

Broadband Pilot Application

(A) Applicant Information:

Holding Company: Frontier Communications Corporation (Frontier)

Operating Companies:

Frontier North Inc.

Frontier West Virginia Inc.

A list of affiliated ILECs is attached as Appendix A.

FCC Registration Numbers:

Frontier North Inc. 0004-3502-37

Frontier West Virginia Inc. 0002-0112-78

Study Area Codes:

Frontier North Inc. 300615

Frontier West Virginia Inc. 205050

States where designated to provide Lifeline:

Frontier North Inc. is an Eligible Telecommunications Carrier in the states of Michigan, Illinois, Indiana, Ohio and Wisconsin. Frontier West Virginia Inc. is an Eligible Telecommunications Carrier in the state of West Virginia.

Geographic location of existing service offerings:

Frontier's existing service offerings are available in the Wire Centers listed in Appendix B.

Proposed geographic locations for pilot:

The pilot program will be offered in the Wire Centers included in Appendix C where broadband is available. Some areas of the serving area do not have broadband availability at this time.

(B) Description of the proposed pilot project:

1. Geographic area coverage for project

The geographic area of the pilot is detailed in Appendix C with the associated median income data by county from the 2010 U.S. Census. We have chosen a region of the country with similar economic conditions. The area covers a large portion of the state of Ohio and the Mid-Ohio Valley region of the state of West Virginia. Most of the counties chosen for this pilot have median household incomes below the U.S. average, but a few counties in the study are more affluent to offer a more diverse sample area.

There are no Tribal areas within the pilot project area.

2. Technology description

The broadband offerings that Frontier will include will be provided via ADSL.

3. Broadband speeds for the service offering

The available residential broadband speeds in the proposed service area will range from a low of 768Kb downstream/128Kb upstream in some remote or sparsely populated areas to a high of 25 Mg downstream/2 Mg upstream in the more densely populated areas.

We feel this pilot project should include Wire Centers where we offer less than 4 Mg downstream because this covers a diverse service area with varying demographics and speed availability to create a more insightful trial. It is also important not to exclude those areas with lower speeds as those less populated areas would encompass areas the Commission intends to target with this pilot.

Broadband access, even at lower speeds, would enable residents of remote or sparsely populated areas access to e:mail, educational resources, online banking, online shopping, municipal, state and federal government resources and access to community information that they would not otherwise be able to access.

4. Amount of the monthly discount and cost to subscribers

All eligible subscribers will receive a \$25.00 credit off their monthly recurring charges. If they choose to complete the digital literacy training, they will receive either an additional \$10.00 off their monthly recurring charges and a waiver of the non-recurring installation charge or, they can choose a free refurbished desktop computer.

Monthly Recurring price after discount:			
Without Digital Literacy training		With Digital Literacy training	
1Mg	\$ 16.99	\$	6.99
6Mg	19.99		9.99
12Mg	29.99		19.99
25Mg	39.99		29.99

These rates include modem fees and surcharges. There is no usage cap.

5. Non-recurring subsidies and cost to subscribers

The non-recurring charges of \$34.99 will be waived for those subscribers that complete the digital literacy training and choose the additional discount option vs. the free computer option. All other pilot customers will pay the \$34.99 non-recurring charge.

6. A detailed explanation of how the proposed pilot project will focus on those low income consumers who do not currently subscribe to broadband;

We will market this pilot program to our existing and potential lifeline customers that do not currently subscribe to our broadband services. Since we have an existing subscriber base of lifeline customers in our service area, we are able to target subscribers who we know qualify for this program.

Our combination of service credits, digital literacy training or free computers should be an excellent incentive for those low income subscribers who have not yet had access to broadband to try our services and learn the advantages of broadband usage.

7. The project's proposed overall funding amount

Frontier estimates the total cost of the program to be approximately \$508,121.25 based on the following:

Estimated total trial participants: 1500

Credit	# of Months	Participants	Cost
\$25 Credit	12	750	\$225,000.00
\$35 Credit	12	375	157,500.00
\$34.99 Activation Waiver	1	375	13,121.25
\$25.00 Credit w/computer	12	375	112,500.00*
TOTAL			\$508,121.25

*Cost of computer will be covered by Frontier.

8. Marketing and outreach plan

Frontier will contact existing customers who do not currently subscribe to broadband service via outbound telemarketing and through advertising inserts in their monthly bills. This will include existing Lifeline subscribers and subscribers who may be eligible for Lifeline, but have not yet signed up.

Connect Ohio will also communicate this program on their website and via the Every Citizen Online training programs.

9. Customer service support plan

Potential subscribers to this program will be directed to a dedicated customer service team that will have been specifically trained in this pilot program and who currently handle the processing of lifeline applications. They will verify the eligibility of subscribers and ask the initial questions required for the pilot.

Frontier's customer service "Conversation Center" representatives are experienced in customer service and telecommunications.

(C) A detailed explanation of how the ETC's project will address barriers to broadband adoption other than cost:

1. Digital literacy training

In the Ohio portion of the pilot, we have partnered with Connect Ohio to offer the Connect Ohio *Every Citizen Online* training program for digital literacy.

Connect Ohio has implemented a statewide broadband training program, *Every Citizen Online*, in order to increase sustainable broadband adoption in Ohio. The project provides free computer training sessions at public libraries, community colleges, community organizations, and educational centers throughout Ohio and teaches new users how to access the Internet and how to best utilize all the Internet has to offer.

The goal of the project is to showcase the many educational, healthcare, economic, and communication benefits of broadband use, and to encourage adoption by residents statewide. Currently, just 66% of Ohioans subscribe to a broadband service at their home. The program launched in December 2010 and will continue for a period of two to three years as funded through the Sustainable Broadband Adoption grant awarded through the Broadband Technology Opportunity Program (BTOP) and administered through the National Telecommunications and Information Administration (NTIA). The scope of this program includes:

- 80,000 training hours
 - 280+ locations
 - 200,000 non-subscribing household participants
 - 75,000 incremental adopters
 - 2,000+ computers provided to libraries and community colleges
 - \$10 million project, including \$3 million in matching funds
 - 136 total jobs direct, indirect, and induced
 - 68 direct job-years
 - Extensive statewide public service announcement campaign
- \$31 million in incremental annual subscription revenue for broadband

In West Virginia, we will partner with Mission West Virginia to offer a digital literacy training program. Mission West Virginia offers digital literacy programs through its *e-IMPACT* program. One program of *e-IMPACT* is the Community Learning Labs which has a long history of helping technologically underserved communities find the value in computers and broadband internet access. *E-IMPACT* is able to provide rural communities with state of the art computer labs.

2. Free or discounted hardware

In the Ohio portion of the pilot, we will be offering a free desktop computer as one of the incentive options to subscribers who participate in the digital literacy training mentioned above. These will be refurbished computers offered in conjunction with Connected Nation.

In West Virginia, we will be offering a free desktop through Mission West Virginia's *e-IMPACT* program of supplying refurbished computers.

Frontier will absorb the cost of these computers.

(D) Partner information:

Connect Ohio is a subsidiary of Connected Nation and operates as a nonprofit in the state of Ohio. The organization works to blanket Ohio with broadband Internet access and dramatically improve the use of related technology. This comprehensive initiative works across all sectors of the state economy to accelerate the availability and use of broadband in order to create:

- Affordable broadband availability for all of Ohio
- Better business environment
- More effective community and economic development
- Improved healthcare
- Enhanced education
- More efficient government

In collaboration with the Ohio Broadband Task Force, Connect Ohio is working to bring the benefits of universal broadband to the state. Technology, especially widespread access, adoption, and use of broadband, improves all areas of life.

Mission West Virginia is a non-profit organization that collaborates with public and private entities, equipping them to utilize existing resources to form new partnerships, encouraging innovative social change and building stronger communities in West Virginia.

The Mission West Virginia *e-IMPACT* program is the umbrella under which all of the organization's technology initiatives are organized. *e-IMPACT* focuses on providing computer hardware and training to people across the state and Appalachian region who would otherwise find it difficult, if not impossible, to bridge the digital divide and develop the skills necessary to succeed in the emerging information-based economy.

(E) Design, data gathering and evaluation component of the project

1. Project design

Frontier's project includes portions of our service territory in Ohio and the Mid-Ohio Valley region of West Virginia. Frontier plans to market this program for at least 90 days and award bill credits to subscribers for up to one year based upon their initial sign up date.

We have chosen a large geographic region covering counties with income mostly lower than the U.S. median income. Some of the counties, however, are above the U.S. median income level to allow us to compare participation rates.

Subscribers may choose from three offers within our pilot. The first is a \$25 monthly recurring discount only with no participation in a digital literacy program. The second involves participation in a digital literacy program and receiving a \$35 monthly recurring discount and a waiver of the \$34.99 non-recurring charge. The final choice involves participation in a digital literacy program, receiving a \$25 monthly recurring discount and a free desktop computer.

2. Standardized data collection

Standardized data collection will be collected via Frontier's call center. Initial questions will be asked in the sign up process and potential eligible subscribers will be notified of the requirement to answer the standardized questions. Data regarding the services provided and their duration will be tracked in our internal systems in the normal course of business practices.

3. Additional data collection

Frontier does not plan additional data collection beyond the standardized data collection.

(F) Compliance with Lifeline Order

Frontier has revised its procedures for lifeline to comply with all the new requirements of the *Lifeline Reform Order and FNPRM*. Subscribers wishing to participate in the pilot program will call Frontier in response to the publication of the offer. If the customer is an existing lifeline customer for basic phone service who has a lifeline application form on file, a new form will not be requested. If the customer is not an existing lifeline customer, an application form will be mailed to them for completion. A copy of the OH and the WV form are attached.

(G) Post project transition

Approximately 30 days prior to the expiration of the offer benefit, Frontier will contact program participants to advise them of the offer expiration and offer these customers an opportunity to move to one of Frontier's current market promotions that are available at the time.

(H) Final report information

Frontier does not anticipate filing additional post project information beyond the required reporting.

(l) Additional information

Frontier Communications Corporation (“Frontier”), a publicly traded Delaware company (NYSE: FTR), is a highly regarded, full-service communications service provider and is one of the largest local exchange telephone companies in the country. Frontier was originally incorporated in November 1935.

Frontier offers telephone, television, and Internet services, as well as bundled offerings, wireless internet data access, data security solutions, and specialized bundles for small/medium/large businesses and home offices to customers in 27 states. Frontier’s current service territories are located in Alabama, Arizona, California, Florida, Georgia, Idaho, Illinois, Indiana, Iowa, Michigan, Minnesota, Mississippi, Montana, Nebraska, Nevada, New Mexico, New York, North Carolina, Ohio, Oregon, Pennsylvania, South Carolina, Tennessee, Utah, Washington, West Virginia, and Wisconsin.

Frontier’s incumbent local exchange carrier (“ILEC”) subsidiaries currently serve approximately 7.0 million voice and broadband connections, including 5.3 million telephone access lines in 27 states. Frontier views its goal to expand broadband service as a key to its plans to serve rural and second tier markets.

As of December 31, 2011, Frontier had broadband in excess of 1 Mbps available to 83% of the households in our territory, in excess of 3 Mbps available to 76% of the households in our territory, in excess of 6 Mbps available to 56% of the households in our territory, and in excess of 20 Mbps available to 28% of the households in our territory.

We offer a wide range of wireline data services to our residential, commercial and carrier customers. Residential services include HSI, dial up Internet, portal and e-mail products, and Frontier Secure services, such as hard drive back-up and computer technical support. Commercial services include Ethernet, Dedicated Internet, Multiprotocol Label Switching (MPLS), and TDM data transport services. These services are all supported by a 24x7 help desk and an advanced Network Operations Center.

Frontier is an Eligible Telecommunications Carrier in all of the ILEC markets that it serves and has years of experience with Lifeline and other Universal Service programs and is fully prepared to operate a broadband trial successfully.

OFFICER CERTIFICATION

Under penalty of perjury the undersigned certifies:

(A) That the ETC intends to offer broadband service pursuant to the Commission’s rules and regulations for the Lifeline program;

(B) That the ETC will implement all necessary procedures and efforts to prevent waste, fraud and abuse in connection with its participation in the Pilot Program, including but not limited to procedures that the ETC will have in place to prevent duplicate broadband subsidies within its subscriber base, and procedures the carrier undertakes to de-enroll subscribers receiving more than one broadband discount per household;

(C) That the ETC’s broadband service offering(s) will provide sufficiently low latency to enable use of real-time applications such as Voice over Internet Protocol (VoIP) and if there are usage limits for each plan, that they are reasonably comparable to usage limits for comparable broadband offerings in urban areas; and

(D) That the ETC will participate in the collection and sharing of anonymized qualitative and quantitative data with standardized data elements, formatting, and submission requirements, and that the ETC will participate in workshops to discuss interim and final results of the project, and how best to use limited universal service funds to increase low-income consumers’ adoption of broadband services.

Frontier North Inc.
Frontier West Virginia Inc.

By _____

Title _____

Date _____