

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



FILED

08/19/25

01:44 PM

A2410006

In the Matter of the Joint Application of Verizon Communications Inc., Frontier Communications Parent, Inc., Frontier California Inc., Citizens Telecommunications Company of California Inc., Frontier Communications of the Southwest Inc., Frontier Communications Online and Long Distance Inc., and Frontier Communications of America, Inc. for Approval of the Transfer of Control of Frontier California Inc. (U 1002 C), Citizens Telecommunications Company of California (U 1024 C), Frontier Communications of the Southwest Inc. (U 1026 C), Frontier Communications Online and Long Distance Inc. (U 7167 C), and Frontier Communications of America, Inc. (U 5429 C), to Verizon Communications Inc. Pursuant to California Public Utilities Code Section 854

A.24-10-006
(filed October 18, 2024)

VERIZON'S NOTICE OF EX PARTE COMMUNICATION

Jesús G. Román
Verizon
15505 Sand Canyon Ave.
Irvine, CA 92618
Telephone: (949) 286-7202
Email: jesus.g.roman@verizon.com

Rudolph M. Reyes
Verizon
360 Spear Street, Suite 300
San Francisco, CA 94105
Telephone: (415) 228-1465
Email: rudolph.m.reyes@verizon.com

Attorneys for Verizon Communications Inc. ("Verizon")

August 19, 2025

Pursuant to Rule 8.4(a) of the Rules of Practice and Procedure of the California Public Utilities Commission (the “Commission” or “CPUC”), Verizon Communications Inc. (“Verizon”) hereby provide this notice of an *ex parte* communication in the above-captioned proceeding, which occurred on August 14, 2025 between representatives of Verizon, Commissioner John Reynolds and his advisors and Commissioner Houck and her advisor. The meeting focused on Verizon’s testimony regarding diversity, equity, and inclusion (“DEI”) and its compliance with CPUC General Order 156 in response to the national change in federal policy and regulatory landscape on DEI practices. The meeting also focused on the need to resolve this proceeding by the end of 2025 to ensure the benefits of the proposed transaction are achieved.

The Commission participants included the following: Commissioner John Reynolds, Carolyn Chen and Andrew Klutey, Advisors to Commissioner John Reynolds; Commissioner Darcie Houck, and Caleb Jones, Advisor to Commissioner Houck. On behalf of Verizon, the participants were:

- Vandana Venkatesh, Executive Vice President Public Policy, Responsible Business and Security & Chief Legal Officer, Verizon;
- Rudolph M. Reyes, Regional Vice President and Deputy General Counsel, Verizon;
- Jesús G. Román, Managing Associate General Counsel, Verizon;
- Senator Laphonsa Butler, a Verizon consultant; and
- Former CPUC President Marybel Batjer, a Verizon consultant.

The individuals representing Verizon will be identified collectively herein as “Verizon.”

The communication occurred with Commissioners Reynolds and Houck in person at the CPUC’s Sacramento offices, 300 Capitol Mall, with the Commissioners’ advisors appearing via video-conference using Webex, starting at or around 4:15 p.m. and lasting until approximately 5:15 p.m. The communication was strictly oral; no written materials were used or distributed.

Compliance with California Law

Verizon opened the discussion by acknowledging that diversity, equity, and inclusion are key concerns for the CPUC and noted that in its Second Supplemental Testimony, Verizon attempted to lay out a concise explanation of the changes it made to its DEI practices as a result of its commitments to the Federal Communications Commission (FCC) and its plans going

forward, but recognized that it fell short. Verizon noted its intent was to be fulsome in its Third Supplemental Testimony in order to meet both the CPUC's expectations as well as Verizon's own standards.

Verizon discussed how the change in federal policy and regulatory landscape on DEI practices broadly impacts industries and institutions across the United States. As Verizon explained, this new landscape is not unique to Verizon or this transaction but applies to all companies as well as telecommunications companies subject to the Federal Communications Commission's (FCC) jurisdiction. Verizon emphasized that any company seeking to gain FCC approval for a transaction, including to purchase Frontier, will be required to end its DEI practices.

Verizon explained that it is confident that it can comply with both California law and its commitments to the FCC. As Verizon noted, the company will continue to report supplier diversity results and comply with all CPUC reporting obligations under General Order 156. Verizon highlighted the centerpiece of its approach, which is a new \$5 billion investment in small business suppliers nationwide: Verizon's Small Business Supplier Accelerator program. Verizon stated it is willing to commit \$500M of this new \$5 billion over 5 years investment for California small businesses. As Verizon outlined, this incremental investment in small businesses—which is in addition to what Verizon already invests with small business programs such as its Small Business Digital Ready—will be effective at advancing the interests underpinning the Commission's Supplier Diversity Program under GO 156. Verizon discussed that given California's size and population demographics, small businesses represent the state's diverse backgrounds and geographies. According to data from the California Office of Small Business Advocate (CalOSBA), of the roughly 4 million small businesses in California, 45% are minority-owned, 43% are women-owned, 7% are LGBTQ-owned, 3.7% are veteran-owned.

Verizon explained that to raise awareness of its small business programs, Verizon will expand its already strong local outreach to small businesses including in rural and economically disadvantaged communities throughout California, and in so doing drive participation in the Commission's GO 156 Supplier Diversity Program by eligible suppliers. Verizon underscored that it hosted two regional California small business summits recently in San Francisco and Los Angeles, emphasizing that CPUC staff present at the San Francisco event provided positive feedback. Verizon explained that it is working with CPUC staff on a similar type of event on

October 7, 2025 in Carson City, following the CPUC's Small and Diverse Business Expo that day.

Timing of CPUC Approval

Verizon explained why an approval in 2025 is critical and why waiting until the first quarter of 2026 would have negative consequences not only for Joint Applicants, but most importantly for Frontier’s consumers and California. Specifically, Frontier’s financial condition is such that it currently does not have capital for broadband expansion in California beyond 2025 and that Frontier has testified that it may need to increase both telephone and broadband service rates to augment its revenues and cash flow for funding debt and other expenditures if the transaction does not close. Verizon emphasized that once Frontier stops investing in its fiber build, it will take considerable time for Verizon to ramp up its investment in building out fiber, thereby delaying the benefits of the transaction to California and Frontier’s customers. Verizon noted that it has the financial resources to avoid these negative impacts on Frontier’s customers.

Verizon also noted that timing is of the essence given the expiring nature of the US Department of Justice's HSR clearance. Verizon representatives concluded the meeting by thanking the Commission participants for their time and requesting continued engagement.

Respectfully submitted this 19th day of August 2025.

Jesús G. Román
Verizon
15505 Sand Canyon Ave.
Irvine, CA 92618
Telephone: (949) 286-7202
jesus.g.roman@verizon.com

By: _____ /s/
Jesús G. Román
Attorney for Verizon