

1 **KRISTIN K. MAYES**  
2 **ATTORNEY GENERAL**  
(Firm State Bar No. 14000)  
3 DYLAN JONES (BAR NO. 034185)  
4 ASSISTANT ATTORNEY GENERAL  
OFFICE OF THE ATTORNEY GENERAL  
5 2005 North Central Avenue  
6 Phoenix, AZ 85004-1592  
7 Telephone: (602) 542-5210  
Facsimile: (602) 542-4377  
8 Email: [consumer@azag.gov](mailto:consumer@azag.gov)  
Email: [Dylan.Jones@azag.gov](mailto:Dylan.Jones@azag.gov)  
9 *Attorneys for the State of Arizona*

10  
11 **SUPERIOR COURT OF ARIZONA**  
12 **IN MARICOPA COUNTY**

13 STATE OF ARIZONA, *ex rel.* KRISTIN K.  
14 MAYES, Attorney General,  
15  
16 Plaintiff,  
v.

17 CITIZENS UTILITIES RURAL COMPANY,  
18 INC., a Delaware corporation; CITIZENS  
19 TELECOMMUNICATIONS COMPANY OF  
20 THE WHITE MOUNTAINS, INC., a Delaware  
21 corporation; FRONTIER  
22 COMMUNICATIONS OF THE  
23 SOUTHWEST INC., a Delaware corporation; a  
24 Delaware corporation; and NAVAJO  
COMMUNICATIONS COMPANY, INC., a  
25 New Mexico corporation,  
26  
27 Defendants.

Case No.: CV2025-026395

**STIPULATED CONSENT JUDGMENT**  
(Assigned to the Hon. Christopher Whitten)

26 The State of Arizona, ex rel. Kristin K. Mayes, the Attorney General (the “State”), filed a  
27 Complaint alleging violations of the Arizona Consumer Fraud Act, A.R.S. §§ 44-1521 to -1534 (the  
28

1 “ACFA”), and the Citizens Utilities Rural Company, Inc., a Delaware corporation, Citizens  
2 Telecommunications Company of the White Mountains, Inc., a Delaware corporation, Frontier  
3 Communications of the Southwest, Inc., a Delaware corporation, and Navajo Communications  
4 Company Inc., a New Mexico corporation (collectively “Frontier” or “Defendants”) have waived  
5 service of the Complaint, have been advised of the right to a trial in this matter, and have waived the  
6 same. Frontier admits the jurisdiction of this Court over the subject matter and parties, stipulates that  
7 this Court may enter the following Background, Conclusions of Law and Order, and acknowledges  
8 that this Court will retain jurisdiction for the purpose of enforcing this stipulated Consent Judgment.

9 **PARTIES**

10 1. Plaintiff is the State of Arizona *ex rel.* Kristin K. Mayes, the Attorney General of  
11 Arizona, who is authorized to bring this action under the ACFA.

12 2. Defendants are Citizens Utilities Rural Company, Inc., a Delaware corporation,  
13 Citizens Telecommunications Company of the White Mountains, Inc., a Delaware corporation,  
14 Frontier Communications of the Southwest, Inc., a Delaware corporation, and Navajo  
15 Communications Company Inc., a New Mexico corporation.

16 3. All events, acts and practices described in, and relevant to, this Consent Judgment  
17 took place in Arizona.

18 4. This Court has jurisdiction over the Complaint and the parties necessary for the  
19 Court to enter this Consent Judgment and any orders hereafter appropriate pursuant to  
20 A.R.S. § 44-1528 and this Consent Judgment.

21 5. Venue is proper in Maricopa County pursuant to A.R.S. § 12-401.

22 **BACKGROUND**

23 6. The State was a plaintiff together with certain other states and the Federal Trade  
24 Commission in a civil complaint filed in the United States District Court for the Central District  
25 of California (*Federal Trade Commission et al v. Frontier Communications Corporation et al*  
26 (*2:21-cv-04155 CDCA*)). In the complaint the State alleged, *inter alia*, that certain of the  
27 Defendants had violated the ACFA in their advertising, marketing, sales, provisioning, and  
28 billing of DSL Internet service in Arizona (the “Alleged Conduct”).

7. The District Court, on October 3, 2021, declined to exercise pendant personal jurisdiction over Defendants with respect to the claims brought by the non-California states and granted Defendants' motion to dismiss the State's claims for lack of personal jurisdiction in the federal United States District Court for the Central District of California.

8. The Parties by this Judgment intend to resolve any claims relating to the Alleged Conduct that the State has authority to bring under federal or state law.

9. In entering this Judgment, the mutual objective of the Parties is to resolve, without further litigation, the State's potential claims relating to the Alleged Conduct under the ACFA or other statutes or sources of authority for preliminary and permanent injunctive relief through the Effective Date of this Judgment, as well as the potential claims for payment of damages or other financial relief and reimbursement of the State's costs relating to the investigation of the Alleged Conduct. The entry into this Judgment by Defendants is not an admission of liability with respect to any issue addressed in this Judgment, nor is it an admission of any factual allegations or legal conclusions stated or implied herein. Defendants are offering this Judgment to avoid the time and expense of litigating this matter further.

## CONCLUSIONS OF LAW

10. The State alleges Frontier violated the ACFA by engaging in or directing others to engage in the Alleged Conduct.

11. Pursuant to the ACFA, Frontier’s alleged violations entitle the State to relief necessary to prevent the unlawful acts and practices described in this Judgment and to remedy the consequences of past unlawful practices.

12. Frontier neither admits nor denies any of the Alleged Conduct, except as specifically stated in the following sentence. Only for purposes of this action, Defendants admit only those facts necessary to establish personal jurisdiction.

## ORDER

NOW, THEREFORE, IT IS ORDERED, ADJUDGED AND DECREED:

13. Pursuant to A.R.S. § 44-1528, this Judgment, including but not limited to the injunctive relief set forth in Paragraphs 15 through 22 below, binds Defendants, whether acting

1 through associates, principals, officers, directors, employees, representatives, successors, or  
2 assigns, or through any subsidiary corporation, assumed name, or business entity. Defendants  
3 are responsible for compliance with the terms of this Judgment, and must ensure that all  
4 employees, subcontractors, agents, and representatives comply with the terms of this Judgment.

#### 5 **DEFINITIONS**

6 14. The following definitions apply throughout this Judgment:

7 (a) “Advertised Speed” means the download speed advertised or offered,  
8 including at point of sale, in association with a specific Internet Service Plan, such as “18  
9 Mbps,” “As Fast As 18 Mbps,” “Max Speeds As Fast As 18 Mbps,” or “9 to 18 Mbps.”

10 (b) “Clear(ly) and Conspicuous(ly)” means that a required disclosure is  
11 difficult to miss (*i.e.*, easily noticeable) and easily understandable by ordinary consumers,  
12 including in all of the following ways:

13 (i) In any communication that is solely visual or solely audible, the  
14 disclosure must be made through the same means through which the  
15 communication is presented. In any communication made through both visual and  
16 audible means, such as a television advertisement, the disclosure must be made  
17 visually or audibly.

18 (ii) A visual disclosure, by its size, contrast, location, the length of time  
19 it appears, and other characteristics, must stand out from any accompanying text or  
20 other visual elements so that it is easily noticed, read, and understood.

21 (iii) An audible disclosure, including by telephone or streaming video,  
22 must be delivered in a volume, speed, and cadence sufficient for ordinary  
23 consumers to easily hear and understand it.

24 (iv) In any communication using an interactive electronic medium, such  
25 as the Internet or software, the disclosure must be unavoidable.

26 (v) The disclosure must use diction and syntax understandable to  
27 ordinary consumers and must appear in each language in which the representation  
28 that requires the disclosure appears.

1 (vi) The disclosure must comply with these requirements in each medium  
2 through which it is received, including all electronic devices and face-to-face  
3 communications.

4 (vii) The disclosure must not be contradicted or mitigated by, or  
5 inconsistent with, anything else in the communication.

6 (viii) When the representation or sales practice targets a specific audience,  
7 such as children, the elderly, or the terminally ill, “ordinary consumers” includes  
8 members of that group.

9 (c) “Close Proximity” means that the disclosure is near the triggering  
10 representation. For example, a disclosure made through a hyperlink, pop-up, interstitial,  
11 or other similar technique is not in close proximity to the triggering representation.  
12 Notwithstanding the foregoing sentence, in connection with any internet, mobile, social  
13 media, Point of Sale, or other electronic Advertisement, if restrictions on format, size,  
14 and/or technical specifications prevent Frontier from Clearly and Conspicuously  
15 disclosing all material terms, conditions, limitations, and obligations reasonably adjacent  
16 to the representations contained in the Advertisements, Defendants may include a Clear  
17 and Conspicuous link, click-through, pop-up, or similar method to direct Consumers to  
18 such disclosures.

19 (d) “Congestion Report” means Defendants’ “Monthly DSLAM Congestion  
20 Report,” or any future version of that report, which provides congestion information for  
21 all Arizona DSLAM uplinks and the circuits that affect more than one DSLAM, including  
22 Host, Aggregator, and BRAS uplinks.

23 (e) “Covered Conduct” shall mean the promotion, advertisement, offer, sale, or  
24 provision of Defendants’ an Internet Service Plan to Consumers. It shall also include all  
25 billing, payment, and collections practices relating to the provision of Defendants’ Internet  
26 Service Plan to Customers.

27 (f) “Consent Judgment” or “Judgment” means this Consent Judgment.  
28

1 (g) “Customer” means a consumer who subscribes to an Internet Service Plan  
2 with an Advertised Speed in the State of Arizona.

3 (h) “DSL” means digital subscriber line.

4 (i) “DSLAM” means DSL access multiplexer.

5 (j) “Existing Customer” means a Customer who is already subscribed to an  
6 Internet Service Plan with an Advertised Speed and who is not a New Customer.

7 (k) “FTC Settlement” means the Stipulated Order for Permanent Injunction,  
8 Monetary Judgment and Other relief entered in *Federal Trade Commission et al v. Frontier*  
9 *Communications Corporation et al* (2:21-cv-04155 CDCA) on May 6, 2022.

10 (l) “Internet Service Plan” means a service to provide residential Internet  
11 access via DSL.

12 (m) “Material Restriction” means a restriction on the amount or speed of Internet  
13 access that is likely to affect a Customer’s purchase or use of the Internet Service Plan.

14 (n) “New Customer” means a person who becomes a Customer after the  
15 Effective Date, *i.e.*, a person who subscribes to an Internet Service Plan with an Advertised  
16 Speed, an Existing Customer who changes service plans to an Internet Service Plan with  
17 an Advertised Speed, or both.

18 (o) “Parties” means the State of Arizona *ex rel.* Kristin K. Mayes, the Attorney  
19 General, and Defendants, collectively.

20 (p) “Provision” and “Provisioned” refer to the Defendants’ setting of the speed  
21 on Defendants’ network for a Customer’s DSL Internet service.

22 (q) “Speed Assessment Procedure” means a procedure, algorithm, process, or  
23 data analysis, based on competent and reliable evidence, for assessing the speed at which  
24 Defendants are able to provide DSL Internet service to a residential address. For purposes  
25 of this definition and references hereto, “competent and reliable evidence” means tests,  
26 including loop tests, analyses, research, or studies that have (1) been conducted and  
27 evaluated in an objective manner by qualified personnel, and (2) are generally accepted to  
28

1 yield accurate and reliable results, and provide a reasonable basis for representations  
2 concerning an Advertised Speed.

### 3 **IMPLEMENTATION OF COMPLIANCE MEASURES**

#### 4 **Prohibition Against Misrepresenting Internet Services**

5 15. Defendants, whether acting directly or indirectly, in connection with the  
6 advertising, marketing, or sale of any Internet Service Plan, shall refrain from, expressly or by  
7 implication:

8 (a) Advertising or marketing Internet Service Plans with Advertised Speeds:

9 (i) In television and radio advertisements or other ads disseminated to  
10 or meant for a general audience and that contain Advertised Speed claims, unless  
11 Defendants Clearly and Conspicuously disclose that the maximum Advertised  
12 Speeds may not be available in a consumer's area, if that is the case; and that the  
13 actual speed a Customer is likely to be able to obtain is subject to multiple factors,  
14 if that is the case;

15 (ii) In Internet advertisements or other advertisements that appear when  
16 a consumer has provided his or her residential address, or if Defendants have  
17 targeted the consumers based on their residential address or zip code, if the  
18 maximum Advertised Speed exceeds what is available in those consumers' zip  
19 codes;

20 (iii) In mailer advertisements or other advertisements targeted to  
21 consumers based on their geographic area or neighborhood, if the maximum  
22 Advertised Speed exceeds what is available to the consumers receiving such  
23 advertisements.

24 (b) Misrepresenting the amount or speed of data transmission that an Internet  
25 Service Plan will provide.

26 (c) Making any representation about the amount or speed of data transmission  
27 without disclosing, Clearly and Conspicuously, all Material Restrictions to obtaining the  
28 represented amount or speed of data transmission. For purposes of this Judgment:

1 (i) For any representation that an Internet Service Plan will deliver an  
2 Advertised Speed, the advertisement must disclose Clearly and Conspicuously with  
3 and in Close Proximity to the representation:

4 (aa) the range of speeds available for that tier, such as “6.1 Mbps  
5 to 12 Mbps download”; and

6 (bb) that the average speed may be lower than the maximum speed  
7 represented, if that is the case.

8 (ii) For internet ads or mailer ads, if the actual speed a Customer is likely  
9 to be able to obtain is subject to multiple factors, the advertisement must contain a  
10 Clear and Conspicuous website location or link to a Clear and Conspicuous  
11 disclosure that states that actual speed is subject to multiple factors, such as (aa)  
12 the effect of WiFi; (bb) multiple users on the same account; (cc) device limitations;  
13 and (dd) network congestion.

14 (d) Misrepresenting the performance or central characteristics of an Internet  
15 Service Plan.

16 **Prohibited Subscription and Billing Practices**

17 16. Defendants, whether acting directly or indirectly, in connection with any Internet  
18 Service Plan, shall refrain from:

19 (a) At the point of sale, subscribing or upgrading any New Customer to an  
20 Internet Service Plan with an Advertised Speed unless the geographic area of the New  
21 Customer’s residential address provides reason to believe that Defendants can provide  
22 service at the Advertised Speed to the New Customer.

23 (b) Provisioning any New Customer for an Internet Service Plan with an  
24 Advertised Speed unless the Customer is Provisioned within 10% of the maximum  
25 Advertised Speed or higher for that Internet Service Plan, provided that if a Customer  
26 cannot be Provisioned within 10% of the maximum Advertised Speed or higher,  
27 Defendants shall notify the New Customer as set forth in the FTC Settlement and/or  
28 Paragraph 17(b) of this Judgment.



1 (c) Subscribing any New Customer to an Internet Service Plan with service to  
2 be provided by a DSLAM for which Defendants' Congestion Reports indicate that the  
3 DSLAM has had an average peak utilization of 90% or greater during at least the three  
4 months prior to service installation.

5 (d) Billing, charging, collecting, or attempting to collect from any New  
6 Customer the costs or fees for an Internet Service Plan with an Advertised Speed unless a  
7 Speed Assessment Procedure performed at the time of service installation provides reason  
8 to believe that Defendants can provide service within 10% of the maximum Advertised  
9 Speed or higher to the New Customer's residential address; *provided, however*, that  
10 Defendants shall not be deemed to be in violation of this Paragraph 16(d) if the Customer  
11 continues with the current Internet Service Plan after receiving written notice as provided  
12 pursuant to the FTC Settlement and/or in Paragraph 17(b) of this Judgment.

13 (e) Billing, charging, collecting, or attempting to collect from any Existing  
14 Customer or New Customer the costs or fees for an Internet Service Plan with an  
15 Advertised Speed, if after receipt of a customer-initiated trouble ticket or written  
16 complaint from the Customer asserting that the Customer's Internet speed experienced is  
17 slower than the Advertised Speed and the Customer requests or it is otherwise clear from  
18 the communication that Defendants should investigate or take action to address service  
19 speed, Defendants do not, at their option, (i) initiate a review to respond to the Customer's  
20 trouble ticket or complaint, such as through a Speed Assessment Procedure; or (ii) issue a  
21 notice that offers the Customer the option to (aa) continue with the current Internet Service  
22 Plan; (bb) cancel the Internet Service Plan without incurring any additional fee associated  
23 with an Internet Service Plan, such as an early termination fee, for cancelling the Internet  
24 Service Plan, or (cc) move to another available Internet Service Plan product tier in which  
25 the Existing Customer can be Provisioned at a minimum of 90% of the maximum  
26 Advertised Speed for Defendants' service.

27 **Required Actions for New and Upgrading Customers**

28 17. Defendants will, not later than 120 days after the Effective Date:

1 (a) Clearly and Conspicuously disclose, to all New Customers, at or before the  
2 point of sale or change in Internet Service Plan with an Advertised Speed: the maximum  
3 Advertised Speed, the range of Internet service speeds Defendants have reason to believe  
4 the New Customer is likely to receive based on the geographic location of the New  
5 Customer's service address, and how such speeds may impact the New Customer's use of  
6 certain online content and services, such as streaming or gaming;

7 (b) Within 10 business days of the time of the installation and provisioning of  
8 the Internet Service Plan with an Advertised Speed, whether by a technician, self-  
9 installation, or another method, Defendants shall identify the provisioned speed and  
10 provide New Customers who have been Provisioned at less than the maximum Advertised  
11 Speed for their Internet Service Plan with a notice via any method Defendants use to  
12 communicate with the Customer (including but not limited to mail, e-mail, or text  
13 message). Defendants' notice described in this Section shall:

14 (i) Clearly and Conspicuously inform the New Customer of the  
15 maximum Advertised Speed for the Internet Service Plan to which the New  
16 Customer is subscribed; the maximum speed for which the New Customer is  
17 Provisioned; the range of Internet service speeds Defendants have reason to believe  
18 the New Customer is likely to receive based on a Speed Assessment Procedure  
19 performed at the time of service installation; and how such speeds may impact the  
20 New Customer's access to various Internet services, such as streaming or gaming;

21 (ii) Offer the New Customer the options to (aa) discontinue the Internet  
22 Service Plan without incurring any additional fee associated with an Internet Service  
23 Plan, such as an early termination fee, for cancelling the Internet Service Plan, (bb)  
24 move to another available Internet Service Plan product tier for which the New  
25 Customer can be Provisioned at a minimum of 90% of the maximum Advertised  
26 Speed or another service of Defendants, or (cc) continue with the current Internet  
27 Service Plan. If the New Customer elects to discontinue the Internet Service Plan,  
28

1 Defendants shall refund or waive any applicable installation, service connection,  
2 and early termination fees; and

3 (iii) Not enclose anything in or with the Notice or email other than the  
4 Notice, including any billing statements or marketing messages.

5 **Required Actions Regarding Existing Customers**

6 18. Defendants will identify each Existing Customer with an Internet Service Plan for  
7 whom either (i) the Provisioned Speed is less than the maximum Advertised Speed to which the  
8 Customer is subscribed, or (ii) the Provisioned Speed cannot be readily ascertained, and  
9 Customers identified in connection with Defendants' ongoing reporting obligations under this  
10 Judgment. For each such Customer who has not previously received notice pursuant to the FTC  
11 Settlement or under this Paragraph or Paragraph 17 of this Judgment:

12 (a) Defendants shall, for Existing Customers for whom the Provisioned Speed  
13 is less than the maximum Advertised Speed, issue a notice via any method Defendants  
14 uses to communicate with the Existing Customer (including but not limited to mail, e-  
15 mail, or text message). Defendants' Notice described in this Section shall:

16 (i) Clearly and Conspicuously inform the Existing Customer of the  
17 maximum Advertised Speed for the Internet Service Plan to which the Existing  
18 Customer is subscribed; the maximum speed for which the Existing Customer is  
19 Provisioned (if readily ascertainable); the range of Internet service speeds  
20 Defendants have reason to believe the Existing Customer is likely to receive based  
21 on the geographic location of the Existing Customer's residential address; and how  
22 such speeds may impact the Existing Customer's access to various Internet services,  
23 such as streaming or gaming;

24 (ii) Offer the Existing Customer the options to (aa) continue with the  
25 current Internet Service Plan; (bb) discontinue the current Internet Service Plan  
26 without incurring any additional fee associated with an Internet Service Plan, such  
27 as an early termination fee, for cancelling the Internet Service Plan; and (cc) move  
28 to another available Internet Service Plan product tier in which the Existing

1 Customer can be Provisioned at a minimum of 90% of the maximum Advertised  
2 Speed or another service of Defendants; and

3 (iii) Not enclose anything in or with the Notice or email other than the  
4 Notice, including any billing statements or marketing messages.

5 (b) Defendants shall, for Existing Customers for whom the Provisioned Speed  
6 cannot be readily ascertained based on limitations in Defendants' systems or facilities in  
7 the Existing Customer's area, issue a notice via any method Defendants use to  
8 communicate with the Existing Customer (including but not limited to mail, e-mail, or  
9 text message). Defendants' Notice described in this Section shall:

10 (i) Clearly and Conspicuously inform the Existing Customer of the  
11 maximum Advertised Speed for the Internet Service Plan to which Existing  
12 Customer is subscribed; the fact that the Provisioned Speed cannot be readily  
13 ascertained based on limitations in Defendants' systems or facilities in the  
14 Customer's area; the range of Internet service speeds Defendants have reason to  
15 believe the Existing Customer is likely to receive based on the geographic location  
16 of the Existing Customer's service address; and how such speeds may impact the  
17 Existing Customer's access to various Internet services, such as streaming or  
18 gaming;

19 (ii) Offer the Existing Customer the options to (aa) continue with the  
20 current Internet Service Plan; (bb) discontinue the current Internet Service Plan  
21 without incurring any additional fee associated with an Internet Service Plan, such  
22 as an early termination fee, for cancelling the Internet Service Plan; and (cc) move  
23 to another available Internet Service Plan product tier in which the Customer can  
24 be Provisioned at a minimum of 90% of the maximum Advertised Speed or another  
25 service of Defendants; and

26 (iii) Not enclose anything in or with the Notice or email other than the  
27 Notice, including any billing statements or marketing messages.  
28

1 (c) Defendants shall, for Customers served by DSLAMs for which Congestion  
2 Reports indicate an average peak utilization of 90% or greater in any consecutive 3-month  
3 period, issue a notice via any method Defendants use to communicate with the Customer  
4 (including but not limited to mail, e-mail, or text message) to those Customers within 60  
5 days of the end of the 3-month period, informing them of: (1) the speed at which they are  
6 provisioned; (2) the range of Internet service speeds they are likely to achieve; and (3) that  
7 the limitations of those speeds may impact various Internet services, such as streaming or  
8 gaming.

9 (d) Defendants shall, when a New or Existing Customer subscribed to an  
10 Internet Service Plan with an Advertised Speed contacts Defendants with a trouble ticket  
11 or written complaint asserting that the Customer's Internet speed experienced is slower  
12 than the Advertised Speed and the Customer requests or it is otherwise clear from the  
13 communication that Defendants should investigate or take action to address service speed  
14 respond to the Customer by, at Defendants' option: (i) initiating a review to respond to the  
15 Customer's complaint, such as through a Speed Assessment Procedure; or (ii) issue a  
16 notice via any method Defendants use to communicate with the New or Existing Customer  
17 (including but not limited to mail, e-mail, or text message):

18 (i) Defendants' Notice described in this Section shall offer the Customer  
19 the options to (aa) continue with the current Internet Service Plan; (bb) discontinue  
20 the current Internet Service Plan without incurring any additional fee associated  
21 with an Internet Service Plan, such as an early termination fee; and (cc) move to  
22 the next lower Internet Service Plan product tier in which the Customer can be  
23 Provisioned at a minimum of 90% of the maximum Advertised Speed.

24 (ii) Defendants shall not enclose anything in or with the Notice or email  
25 other than the Notice including any billing statements or marketing messages.

26 (e) Beginning 12 months and concluding 36 months after the Effective Date of  
27 this Judgment, Defendants shall credit one half the monthly Internet Service charge to  
28 individual customers for all such months in which (i) Defendants fail to provision such

1 customers at least 90% of the maximum Advertised Speed unless the customer has been  
2 advised in writing of the option to discontinue Internet Service or subscribe to another  
3 available Internet Service Plan product tier or Defendants service, if available, and elected  
4 not to subscribe to the lower speed tier level service or (ii) Defendants fail to provision  
5 such customer at least 100% of the speed at which they were informed they were  
6 provisioned.

7 (f) The customer credits described in Paragraph 18(e) above are remedial in  
8 nature and not fines, penalties, or disgorgements of funds.

9 **Expenditure Commitments**

10 19. Defendants agree to make an investment of Eight Million Dollars (\$8,000,000) in  
11 capital or other expenditures to provide or enhance internet services or to improve redundancy of  
12 internet or telecommunications services in Arizona and for Arizona consumers over a period of  
13 four years commencing on the first calendar day of the month following the Effective Date of this  
14 Judgment (the "Expenditure Commitment").

15 20. All of the Expenditure Commitment shall be expended to provide or enhance  
16 internet services or to improve redundancy of internet or telecommunications services within  
17 Navajo and Apache counties. Projects to be funded to benefit of Navajo and Apache counties  
18 shall include but are not limited to:

19 (a) Frontier to expend a minimum of \$2M to acquire/lease fiber from Navajo  
20 County's fiber project funded by a State grant and/or install fiber and  
21 transport/fiber equipment to improve network reliability and fiber diversity  
22 for voice/data traffic between Holbrook-Snowflake-Show Low

23 (b) Frontier to expend a minimum of \$2M to acquire/lease fiber from Apache  
24 County's fiber project funded by a State grant and/or install fiber and  
25 transport/fiber equipment to improve network reliability and fiber diversity  
26 for voice/data traffic between St. Johns, Concho, Springerville and Vernon  
27 and Show Low  
28

1 (c) Frontier to expend the remainder of the Expenditure Commitment not  
2 expended pursuant to subsections (a) or (b) above targeted at building fiber  
3 to the premises (FTTP) in Apache/Navajo County communities.  
4 Deployment location decisions to be made after federal/state BEAD awards  
5 announced. Actual number of FTTP locations served with fiber will depend  
6 on the specific areas chosen.

7 21. Defendants shall entirely fund the Expenditure Commitment, such as from  
8 internally generated funds, an equity infusion, issuing debt, or some combination thereof. To the  
9 extent Defendants incur expenditures related to any of the following activities, those expenditures  
10 will not apply against the Expenditure Commitment in this Agreement: (a) completing any Federal  
11 Communications Commission's Rural Digital Opportunity Fund build-out requirements and  
12 deployment milestones; and (b) completing any State or local government grant for internet  
13 broadband funding build-out requirements; however, to the extent Defendants contribute their  
14 own capital funding to complete the project, Defendants' funding will count toward the  
15 Expenditure Commitment. To the extent Defendants, or Defendants' parent companies,  
16 successors, or assigns, incur capital or other expenditures in complying with an order from the  
17 Arizona Corporation Commission (the "ACC"), including ACC Decision No. 78645 (as amended  
18 by Decision Nos. 78718 and 79021), or as it may later be amended, and any order, settlement, or  
19 agreement included in ACC Docket No. T-20679A-24-0252 or related dockets<sup>1</sup>, or capital or other  
20 expenditures for which the ACC has authorized recovery through a rate case, those expenditures  
21 will not apply against the Expenditure Commitment in this Agreement. Under no circumstances  
22 shall this Expenditure Commitment described in this Consent Judgment be reflected in additional  
23 charges billed to public utility ratepayers or by customers of a Competitive Local Exchange  
24 Carrier.

25  
26  
27  
28 <sup>1</sup> ACC Dockets related to T-20679A-24-0252 include; T-01954B-24-0252; T-02115A-24-0252;  
T-20680A-24-0252; T-03214A-24-0252; T-20681A-24-0252; and T-04036A-24-0252.

1           22.    The Expenditure Commitment described above is remedial in nature and not a fine,  
2 penalty, or disgorgement of funds.

3           **Monitoring**

4           23.    Upon the execution of this Judgment, Defendants shall immediately commence  
5 efforts to fulfill the requirements set forth herein and unless otherwise provided herein shall  
6 comply with the requirements no later than 90 days from the Effective Date of this Judgment.

7           24.    For a period of four years starting on the first calendar day of the month following  
8 the Effective Date of this Judgment, Defendants shall provide the State with a semi-annual written  
9 report or teleconference presentation detailing their compliance with the requirements set forth  
10 in this Judgment. The first report shall cover the six-month period starting on the first calendar  
11 day of the month following the Effective Date of this Judgment and shall be provided to the  
12 State within 60 days after the conclusion of that six-month period, and then semi-annually  
13 thereafter. Such reporting shall include, at a minimum:

14                   (a)    The number of Customers to which Defendants have sent each type of notice  
15 pursuant to Paragraphs 17 and 18 of this Judgment.

16                   (b)    A report and representative copy of all disclosures provided to customers in  
17 accordance with Paragraphs 17 and 18.

18                   (c)    Expenditures that were made during the reporting period pursuant to this  
19 Judgment, including amount spent, location where spent, capital improvements that were  
20 made, and a summary of the effect of such improvements on the number of consumers  
21 receiving new or improved internet access service.

22           25.    For a period of four years starting on the first calendar day of the month following  
23 the Effective Date of this Judgment, Defendants shall provide to the State a copy of all reports  
24 Defendants file with the ACC pursuant to Attachment A Section IX of ACC Decision No. 78645  
25 (as amended by Decision Nos. 78718 and 79021).

26           26.    For a period of four years starting on the first calendar day of the month following  
27 the Effective Date of this Judgment, Defendants shall provide to the State a copy of all reports  
28



1 Defendants file with the ACC pursuant to any decision, settlement, or agreement reached in ACC  
2 Docket No. T-20679A-24-0252 or related dockets.

3 27. For a period of four years after the Effective Date, Defendants shall cooperate with  
4 the State's consumer complaint mediation process by responding to future complaints regarding  
5 Internet Service Plans forwarded to it by the State. This would include providing the State  
6 information related to such customers at the State's request, including but not limited to a  
7 customer's advertised speed, the initial assessed speed, a customer's provisioning data, and the  
8 results of the most recent Speed Assessment Procedure relating to such customer.

9 **PAYMENT TERMS**

10 28. Pursuant to A.R.S. § 44-1534, no later than 60 days after the Effective Date,  
11 Defendants shall pay the sum of \$30,000 in attorneys' fees and costs due to the State, to be  
12 deposited into the Consumer Protection-Consumer Fraud Revolving Fund pursuant to  
13 A.R.S. § 44-1531.01, and used for the purposes set forth therein.

14 29. Pursuant to A.R.S. § 44-1528(A)(2), Defendants shall pay to the Attorney General  
15 the amount of \$60,000 in consumer restitution due no later than 60 days after the Effective Date,  
16 to be deposited into the Consumer Restitution and Remediation Revolving Fund, pursuant to  
17 A.R.S. § 44-1531.02(B). The State will have sole discretion as to how and when these funds are  
18 distributed to consumers and the eligibility of any consumer to receive restitution. In the event  
19 that any portion of the restitution ordered herein is not distributed, such portion will be deposited  
20 by the Attorney General's Office into the Consumer Protection-Consumer Fraud Revolving Fund,  
21 pursuant to A.R.S. § 44-1531.02(B), and used for the purposes specified in A.R.S. § 44-1531.01.

22 30. The payments required herein must be paid in the form of cashier's checks or  
23 money orders made payable to "The State of Arizona," or by wire transfer according to  
24 instructions supplied by the State. Payment must be delivered, or mailed and postmarked, to:

25 Consumer Protection and Advocacy Section  
26 The Office of the Arizona Attorney General  
27 2005 North Central Avenue  
28 Phoenix, Arizona 85004-1592



1 steps necessary either to cure the alleged violation(s) or to demonstrate to the State that no such  
2 violation(s) occurred. If the State contends that the alleged violation has not been cured following  
3 the Cure Period, the Attorney General may seek judicial enforcement of this Judgment, without  
4 Frontier having waived any defenses to any alleged breach.

5 37. Except as otherwise specifically stated herein, all provisions of this Judgment shall  
6 remain in effect for a period of forty-eight (48) months from the Effective Date. This Court  
7 retains jurisdiction over Defendants and the subject matter of this Judgment for purposes of  
8 enabling the State to apply to this Court for enforcement of Defendants' compliance with this  
9 Judgment.

10 38. This Judgment represents the entire agreement between the Parties, and there are  
11 no representations, agreements, arrangements, or understandings, oral or written, between the  
12 Parties relating to the subject matter of this Judgment that are not fully expressed herein or  
13 attached hereto.

14 39. If any portion of this Judgment is held invalid by operation of law, the remaining  
15 terms thereof shall not be affected and shall remain in full force and effect.

16 40. This Judgment is the result of a compromise and settlement agreement between the  
17 Parties. Only the Parties may seek enforcement of this Judgment. Nothing in this Judgment is  
18 intended to create a private right of action by other parties.

19 41. Each person signing this Judgment acknowledges and represents that (a) they have  
20 read this Judgment in its entirety and fully understand all of its terms, conditions, ramifications,  
21 and consequences; (b) they unconditionally consistent to the terms of this Judgment; (c) they  
22 have consulted with or had ample opportunity to consult with legal counsel of their choosing  
23 prior to executing this Judgment; and (d) the consideration received by each party as described  
24 in this Judgment is adequate.

25 42. Each undersigned individual represents and warrants that he is fully authorized by  
26 the party he represents to enter into this Judgment and to legally bind such party to the terms and  
27 conditions of this Judgment.  
28

43. The Parties may execute this Judgment in counterparts, each of which is deemed an original and all of which constitute only one agreement.

44. The Parties agree that facsimile or electronically transmitted signatures may be submitted in connection with this Assurance and are binding to the same extent as an original signature.

45. The Effective Date of this Judgment is the date that it is entered by the court.

46. This Judgment resolves all outstanding claims expressly identified in the Alleged Conduct and the Complaint as to Defendants. As no further matters remain pending, this is a final judgment entered pursuant to Ariz. R. Civ. P. 54(c).

DATED this \_\_\_\_\_ day of July, 2025.

JUDGE OF THE SUPERIOR COURT

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25
- 26
- 27
- 28

6. This Consent to Judgment may be executed in counterparts and be delivered by facsimile or electronic transmission, or a copy thereof, such constituting an original counterpart hereof, all of which together will constitute one and the same document.

///  
///  
///  
///  
///  
///  
///

7. Defendants represent and warrant that the person signing below on their behalf is duly appointed and authorized to do so.

DATED this 28th day of July, 2025.

**Citizens Utilities Rural Company, Inc.;  
Citizens Telecommunications Company of  
the White Mountains, Inc.; Frontier  
Communications of the Southwest, Inc.; and  
Navajo Communications Company Inc.**

Signature:

  
Mark D. Nielsen

Name:

Chief Legal and Regulatory Officer

Title:

07/28/2025

Date:

**APPROVED AS TO FORM AND CONTENT:**

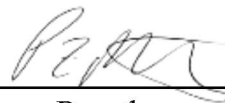
**KRISTIN K. MAYES**

**Attorney General**

By:



Dylan Jones  
Assistant Attorney General  
*Attorneys for the State of Arizona*



Perry Rowthorn  
Rowthorn Law LLC  
*Attorney for Defendants*

SLQJ4PYG0FE8FP