

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of)	
)	
Applications Filed by Frontier)	WC Docket No. 14-22
Communications Corporation and)	
AT&T Inc. for the Assignment)	
or Transfer of Control of the)	
Southern New England Telephone)	
Company and SNET America, Inc.)	
)	

**Comments of
Communications Workers of America**

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I. INTRODUCTION AND SUMMARY

The Communications Workers of America (“CWA”) submits these comments on the application of Frontier Communications Corporation (“Frontier”) and AT&T Inc. (“AT&T”) (collectively the “Applicants”) to transfer control of The Southern New England Telephone Company (“SNET”) and SNET America, Inc. (“SNET America”) (collectively, “SNET”, “Transferred Businesses” or “Transferred Companies”) from AT&T to Frontier,¹ pursuant to the pleading cycle established by the Commission.² CWA represents 700,000 employees in communications, media, airlines, manufacturing, and public service. CWA represents 2,900 employees who are currently employed by AT&T’s SNET affiliates in Connecticut and 3,800 employees at Frontier nationwide. CWA is vitally concerned with the outcome of this proceeding because our members and their families will be affected by the transaction as workers, consumers, and residents. Indeed, this transaction could adversely affect the economic health of households, businesses, and communities throughout the state of Connecticut.

The Applicants fail to demonstrate concrete, verifiable public interest benefits from the proposed transaction. While the Applicants provide vague claims that Frontier will improve service and maintain and expand broadband, they do not give specific commitments to back up those claims. The Applicants do not provide specific information about planned post-transaction investment. The Applicants do not explain how Frontier will improve service quality. The

¹ In the Matter of AT&T Inc. and Frontier Communications Corporation Applications for Consent to Transfer of Control of Domestic and International Authorizations Pursuant to Section 214 of the Communications Act of 1934, As Amended, and Associated Wireless Applications, WC Docket No. 14-22, Jan. 31, 2014 (“Application”).

² Public Notice, Applications Filed by Frontier Communications Corporation and AT&T Inc. for the Assignment or Transfer of Control of The Southern New England Telephone Company and SNET America, Inc., WC Docket No. 14-22, Feb. 11, 2014 (rel) (“Public Notice”).

Applicants do not demonstrate the number of additional households, businesses, and anchor institutions that will gain access to high-speed broadband post-transaction, nor do they explain, given Frontier's limited experience in the video market, how Frontier will have the financial, technical, and human resources to maintain and expand upon AT&T's U-Verse service in Connecticut. The Applicants do not provide evidence to demonstrate how the transaction will improve Frontier's financial strength. The Applicants do not detail the ways they propose to achieve \$200 million in annual operating synergies, and whether those synergies will come at the expense of quality service. The Applicants do not provide any assurances that the transaction will maintain employment levels and worker living standards, which have a direct impact on quality of service for customers and the economic well-being of the communities served.

Most troubling, the Applicants cannot tell the Commission exactly which assets and liabilities are being transferred to Frontier and which will remain with AT&T.³ The Commission cannot evaluate this transaction without specific knowledge regarding which network assets, customers, and employees will belong to whom after closing the transaction. Without this knowledge, the Commission cannot evaluate whether post-transaction Frontier will have the financial, technical, and human resources to deliver on its promises. "Trust me" is not enough.

CWA is concerned that the Frontier acquisition could pose considerable public interest harm. Absent more concrete information about the division of assets and liabilities, CWA is concerned that post-transaction Frontier will not have the high-revenue customer base, skilled employees, and other resources necessary to generate the cash flow and technical know-how to deliver quality service and to sustain and grow U-Verse as a competitive alternative to cable in

³ Application, pages 7 and 16.

the broadband and video markets. Therefore, in light of the Applicants' failure to demonstrate transaction-specific, verifiable public interest benefits and the potential for considerable consumer harm, CWA at this time opposes the proposed transaction.

It is possible that during the course of this review, the Applicants will demonstrate transaction-related benefits. As a preliminary matter, the Commission must insist that the Applicants provide detailed, granular information regarding the transfer of assets and liabilities. Based on this information, the Applicants must demonstrate that Frontier will have the financial, technical, and human resources to improve service and grow U-Verse in Connecticut. The Applicants must provide concrete and verifiable plans, complete with benchmarks and timetables, to upgrade and expand high-speed broadband to homes, small businesses, and anchor institutions; specific and verifiable commitments to improve service quality; concrete timetables and plans for systems integration; and assurances that the transaction will not lead to any reduction in employment levels and workers' living standards.

The Applicants have not provided the Commission with sufficient evidence to evaluate this transaction. While CWA would like to meet the Commission's directive to "raise all issues" in our initial filing, the record is simply too sparse and too vague to give us confidence that we have addressed all issues.⁴ We therefore seek Commission indulgence to permit interested parties such as CWA to supplement our comments should new issues arise as a result of a more complete record in this proceeding.

⁴ Public Notice, p. 4.

II. STANDARD OF REVIEW AND PUBLIC INTEREST FRAMEWORK

Pursuant to sections 214(a) and 310(d) of the Communications Act, the Commission must determine whether the Applicants have demonstrated that the proposed transfer of control of AT&T's licenses and authorizations to Frontier will serve the public interest, convenience, and necessity.⁵ The Commission considers whether the proposed transaction could result in public interest harms by substantially frustrating or impairing the objectives or implementation of the Communications Act or related statutes.

The public interest standards of sections 214(a) and 310(d) involve a balancing process that weighs the potential public interest harms of the proposed transaction against the potential public interest benefits.⁶ The Applicants bear the burden of proving, by a preponderance of the

⁵ 47 U.S.C. §§ 214(a), 310(d).

⁶ See, e.g. *Filed by Qwest Communications International Inc. and CenturyTel d/b/a Century Link for Transfer of Control, Applications*, Memorandum Opinion and Order, WC Docket No 10-110, March 18, 2011 (rel) ("*Qwest/CenturyLink Order*"); *Applications Filed for the Transfer of Control of Embarq Corporation to CenturyTel, Inc.*, Memorandum Opinion and Order, WC Docket No. 08-238, June 25, 2009 (rel) ("*CenturyTel/Embarq Order*"); *Applications Filed by Frontier Communications Corporation and Verizon Communications Inc. for Assignment or Transfer of Control*, Memorandum Opinion and Order, WC Docket No.09-95, May 21, 2010 (rel) ("*Verizon/Frontier Order*"); *AT&T Inc. and BellSouth Corporation Application for Transfer of Control*, WC Docket No. 06-74, Memorandum Opinion and Order, March 26, 2007, para.19 (March 26, 2007 rel) ("*AT&T/BellSouth Order*"); *SBC Communications, Inc. and AT&T Corp. Applications for Approval of Transfer of Control*, WC Docket No. 05-65, Memorandum Opinion and Order, 20 FCC Rcd 18300, para 16 (2005) ("*SBC/AT&T Order*"), *Verizon Communications, Inc. and MCI, Inc. Applications for Approval of Transfer of Control*, WC Docket No. 05-75, Memorandum Opinion and Order, 20 FCC Rcd 18443, para. 16 (2005) ("*Verizon/MCI Order*"), *Applications of AT&T Wireless Services, Inc. and Cingular Wireless Corporation For Consent to Transfer Control of Licenses and Authorizations*, WT Docket 04-70, *Memorandum Opinion and Order*, para. 40, Oct. 26, 2004 (rel) ("*Cingular-AT&T Order*"); *Applications for Consent to the Assignment of Licenses Pursuant to Section 310(d) of the Communications Act from NextWave Personal Communications, Inc., Debtor-in-Possession, and NextWave Power Partners, Inc., Debtor-in Possession, to Subsidiaries of Cingular Wireless LLC*, WT Docket 03-217, *Memorandum Opinion and Order*, 19 FCC Rcd. At 2580-81 para. 24 (2004) ("*Cingular-NextWave Order*"); *General Motors Corporation and Hughes Electronics Corporation, Transferors, and The News Corporation Limited, Transferee*, MB Docket No. 03-124, *Memorandum Opinion and Order*, 19 FCC Rcd. at 483 para. 15 (2004) ("*GM-News Corp. Order*"); *WorldCom, Inc. and Its Subsidiaries (Debtors-in-Possession), Transferor, and MCI, Inc., Transferee*, WC Docket No. 02-215, *Memorandum Opinion and Order*, 18 FCC Rcd. 26,484, 26,492 para. 12 (2003) ("*WorldCom-MCI Order*"); *Applications for Consent to the Transfer of Control of Licenses from Comcast Corporation and AT&T Corp., Transferors, to AT&T Comcast Corporation, Transferee*, MB Docket No.02-70, *Memorandum Opinion and Order*, 17 FCC Rcd. 23,246, 23,255 para. 26 (2002) ("*AT&T-*

evidence, that the proposed transaction serves the public interest.⁷ As the harms to the public interest become greater and more certain, the degree and certainty of the public interest benefits must also increase commensurately.⁸

The Commission's public interest evaluation encompasses the "broad aims of the Communications Act"⁹ which include, among other things, the preservation and advancement of

Comcast Order"); Application of EchoStar Communications Corporation (A Nevada Corporation), General Motors Corporation, and Hughes Electronics Corporation (Transferors) and EchoStar Communications Corporation (A Delaware Corporation) (Transferee), CS Docket No. 01-348, *Hearing Designation Order*, 17 FCC Rcd. at 20,574 para. 25 (2002) ("*EchoStar-DirecTV HDO*"); VoiceStream Wireless Corporation, PowerTel, Inc., Transferors, and Deutsche Telekom AG, Transferee, IB Docket No. 00-187, *Memorandum Opinion and Order*, 16 FCC Rcd. 9779, 9789 para. 17 (2001) ("*Deutsche Telekom-VoiceStream Order*"); GTE Corporation, Transferor, and Bell Atlantic Corporation, Transferee, CC Docket No. 98-184, *Memorandum Opinion and Order*, 15 FCC Rcd. at 14,045, 14,046 paras. 20, 22 (2002) ("*Bell Atlantic-GTE Order*"); Applications of VoiceStream Wireless Corporation or Omnipoint Corporation, Transferors, and VoiceStream Wireless Holding Company, Cook Inlet/VS GSM II PCS, LLC, or Cook Inlet/VS GSM III PCS, LLC, Transferees, *Memorandum Opinion and Order*, 15 FCC Rcd. 3347 para. 12 (2000) ("*VoiceStream-Omnipoint Order*"); AT&T Corp., British Telecommunications, PLC, VLT Co. L.L.C, Violet License Co. LLC, and TNV [Bahamas] Limited Applications, IB Docket No. 98-212, *Memorandum Opinion and Order*, 14 FCC Rcd. at 19,150 para. 20 (1999) ("*AT&T Corp.-British Telecom. Order*"); Application of WorldCom, Inc. and MCI Communications Corporation for Transfer of Control of MCI Communications Corporation to WorldCom, Inc., CC Docket No. 97-211, *Memorandum Opinion and Order*, 13 FCC Rcd. At 18,031 para. 10 (1998) ("*WorldCom-MCI Order*"); Applications to Assign Wireless Licenses from WorldCom Inc. (Debtor-in-Possession) to Nextel Spectrum Acquisition Corp., WT Docket No. 03-203, *Memorandum Opinion and Order*, 19 FCC Rcd. at 6241-42 para. 23 (WTB, MB 2004) ("*Nextel-WorldCom Order*"); Applications of SBC Communications Inc. and BellSouth Corporation, WT Docket No. 00-81, *Memorandum Opinion and Order*, 15 FCC Rcd. at 25,464, 25,467 paras. 13, 18 (WTB, IB 2000) ("*SBC-BellSouth Order*"); Vodafone AirTouch, PLC, and Bell Atlantic Corporation, *Memorandum Opinion and Order*, 15 FCC Rcd. 16,512 , 16,517 paras. 13, 25 (WTB, IB 2000) ("*Bell Atlantic-Vodafone Order*").

⁷ See, e.g., *AT&T/BellSouth Order*, at para. 19; *SBC/AT&T Order*, 20 FCC Rcd at 18300, para 16; *Verizon/MCI Order*, 20 FCC Rcd at 18443, para. 16; *Cingular-AT&T Order* 19 FCC Rcd at 21542-44, para. 40; *Cingular-NextWave Order*, 15 FCC Rcd. at 2581 para. 24; *GM-News Corp. Order*, 19 FCC Rcd. at 483 para. 15; *AT&T-Comcast Order*, 17 FCC Rcd. at 23,255 para. 26; *EchoStar-DirecTV HDO*, 17 FCC Rcd. at 20,574 para. 25; *Bell Atlantic-GTE Order*, 15 FCC Rcd. at 14,046 para. 22; *VoiceStream-Omnipoint Order*, 15 FCC Rcd. at 3347 para. 11; *SBC-BellSouth Order*, 15 FCC Rcd. at 25,464 para. 13; *Bell Atlantic-Vodafone Order*, 15 FCC Rcd. at 16,512 para. 13; Applications for Consent to the Transfer of Control of Licenses and Section 214 Authorizations from Tele-Communications, Inc., Transferor, to AT&T Corp., Transferee, CS Docket No. 98-178, *Memorandum Opinion and Order*, 14 FCC Rcd. 3160, 3169 para. 15 (1999) ("*AT&T-TCI Order*"); *WorldCom-MCI Order*, 13 FCC Rcd. at 18,031-32 para.10.

⁸ *AT&T/MediaOne Order* para 154 quoting from *SBC-Ameritech Order* 14 FCC Rcd at 14825; *Bell Atlantic-NYNEX Order*, 12 FCC at 20063 para. 157.

⁹ See *Cingular-AT&T Order*, at para. 41; *GM-News Corp. Order*, 19 FCC Rcd. at 483 para. 16; *AT&T-Comcast Order*, 17 FCC Rcd. at 23,255 para. 27; *EchoStar-DirecTV HDO*, 17 FCC Rcd. at 20,575 para. 26; Applications for

universal service, the accelerated deployment of advanced services, and whether the merger will affect the quality of communication services.¹⁰ In its evaluation, the Commission must also consider whether the new entity will have the requisite financial, technical, and other qualifications to provide the public interest benefits that the Applicants claim the transaction will provide.¹¹

The Commission also considers whether a proposed transaction will lead to public interest harms with respect to employment practices. In the *Frontier-Verizon* review, Chairman Julius Genachowski, Commissioner Michael Copps, and Commissioner Mignon Clyburn, emphasized the importance of preserving quality jobs. In the *T-Mobile/MetroPCS*, review, Chairman Julius Genachowski, Commissioner Jessica Rosenworcel, and Commissioner Mignon Clyburn made clear that job loss does not serve the public interest. In this instant transaction, the Commission must also ensure that workers do not experience any reduction in employment as a result of this transaction.¹²

Consent to the Transfer of Control of Licenses and Section 214 Authorizations from MediaOne Group, Inc., Transferor, to AT&T Corp., Transferee, CS Docket No. 99-251, *Memorandum Opinion and Order*, 15 FCC Rcd. 9816, 9821 para. 11 (2000) (“*AT&T-MediaOne Order*”); *VoiceStream-Omnipoint Order*, 15 FCC Rcd. at 3346-47 para. 11; *AT&T Corp.-British Telecom. Order*, 14 FCC Rcd. at 19,146 para. 14; *WorldCom-MCI Order*, 13 FCC Rcd. at 18,030 para. 9.

¹⁰ See *AT&T/BellSouth Order*, para. 20; *SBC/AT&T Order*, 20 FCC Rcd at 18301, para. 17; *Verizon/MCI Order*, 20 FCC Rcd at 18443-44, para. 17; *Cingular-AT&T Order*, at 19 FCC Rcd at 21544, para. 41; *AT&T-Comcast Order*, 17 FCC Rcd. at 23,255 para. 27; *AT&T-MediaOne Order*, 15 FCC Rcd. at 9821-22 para. 11; *WorldCom-MCI Order*, 13 FCC Rcd. at 18,031 para. 9.

¹¹ Sprint-Nextel “will demonstrate that the New Local Company will possess the requisite financial strength, in addition to managerial and technical capability, to fully perform its public service obligations.” Letter from Gary D. Foresee, Chairman and CEO, Sprint corp., and Timothy M. Donahue, President and CEO Nextel Communications, Inc., to Ms. Marlene H. Dortch, Secretary, FCC, WT Docket No. 05-63 (filed Aug. 2, 2005) See *Sprint-Nextel Order* at 183 and fns. 431 – 434.

¹² See *Verizon-Frontier Order*, Statement of FCC Chairman Julius Genachowski, (“I take seriously concerns that have been expressed about the risks this transaction poses for consumers, employees, and competitors”); Joint Statement of Commissioner Michael Copps and Mignon Clyburn (“Lastly, we understand—and fully expect—that

The Commission's public interest authority enables the Commission to impose and enforce narrowly tailored, transaction-specific conditions that ensure that the public interest is served by the transaction.¹³ Section 214(c) of the Act authorizes the Commission to attach to the certificate "such terms and conditions as in its judgment the public convenience and necessity may require."¹⁴ Indeed, the Commission's public interest authority enables the Commission to rely upon its extensive regulatory and enforcement experience to impose and enforce conditions to ensure that the merger will yield overall public interest benefits.¹⁵

approving this transaction will maintain and potentially expand much-needed quality jobs in these rural communities. We continue to be hopeful that Frontier will soon reach an equitable agreement with the Communications Workers of America, ensuring that the needs of Frontier's employees are respected"). *See also T-Mobile/MetroPCS Order* (Statement of Commissioner Jessica Rosenworcel: "Nonetheless, I have expressed to the parties my concern that as they move ahead, American workers do not get left behind. Major job losses are not in the public interest." Statement of Commissioner Mignon Clyburn: "I hope that the new company, in fact, pursues a course that increases employment opportunities." Letter from Chairman Julius Genachowski to Congressman Michael Michaud: "During our review T-Mobile USA told the Commission that they plan to preserve and grow U.S. jobs, and I expect them to live up to these commitments.") *See also WorldCom-MCI Order* at 213 (considering the impact of that merger on employment); *see also SBC-Ameritech Order* at 567 (citing SBC's commitment to "improving service quality by hiring more employees"); *Puerto Rico-GTE Order* at ¶ 57 (noting that employee commitments are a merger-related public interest benefit).

¹³ *See, e.g., AT&T/BellSouth Order* at para. 22; *SBC/AT&T Order*, 20 FCC Rcd at 18302, para. 19; *Verizon/MCI Order*, 20 FCC Rcd at 184445, para. 19; *Bell Atlantic-GTE Order*, 15 FCC Rcd. at 14,047 para. 24; *AT&T Corp.-British Telecom. Order*, 14 FCC Rcd. at 19,150 para. 15; *WorldCom-MCI Order*, 13 FCC Rcd. at 18,032 para. 10; *Deutsche Telekom-VoiceStream Wireless Order*, 16 FCC Rcd. 9779 (2001); *Cingular-AT&T Order* paras. 251-267 (2004); *Sprint-Nextel Order* at para. 23.

¹⁴ *AT&T/BellSouth Order* at para. 22; *SBC/AT&T Order*, 20 FCC Rcd at 18302, para. 19; *Verizon/MCI Order*, 20 FCC Rcd at 184445, para. 19; *Cingular-AT&T Order* at 43 (2004); *GM/News Corp.*, 19 FCC Rcd at 477 para 477; *Bell Atlantic-GTE Order*, 15 FCC Rcd. at 14,047 para. 24; *AT&T Corp.-British Telecom. Order*, 14 FCC Rcd. at 19,150 para.15; *WorldCom/MCI Order*, 13 FCC Rcd at 18304-35 para 14; *In the Matter of Applications for Consent to the Assignment and/or Transfer of Control of Licenses Adelfia Communications Corporation (and subsidiaries, debtors-in-possession), Assignors to Time Warner Cable In. (subsidiaries), Assignees; Adelfia Communications Corporation, (and subsidiaries, debtors-in-possession), Assignors and Transferors, to Comcast Corporation (subsidiaries), Assignees and Transferees; Comcast Corporation, Transferor, to Time Warner, Inc., Transferee; Time Warner Incl, Transferor, to Comcast Corporation Transferee*, Memorandum Opinion and Order (July 21, 2006 rel.) at para. 28 ("*Adelfia-Comcast-Time Warner Order*"); *Sprint-Nextel Order* at para. 23.

¹⁵ *See, e.g., Cingular-AT&T Order* at 43 (2004); *GM-News Corp. Order*, 19 FCC Rcd. at 477 5; *Bell Atlantic-GTE Order*, 15 FCC Rcd. at 14,047-48 para. 24; *WorldCom-MCI Order*, 13 FCC Rcd. at 18034-35 para. 14; *Schurz Communications, Inc. v. FCC*, 982 F.2d 1043, 1049 (7th Cir. 1992); *Adelfia-Comcast-Time Warner Order* at para. 28; *Sprint-Nextel Order* at para. 23.

III. THE APPLICANTS FAIL TO PROVIDE ESSENTIAL INFORMATION ABOUT THE PROPOSED TRANSACTION, AND WITHOUT THIS INFORMATION, THE COMMISSION CANNOT CONCLUDE THAT THE TRANSACTION SERVES THE PUBLIC INTEREST

The Commission must have an accurate, complete description of the proposed transaction in order to determine whether the transfer of control meets the Commission’s public interest standard. But the Applicants fail to provide the Commission with the most basic information necessary to evaluate the proposed transaction, that is, precisely who will have ownership over which assets and who will assume which liabilities after the transaction closes. In fact, the Applicants use vague language to explain the transfer and retention of assets between the parties. According to the Application, “AT&T will transfer *certain assets* and cause the Transferred Companies (e.g. SNET and SNET America) to assume *certain liabilities* relating to the business to be acquired and the Transferred Companies will transfer to AT&T *certain assets* and AT&T will assume *certain liabilities* to be retained by AT&T following the closing.”¹⁶ (emphasis added) The Applicants explain in the most general terms that the transaction will transfer ownership of “SNET and its incumbent local exchange, retail broadband, and video businesses in Connecticut...and SNET America” from AT&T to Frontier.”¹⁷ The Applicants explain further that the transaction does not include AT&T Mobility and AT&T Corp. “AT&T Mobility will continue to provide wireless service in Connecticut, and AT&T Corp. will continue to serve enterprise customers in the state....Thus, the *majority of AT&T’s existing enterprise wireline*

¹⁶ Exhibit 1 to Application, Description of the Parties, Description of the Transaction, Public Interest Statement, Administrative Matters, p.6 (hereafter “Application Exhibit 1”).

¹⁷ *Id.*, p. 7. “SNET America provides interexchange and international calling and calling card services.”

customers in Connecticut and AT&T's CLEC operations will remain with AT&T.”¹⁸ (emphasis added). The Applicants do not provide any more detail to explain which of “*certain assets*” and “*certain liabilities*” and which of the “*majority of AT&T's existing enterprise wireline customers in Connecticut*” stay with AT&T and which will be transferred to Frontier. Yet, this is critical information needed to assess the impact of the proposed transaction.

In fact, the Applicants make clear that many of the details of what exactly will be transferred from AT&T to Frontier have not yet been worked out. The Applicants explain that today there are shared contracts between an AT&T entity and SNET or SNET America. In those cases, the Applicants explain, “Frontier and AT&T have agreed to work in good faith to separate the portion of the shared contract or tariff that applies to SNET or SNET America, and Frontier has agreed to honor and assume AT&T's obligations and rights under that portion of the contract or tariff.”¹⁹

It appears to CWA that AT&T and Frontier have not completed those negotiations and in fact the Applicants do not know exactly which assets and liabilities will be transferred to Frontier and which assets and liabilities will remain with AT&T. In order to fulfill our obligations as the collective bargaining agent for AT&T employees in Connecticut, CWA has repeatedly requested from the Applicants a complete and accurate list of job functions and job titles that will stay with AT&T and those that will transfer to Frontier at the time of closing. The Applicants have not provided us with a complete and accurate list. One plausible explanation is that the Applicants themselves have not completed negotiations over which assets (including customers, contracts,

¹⁸ *Id.*, pp. 7-8.

¹⁹ *Id.* 16.

network assets, equipment, job functions, and job titles) will remain with AT&T and which will be transferred to Frontier. Until those negotiations are completed, and until the Applicants have provided this information to the Commission, the Commission simply cannot evaluate the impact of the proposed transaction on consumers and the public interest. How can the Commission answer the most fundamental questions about this transaction until it knows exactly who will have ownership over what assets and liabilities the day after the deal closes? The answer is simple: it cannot.

IV. THE TRANSACTION DOES NOT PROVIDE CONCRETE, VERIFIABLE PUBLIC INTEREST BENEFITS

The Commission's decision in this case will directly affect millions of households and thousands of businesses, schools, hospitals, and government agencies in the state of Connecticut. The proposed transaction will affect economic development in the state not just in terms of basic services but also in terms of advanced services. High-speed broadband is essential to economic and job growth, and improvements in public safety, health care, environmental protection, education, and civic participation.

AT&T's U-Verse high-speed broadband and video service has challenged the cable monopoly in Connecticut (and in other states), providing competition and consumer choice, driving innovation and lower prices. Nationally, U-Verse has 10.7 million broadband subscribers and 5.4 million video subscribers.²⁰ The Commission must ensure that Frontier has the financial, technical, and human resources to build upon this investment in order to further the goals of competition, accelerated deployment of advanced services, and closing the digital divide.

²⁰ AT&T Fourth Quarter Investor Briefing, Jan. 28, 2014. The Commission should obtain U-Verse broadband and video and DSL subscriber and living units passed statistics for areas served by the AT&T Connecticut wire centers in

Concrete and verifiable commitments to expand U-Verse deployment in Connecticut represent transaction-related public interest benefits.

The Application presented to the Commission cannot form a basis for any comprehensive analysis of the supposed benefits of the proposed transaction. The Application contains vague, unverifiable statements concerning the proposed benefits of the merger. There is no supporting documentation or specific commitments. These statements amount to unenforceable promises and should not be used by the Commission to reach a decision on the proposed transaction.

In order to determine whether the proposed transaction serves the public interest, the Commission must obtain concrete and verifiable commitments to ensure that Frontier delivers on its promise of improved quality service, enhanced network investment, and good jobs. In order to conduct a thorough evaluation of the transaction, Commission must issue a detailed data request that would include but not be limited to the areas delineated below.

- Transfer of assets and liabilities. The Commission should obtain detailed and granular information about all assets and liabilities, including customer accounts, network assets, equipment, job functions, and job titles to be transferred to Frontier and retained by AT&T.
- Broadband and U-Verse deployment. The Commission should obtain detailed and granular information about the current state of broadband and U-Verse deployment in Connecticut, plans and timetables to upgrade and expand broadband deployment, and plans to maintain and expand U-Verse high-speed Internet and video services.
- Retail service quality. The Commission should obtain detailed and granular information at the wire center level on retail and wholesale service performance. Because adequate staffing is critical to ensure quality service, the Commission should obtain information regarding Frontier's staffing plans for the next five years, including plans regarding staffing of the call center in Connecticut.
- Synergies. The Commission should obtain detailed and granular information to document

this instant proceeding.

projected annual operating savings of \$200 million.

- Systems Integration. The Commission should obtain detailed and granular information regarding the planned conversion of AT&T's Connecticut operations onto Frontier's existing systems and networks post-closing.
- Employment impacts. The Commission should obtain baseline detailed and granular employment data, including the number of jobs by title and job function.

V. CONCLUSION

The Applicants have failed at this time to demonstrate that the transaction serves the public interest. Most troubling, the Applicants have failed to provide the Commission with such basic information as what assets and liabilities will be transferred in this transaction. It is possible that during the course of this review, the Applicants will provide the necessary information to conduct a thorough review, and the Applicants will demonstrate the merger-related benefits. These should include, at minimum, concrete and verifiable plans to upgrade and expand high-speed broadband infrastructure to homes, small businesses, and anchor institutions; specific and verifiable commitments to improve service quality; concrete timetables and plans for systems integration; and assurances that employees will not suffer job loss as a result of the transaction.

Respectfully submitted

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