BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA



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

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

JOINT MOTION OF VERIZON AND COMMUNICATIONS WORKERS OF AMERICA DISTRICT 9 FOR ADOPTION OF SETTLEMENT AGREEMENT

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I. INTRODUCTION

Pursuant to Rule 12.1 of the California Public Utilities Commission's ("Commission")
Rules of Practice and Procedure ("Rules"), Verizon Communications Inc. ("Verizon") and the
Communications Workers of America, District 9 ("CWA," and together with Verizon, the
"Settling Parties") request that the Commission adopt the Settlement Agreement ("Agreement")
executed by the Settling Parties on September 4, 2025 in connection with Application ("A.") 2410-006 (the "Proceeding"). A copy of the Agreement is attached hereto as Attachment 1.

The Agreement is the product of substantial and lengthy negotiations, through which the Settling Parties were able to reach this settlement, and reflects the agreed-upon resolution of all concerns raised by CWA in this Proceeding. In alignment with the Commission's policy of promoting settlements, the Agreement represents a reasonable resolution of disputed issues among the Settling Parties, while also avoiding the burden, cost, and uncertainty associated with continued litigation. The Settling Parties agree that the terms of the Agreement will result in numerous public interest benefits pursuant to the applicable requirements of Section 854 of the Public Utilities Code. The Agreement satisfies all procedural and substantive requirements, including the settlement approval standards in Rule 12.1(d). Its terms also are consistent with and expand upon the commitments Verizon has made in its testimony and other settlements in

¹ See D.14-01-038 (PG&E Smart Meter Dispute) at 7 ("the Commission's policy favoring settlements and conserving scarce resources, all weigh in favor of the Commission's determination approving the settlement"); see also D.09-10-046 (PG&E Wildfire Memo Account) at 7 ("The Commission has a history of favoring settlements."); D.14-11-040 (SCE and SDG&E San Onofre ratemaking proceeding), at 37 ("Joint Parties are very supportive of the Commission's modifications and believe they are in the public interest and are consistent with long-standing precedents favoring settlements, including settlements where the hearings have not been completed.").

this Proceeding.² The Settling Parties thus request that the Proposed Decision adopt the Agreement without modification.

II. BACKGROUND

On October 18, 2024, Verizon, Frontier Communications Parent, Inc. ("Frontier"), Frontier's California local exchange and long distance subsidiaries, Frontier California (U 1002 C), CTC California (U 1024 C), Frontier Southwest (U 1026 C), Frontier LD (U 7167 C), and Frontier America (U 5429 C) (Frontier California, CTC California, Frontier Southwest, Frontier LD, and Frontier America, collectively, the "California Operating Subsidiaries," and together with Verizon and Frontier, the "Joint Applicants"), filed A.24-10-006 requesting that the Commission authorize the indirect transfer of control of Frontier's California Operating Subsidiaries to Verizon (the "Transaction").

On August 6, 2025 CWA filed a motion to become a party to the Proceeding, which was granted.³ Following a comprehensive review of the record and extensive negotiations, the Settling Parties' positions evolved, culminating in the Agreement—which embodies significant, mutual compromises on the disputed issues. On August 21, 2025, the parties to the Proceeding held a properly noticed meet and confer, providing all parties with an opportunity to discuss potential settlements, as required under Rule 12.1(b).⁴ All the terms of the Agreement are

² See A. 24-10-006, Joint Motion of Verizon and the California Emerging Technology Fund for Adoption of Settlement Agreement, Attachment 1 (September 4, 2025); A. 24-10-006, Joint Motion of Verizon and Public Advocates Office for Adoption of Settlement Agreement, Attachment 1 (September 4, 2025).

³ See A.24-10-006, Motion of the Communications Workers of America District 9 to Become a Party (Aug. 6, 2025).

⁴ The parties to the Proceeding have held numerous meet and confer sessions throughout the proceeding, and all participants were given the opportunity to join. The Santa Ynez Band of Chumash Indians ("Chumash Tribe") was granted party status on September 2, 2025, following the Rule 12.1(b) meet and confer regarding potential settlements. On September 3, Verizon contacted the Chumash Tribe via email to invite their input on the upcoming evidentiary hearings and to explore opportunities for future settlement discussions.

expressly contingent upon the Commission's approval of the Application, including, but not limited to, Verizon's acceptance of any and all conditions imposed by the Commission as part of its approval of the Application, and the consummation of the Transaction.

III. SUMMARY OF THE AGREEMENT⁵

After weeks of negotiations, the Settling Parties have settled and resolved all concerns raised by CWA about the Transaction in the Proceeding. The Agreement is comprehensive and sets forth in detail the terms by which the Settling Parties have resolved all disputed issues. The Agreement reflects CWA's agreement that, based on the commitments set forth therein, the concerns expressed by CWA regarding the Transaction are fully resolved. The Agreement includes eight substantive commitments and resolves significant issues raised by various parties in this Proceeding, including: plant maintenance; workforce and staffing; service quality; service continuity; and backup power. Key elements of the Agreement include the following:

Staffing – Verizon additionally commits to hiring at least one hundred full-time CWA-represented employees each year for six years after close of the Transaction, for a total of at least six hundred (600) full-time CWA-represented employees.

CWA Employee Retention and Hiring – For four years after close of the Transaction, Verizon will not involuntarily lay off any CWA-represented employee who was an employee as of close (or hired pursuant to the commitment set forth in paragraph 3 of the Agreement).

Plant Maintenance – Verizon commits to, within twelve months of close of the Transaction and for a period of three years following close of the Transaction, adopt and implement a plant maintenance program for Frontier's network comparable to its National Operations Quality Inspection System through which technicians can submit plant conditions

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⁵ A concise listing of the terms of the Agreement is provided in Attachment 2.

needing additional maintenance. Verizon will perform plant rehabilitation or maintenance to address the reported conditions within 90 days of receiving a submission.

Network Audit – Within twelve months of the close of the Transaction, Verizon shall conduct an audit of Frontier's network and bring Verizon's facilities up to Verizon's standards and the Commission's service quality standards pursuant to General Order 133.

GO 133 Service Quality Standards – Within twelve months of close of the

Transaction, Verizon will also conduct an audit of Frontier's network and bring its facilities up to

Verizon's and the Commission's service quality standards as outlined in GO 133. For four years
after close of the Transaction, Verizon will provide quarterly reports to the Commission and

CWA on its compliance with service quality standards pursuant to General Order 133 ("GO

133"). If, at the end of the forty-eight-month period, Verizon is not consistently meeting these
standards, it shall continue to provide quarterly reports and will convene a Service Quality

Committee composed of CWA leaders, Operations executives responsible for California, and

Labor Relations to review shortcomings and discuss potential solutions. Verizon additionally
commits to take action consistent with the wireline service quality requirements under GO 133,
including maintaining adequate personnel to offer safe, adequate, and reliable service.

Carrier of Last Resort Responsibilities – Verizon commits to assuming Frontier's responsibility as a Carrier of Last Resort ("COLR") in the service territories where it is designated as such. If Verizon is relieved of its COLR obligations, Verizon commits to offer a voice service over a technology of its choice to customers for a period of twelve months following relief of the COLR obligations.

Backup Power and Service Reliability – Verizon commits to maintaining adequate staffing and backup power to ensure the safe and reliable operations of its central offices,

including but not limited to, maintaining battery backup power sufficient for at least eight hours in the event of a power failure and backup generators capable of operating at least 24 hours without refueling.

IV. THE AGREEMENT IS REASONABLE IN LIGHT OF THE WHOLE RECORD, CONSISTENT WITH LAW, AND IN THE PUBLIC INTEREST

Rule 12.1(d) of the Commission's Rules of Practice and Procedure specifies that to obtain Commission approval of a settlement agreement, the parties must demonstrate that the agreement is (1) reasonable in light of the whole record, (2) consistent with law, and (3) in the public interest.⁶ In evaluating settlements, the Commission has recognized a strong public policy in California favoring settlements and avoiding litigation.

The Agreement satisfies each prong of this standard when evaluated against the extensive record already developed in this Proceeding and the robust public-benefit commitments contained in the Agreement. *First*, the terms of the Agreement are reasonable in light of the whole record. Verizon has made substantial commitments with respect to staffing and employment, service quality standards, backup power and service reliability, and COLR obligations. The Agreement resolves all concerns raised by CWA in the Proceeding. The compromises represented by the terms of the Agreement are reasonable in light of the evidence in the Proceeding and extensive negotiations between the Settling Parties.

Second, the Agreement is consistent with applicable law. In evaluating whether the Transaction is in the public interest, the Commission considers certain public interest factors specified by Section 854. Under Section 854(b)(1) and (b)(3), the Commission considers the

⁶ See Rule 12.1(d).

Transaction's short-term and long-term economic benefits to ratepayers⁷ as well as the Transaction's effect on competition.⁸ In evaluating whether the Transaction is in the public interest, the Commission considers certain public interest factors specified by Section 854(c). The Commission "need not find that each criterion is independently satisfied, but it must find that, "on balance . . . [the transaction] is in the public interest." The public interest factors include whether the Transaction will: (1) maintain or improve the financial condition of the resulting utility; (2) maintain or improve the quality of service to ratepayers; (3) maintain or improve the quality of management of the utility; (4) be fair and reasonable to affected utility employees, both union and nonunion; (5) be fair and reasonable to the majority of utility shareholders; (6) be beneficial on an overall basis to state and local economies, and to the communities in areas served by the utility; (7) preserve the jurisdiction of the Commission and the capacity of the Commission to effectively regulate and audit the utility; and (8) provide mitigation measures to prevent significant adverse consequences that may result from the Transaction.¹⁰ As discussed below, the Agreement is relevant to satisfying certain sections of Section 854 that the Commission has deemed within the scope of this Proceeding¹¹ and it is demonstrably beneficial to the public as measured by certain factors in Section 854(c).

⁷ Pub. Util. Code § 854(b)(1); *see also infra* at Section V (demonstrating that the total short-term and long-term forecasted economic benefits of the transaction will be fairly allocated between shareholders and ratepayers).

⁸ Pub. Util. Code § 854(b)(3).

⁹ D.00-03-021, 2000 Cal. PUC Lexis 211, at *198 (Mar. 2, 2000) (GTE/Bell Atlantic).

¹⁰ Pub. Util. Code § 854(c).

¹¹ The Commission has reaffirmed in multiple instances that Section 854(b)(2) is outside the scope of this Proceeding. *See* Assigned Commissioner's Scoping Memo and Ruling at 3 (Jan. 13, 2025) (Omits questions related to Section 854(b)(2)); Assigned Commissioner's Ruling Denying Intervenors' Motion to Amend Scoping Memo at 6-8 (April 16, 2025); Assigned Commissioner's Amended Scoping Memo and Ruling at 6 (May 29, 2025) ("Pub. Util. Code Section 854(b)(2) is not included in this proceeding's scope."); Administrative Law Judge's Ruling Granting Motion to Strike in Part at 6 (July 21, 2025).

Third, the public interest supports adoption of the Agreement. The conditions set forth in the Agreement address the concerns raised by CWA in this proceeding in a manner that is acceptable to Verizon. The record leaves no doubt that consumers will be better off if the Transaction goes forward pursuant to the terms of this Agreement. Further, the terms of the Agreement promote this outcome by resolving outstanding issues among the Settling Parties.

A. The Transaction Provides Short-Term and Long-Term Economic Benefits to Ratepayers (Section 854(b)(1)).

The Transaction will provide short-term and long-term economic benefits to ratepayers. Following the close of the Transaction, Verizon will offer its service plans to current Frontier customers. Critically, this includes a national low-income broadband plan and bundled service options not offered by Frontier today. Post-Transaction, consumers in the Frontier territories will have access to the full range of Verizon service plans, which provide a variety of speed and pricing choices for next-generation services. The Agreement contains strong commitments to maintain and improve Frontier's quality of service, greatly improving Frontier's networks and delivering ongoing service improvements.

B. The Agreement Satisfies Several Public Interest Factors Under Section 854(c).

In addition, the Agreement provides the basis for the Commission to conclude that several "public interest" factors outlined in Public Utilities Code Section 854(c) are satisfied. ¹² By supplementing the vast public benefits resulting from the Transaction described in Joint Applicants' Application, ¹³ this Agreement will ensure that, based on the commitments set forth

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¹² Section 854(c) does not require the Commission to find that each of the seven criteria is satisfied. Rather, Section 854(c) directs the Commission to weigh the various effects of the transaction to determine whether the transaction is, "on balance," in the public interest. *See* D.00-03-021, 2000 Cal. PUC Lexis 211, at *198 (Mar. 2000).

¹³ See Joint Application at 16-26.

therein, the concerns expressed by CWA regarding the Transaction are fully resolved to the benefit of California customers.

1. The Agreement Will Bolster the Transaction's Improvement to Joint Applicants' Quality of Service (Section 854(c)(2)).

Verizon's proposed acquisition of Frontier will produce substantial benefits for California consumers by bringing its resources and award-winning industry expertise to bear in enhancing Frontier's fiber network and expanding consumer choices. The Transaction will integrate Frontier's network into Verizon's leading portfolio of assets, including its best-in-class Fios services. As part of the Agreement, Verizon has committed to a series of measures designed to enhance Frontier's quality of service. Within twelve months of the close of the Transaction and for a period of three years following close, Verizon will implement a plant maintenance program for Frontier's network—similar to Verizon's National Operations Quality Inspection System—through which technicians can submit plant conditions needing additional maintenance; Verizon will perform any plant rehabilitation or maintenance to address any reported shortcomings within 90 days receiving a submission.

The Agreement contains a number of commitments centered around the Commission's service quality standards set forth in GO 133. For forty-eight months following the closing date, Verizon will submit quarterly reports to the Commission and CWA on its compliance with the GO 133 service quality standards. If Verizon is consistently failing to meet these standards after the forty-eight month period ends, it will continue to send quarterly service quality reports and will also convene a Service Quality Committee to review service quality shortcomings and discuss potential solutions, including increased staffing. Verizon will also take action consistent with meeting its obligations under GO 133, including maintaining adequate personnel, to ensure that it offers safe, adequate, and reliable service. Lastly, within twelve months of the closing

date, Verizon will conduct an audit of Frontier's network and will bring Frontier's network up to its standards and the Commission's wireline service quality standards pursuant to GO 133.

Verizon has also committed to maintaining adequate staffing and backup power to ensure it is able to provision safe and reliable service, even in times of emergency, including but not limited to, maintaining battery backup power sufficient to provide for at least eight hours of power in the event of a power failure, and backup generators capable of operating for at least 24 hours without refueling.

2. The Agreement Makes the Transaction Fair and Reasonable to Affected Employees, Both Union and Non-Union (Section 854(c)(4)).

The Agreement alleviates CWA's concerns surrounding any negative impact to staffing resulting from the Transaction, including to CWA members. Specifically, Verizon will not involuntarily lay off any CWA-represented employee (who was an employee as of the close of the Transaction or hired pursuant to paragraph 3 of the Agreement) for a period of forty-eight months following the closing date. Verizon will also hire at least one hundred full-time CWA-represented employees within twelve months of the closing date, and for five years thereafter, for a total of at least six hundred full-time CWA-represented employees over six years.

This is in addition to Verizon's other commitments concerning non-union employees. As discussed in the initial application, for employees who are not represented by unions, Verizon has agreed, for no less than one year following the Transaction's effective date, to maintain and provide the following: (i) base salary or wage rate, target annual cash bonus or commission-based opportunity, and target equity award opportunity, in each case, that are no less favorable than what was provided by Frontier; (ii) qualifying severance benefits for qualifying separations that are no less favorable than the severance benefits in place at Frontier; and (iii) benefits plans and arrangements that are no less favorable in the aggregate than what was provided by Frontier

(other than defined benefit pension, supplemental retirement, post-retirement medical and life, and deferred compensation benefits).¹⁴ Verizon maintains a comprehensive and robust safety program applied to both copper and fiber facilities, and offers best-in-class training for its technicians that will, as a result of this Transaction, extend to Frontier's employees.

> 3. The Agreement Strengthens the Jurisdiction of the Commission and Capacity of the Commission to Effectively Regulate and Audit Public Utility Operations in the State (Section 854(c)(7)).

The proposed Transaction will not alter the Commission's jurisdiction over Frontier's regulated subsidiaries in California. Frontier's three California ILECs in California (Frontier California, CTC California, and Frontier Southwest) will remain subject to the Uniform Regulatory Framework after the Transaction, and Frontier's two long distance companies in California (Frontier America and Frontier Long Distance) will remain subject to the limited regulations applicable to California interexchange carriers. Following the Transaction, Verizon will continue to provide basic voice telecommunications services and meet applicable COLR and other obligations associated with the public purpose and universal service programs.

Additionally, as part of the Agreement, Verizon has committed to assuming Frontier's COLR responsibilities in the service territories where Frontier is currently designated as COLR. In the event it is relieved of its COLR obligations, Verizon has agreed to offer service over a technology of its choice to customers who do not wish to avail themselves of Verizon's other service offerings or transition immediately to an alternative voice provider for a period of 12 months following the grant of COLR relief.

¹⁴ Joint Application at 23.

4. No Mitigation Measures Are Necessary (Section 854(c)(8)).

As discussed above, and in light of this Agreement, the Transaction will benefit customers, employees, and the public in California. Accordingly, no additional mitigation measures are necessary for the relevant Section 854 factors.

V. CONCLUSION

Based on the foregoing, the Settling Parties respectfully request that the Commission grant this Joint Motion and adopt the Agreement in its entirety as a resolution of the issues raised by CWA in the Proceeding.

Respectfully submitted this 4th day of September 2025.¹⁵

/s/ Kristin Jacobson

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Attorney for Verizon Communications Inc.

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¹⁵ Pursuant to the Commission's Rule 1.8(d), counsel for Verizon is authorized to sign this pleading on behalf of CWA.

ATTACHMENT 1

Verizon Communications Inc. and Communications Workers of America, District 9 Settlement Agreement

SETTLEMENT AGREEMENT

This Settlement Agreement ("Agreement") is entered into on September 4, 2025 by and between Communications Workers of America, District 9 ("CWA") on the one hand, and Verizon Communications Inc. and its affiliates ("Verizon") on the other hand (collectively, the "Parties"):

RECITALS

WHEREAS on October 18, 2024 Verizon and Frontier Parent, Frontier California (U 1002 C), CTC California (U 1024 C), Frontier Southwest (U 1026 C), Frontier Communications Online and Long Distance Inc. LD (U 7167 C) and Frontier America (U 5429 C) (collectively, "Joint Applicants") applied for the California Public Utilities Commission's ("Commission") approval of the indirect transfer of control of Frontier and its California Operating Subsidiaries to Verizon in proceeding A.24-10-006;

WHEREAS CWA intervened in proceeding A.24-10-006 and was granted party status;

WHEREAS CWA has concerns regarding the proposed transaction's impacts on service quality and the workforce; and

WHEREAS the Parties have reached the terms of this Agreement to resolve these concerns and believe these terms are in the public interest, reasonable in light of the record and consistent with the law.

AGREEMENT

NOW, THEREFORE, the Parties agree as follows:

- 1. Within twelve (12) months of the close of the Transaction and for a period of three years following the close, Verizon shall adopt and implement a plant maintenance program for Frontier's network through which technicians can submit plant conditions needing additional maintenance to Verizon through a system comparable to Verizon's National Operations Quality Inspection system that records and documents the conditions. Verizon shall review the submissions to the system, and within 90 days of receiving a submission under the program shall perform plant rehabilitation or maintenance to address the reported conditions.
- 2. For a period of forty-eight (48) months following the close of the Transaction, Verizon shall not involuntarily lay off any CWA represented employee who was an employee of the Joint Applicants on the day the Transaction closed or those hired pursuant to paragraph 3.

- 3. Within twelve (12) months of the close of the Transaction, and for each of the five (5) years thereafter, Verizon shall hire at least one hundred (100) full-time CWA represented employees for a total of at least six hundred (600) full-time CWA represented employees over the six (6) year period. It is the intent of the Parties that the employees hired pursuant to this paragraph are employed by Verizon beyond the probationary period outlined in the Parties' collective bargaining agreement. Verizon shall provide quarterly reports to the Commission and CWA on its hiring progress.
- 4. For a period of forty-eight (48) months following the close of the Transaction, Verizon shall provide quarterly reports to the Commission and CWA on its compliance with service quality standards pursuant to General Order 133. If at the end of the forty-eight (48) months, Verizon is not consistently meeting the Commission's service quality standards, Verizon shall continue providing quarterly reports to the Commission and CWA and shall convene a Service Quality Committee composed of leaders of CWA, Operations executives responsible for California, and Labor Relations to review service quality short-comings and discuss potential solutions, including increased staffing.
- 5. Verizon shall take actions consistent with meeting the Commission's wireline service quality requirements under General Order 133, including maintaining adequate personnel to ensure that it will offer safe, adequate, and reliable service consistent with all applicable service quality standards.
- 6. Within twelve months of the close of the Transaction, Verizon shall conduct an audit of Frontier's network and bring Verizon's facilities up to Verizon's standards and the Commission's service quality standards pursuant to General Order 133.
- 7. Verizon acknowledges that, upon close of the Transaction, it will assume Frontier's responsibility as Carrier of Last Resort ("COLR") relying on a service technology of its choice in the service territories where Frontier is currently designated as COLR. Should Verizon be relieved of its COLR obligations in California, Verizon agrees to offer a voice service over a technology of its choice to customers who do not wish to avail themselves of Verizon's other service offerings or transition immediately to an alternative voice provider for a period of 12 months following the grant of COLR relief.
- 8. Verizon shall maintain adequate staffing and back-up power for safe and reliable operations of central offices, including but not limited to maintaining battery backup power for at least eight hours in the event of a power failure and backup generators that can operate for at least 24 hours without refueling.

- 9. Upon the effective date of this Agreement, CWA will: (i) support the approval of Verizon's acquisition of Frontier in California, (ii) not request evidentiary hearings in the proceeding before the Commission, (iii) not question Verizon's witnesses at evidentiary hearings, (iv) not oppose any efforts from other parties to eliminate all issues from the scope of the hearing, and (v) not oppose any request by Verizon to expedite the current proceeding schedule.
- 10. The Parties shall adhere to these commitments and this Agreement shall be binding upon and shall inure to the benefit of the Parties hereto and their respective successors in interest and assigns.
- 11. Nothing in this Agreement affects the conditions imposed by any other Commission proceeding.
- 12. The Parties will file this Agreement with the Commission pursuant to a motion to find the Agreement to be in the public interest, and the Parties will support the motion.
- 13. This Agreement is the product of settlement negotiations. The Parties agree that the content of these negotiations are confidential; that all offers of settlement are without prejudice to the position of any Party or participant presenting such offer or participating in such discussion; and, except to enforce rights related to this Agreement or defend against claims made under this Agreement, that they will not use the content of said negotiations in any manner in this or other proceedings involving one or more of the Parties, or otherwise.
- 14. The terms of this Agreement are governed by California law. This Agreement will be effective upon final approval by the Commission. Should the transaction not close despite Commission approval, Parties agree to seek appropriate relief.
- 15. The signatories listed below represent that they are authorized on behalf of their principals to enter into this Agreement.
- 16. The Agreement contains the entire agreement between the Parties hereto with respect to resolution of the issues in the above-captioned proceeding, subject to the approval of the Commission.
- 17. No modification, amendment or waiver of any of the terms or provisions of this Agreement shall bind any of the Parties unless such modification, amendment or waiver is in writing and has been executed by a duly authorized representative of the Party against whom such modification, amendment or waiver is sought to be enforced and is approved by the Commission.

- 18. This Agreement may be executed in counterparts, each of which when so executed and delivered shall be an original and all of which together shall constitute one and the same instrument.
- 19. The Parties agree to use their best efforts to obtain Commission approval of the Agreement. The Parties will request that the Commission approve the Agreement without change and find the Agreement to be reasonable, consistent with the law and in the public interest. The Parties will take no action inconsistent with or in opposition to this Agreement at the Commission or in any other forum or jurisdiction, including the Federal Communications Commission.
- 20. This Agreement is being presented as an integrated package such that Parties are agreeing to this Agreement as a whole, as opposed to agreeing to specific elements to this Agreement. If the Commission adopts this Agreement with modifications or additions, all Parties must consent to the modifications or additions or any Party may void this Agreement, but only after such Party provides the other Parties to the Agreement with the opportunity to meet and confer in good faith regarding the proposed modifications or additions.
- 21. If any of the provisions of the Agreement are held to be invalid, illegal or unenforceable, the unaffected provisions of the Agreement will be unimpaired and remain in full force and effect.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed as of the date of the last signature below.

Verizon Communications Inc.	Communications Workers of America, District 9
Signature: Aimilio	Signature: Rachael E. Kare
Name: Joseph B Gimilaro	Name: Rachael Koss
Title: AVP-Labor Relations	Title: Attorney
Date of Execution: 09/04/25	Date of Execution: 09/04/25

ATTACHMENT 2 Key Commitments Summary

Verizon Communications Inc. and Communications Workers of America, District 9 Settlement Agreement

Key Commitments Summary

The Settlement Agreement ("Agreement") between Verizon Communications Inc. and its affiliates ("Verizon") and the Communications Workers of America, District 9 ("CWA") is made in connection with Application ("A.") No. 24-10-006 seeking authorization from the California Public Utilities Commission ("Commission") for the indirect transfer of control of Frontier Communications Parent, Inc.'s ("Frontier") California local exchange and long distance subsidiaries, Frontier California (U 1002 C), CTC California (U 1024 C), Frontier Southwest (U 1026 C), Frontier LD (U 7167 C), and Frontier America (U 5429 C) to Verizon (the "Transaction"). The Agreement is contingent upon approval by the Commission. Key commitments include:

• Service Quality

- O Plant Maintenance: Within twelve months of the close of the Transaction, and for a period of three years post-close, Verizon will adopt and implement a plant maintenance program for Frontier's network—comparable to Verizon's National Operations Quality Inspection System—through which technicians can submit reports concerning plan conditions needing maintenance. Verizon will perform plant rehabilitation or maintenance within 90 days of receiving a submission.
- Quarterly Service Quality Reports: For forty-eight months following close of the Transaction, Verizon will submit quarterly reports to the Commission and CWA concerning its compliance with the GO 133 service quality standards. If Verizon is consistently failing to meet these standards at the end of the forty-eight month period, it shall continue to send quarterly reports and shall convene a Service Quality Committee (composed of CWA, Verizon Operations executives responsible for California, and labor relations) to review service quality shortcomings and discuss potential solutions, including increased staffing.
- GO 133 Service Quality Requirements: Verizon commits to taking actions consistent with meeting its wireline service quality obligations under GO 133, including maintaining adequate personnel, to ensure it offers safe, adequate, and reliable service.
- Audit of Frontier Network: Within 12 months of the close of the Transaction, Verizon will conduct an audit of Frontier's network and bring Frontier's facilities up to Verizon's standards and the Commission's service quality standards under GO 133.
- o **Backup Power and Staffing**: Verizon will maintain adequate personnel and backup power, including but not limited to, maintaining battery backup power for at least eight hours in the event of a power failure and backup generators that can operate for at least 24 hours without refueling.

Staffing

No CWA Lay Offs: For four years after close of the Transaction, Verizon will
not involuntarily lay off any CWA-represented employee who was an employee

- of the Joint Applicants on the day the Transaction closed (or CWA-represented employees hired pursuant to the below commitment).
- O **CWA-Represented Employee Hiring**: Within twelve months of the close of the Transaction, and for each of the five years thereafter, Verizon will hire one hundred full-time CWA-represented employees, for a total of six hundred (600) full-time CWA-represented employees over six years.

• Frontier COLR Obligations

O Verizon will assume Frontier's Carrier of Last Resort ("COLR") obligations in the service territories where it is designated as such. If Verizon is relieved of its COLR obligations, it agrees to offer a voice service over a technology of its choice to customers who do not wish to avail themselves of Verizon's other service offerings or transition immediately to an alternative voice provider for a period of 12 months following the grant of COLR relief.