 call centers and ambulance) telephone service is impacted and eligible for credits an additional credit of \$50 will be provided. If an Emergency First Responder is required to expend additional resources due to Frontier delays of more than 4 hours in responding to emergency repairs involving its facilities, an additional credit of \$100 per incident will be provided to the Emergency First Responder's account even where the outage does not directly impact the Emergency First Responder's telephone service.
- **Missed Repair Appointments:** If Frontier misses a repair appointment for telephone service without 8-hour prior notice to the customer when the customer is required to be at the premises, Frontier will provide a credit of \$50.
- **Phone Installation:** Frontier will provide a credit equal to the amount of the installation charge for a primary telephone line if it cannot install service within three business days of being requested, or on a later date for installation if requested by the customer. If Frontier misses an

installation commitment date for telephone service when the customer is required to be at the premises, Frontier will provide a credit of \$50.

### **Refunds for Past Harm from Telephone Outages and Poor Quality Telephone Service**

- **Current Customers:** Frontier will provide retroactive credits at the same level as those listed above for the same conditions above for any customer that has service with Frontier as of the date of the settlement up to a maximum credit of \$200 per customer who met the criteria outlined in the paragraphs at any time from July 1, 2022, to the date the Commission approves the Settlement.
- **Former Customers:** For Frontier customers who cancelled their Frontier service on or after July 1, 2022 up to the date of the settlement, Frontier will review its records to identify those customers who have filed a complaint with the Commission, testified at the public input hearings in this proceeding or initiated a legislative complaint that has been submitted to the OCA or OSBA and provided to Frontier as of the date the Commission approves the Settlement. For these former customers, Frontier will provide a credit to each customer in this group at the same level as those for current customers listed above.

Refunds or credits for both Current and Former customers will be applied within 180 days of approval of the Settlement without a customer having to contact the Company and request a credit. Customers who are entitled, but do not receive credits, shall have the opportunity to contact the Company at the hotline number established by Frontier.

### **Credits for Broadband Service at Speeds Regulated by the PUC**

From the date the Commission approve the Settlement, the Company will provide:

- **For Delayed Installation of Broadband of more than 10 days:** Frontier will provide a credit equal to the greater amount of: a) the standard installation charge, or b) a \$10 per day credit up to a maximum credit of \$200 for the interval beyond the 10 business days to the actual date of installation of service, excluding any delays attributable to the customer.
- **For Broadband Service Outage / Unavailability:** Frontier will provide pro-rated credits on a case-by-case basis consistent with its current practices and upon a customer request for broadband service outages, excluding any issues or delays attributable to the customer.

### **Special Protections for those with medical conditions**

Frontier will publicize its medical certification process (“MCP”), which allows customers to submit information to allow their account to be flagged with “a medical indicator” to help Frontier prioritize a customer’s trouble ticket. This will help with faster repair times.

Upon receipt of the customer’s medical provider certification, the customer’s telephone account will be flagged in Frontier customer support systems to identify their MCP status to Frontier personnel, including repair personnel.

## **COMMITMENTS TO MAINTAIN AND IMPROVE ITS SYSTEM**

### **Investment of more than \$100 million from 2023 – 2026 to address deficiencies in the system**

For the calendar years 2023 through 2026 Frontier will make capital expenditures of more than \$100 million in the Frontier Commonwealth service territory. Frontier shall make capital expenditures of at least \$26 million in each of calendar years 2024, 2025 and 2026.

As part of the capital investment commitment above, Frontier shall spend a minimum of \$5 million over the three years (2024-2026) dedicated to repairing defective copper lines and battery replacements.

### **Frontier will develop and file a Maintenance Plan**

Frontier will develop and file a Maintenance Plan to identify, monitor, evaluate, anticipate, and address: instances of temporary lines, above-ground lines awaiting burial, other exposed lines, broken or damaged pedestals, flooded facilities, broken or damaged poles, damaged or infested remote terminals, or other outside plant concerns such as vegetation management, including those reported by customers or that reasonably can be anticipated.

The Maintenance Plan will address how Frontier will support Frontier employees in identifying, monitoring, evaluating, and promptly addressing Identified Plant Issues.

As part of the Maintenance Plan, Frontier will establish an address, 800 phone number, and email address for customers and the public to report safety or service-affecting plant concerns to Frontier. Frontier will notify customers in writing of this ability to report plant concerns.

### **Batteries that help ensure continued service**

Frontier will inventory its batteries and report to PUC and parties to this case (1) a complete list of all batteries in remote terminals with the following information: (a) date battery was installed; (b) date battery was inspected, and result of inspection; (c) and to the extent known by Frontier whether the battery is in a remote terminal that serves a police station or hospital or other critical area; and (2) a complete explanation of how Frontier decided when to replace batteries in remote terminals.

### **Targeted Improvements to Frontier's Most Troublesome Wire Centers**

For three years (36 months) from the date the Settlement Frontier will focus its efforts at improving its 18 most troublesome wire centers based on the trouble report rate, the repeat trouble report rate, the average repair interval, the percent of repair commitments met and Frontier's familiarity with "hot spot" areas requiring timely remediation.

Frontier will repeat and complete the same process as outlined above so that during the 3-year period the Company will continue to identify and invest in the most troublesome wire centers as improvements are made.

### **Ongoing Reporting and Accountability**

Frontier will report to the PUC and parties to this case very specific data and metrics to ensure that they are maintaining their commitments. This includes meetings: a) to address and finalize the identification of the initial and second 18 focus wire center group; b) review and discuss the Company's reports, performance, and remediation progress; and c) concerns related to consumer complaints and customer service.

### **Rate Cap for Small Business Customers**

Except for surcharges and tax changes implemented by government authorities, Frontier will not seek to increase the tariffed rates for small business customers for existing services before January 1, 2025.

### **Customer Support Hotline**

The Company will establish a Consumer Hotline for expedited repair/resolution of customer problems and to update the parties to this case and the PUC regarding all calls to the hotline monthly throughout the 3 years of the settlement period.

### **Workforce Development**

Frontier will focus on hiring technicians and include hiring bonuses for those located in the Pennsylvania Northern Tier region (Bradford, Sullivan, Susquehanna, Tioga and Wyoming counties).

### **Ongoing Accountability to Customers and the Public**

Customers who face service quality problems or lack of service from Frontier still retain the ability to file a complaint with the Public Utility Commission about ongoing or past harm.

The parties to this case (the Consumer Advocate and Small Business Advocate) can file a new complaint during the Settlement Period if they find that the commitments of the settlement are not being materially satisfied.