



July 11, 2011

Dear CWA Members at Frontier Communications:

Many of you have seen the recent news stories about Frontier's efforts to withdraw money from the escrow account set up last year by the West Virginia Public Service Commission (PSC). On July 1, CWA asked the PSC to withhold approval of the Company's petition pending further investigation. You've no doubt heard Frontier management's response to the press coverage and to our intervention. We're writing to you today to set the record straight.

In May 2010, as a condition of its approval of Frontier's purchase of Verizon, the PSC ordered Verizon to place \$72.4 million into an escrow account. The PSC mandated that the funds "must be directed to improving service quality for basic telephone service." In March 2011, Frontier petitioned the PSC requesting \$13.8 million from the account to recover what it claimed were service quality expenditures—including for tools and trucks—completed since its acquisition of Verizon.

The PSC must now decide if the expenditures that Frontier wants to recover from the account were "solely designed to improve deficient service quality," and not "normal and expected capital or other expenditures." In addition, the PSC is justified in asking whether or not the expenditures *have actually improved service quality* since the sale.


So far, Frontier has not demonstrated that the expenditures were solely for service quality improvements, nor is there evidence that service quality has improved because of those expenditures. CWA therefore asked the PSC to withhold approval of—not deny—Frontier's petition and require the Company to file additional information and hold a hearing on these critical issues.

Let us be clear. As we told the PSC in our filing, we support the Company's efforts to upgrade the truck fleet and tools because they make our jobs safer. However, if those trucks and tools are not expenses "solely designed" to improve service quality, the PSC has mandated they cannot be paid for from the escrow account. Unfortunately, some managers are saying that your Union doesn't want you to have the tools and trucks you need to do your job. That could not be further from the truth. CWA fought hard to ensure that Frontier would stand by its promise to improve West Virginia's landline service through the creation of the escrow account. If the company is allowed to spend the escrow money on normal capital expenditures, service quality will continue to suffer.

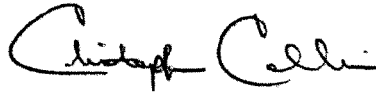
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Please do not hesitate to contact your Union Representative or a Local Officer if you have any questions or concerns about this issue. We want to hear from you.

Sincerely,



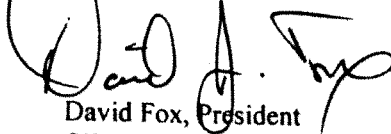
Letha Perry, President
CWA Local 2001



Christopher Collier, President
CWA Local 2002



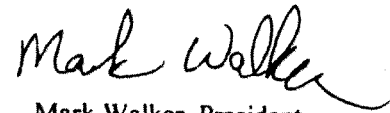
Eric Gant, President
CWA Local 2003




David Fox, President
CWA Local 2004



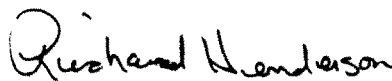
Greg Blazy, President
CWA Local 2006




Mark Walker, President
CWA Local 2007




Shannon W Fink, President
CWA Local 2009



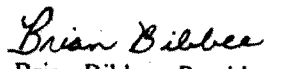
Richard Henderson, President
CWA Local 2010




Ray Cox, President
CWA Local 2011



Gene Leedy, President
CWA Local 2276



Brian Bibbee, President
CWA Local 2105



Chuck Fouts, President
CWA Local 2109