

ATTACHMENT A**REQUIREMENTS APPLICABLE TO LOCAL EXCHANGE CARRIERS**

1. New Communications of the Southwest Inc. (Applicant) shall file, in this docket, a written acceptance of the certificate granted in this proceeding within 30 days of the effective date of this order.
2. Applicant is subject to the following fees and surcharges that must be regularly remitted. Per the instructions in Appendix E to Decision (D.) 00-10-028, the Combined California PUC Telephone Surcharge Transmittal Form must be submitted even if the amount due is zero.
 - a. The current 1.15% surcharge applicable to all intrastate services except for those excluded by D.94-09-065, as modified by D.95-02-050, to fund the Universal Lifeline Telephone Service Trust Administrative Committee Fund (Pub. Util. Code § 879; Resolution T-17071, dated March 1, 2007, effective April 1, 2007);
 - b. The current 0.20% surcharge applicable to all intrastate services except for those excluded by D.94-09-065, as modified by D.95-02-050, to fund the California Relay Service and Communications Devices Fund (Pub. Util. Code § 2881; D.98-12-073 and Resolution T-17127, dated December 20, 2007, effective January 1, 2008);
 - c. The user fee provided in Pub. Util. Code §§ 431-435, which is 0.18% of gross intrastate revenue (Resolution M-4819), dated June 7, 2007, effective July 1, 2007;
 - d. The current 0.13% surcharge applicable to all intrastate services except for those excluded by D.94-09-065, as modified by D.95-02-050, to fund the California High Cost Fund-A (Pub. Util. Code § 739.3; D.96-10-066, pp. 3-4, App. B, Rule 1.C; Resolution T-17128, dated December 20, 2007, effective January 1, 2008);

- e. The current 0.45% surcharge applicable to all intrastate services except for those excluded by D.94-09-065, as modified by D.95-02-050, to fund the California High Cost Fund-B (D.96-10-066, p. 191, App. B, Rule 6.F; D.07-12-054);
- f. The current 0.25% surcharge applicable to all intrastate services except for those excluded by D.94-09-065, as modified by D.95-02-050, to fund the California Advances Services Fund (D.07-12-054); and
- g. The current 0.079% surcharge applicable to all intrastate services except for those excluded by D.94-09-065, as modified by D.95-02-050, to fund the California Teleconnect Fund (D.96-10-066, p. 88, App. B, Rule 8.G; Resolution T-17142, dated April 24, 2008, effective June 1, 2008).

Note: These fees change periodically. In compliance with Resolution T-16901, December 2, 2004, you should check the joint tariff for surcharges and fees filed by Pacific Bell Telephone Company (dba AT&T California) and apply the current surcharge and fee amounts in that joint tariff on end-user bills until further revised.

3. Applicant is a Uniform Regulatory Framework (URF) local exchange carrier. The effectiveness of its future tariffs is subject to the requirements of General Order (GO) 96-B and the Telecommunications Industry Rules (D.07-09-019).

4. Tariff filings shall reflect all fees and surcharges to which Applicant is subject, as reflected in 2 above.

5. Applicant shall file a service area map as part of its initial tariff.

6. Prior to initiating service, Applicant shall provide the Commission's Consumer Affairs Branch with the name and address of its designated contact person(s) for purposes of resolving consumer complaints. This information shall be updated if the name or telephone number changes, or at least annually.

7. Applicant shall notify the Director of the Communications Division in writing of the date that local exchange service is first rendered to the public, no later than five days after service first begins.

8. Applicant shall keep its books and records in accordance with the requirements of Ordering Paragraph 18 of D.06-08-030.

9. In the event Applicant's books and records are required for inspection by the Commission or its staff, it shall either produce such records at the Commission's offices or reimburse the Commission for the reasonable costs incurred in having Commission staff travel to its office.

10. Applicant shall file an annual report with the Director of the Communications Division, in compliance with GO 104-A, on a calendar-year basis with the information contained in Attachment B to this decision.

11. Applicant shall file an affiliate transaction report with the Director of the Communications Division, in compliance with D.93-02-019, on a calendar-year basis using the form contained in Attachment C.

12. Applicant shall ensure that its employees comply with the provisions of Pub. Util. Code § 2889.5 regarding solicitation of customers.

13. Within 60 days of the effective date of this order, Applicant shall comply with Pub. Util. Code § 708, Employee Identification Cards, and notify the Director of the Communications Division in writing of its compliance.

14. If Applicant is 90 days or more late in filing an annual report, or in remitting the surcharges and fee listed in 2 above, the Communications Division shall prepare for Commission consideration a resolution that revokes Applicant's Certificate of Public Convenience and Necessity unless it has received written permission from the Communications Division to file or remit late.

15. Applicant shall send a copy of this decision to concerned local permitting agencies no later than 30 days from the date of this order.

(END OF ATTACHMENT A)

ATTACHMENT B
ANNUAL REPORT

Copies of the following Federal Communications Commission (FCC) Automated Reporting Management Information System (ARMIS) Data (paper reports) for the Calendar Year:

FCC Report 43-01, the Annual Summary Report
FCC Report 43-02, the Uniform System of Accounts Report
FCC Report 43-03, the Joint Cost Report
FCC Report 43-04, the Access Report
FCC Report 43-07, the Infrastructure Report
FCC Report 43-08, the Operating Data Report
FCC Report 495A, the Forecast of Investment Usage Report
FCC Report 495B, the Actual Usage of Investment Report

Please submit the FCC reports to the Commission at the time of their submission to the FCC. Even if you have been granted forbearance from filing any of the above reports or tables in the above reports with the FCC, the Uniform Regulatory Framework (URF) Incumbent Local Exchange Carriers are required to continue to file with this Commission the California-specific information from their ARMIS reports pursuant to D.08-09-015, until the Commission makes further determination in a new phase of the URF proceeding.

(END OF ATTACHMENT B)

ATTACHMENT C**CALENDAR YEAR AFFILIATE TRANSACTION REPORT**

1. Each utility shall list and provide the following information for each affiliated entity and regulated subsidiary that the utility had during the period covered by the Annual Affiliate Transaction Report.
 - Name;
 - U#
 - Form of organization (e.g., corporation, partnership, joint venture, strategic alliance, etc.);
 - Brief description of business activities engaged in;
 - Relationship to the utility (e.g., controlling corporation, subsidiary, regulated subsidiary, affiliate);
 - Ownership of the utility (including type and percent ownership);
 - Voting rights held by the utility and percent; and
 - Corporate officers.

2. The utility shall prepare and submit a corporate organization chart showing any and all corporate relationships between the utility and its affiliated entities and regulated subsidiaries listed in #1 above. The chart should have the controlling corporation (if any) at the top of the chart, the utility and any subsidiaries and/or affiliates of the controlling corporation in the middle levels of the chart, and all secondary subsidiaries and affiliates (e.g., a subsidiary that in turn is owned by another subsidiary or and/or affiliate) in the lower levels. Any regulated subsidiary should be clearly noted.

3. For a utility that has individuals who are classified as "controlling corporations" of the competitive utility, the utility must only report under the requirements of #1 and #2 above any affiliated entity that either a) is a public utility or b) transacts any business with the utility filing the annual report excluding the provision of tariffed services.

4. Each annual report must be signed by a corporate officer of the utility stating under penalty of perjury under the laws of the State of California (CCP 2015.5) that the annual report is complete and accurate with no material omissions.
5. Any required material that a utility is unable to provide must be reasonably described and the reasons the data cannot be obtained, as well as the efforts expended to obtain the information, must be set forth in the utility's Annual Affiliate Transaction Report and verified in accordance with Section I-F of Decision 93-02-019.
6. Utilities that do not have affiliated entities must file, in lieu of the annual transaction report, an annual statement to the commission stating that the utility had no affiliated entities during the report period. This statement must be signed by a corporate officer of the utility stating under penalty of perjury under the laws of the State of California (CCP 2015.5) that the annual report is complete and accurate with no material omissions.
7. Please also include the following information:
 - The name of the utility and the utility number assigned to the company by the Commission,
 - The doing business as (dba) name of the utility,
 - The California Taxpayer Identification Number assigned to the company by the California Secretary of State,
 - The Operating Company Number that is assigned to the company for telephone number administration purposes,
 - The Federal Communications Commission's Form 499-A Filer ID number.

(END OF ATTACHMENT C)

ATTACHMENT D**REQUIREMENTS APPLICABLE TO NON-DOMINANT INTEREXCHANGE CARRIERS**

1. New Communications Online and Long Distance, Inc. (Applicant) shall file, in this docket, a written acceptance of the certificate granted in this proceeding within 30 days of the effective date of this order.
2. Applicant is subject to the following fee and surcharges that must be regularly remitted. Per the instructions in Appendix E to Decision (D.) 00-10-028, the Combined California PUC Telephone Surcharge Transmittal Form must be submitted even if the amount due is zero.
 - a. The current 1.15% surcharge applicable to all intrastate services except for those excluded by D.94-09-065, as modified by D.95-02-050, to fund the Universal Lifeline Telephone Service Trust Administrative Committee Fund (Pub. Util. Code § 879; Resolution T-17071, dated March 1, 2007, effective April 1, 2007);
 - b. The current 0.20% surcharge applicable to all intrastate services except for those excluded by D.94-09-065, as modified by D.95-02-050, to fund the California Relay Service and Communications Devices Fund (Pub. Util. Code § 2881; D.98-12-073 and Resolution T-17127, dated December 20, 2007, effective January 1, 2008);
 - c. The user fee provided in Pub. Util. Code §§ 431-435, which is 0.18% of gross intrastate revenue (Resolution M-4819), dated June 7, 2007, effective July 1, 2007;
 - d. The current 0.13% surcharge applicable to all intrastate services except for those excluded by D.94-09-065, as modified by D.95-02-050, to fund the California High Cost Fund-A (Pub. Util. Code § 739.3; D.96-10-066, pp. 3-4, App. B, Rule 1.C; Resolution T-17128, dated December 20, 2007, effective January 1, 2008);

- e. The current 0.45% surcharge applicable to all intrastate services except for those excluded by D.94-09-065, as modified by D.95-02-050, to fund the California High Cost Fund-B (D.96-10-066, p. 191, App. B, Rule 6.F; D.07-12-054);
- f. The current 0.25% surcharge applicable to all intrastate services except for those excluded by D.94-09-065, as modified by D.95-02-050, to fund the California Advances Services Fund (D.07-12-054); and
- g. The current 0.079% surcharge applicable to all intrastate services except for those excluded by D.94-09-065, as modified by D.95-02-050, to fund the California Teleconnect Fund (D.96-10-066, p. 88, App. B, Rule 8.G; Resolution T-17142, dated April 24, 2008, effective June 1, 2008).

Note: These fees change periodically. In compliance with Resolution T-16901, December 2, 2004, you should check the joint tariff for surcharges and fees filed by Pacific Bell Telephone Company (dba AT&T California) and apply the current surcharge and fee amounts in that joint tariff on end-user bills until further revised.

- 3. Applicant is a non-dominant interexchange carrier (NDIEC). The effectiveness of its future NDIEC tariffs is subject to the requirements of General Order (GO) 96-B and the Telecommunications Industry Rules (D.07-09-019).
- 4. Tariff filings shall reflect all fees and surcharges to which Applicant is subject, as reflected in 2 above.
- 5. Applicant shall file a service area map as part of its initial tariff.
- 6. Prior to initiating service, Applicant shall provide the Commission's Consumer Affairs Branch with the name and address of its designated contact person(s) for purposes of resolving consumer complaints. This information shall be updated if the name or telephone number changes, or at least annually.
- 7. Applicant shall notify the Director of the Communications Division in writing of the date interLATA service is first rendered to the public within

five days after service begins, and again within five days after intraLATA service begins.¹

8. Applicant shall keep its books and records in accordance with the Generally Accepted Accounting Principles.

9. In the event Applicant's books and records are required for inspection by the Commission or its staff, it shall either produce such records at the Commission's offices or reimburse the Commission for the reasonable costs incurred in having Commission staff travel to its office.

10. Applicant shall file an annual report with the Director of the Communications Division, in compliance with GO 104-A, on a calendar-year basis with the information contained in Attachment E to this decision.

11. Applicant shall file an affiliate transaction report with the Director of the Communications Division, in compliance with D.93-02-019, on a calendar-year basis using the form contained in Attachment F.

12. Applicant shall ensure that its employees comply with the provisions of Pub. Util. Code § 2889.5 regarding solicitation of customers.

13. Within 60 days of the effective date of this order, Applicant shall comply with Pub. Util. Code § 708, Employee Identification Cards, and notify the Director of the Communications Division in writing of its compliance.

¹ California is divided into ten Local Access and Transport Areas (LATAs), each containing numerous local telephone exchanges. InterLATA describes services, revenues and functions relating to telecommunications originating within one LATA and terminating in another LATA. IntraLATA describes services, revenues and functions relating to telecommunications originating within a single LATA.

14. If Applicant is 90 days or more late in filing an annual report, or in remitting the surcharges and fee listed in 2 above, the Communications Division shall prepare for Commission consideration a resolution that revokes Applicant's Certificate of Public Convenience and Necessity unless it has received written permission from the Communications Division to file or remit late.

15. Applicant is exempt from Commission's Rules of Practice and Procedure 3.1(b).

16. Applicant is exempt from Pub. Util. Code §§ 816-830.

17. Applicant is exempt from the requirements of Pub. Util. Code § 851 for the transfer or encumbrance of property whenever such transfer or encumbrance serves to secure debt.

18. If Applicant decides to discontinue service or file for bankruptcy, it shall immediately notify the Communications Division's Bankruptcy Coordinator.

19. Applicant shall send a copy of this decision to concerned local permitting agencies no later than 30 days from the date of this order.

(END OF ATTACHMENT D)

ATTACHMENT E
ANNUAL REPORT

An original copy and a machine readable copy using Microsoft Word or compatible format shall be filed with the California Public Utilities Commission, State Office Building, 505 Van Ness Avenue, Room 3107, San Francisco, CA 94102-3298, no later than March 31st of the year following the calendar-year for which the annual report is submitted.

Failure to file this information on time may result in a penalty as provided for in Sections 2107 and 2108 of the Public Utilities Code.

Required information:

1. Exact legal name and U# of the reporting utility.
2. Address.
3. Name, title, address, and telephone number of the person to be contacted concerning the reported information.
4. Name and title of the officer having custody of the general books of account and the address of the office where such books are kept.
5. Type of organization (e.g., corporation, partnership, sole proprietorship, etc.).

If incorporated, specify:

- a. Date of filing articles of incorporation with the Secretary of State.
 - b. State in which incorporated.
6. Number and date of the Commission decision granting the Certificate of Public Convenience and Necessity.
 7. Date operations were begun.
 8. Description of other business activities in which the utility is engaged.

9. List of all affiliated companies and their relationship to the utility.
State if affiliate is a:
 - a. Regulated public utility.
 - b. Publicly held corporation.
10. Balance sheet as of December 31st of the year for which information is submitted.
11. Income statement for California operations for the calendar-year for which information is submitted.

For answers to any questions concerning this report, call (415) 703-2883.

(END OF ATTACHMENT E)

ATTACHMENT F
CALENDAR YEAR AFFILIATE TRANSACTION REPORT

1. Each utility shall list and provide the following information for each affiliated entity and regulated subsidiary that the utility had during the period covered by the Annual Affiliate Transaction Report.

- Form of organization (e.g., corporation, partnership, joint venture, strategic alliance, etc.);
- Brief description of business activities engaged in;
- Relationship to the utility (e.g., controlling corporation, subsidiary, regulated subsidiary, affiliate);
- Ownership of the utility (including type and percent ownership);
- Voting rights held by the utility and percent; and
- Corporate officers.

2. The utility shall prepare and submit a corporate organization chart showing any and all corporate relationships between the utility and its affiliated entities and regulated subsidiaries in #1 above. The chart should have the controlling corporation (if any) at the top of the chart, the utility and any subsidiaries and/or affiliates of the controlling corporation in the middle levels of the chart, and all secondary subsidiaries and affiliates (e.g., a subsidiary that in turn is owned by another subsidiary and/or affiliate) in the lower levels. Any regulated subsidiary should be clearly noted.

3. For a utility that has individuals who are classified as “controlling corporations” of the competitive utility, the utility must only report under the requirements of #1 and #2 above any affiliated entity that either (a) is a

public utility or (b) transacts any business with the utility filing the annual report excluding the provision of tariff services.

4. Each annual report must be signed by a corporate officer of the utility stating under penalty of perjury under the laws of the State of California (CCP 2015.5) that the annual report is complete and accurate with no material omissions.

5. Any required material that a utility is unable to provide must be reasonably described and the reasons the data cannot be obtained, as well as the efforts expended to obtain the information, must be set forth in the utility's Annual Affiliate Transaction Report and verified in accordance with Sections I-F of Decision 93-02-019.

6. Utilities that do not have affiliated entities must file, in lieu of the annual transaction report, an annual statement to the Commission stating that the utility had no affiliated entities during the report period. This statement must be signed by a corporate officer of the utility, stating under penalty of perjury under the laws of the State of California (CCP 2015.5) that the annual report is complete and accurate with no material omissions.

(END OF ATTACHMENT F)

Appendix A

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

Joint Application of Frontier Communications Corporation, New Communications Holdings, Inc., New Communications ILEC Holdings, Inc., New Communications of the Southwest Inc., Verizon West Coast Inc. (U 1020 C), Verizon California Inc. (U 1002 C), New Communications Online and Long Distance, Inc., Verizon Long Distance, LLC (U 5732 C) and Verizon Enterprise Solutions, LLC (U 5658 C) For Approval of the Sale of Assets, Transfer of Certificates and Customer Bases, and Issuance of Additional Certificates

A. 09-06-005

SETTLEMENT AGREEMENT

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Attorney for the Division of Ratepayer
Advocates

August 20, 2009

This Settlement Agreement is entered into as of August 20, 2009, by and between Frontier Communications Corporation, ("Frontier"), New Communications Corporation, New Communications ILEC Holdings, Inc., New Communications of the Southwest Inc., Verizon West Coast Inc., Verizon California Inc., New Communications Online and Long Distance, Inc., Verizon Long Distance, LLC, and Verizon Enterprise Solutions, LLC (collectively "Verizon"), the Division of Ratepayer Advocates of the California Public Utilities Commission ("DRA") and The Utility Reform Network ("TURN") in accordance with Article 12 of the California Public Utilities Commission's ("Commission") Rules of Practice and Procedure. Frontier, Verizon, DRA and TURN are sometimes referred collectively herein as the "Parties" and individually as a "Party."

RECITALS

WHEREAS, on June 4, 2009, Frontier and Verizon filed their Joint Application for approval pursuant to Public Utilities Code Sections 851- 854 of the transfer of a portion of Verizon's local exchange and long distance business in California to companies to be owned and controlled by Frontier and for additional approvals as may be necessary to complete the proposed transaction ("Transaction") in this proceeding: A. 09-06-005. ("Application").

WHEREAS, the Transaction involves property in thirteen exchanges. Six exchanges comprise the entire serving territory of Verizon West Coast (approximately 13,000 access lines), which will be transferred to Frontier in its entirety and operate as a separate legal entity upon the closing of the Transaction. Another seven California exchanges (approximately 11,000 access lines) currently operated by Verizon California, Inc. are being transferred to Frontier; these border Arizona and Nevada, and are contiguous to the Verizon California Inc. properties in those states that are also being transferred. The Verizon California exchanges to be transferred are: (1) Adjacent to Nevada: Alpine (Alpine Co.) and Coleville (Mono Co.); (2) Adjacent to Arizona: Earp Big River, Havasu Landing, and Parker Dam (San Bernardino Co.), Blythe (Riverside Co), and Palo Verde (Imperial Co.) and will hereinafter be referred to as "Verizon California Transferred Exchanges."

WHEREAS, New Communications of the Southwest Inc., hereinafter "Frontier Communications of the Southwest" will operate the Verizon California Transferred Exchanges.

WHEREAS, on July 13, 2009 DRA and TURN filed timely Protests to the Application on various grounds.

WHEREAS, on July 23, 2009 Frontier and Verizon timely filed their Reply to the Protests of DRA and TURN.

WHEREAS, since Frontier and Verizon filed their Reply to the Protests of DRA and TURN the Parties have been discussing a possible mutually satisfactory resolution of the issues raised by the DRA and TURN Protests that would be in the public interest.

AGREEMENT

NOW, THEREFORE, based upon the mutual agreement reflected in this Settlement Agreement, Frontier, Verizon, DRA and TURN agree as follows:

1. **Basic Residential Service Rate Caps.** For one year following closing of the proposed Transaction, the basic primary residential rate for each of the Verizon California Transferred Exchanges will be capped at their current levels as of the date of the closing of this Transaction. Thereafter, the Parties agree that those exchanges will be subject to applicable Commission orders governing services for URF companies.
2. **Rates For Other Services.** For one year following closing of the proposed Transaction, the rate for the following services for the Verizon California Transferred Exchanges will be capped at their current levels as of the date of the closing of the proposed Transaction: Caller ID, Call Waiting, Single Line Business Service, Directory Assistance, Non-Published Service and Inside Wire Maintenance. Thereafter, the Parties agree that those exchanges will be subject to applicable Commission orders governing services for URF companies.
3. **Exogenous Events.** Notwithstanding the limitations included in paragraphs 1 and 2, Frontier Communications of the Southwest will be permitted to request reasonable recovery for the impact of exogenous events that materially impact the operations of the Verizon California

Transferred Exchanges, including but not limited to, orders of the Federal Communications Commission ("FCC") and this Commission. Nothing herein shall prevent a Party from opposing such a request on the grounds of reasonableness. Frontier Communications of the Southwest may apply to the Commission to modify the rates of the exchanges to which paragraph 1 and 2 are applicable. Nothing herein shall be construed to prevent any Party from taking a position with respect to the appropriate service rates, if any, which should apply to the affected exchanges, after the dates specified in paragraph 1 or 2 above.

4. **Service Quality Reporting.** For a period of twelve months after the closing of the proposed Transaction, or until December 31, 2011, whichever date is later, Citizens Telecommunications Company of California d/b/a Frontier Communications of California, with respect to existing exchanges and Frontier Communications of the Southwest with respect to the Verizon California Transferred Exchanges will file separate reports with the Commission concerning installation intervals for their respective exchanges, notwithstanding any exemption from reporting contained in General Order 133-C for URF companies.

5. This Settlement Agreement represents a compromise of the disputed positions of the Parties and is fundamentally fair, reasonable in the light of the whole record, consistent with the law, and in the public interest. Applicants, TURN and DRA disagree with respect to whether the economic benefits and allocation provisions of Public Utilities Code §854(b) and (c) apply to this Transaction. Parties agree, however, that irrespective of the disputed legal issue, Applicants have provided enough information and the transaction provides enough customer benefit to ensure it is in the public interest, consistent with the law including Section 854(b) and (c) and fair and reasonable in light of the whole record.. Nothing in this Settlement Agreement shall be interpreted as an admission or waiver of claims or positions with respect the application of Public Utilities Code §854(b) and (c).

6. The Parties will file a Joint Motion seeking Commission approval of the Settlement Agreement in its entirety and without change.

7. The Commission will have exclusive jurisdiction over any issues related to this Settlement Agreement and no other court, regulatory agency or other governing body will have jurisdiction

over any issue related to the interpretation of this Settlement Agreement, or the rights of the Parties in this Settlement Agreement, with the exception of any court that may now or in the future, by statute or otherwise, have jurisdiction to review Commission decisions.

8. This Settlement Agreement was jointly prepared by all of the Parties and any uncertainty or ambiguity existing in the document will not be interpreted against any party on the basis that such party drafted or prepared the Settlement Agreement.

9. Each of the undersigned Parties agrees to abide by the conditions set forth in this Settlement Agreement.

10. The Settlement Agreement may be executed in counterparts.

11. The parties agree that the Commission should adopt its decision in this proceeding that grants the relief sought in Section V. of the Application subject to the conditions specified in this Settlement Agreement. A Commission decision adopting this Settlement Agreement shall also close this proceeding.

12. By signing below, each signatory for a Party represents and warrants that he/she is authorized to sign this Settlement Agreement on such Party's behalf and thereby binds such Party to the terms of this Settlement Agreement. This Settlement Agreement may be signed in counterparts.

13. This Settlement Agreement constitutes and represents the entire agreement between the Parties and supersedes all prior and contemporaneous agreements, negotiations, representations, warranties and understandings of the Parties with respect to the subject matter set forth herein.

14. This Settlement Agreement may be amended or changed only by a written agreement signed by both Parties and approved by the Commission.

15. The Parties agree that if the Commission fails to adopt the provisions agreed to and contained in this Settlement Agreement or modifies them, either Party may terminate this Settlement Agreement and pursue all rights which either Party may have as of the execution date of this Settlement Agreement.

Dated: August 20, 2009

For Frontier Communications Corporation

For the Verizon entities and the newly-formed companies

By: _____



By: _____

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For The Utility Reform Network

For the Division of Ratepayer Advocates

By: _____

By: _____

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15. The Parties agree that if the Commission fails to adopt the provisions agreed to and contained in this Settlement Agreement or modifies them, either Party may terminate this Settlement Agreement and pursue all rights which either Party may have as of the execution date of this Settlement Agreement.

Dated: August 20, 2009

For Frontier Communications Corporation

For the Verizon entities and the newly-formed companies

By: E. Garth Black

By: Elaine M. Duncan

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For The Utility Reform Network

For the Division of Ratepayer Advocates

By: _____

By: _____

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15. The Parties agree that if the Commission fails to adopt the provisions agreed to and contained in this Settlement Agreement or modifies them, either Party may terminate this Settlement Agreement and pursue all rights which either Party may have as of the execution date of this Settlement Agreement.

Dated: August 20, 2009

For Frontier Communications Corporation

For the Verizon entities and the newly-formed companies

By: 

By: _____

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For The Utility Reform Network

For the Division of Ratepayer Advocates

By: 

By: _____

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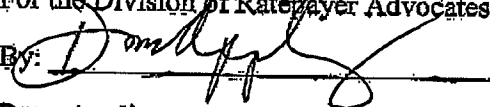
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CERTIFICATE OF SERVICE

I, Martin Spence, declare:

I am a resident of the State of California, over the age of eighteen years, and not a party to the within action. My business address is COOPER, WHITE & COOPER LLP, 201 California Street, 17th Floor, San Francisco, CA 94111.

On August 21, 2009, I served the:

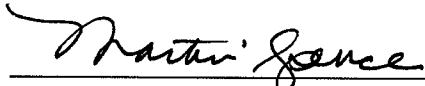
JOINT MOTION FOR ADOPTION OF SETTLEMENT AGREEMENT

by sending via e-mail a true and correct copy in Adobe Acrobat PDF searchable format to the parties on the CPUC's service list for Proceeding No. A. 09-06-005.

Hard copies were mailed to Assigned ALJ Barnett and to Assigned Commissioner Peevey.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on August 21, 2009, at San Francisco, California.



Martin Spence

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