



February 1, 2012

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SECRETARY'S BUREAU

Ms. Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105-3265

Re: Petition for Alternative Regulation and Network Modernization Plan of Frontier Communications Commonwealth Telephone Company at Docket No. P-00961024 – PSI/SPI/DCI Filing

Dear Secretary Chiavetta:

Enclosed for filing are an original and three copies of the Price Stability Index ("PSI"), Service Price Index ("SPI") and Deferred Change Index reports for Frontier Communications Commonwealth Telephone Company.

This filing contains highly confidential information; however, a public version of the filing has also been enclosed.

Please feel free to contact me at (570) 631-5366 with any questions regarding this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael P. Sharry".

Michael P. Sharry
State Director Government and External
Affairs

enclosures

CHAPTER 30 FILING
FRONTIER COMMUNICATIONS COMMONWEALTH TELEPHONE COMPANY
PSI - SPI - DCI REPORT
(All figures rounded to four decimal places)

Date: February 1, 2012

Price Stability Index (PSI) -- Effective 4/1/2012 through 3/31/2013

1	Gross Domestic Product Price Index (GDP-PI) for the 3Q2011		113.8110
2	GDP-PI for 3Q2010		111.1620
3	GDP-PI percentage change	(line 1 - line 2) / line 2	0.0238
4	Exogenous changes	as % of annual revenue	-
5	Change to PSI	line 3 - line 4	0.0238
6	Prior PSI		1.1388
7	PSI	line 6 * (1 + line 5)	1.1659

Service Price Index (SPI)

8	Prior SPI		1.0736
9	Rate changes		-
10	SPI	line 8 + line 9	1.0736

Deferred Change Index (DCI)

11	PSI	line 7	1.1659
12	SPI	line 10	1.0736
13	DCI	line 11 - line 12	0.0923

**FRONTIER COMMUNICATIONS COMMONWEALTH TELEPHONE COMPANY
BANKED PRINCIPLE CALCULATION & BANKING REPORT**

PSI PERIOD 2011 BANKING REPORT						
PSI Period	Principle	Interest	Principle + Interest	Retired Amount	Net Banked Amount	
2011 (4/1/11 - 3/31/12)	\$ 1,469,471		\$ 1,469,471		\$ 1,469,471	
2010 (4/1/10 - 3/31/11)	\$ 791,159	\$ -	\$ 791,159	\$ -	\$ 791,159	
2009 (4/1/09 - 3/31/10) *	\$ -				\$ -	
2008 (4/1/08 - 3/31/09) *	\$ -				\$ -	
2007 (4/1/07 - 3/31/08) *	\$ -				\$ -	
Total all PSI Periods	\$ 2,260,630		\$ 2,260,630	\$ -	\$ 2,260,630	

* Note: Pursuant to the Citizens/Commonwealth Merger Agreement (A-310800F0010), no banking was permitted to occur for this period.

FRONTIER COMMUNICATIONS COMMONWEALTH TELEPHONE COMPANY
 SPI INTRASTATE REVENUE FILING SUMMARY - 2012

Revenue Category	Present Revenue (1)	Proposed Revenue (2)	Proposed Revenue Change (3)	Percent Change (4) = (3)/(1)	Present SPI (5)	Proposed SPI Change (6) = (5)x(4)	Proposed SPI (7) = (5)+(6)
Local Service			\$ -	0.00%	0.4251	-	0.4251
Intrastate Access			\$ -	0.00%	0.5334	-	0.5334
IntraLATA Toll			\$ -	0.00%	0.0051	-	0.0051
Vertical Services			\$ -	0.00%	0.0281	-	0.0281
Miscellaneous			\$ -	0.00%	0.0819	-	0.0819
Noncompetitive Revenue	\$ 109,364,468	\$ 109,364,468	-	0.00%	1.0736	-	1.0736

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of the forgoing document upon the participants, listed below, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by participant).

Service by First Class Mail:

Office of Trial Staff
Pennsylvania Public Utility Commission
P.O. 3265
Harrisburg, PA 17105-3265

Office of Consumer Advocate
5th Floor
555 Walnut Street
Harrisburg, PA 17101-1921

Office of Small Business Advocate
Commerce Building – Suite 1102
300 North Second Street
Harrisburg, PA 17101

Robert C. Barber, Esquire
AT&T Communications of Pa, Inc.
3033 Chain Bridge Road
Room 3-D
Oakton, VA 22185

Michelle Painter, Esquire
MCI Worldcom Inc.
22001 Loudon County Parkway, E2-3-507
Ashburn, VA 20147

Dated this 1st day of February, 2012


Michael P. Sharry
State Director Government and External
Affairs, Frontier Communications

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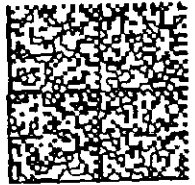


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www.FrontierOnline.com



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