

ANNUAL REPORT OF

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Public Service Commission
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LOCAL EXCHANGE TELEPHONE COMPANIES

Frontier Communications of the South, Inc.

(EXACT NAME OF RESPONDENT)

201 S. Pensacola Avenue, Atmore, AL 36502

(ADDRESS OF RESPONDENT)

TO THE

FLORIDA PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 2011

REGULATION

12 MAY - 1 PM 4: 10

FLORIDA PUBLIC SERVICE COMMISSION

Officer or other person to whom correspondence should be addressed concerning this report:

Name: Jessica Matushek	Title: Sr. Manager
Address: 100 CTE Drive	City: Dallas State: PA
Telephone No. 570.631.5003	

SIGNATURE PAGE


I certify that I am the responsible accounting officer of
Frontier Communications of the South, Inc.

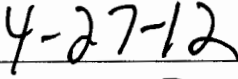
that I have examined the following report; that to the best of my knowledge, information, and belief, all statements of fact contained in the said report are true and the said report is a correct statement of the business and affairs of the above-named respondent in respect to each and every matter set forth therein during the period from January 1, 2011_ to December 31, _2011_, inclusive.

I also certify that all affiliated transfer prices and affiliated cost allocations were determined consistent with the methods reported to this Commission on the appropriate forms included in this report.

I am aware that Section 837.06, Florida Statutes, provides:

Whoever knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his or her official duty shall be guilty of a misdemeanor of the second degree, punishable as provided in s. 775.082 and s. 775.083.


Signature


Date

Jessica Matushek
Name

Sr. Manager
Title

TABLE OF CONTENTS

<i>Sch. No.</i>	<i>Title</i>	<i>Page No.</i>	<i>Sch. No.</i>	<i>Title</i>	<i>Page No.</i>
General Corp. Info. Schedules			Other Misc. Supplemental Schedules		
A-1	Identity of Respondent	1	Z-1	Reconciliation of Intrastate Revenue	17
A-2	Control over Respondent	1	Z-2	Compensation of Officers	18
A-3	Board of Directors & General Officers	1	Z-3	Affiliation of Officers & Directors	18
A-4	Stockholders	2	Z-4	Bus. Contracts with Officer & Directors	18
A-5	Important Changes During the Year	2	Z-5	Directory Advertising Operations	19
			Z-6	Average Access Lines in Service	20
			Z-7	Corporate Structure	21
			Z-8	Contracts with Affiliates	22
			Z-9	Affiliated Transfers and Cost Allocations	23
			Z-10	Earnings Surveillance	24
Balance Sheet Schedules					
B-1	Balance Sheet	3			
B-2	Plant in Service	5			
B-3	Accumulated Depreciation	7			
B-4	Long-Term Debt	9			
B-5	Funded Debt Reacquired or Retired During the Year	9			
Income Statement Accounts					
I-1	Income Statement	10			
I-2	Other Operating Taxes	14			
I-3	Donations and Payments to Persons Other Than Employees	15			
I-4	Membership Fees and Dues	15			
Statistical Schedules					
S-1	Access Lines in Service by Customer	16			
S-2	Telephone Calls	16			

Identity of Respondent

Schedule A-1

Company:

For the Year Ended December 31, 2011 _____

Immediately following these instructions insert the several numbers together with the information respectively pertinent thereto.

1. Exact name of respondent. Use the words "The" and "Company" or "Co." only when they are parts of the corporate name.
2. Date of incorporation.

- 1 Frontier Communications of the South, Inc.
- 2 January 1, 1947 in the State of Alabama

Control Over Respondent

Schedule A-2

1. If direct control over the respondent was held by a corporation, individual, association or other person at the end of the year, state:
 - (a) The form of control (sole or joint):
 - (b) The name and address of the directly controlling organization or person (Give names and addresses of all organizations or persons involved if control was joint.):
 - (c) The means by which control was held (For example, through ownership of voting securities; through common directors, officers or stockholders through voting trusts; etc.)
 - (d) The extent of control:
2. See Schedule Z-9 for an updated organizational chart.

- 1a Sole
- 1b Frontier Communications Corporation
3 High Ridge Park
Stamford, CT 06905

Board of Directors and General Officers

Schedule A-3

Name of Director or Officer and Address (City and State)	Title & Dept. over Which Jurisdiction is Exercised	Director's Fees
Mary Agnes Wilderotter	Chief Executive Officer	
Daniel J. McCarthy	President and Chief Operating Officer	
Donald R. Shassian	Vice President and Chief Financial Officer	
Kathleen Q. Abernathy	Vice President and Chief Legal Officer	
Susana D'Emic	Vice President and Controller	
David R. Whitehouse	Vice President and Treasurer	
Alan Kelsey	Vice President, Tax	
Michael Golob	Vice President, Engineering	
Kenneth Mason	Vice President, Regulatory	
Kenneth Arndt	Vice President, Southeast Region	
Don Banowetz	Vice President, Midwest Region	
Denise Baumbach	Vice President, West Region	
Rhonda Lutzke	Vice President, National Region	
Ann Burr	Vice President, East Region	
John Lass	Vice President, Central Region	
Nancy S. Rights	Vice President, Deputy General Counsel and Secretary	
David G. Schwartz	Assistant Secretary	
Gregg Sayre	Assistant Secretary	

Stockholders

Schedule A-4

Company:

For the Year Ended December 31, 2009 _____

1. This information shall be compiled as of December 31, except that if similar information has been compiled for some other purpose between the beginning of the year for which the report is made and the date of preparation of this report, the latest compilation shall be used.
2. Stockholders of each class of stock shall be listed in the order of their holdings, beginning with the highest and continuing until the 10 largest holdings have been listed. If any such holder was a trustee or nominee for other persons who held the beneficial interest in the securities, the name and address of each person who has the beneficial interest shall be shown. Likewise, if any person had the beneficial interest in securities held by trustees or nominees under different trusts or other groupings, and the aggregate of such person's holdings would place him among the listed holders if he were the holder of record, the details of such holdings shall be shown.

Class of Stock	
Name and Address (City and State) of Stockholder	Shares Held
Frontier Communications of the South Inc., was merged into Frontier Communications of the South LLC, on 5/11/2006. It is now a limited liability company with no capital stock structure, only 100% membership interest held by Frontier Subsidiary Telco, LLC.	

Important Changes During the Year

Schedule A-5

Give concise answers to each of the following, numbering them in accordance with the numbers of the question:

1. If during the year a substantial portion or all of the property of the respondent was sold, merged, or abandoned, give full particulars, including the location and territory covered. In case of sale or merger, give the effective date, name and address of successor company, and the consideration received.
2. Give information on any changes in accounting standards that have occurred during the year.

On July 1, 2010, Spinco, a subsidiary of Verizon Communications Inc. ("Verizon") that was spun-off from Verizon to its stockholders, merged with and into Frontier, with Frontier continuing as the surviving corporation (the "Merger"), pursuant to an Agreement and Plan of Merger by and among Verizon, Spinco and Frontier, dated as of May, 13, 2009, as amended by Amendment No. 1 to the Merger Agreement, dated as of July 24, 2010 (the "Merger Agreement"). At the effective time of the Merger, Spinco held defined assets and liabilities of the local exchange business and related landline activities of Verizon in Arizona, Idaho, Illinois, Indiana, Michigan, Nevada, North Carolina, Ohio, Oregon, South Carolina, Washington, West Virginia and Wisconsin and in portions of California bordering Arizona, Nevada and Oregon. As a result of the Merger, Frontier will also serve approximately 300 customers in a portion of Virginia bordering West Virginia.

BALANCE SHEET

Schedule B-1

Company:

For the Year Ended December 31, 2011 _____

Page 1 of 2

Ref. Sch.	Account No.	Accounts	Amounts (\$)	
			Beginning of Year	End of Year
		Current Assets		
	1130	Cash	(658)	0
	1140	Special Cash Deposits		
	1150	Working Cash Advance	288	288
	1160	Temporary Investments		
	1180	Telecom. Accounts Receivable	381,876	376,152
	1181	Telecom. Accounts Receivable Allowance	(38,158)	(37,947)
	1190	Other Accounts Receivable	1,597,192	(2,535,464)
	1191	Accounts Receivable Allowance-Other	(32,627)	(19,313)
	1200	Notes Receivable		
	1201	Notes Receivable Allowance		
	1210	Interest and Dividends Receivable		
	1220	Material and Supplies	0	0
	1290	Prepaid Rents		
	1300	Prepaid Taxes		
	1310	Prepaid Insurance		
	1320	Prepaid Directory Expenses		
	1330	Other Prepayments		
	1350	Other Current Assets		
		Total Current Assets	1,907,913	(2,216,284)
		Noncurrent Assets		
	1401	Investments in Affiliated Co.	7,966,187	14,610,135
	1402	Investments in Nonaffiliated Co.		
	1406	Non Regulated Investments	(74,163)	(73,939)
B-4	1407	Unamortized Debt Issuance Expense		
	1408	Sinking Funds		
	1410	Other Noncurrent Assets		
	1438	Deferred Maintenance & Retirements		
	1439	Deferred Charges		
	1500	Other Jurisdictional Assets - Net		
		Total Noncurrent Assets	7,892,024	14,536,196
		Telephone Plant in Service		
B-2	2001	Telecom. Plant in Service	18,360,497	18,571,247
	2002	Property Held for Future Use		
	2003	Plant under Construction	305,596	181,203
	2005	Plant Adjustment	500,969	480,096
	2006	Nonoperating Plant		
	2007	Goodwill	6,747,218	6,466,084
		Subtotal	25,914,280	25,698,630
		Less:		
B-3	3100	Acc. Depreciation	15,230,025	15,929,240
"	3200	Acc. Depreciation-Held for Future Use		
"	3300	Acc. Depreciation-Nonoperating		
"	3410	Acc. Amort. - Capitalized Leases		
"	3420	Acc. Amort. - Leasehold Improvements		
"	3500	Acc. Amort. - Intangible	573,165	549,283
"	3600	Acc. Amort. - Other	3,951,674	4,255,557
		Subtotal	19,754,864	20,734,080
		Net Telephone Plant in Service	6,159,416	4,964,550
		TOTAL ASSETS	15,959,353	17,284,461

BALANCE SHEET

Schedule B-1

Company:

For the Year Ended December 31, 2011

Page 2 of 2

Ref. Sch.	Account No.	Accounts	Amounts (\$)	
			Beginning of Year	End of Year
		<i>Current Liabilities</i>		
	4010	Accounts Payable	3,153,303	4,095,507
	4020	Notes Payable		
	4030	Advanced Billing and Payments	170,071	167,877
	4040	Customers' Deposits	3,642	2,570
B-4	4050	Current Maturities - Long Term		
	4060	Current Maturities - Capital Leases		
	4070	Income Taxes - Accrued		
	4080	Other Taxes - Accrued	1,528	23,116
	4100	Net Current Deferred Op. Income Taxes		
	4110	Net Current Deferred Nonop. Income Taxes		
	4120	Other Accrued Liabilities		
	4130	Other Current Liabilities		402
		<i>Total Current Liabilities</i>	3,328,544	4,289,472
		<i>Long-Term Debt</i>		
B-4	4210	Funded Debt		
"	4220	Premium on Long-Term Debt		
"	4230	Discount on Long-Term Debt		
	4240	Reacquired Debt		
	4250	Obligations under Capital Leases		
B-4	4260	Advanced from Affiliated Companies		
"	4270	Other Long-Term Debt		
		<i>Total Long-Term Debt</i>		
		<i>Other Liabilities and Deferred Credits</i>		
	4310	Other Long-Term Liabilities		
	4320	Unamortized Operating ITC - Net		
	4330	Unamortized Nonoperating ITC - Net		
	4340	Net Noncur. Def. Oper. Income Taxes	244,903	268,026
	4350	Net Noncur. Def. Nonoper. Inc. Taxes	(1,358,049)	(1,586,517)
	4360	Other Deferred Credits		
	4370	Other Juris. Liab. & Def. Credits		
		<i>Total Other Liab. & Def. Credits</i>	(1,113,146)	(1,318,491)
		<i>Stockholder's Equity</i>		
	4510	Capital Stock		
	4520	Additional Paid-in Capital	6,991,225	6,991,225
	4530	Treasury Stock		
	4540	Other Capital		
	4550	Retained Earnings	6,752,730	7,322,254
		<i>Total Stockholder's Equity</i>	13,743,955	14,313,479
		<i>TOTAL LIABILITIES AND EQUITY</i>	15,959,353	17,284,461

*Annual Status Report
Analysis of Plant in Service Accounts
Schedule B-2*

Company:

For the Year Ended December 31, 2011

Page 1 of 2

Acct. No.	Account Description	Depr. Rate	Beginning Balance*	Additions	Retirements	Reclass.	Adjustments	Transfers	Ending Balance*
2111	Land		41,947						41,947
Amortizable General Support Assets:									
2116	Other Work Equipment	7 yrs	41,516						41,516
2122	Furniture	10 yrs	2,565						2,565
2123	Office Support Equipment	7 yrs							
2123	Company Communications	5 yrs							
2124	General Purpose Computer	5 yrs	15,015						15,015
Depreciable Assets: This schedule should identify each account/subaccount for which a separate depreciation rate has been approved by the FPSC.									
2112	Motor Vehicles		-	-		-		-	-
2121	Buildings		197,833	-		-		-	197,833
	Total Land & Support Assets		\$ 298,876	\$ -	\$ -	\$ -	\$ -	\$ -	298,876
Office Assets:									
2212	Digital Electronic Switch		3,583,554	3,841	-	-		-	3,587,395
2215	Elec. Mechanical Switch		-	-	-	-	-	-	-
2220	Operator Systems		-	-	-	-	-	-	-
2231	Radio Systems		-	-	-	-	-	-	-
2232	Circuit Equipment		1,599,778	85,437			(8,695)	-	1,676,520
2232	Fiber Circuit Equipment		425,258	22,711			(2,311)	-	445,657
	Total Central Office Assets		\$ 5,608,590	\$ 111,989	\$ -	\$ -	\$ (11,006)	\$ -	\$ 5,709,573
Info. Orig/Term Assets:									
2321	Customer Premise Wiring **		19,232	-	-	-	-	-	19,232
2351	Public Telephone Equipment		-	-	-	-	-	-	-
	Total Info. Orig/Term Assets		\$ 19,232	\$ -	\$ -	\$ -	\$ -	\$ -	19,232
**	Acct 2362 Other Term Equipment replaces acct 2321								

*Annual Status Report
Analysis of Plant in Service Accounts
Schedule B-2*

Company:

For the Year Ended December 31, 2011

Page 2 of 2

Acct. No.	Account Description	Depr. Rate	Beginning Balance*	Additions	Retirements	Reclass.	Adjustments	Transfers	Ending Balance*
<i>(Continued)</i>									
Cable and Wire Facilities									
2411	Poles		467	-	-	-	-	-	467
2421	Aerial Cable Metallic		2,605	-	-	-	-	-	2,605
2421	Aerial Cable Fiber		-	-	-	-	-	-	-
2422	Underground Cable Metallic		22,418	-	-	-	-	-	22,418
2422	Underground Cable Fiber		3,724	-	-	-	-	-	3,724
2423	Buried Metallic Cable		9,216,190	123,826	(38,207)	-	-	-	9,301,809
2423	Buried Fiber Cable		2,599,438	34,925	(10,776)	-	-	-	2,623,587
2423	Buried Cable Terminal		-	-	-	-	-	-	-
2423	Buried Air Cove Cable		-	-	-	-	-	-	-
2441	Conduit Systems		3,126	-	-	-	-	0	3,126
	Total Cable and Wire Facilities		\$ 11,847,968	\$ 158,751	\$ (48,983)	\$ -	\$ -	\$ 0	11,957,736
Capital Recovery Schedules: This schedule should identify each approved capital recovery schedule.									
Jointly Used Plant Allocated to Non Regulated			()	()	()	()	()	()	()
Amortizable Assets:									
2681	Capital Leases								
2682	Leasehold Improve.								
2690	Intangibles		589,555					0	589,555
Total Balances									
Note: * The total beginning and ending balances plus jointly used plant allocated to non regulated, if any, must agree to acct. 2001, Plant in Service, in Schedule B-1, Balance Sheet.									

Annual Status Report
Analysis of Accumulated Depreciation & Amortization
Schedule B-3

Company:

For the Year Ended December 31, 2011

Page 1 of 2

Acct. No.	Account Description	Beginning Balance*	Accruals**	Reclass.	Retirements	Gross Salvage	Cost of Removal	Adjustments	Transfers	Ending Balance*
Amortizable General Support Assets:										
2116	Other Work Equipment	25,872	2,932							28,803
2122	Furniture	2,566								2,566
2123	Office Support Equipment									
2123	Company Communications									
2124	General Purpose Computer	22,183	163							22,346
Depreciable Assets: This schedule should identify each account/subaccount for which a separate depreciation rate has been approved by the FPSC.										
3112	Motor Vehicles	-		-			-			-
3121	Buildings	117,520	6,181	-	-	-	-	-	-	123,701
	Total Land & Support Assets	\$ 168,141	\$ 9,276	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 177,416
Central Office Assets:										
3212	Digital Electronic Switch	3,785,605	7,025	-	-	-	-	-	-	3,792,630
3215	Elec. Mechanical Switch	-	-	-	-	-	-	-	-	-
3220	Operator Systems	-	-	-	-	-	-	-	-	-
3231	Radio Systems	-	-	-	-	-	-	-	-	-
	Total Central Office Assets	\$ 5,115,544	\$ 145,537	\$ -	\$ (571)	\$ -	\$ -	\$ -	\$ (1,278)	\$ 5,259,231
Info. Orig/Term Assets:										
3321	Customer Premise Wirin,**	18,540	427	-	-	-	-	-	-	18,967
3351	Public Telephone Equipment	-	-	-	-	-	-	-	-	-
	Total Info. Orig/Term Assets	\$ 18,540	\$ 427	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 18,967
**	Account 3362 Other Term Equipment is being used in place of Acct 3321									

Annual Status Report
Analysis of Accumulated Depreciation & Amortization
Schedule B-3

Company:

For the Year Ended December 31, 2011 _____

Page 2 of 2

Acct. No.	Account Description	Beginning Balance*	Accruals**	Reclass.	Retirements	Gross Salvage	Cost of Removal	Adjustments	Transfers	Ending Balance*
(Continued)										
Cable and Wire Facilities										
3411	Poles	321	1,103	-	(67)	-	37		-	1,320
3421	Aerial Cable Metallic	1,383	4,019	-	-	-	-	-	-	5,402
3421	Aerial Cable Fiber	-	-	-	-	-	-	-	-	-
3422	Underground Cable Metallic	7,410	8,328	-	-	-	-	-	-	15,738
3422	Underground Cable Fiber	-	-	-	-	-	-	-	-	-
3423	Buried Metallic Cable	9,917,461	454,971	-	(37,841)	-	1,727		-	10,332,864
3423	Buried Fiber Cable	-	-	-	-	-	-	-	-	-
3423	Buried Cable Terminal	-	-	-	-	-	-	-	-	-
3423	Buried Air Cove Cable	-	-	-	-	-	-	-	-	-
3441	Conduit Systems	1,223	2,179	-	-	-	-	-	-	3,402
Total Cable and Wire Facilities		\$ 9,927,798	\$ 470,600	\$ -	\$ (37,908)	\$ -	\$ 1,764	\$ -	\$ -	#####
Capital Recovery Schedules: This schedule should identify each approved capital recovery schedule.										
<i>Subtotal</i>										
Reserve for Jointly Used Plant Allocated to Non Regulated										
		()	()	()	()	()	()	()	()	()
Accumulated Depr. & Amortization:										
3200	PHFU									
3300	Nonoperating									
3410	Capital Lease									
3420	Leasehold Improve.									
3500	Intangibles	573,165	-						-	573,165
3600	Other	3,951,674	-							3,951,674
Subtotal										
Total Balances										

Note: * The grand total of beginning and ending balances plus jointly used plant allocated to non regulated, if any, must agree to the subtotal of Depreciation & Amortization in Schedule B-1, Balance Sheet.
 ** The grand total of accruals plus jointly used plant allocated to non regulated, if any, must agree with the total Depreciation & Amortization Expense in Schedule I-1, Income Statement.

INCOME STATEMENT

Schedule I-1

Company:

For the year ended December 31, 2011 _____

Page 1 of 4

Account No.	Accounts	Amounts (\$)		
		Current Year		Total Company Prior Year
		Total Company	Intrastate	
	OPERATING REVENUES			
5001	Basic Area	476,353	476,353	516,173
5002	Extended Area			
5003	Cellular Mobile			
5004	Other Mobile Service	49,127	49,127	58,940
5010	Public Telephone			
5040	Local Private Line	29,985	29,985	30,331
5050	Customer Premises	1,037	1,037	3,126
5060	Other Local Exchange	419,121	419,121	470,857
5069	Other Local Ex. Settlements			
	Total Local Network Service	975,623	975,623	1,079,427
5081	End User	373,820		399,020
5082	Switched Access	153,727		121,883
5083	Special Access	252,801		212,063
5084	State Access	95,430	95,430	244,872
	Total Network Access	875,778	95,430	977,838
5100	Long Distance Message	-746	-746	-164
5110	Unidirectional Long Distance			
5120	Long Distance Private Network	2,760	2,760	2,840
5160	Other LD Revenue			
5169	Other LD Revenue Settle.			
	Total LD Network	2,014	2,014	2,676
5230	Directory	18,922	18,922	24,471
5240	Rent	0	0	-8
5250	Corporate Operations			
5261	Special Billing Arrangement	0	0	4,487
5262	Customer Operations	0	0	0
5263	Plant Operations			
5264	Other Incidental Regulated Rev.	26,003	26,003	28,026
5269	Other Revenue Settle.			
5270	Interstate Billing & Collection	0		0
5270	Intrastate Billing & Collection	0		0
5301	Uncollectible Revenue-Tele.	(83,672)	(51,549)	(73,144)
5302	Uncollectible Revenue-Other			
	Total Miscellaneous	-38,747	44,925	-16,168
	TOTAL OPERATING REVENUES	1,814,668	1,117,992	2,043,774

INCOME STATEMENT

Schedule I-1

Company:

For the year ended December 31, 2011

Page 2 of 4

Acct. No.	Account	Current Year Total	Prior Year Total
	<i>Plant Specific Expense</i>		
6112	Motor Vehicle	29	3,749
6113	Aircraft		
6114	Vehicle		
6115	Garage Work Equipment		
6116	Other Work Equipment		0
	<i>Total Network Support</i>	29	3,749
6121	Land & Building	23,664	33,425
6122	Furniture & Artwork	1,072	1,247
6123	Office Equipment	3,832	4,532
6124	Gen. Purpose Computer	108,288	91,937
	<i>Total General Support</i>	136,856	131,140
6211	Analog Electronic		
6212	Digital Electronic	34,384	19,540
6215	Electromechanical		
	<i>Total CO Switching</i>	34,384	19,540
6220	Operator Systems	1,929	2,373
6231	Radio Systems	2,673	1,953
6232	Circuit Equipment	5,000	1,880
	<i>Total Circuit Equipment</i>	9,602	6,206
6310	Information Orig./Term.		
	<i>Total Information Orig/Term</i>		
6411	Poles		
6421	Aerial Cable	164	197
6422	Underground Cable	1,057	1,867
6423	Buried Cable	171,094	186,282
6424	Submarine Cable		
6425	Deep Sea Cable		
6426	Intrabuilding Network		
6431	Aerial Wire	19	
6441	Conduit Systems	0	2
	<i>Total Cable & Wire</i>	172,334	188,349
	<i>Total Plant Specific</i>	353,206	348,983
	<i>Plant Nonspecific Expense</i>		
6510	Other Property Plant and Equipment	-8	1
6531	Power	60,322	63,708
6532	Network Administration	40,721	81,566
6533	Testing	158	5,518
6534	Plant Operations Administration	7,855	11,673
6535	Engineering	62,798	44,488
	<i>Total Network Operations</i>	171,847	206,954

INCOME STATEMENT

Schedule I-1

Company:

For the year ended December 31, 2011 _____

Page 3 of 4

Acct. No.	Account	Current Year Total	Prior Year Total
6540	Access	188,811	208,169
6561	Depreciation - TPIS	663,888	639,562
6562	Depreciation - PHFU		
6563	Amortization - Tangible		
6564	Amortization - Intangible	0	0
6565	Amortization - Other		
	Total Depreciation & Amortization	663,888	639,562
	Total Plant Nonspecific	1,024,545	1,054,685
	Customer Operations		
6611	Product Management	10,625	25,935
6612	Sales	47,259	44,059
6613	Product Advertising	32,037	30,491
	Total Marketing	89,921	100,484
6621	Call Completion	7,430	11,356
6622	Number Service	1,247	1,770
6623	Customer Service	185,036	164,339
	Total Services	193,714	177,465
	Total Customer Operations	283,635	277,949
	Corporate Operations		
6711	Executive	32,772	59,557
6712	Planning	1,189	2,213
6721	Accounting/Finance	32,998	36,593
6722	External Relations	22,541	22,542
6723	Human Resources	8,163	11,066
6724	Info. Management	92,846	52,437
6725	Legal	5,965	6,089
6726	Procurement	3,394	4,938
6727	Research/Development		
6728	Other General & Administrative	40,241	125,905
	Total Corporate Operations	240,108	321,343
	TOTAL OPERATING EXPENSES	1,901,494	2,002,960

INCOME STATEMENT

Schedule I-1

Company:

For the year ended December 31, 2011

Page 4 of 4

Ref. Sch.	Account No.	Account	Current Year Total	Prior Year Total
	7100	Other Operating Income and Expenses Other Operating Income & Expenses		
	7210	Operating ITC		
	7220	Operating Federal Income Taxes	477,911	447,114
	7230	Operating State & Local Income Taxes	94,925	88,808
I-2	7240	Other Operating Taxes	58,848	69,683
	7250	Provision for Deferred Operating Taxes-Net Total Operating Taxes	7,099 638,783	7,715 613,320
		NET OPERATING INCOME	\$ (725,610)	\$ (572,507)
	7310	Dividend Income		
	7320	Interest Income		
	7330	Income from Sinking & Other Funds		
	7340	Allowance for Funds Used During Construction	8,067	4,782
	7350	Gain/Loss from the Disposition of Property		
	7360	Other Nonoperating Income	(501,187)	(501,187)
	7370	Special Charges Total Nonoperating Income & Expenses	(154) (493,275)	(1,133) (497,538)
	7400	Nonoperating Taxes Total Nonoperating Taxes	(228,467) (228,467)	(228,467) (228,467)
B-4	7510	Interest on Funded Debt		
	7520	Interest Expense - Capital Leases		
B-4	7530	Amortization of Debt Issuance Expense		
	7540	Other Interest Deductions Total Interest & Related Items	24 24	36 36
	7610	Extraordinary Income Credits		
	7620	Extraordinary Income Charges		
	7630	Current Income Tax Effect of Ex. Items-Net Total Extraordinary Items		
	7910	Income Effect of Juris. Ratemaking Differences		
	7990	Non Regulated Net Income	710,205	783,868
		NET INCOME	-280,236	-57,745

Other Operating Taxes
Schedule I-2

Company:

For the year ended December 31, 2011 _____

Name of Government	Type of Tax						
	Property	Gross Receipts	PSC Assess	Intangible	Franchise	Other*	Total
US Government							
State of Florida	64,792.60				3,450.00		68,242.60
State of Florida - Deferred Inc						(2,295.98)	(2,295.98)
Total	64,792.60	0.00	0.00	0.00	3,450.00	(2,295.98)	65,946.62
Charged to Construction							
Net Charged to Account	\$	\$	\$	\$	\$	\$	\$

Note: * List separately each item in excess of \$500.

**Donations or Payments for Services Rendered by Persons
Other Than Employees
Schedule I-3**

Company:

For the year ended December 31, 2011 _____

Name of Recipient	Nature of Services	Account No.	Amount of Payment
Sunshine State One Call	Construction Labor	6423	\$ 37,686

**Membership Fees and Dues
Schedule I-4**

Particulars	Account	Amount
Expenditures Charged to Operating Expenses		\$
Membership in:		
Association of Telecommunications Companies	6722	\$ -
Trade, Technical and Professional Associations		
Other Organizations (Specify Type):		
Total		\$ -

Access Lines in Service by Customer
Schedule S-1

Company:

For the year ended December 31, 2011 _____

State or Territory	Business		Public Access Lines	Residential Access Lines	Mobile Access Lines	Total Access Lines (Switched & Special)
	Single Line	Multi Line				
Florida	273	164		2597		3034

Telephone Calls
Schedule S-2

State or Territory	Local Calls	IntraLATA Toll Calls Completed (Originating)	InterLATA Toll Calls Completed (Originating)			InterLATA Billed Access Minutes (Originating and Terminating)		
			Interstate	Intrastate	Total	Interstate	Intrastate	Total
Florida	N/A	164,745	791,759	144,024	935,783	7,755,611	1,462,677	9,218,288
Totals		164,745	791,759	144,024	935,783	7,755,611	1,462,677	9,218,288

**Reconciliation of Revenue to
Regulatory Assessment Fee Revenue
Schedule Z-1**

Company:

For the year ended December 31, 2011

(a)	(b)	(c)	(d)
Accounts	Intrastate Revenues Per Sch. I-1	Intrastate Revenues Per RAF Return	Difference (b) - (c)
Local Service (5001 - 5069)	975,623	975,623	0
End User (5081)	0	0	0
Switched Access (5082)	0	0	0
Special Access (5083)	0	0	0
State Access (5084)	95,430	95,430	0
Long Distance (5100 - 5169)	2,014	2,014	0
Miscellaneous (5230 - 5270)	44,925	44,925	0
Totals	1,117,992	1,117,992	0

Explanations:

Instructions:

For the current year, reconcile the intrastate operating revenues reported on Schedule I-1 with the intrastate operating revenues reported on the company's regulatory assessment fee return. Explain any differences reported in column (d).

**Compensation of Officers
Schedule Z-2**

Company:

For the year ended December 31, 2011 _____

1. Report below the name, title, salary and bonus/incentive compensation for each executive officer whose salary is \$50,000 or more. An "executive officer" of a respondent includes its president, secretary, treasurer, and vice president in charge of a principal business unit, division or function (such as sales, administration or finance), and any other person who performs similar policy making functions.
2. If a change was made during the year in the incumbent of any position, show name and total remuneration of the previous incumbent, and the date the change in incumbency was made.

Title (a)	Name of Officer (b)	Salary for Year (c)	Bonus/Incentive (d)	Total (e)
Please see the enclosed proxy statement which lists information regarding the officers and directors of Citizens Communications Company, the parent company of Frontier Communications of the South, Inc.				

**Affiliation of Officers and Directors
Schedule Z-3**

For each of the officials named in Schedule A-3, list the principal occupation or business affiliation if other than listed in Schedule A-3 and all affiliations or connections with any other business or financial organizations, firms, or partnerships. For purposes of this part, the official will be considered to have an affiliation with any business or financial organization, firm or partnership in which he is an officer, director, trustee, partner, or a person exercising similar functions.

Name	Principal Occupation or Business Affiliation	Affiliation or Connection with any other business or Financial Organization Firm or Partnership	
		Affiliation or Connection	Name and Address

**Business Contracts with Officers and Directors
Schedule Z-4**

List all contracts, agreements, or other business arrangements* entered into during the calendar year (other than compensation-related to position with respondent) between the respondent and each officer and director listed in Schedule A-3. In addition, provide the same information with respect to professional services for each firm, partnership, or organization with which the officer or director is affiliated.

*Note: Business agreement, for this schedule, shall mean any oral or written business deal which binds the concerned parties for products or services during the reporting year or future years.

Name of Officer or Director	Name and Address of Affiliated Entity	Amount	Identification of Product or Service

Analysis of Directory Advertising Operations
Schedule Z-5

Company:

For the year ended December 31, 2011

Items	Consolidated (f) Amount	Amount Per Books
1. Revenues (Account 5230) (e)	18,922	18,922
2. Local		
3. National		
4. Sales		
5. Commissions		
6. Other		
7. Total (line 2 thru 6)	18,922	18,922
8. Expenses (Account 6622) (e)	1,247	1,247
9. Printing		
10. Commissions		
11. Deliver		
12. Salvage		
13. Other		
14. Total (line 9 thru 13)	1,247	1,247
15. Gross Profit (Line 7 minus 14)	17,675	17,675
16. Gross Profit 1982 (a)	8,830	8,830
17. Customer Growth Factor (b)	1.38	1.38
18. CPI-U Factor (c)	2.33	2.33
19. Adjusted 1982 (L16 x L17 x L18)	28,467	28,467
20. Non Regulated (d)	5,892	5,892

Footnotes:

(a) Gross Profit Base as Stated in FPSC Rule 25-4.0405.

Average Current Year Access Lines	=	3,152	=	1.38
Average 1982 Access Lines Per Rule 25-4.0405		2279		

Annual Average CPI-U for Current Year	=	224.939	=	2.33
Annual Average CPI-U for 1982		96.5		

(d) (Line 15 less Line 19) or (1/3 of Line 15) whichever is smaller but not less than zero.

(e) Only those revenues and expenses formerly included in accounts 523 and 649 should be included in this schedule.

(f) This column only applies to those LEC's with an affiliated directory publishing company providing the service. The consolidated amount should contain the entire or gross amount from the Directory Advertising operation in the local franchise area to be considered in setting rates for telecommunications service. This will include the gross amounts billed from all sources, including all amounts from the publishing or directory companies as well as the Local Exchange Companies.

Average Access Lines in Service

Schedule Z-6

Company:

For the year ended December 31, 2011 _____

(a) Classification	(b) Average Number
1. Residence Lines (R-1, 2, 4, etc.)	2,697
2. Business Lines (B-1, 2, 4, etc.)	336
3. Centrex Lines	28
4. PBX Trunks	54
5. Key System Lines	38
6. Subtotal (Line 1 thru Line 5)	3,152
7. Teletypewriter Lines	
8. Foreign Exchange Lines	
9. Service Telephone Lines	
10. Other Lines	1
11. Total (Line 6 thru Line 10)	3,152

Footnotes:

- (a) Include lines terminating in customer owned equipment.
- (b) Average is the average of the twelve monthly averages.

Corporate Structure
Schedule Z-7

Company:

For the year ended December 31, 2011_____

Provide an updated organizational chart showing all affiliated companies, partnerships, etc.

**Effective
Date**

Please see the attached organizational chart showing all affiliated companies for the year ending December 31,2010

New or Amended Contracts with Affiliated Companies
Schedule Z-8

Company:

For the year ended December 31, 2011

Provide a synopsis of each new or amended contract, agreement, or arrangement with affiliated companies for the purchase, lease, or sale of land, goods, or services (excluding tariffed items). The synopsis shall include, at a minimum, the terms, price, quantity, amount, and duration of the contracts.

Name of Affiliated Company	Synopsis of Contract
N/A	

Summary of Affiliated Transfers and Cost Allocations
Schedule Z-9

Company:

For the year ended December 31, 2011 _____

<p>Grouped by affiliate, list each contract, agreement, or other business transaction exceeding a cumulative amount of \$3,000 in any one year, entered into between the Respondent and an affiliated business or financial organization, firm, or partnership identifying parties, amounts, dates, and product, asset, or service involved.</p> <p>(a) Enter name of affiliate.</p> <p>(b) Give description of type of service, or name the product involved.</p> <p>(d) Enter the letter "p" if the service or product is purchased by the Respondent: "s" if the service or product is sold by the Respondent.</p> <p>(e) Enter utility account number in which charges are recorded.</p> <p>(f) Enter total amount paid, received, or accrued during the year for each type of service or product listed in column (c). Do not net amounts when services are both received and provided.</p>					
Name of Affiliate (a)	Type of Service and/or Name of Product (b)	Relevant Contract or Agreement and Effective Date (c)	Total Charge for Year		
			"p" or "s" (d)	Account Number (e)	Dollar Amount (f)
Citizens Communications Company	Accounting / Executive, Legal, Engineering, Financial, Computer and Other	Various	Both	Various	59,674
Sector Central	Accounting / Executive, Legal, Engineering, Financial, Computer and Other	Various	Both	Various	569,932
Regional Allocation	Accounting / Executive, Legal, Engineering, Financial, Computer and Other	Various	Both	Various	59,415

Earnings Surveillance
Schedule Z-10

Company:
For the year ended December 31, 2011

Page 1 of 4

RATE BASE	(1) Total Company Columns (2 + 3)	(2) Interstate Toll	(3) Total Intrastate
<u>AVERAGE RATE BASE</u>			
1. Plant In Service	<u>\$18,465,872</u>	<u>\$5,720,727</u>	<u>\$12,745,145</u>
2. Accumulated Depreciation and Amortization	<u>20,244,472</u>	<u>6,350,691</u>	<u>\$13,893,781</u>
3. Net Plant In Service	<u>\$1,778,600</u>	<u>\$629,964</u>	<u>\$1,148,636</u>
4. Property Held for Future Use	<u> </u>	<u> </u>	<u> </u>
5. TPUC	243,400	75,405	\$167,994
6. Working Capital Allowance	<u>104,099</u>	<u>27,836</u>	<u>\$76,263</u>
7. Per Book Average Rate Base	<u>1,431,101</u>	<u>526,722</u>	<u>904,379</u>
8. % Distribution	<u>100%</u>	<u>37%</u>	<u>63%</u>

ADJUSTMENTS TO AVERAGE RATE BASE

9. Adjustments for Achieved Rate Base	<u>\$290,471</u>
10. Adjusted Achieved Rate Base	<u>1,194,850</u>

RATES OF RETURN

11. Average Per Book	<u>-29.87%</u>	<u>40.73%</u>	<u>-70.98%</u>
12. Average FPSC Adjusted			<u>-53.73%</u>

ADJUSTMENTS TO RATE BASE	(1) Plant In Service	(2) Accumulated Depreciation and Amortization	(3) Property Held for Future Use	(4) Telephone Plant Under Construction	(5) Working Capital Allowance	(6) TOTALS
1. Intrastate Rate Base per Books	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

INTRASTATE ADJUSTMENTS

2. General Support	\$1,000,506	\$	\$	\$	\$	\$1,000,506
3. General Support Reserve	<u> </u>	<u>(710,035)</u>	<u> </u>	<u> </u>	<u> </u>	<u>(710,035)</u>
4. <u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u>0</u>
5. Total Accounting Adjustments, Intrastate	<u>\$1,000,506</u>	<u>(710,035)</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$290,471</u>
6. Intrastate Rate Base	\$1,000,506	(710,035)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

Earnings Surveillance

Schedule Z-10

Company:

For the Year Ended December 31, 2009

Page 2 of 4

	(1)	(2)	(3)	(4)	(5)	(6)
NET OPERATING INCOME	Total Company Columns (2 + 3)	Interstate Toll	Total Intrastate Columns (4 + 5 + 6)	--- Intrastate Toll ---		
				Inter- territory	Intra- territory	Local
BOOKED REVENUE						
1. Basic Local Service Revenue	\$975,623	\$ _____	\$975,623	\$0	\$0	\$975,623
2. Network Access Revenue						
a. BHMOG	245,177	245,177	0	\$0	\$0	\$0
b. MOU Access	199,834	104,404	95,430	\$0	\$0	\$95,430
c. Special Access	252,801	252,801	0	\$0	\$0	\$0
d. Other Access	-	-				
3. Long Distance Revenue						
a. MTS						
b. Other	2,014	0	2,014	\$0	\$0	\$2,014
4. Subsidy Fund Revenue	177,966	177,966	0	\$0	\$0	\$0
5. Miscellaneous Revenue	44,925	0	44,925	\$0	\$0	\$44,925
6. Uncollectible Revenues	(83,672)	(32,123)	(51,549)	\$0	\$0	(51,549)
7. Net Booked Revenue	\$1,814,668	\$748,225	\$1,066,443	\$0	\$0	\$1,066,443
OPERATING EXPENSE:						
8. Plant Specific Operations Expense	\$353,206	\$109,459	\$243,748			
9. Plant Non-Specific Operations Expense	171,847	53,238	118,608			
10. Access Expense	188,811	2,927	185,884			
11. Depreciation and Amortization	663,888	132,246	531,641			
12. Customer Operations Expense	283,635	61,180	222,455			
13. Corporate Operations Expense	240,108	69,127	170,981			
14. Other Income and Expenses	631,684	195,696	435,988			
15. Total Operating Expense	\$2,533,177	\$623,872	\$1,909,305			
16. % Distribution	0	0	0			
OPERATING TAXES:						
17. Federal Income Tax	(251,478)	(77,908)	-\$173,570			
18. State Income Tax	(46,703)	(14,469)	-32,234			
19. Other Taxes	7,099	2,199	4,900			
20. Total Operating Taxes	(291,082)	(90,177)	(200,905)			
NET OPERATING INCOME:						
21. Per Book NOI	-427,427	214,530	(641,957)			
22. NOI Effect of Adjustments			0			
23. Adjusted NOI			(641,957)			

NOTES :

2. (a) Busy Hour minutes of Capacity Charge.
- (b) Includes Local Switching, Local Transport, Line Termination, Carrier Common Line, Intertoll Trunking and Toll Switching.
- (c) For Intrastate. Interterritory Station Terminals.
- (d) Includes testing, ordering, labor, etc.
3. (a) Include only charges billed to customer and retained by the company, not charges billed on behalf of IXC's.

Earnings Surveillance
Schedule Z-10

Company:

For the Year Ended December 31, 2009

Page 3 of 4

	(1)	(2)	(3)	(4)	(5)	(6)
ADJUSTMENTS TO NET OPERATING INCOME INTRASTATE OPERATING REVENUE	Basic Local Service Revenue	Inter- territory	Intra- territory	Local Misc. Revenue	Uncollectible Revenues	Net Booked Revenue
1. Total Intrastate Revenue per Books	\$975,623	\$0	\$95,430	\$46,939	(\$51,549)	\$1,066,443
INTRASTATE ADJUSTMENTS						
2. Out of period adjustments	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$0
3. _____	_____	_____	_____	_____	_____	0
4. _____	_____	_____	_____	_____	_____	0
5. _____	_____	_____	_____	_____	_____	0
6. Total Accounting Adjustments, Intrastate	\$0	\$0	\$0	\$0	\$0	\$0
7. Total Adjusted Intrastate Revenue	\$975,623	\$0	\$95,430	\$46,939	(\$51,549)	\$1,066,443

	(7)	(8)	(9)	(10)	(11)	(12)	(13)
ADJUSTMENTS TO NET OPERATING INCOME INTRASTATE OPERATING EXPENSE	Plant Specific Operations Expense	Plant Non-Specific Operations Expense(A)	Depreciation and Amortization	Customer Operations Expense	Corporate Operations Expense	Other Income and Expenses	Total Operating Expense
1. Total Intrastate Expenses per Books	\$243,748	\$118,608	\$531,641	\$222,455	\$170,981	\$435,988	\$1,909,305
INTRASTATE ADJUSTMENTS							
2. Out of period adjustments	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$0
3. _____	_____	_____	_____	_____	_____	_____	0
4. _____	_____	_____	_____	_____	_____	_____	0
5. _____	_____	_____	_____	_____	_____	_____	0
6. Total Accounting Adjustments, Intrastate	\$0	\$0	\$0	\$0	\$0	\$0	\$0
7. Total Adjusted Intrastate Exp.	\$243,748	\$118,608	\$531,641	\$222,455	\$170,981	\$435,988	\$1,909,305

(A) Including Access Expense

	(14)	(15)	(16)	(17)	(18)
ADJUSTMENTS TO NET OPERATING INCOME INTRASTATE OPERATING TAXES / NET OPERATING INCOME	Federal Income Tax	State Income Tax	Other Taxes	Total Operating Taxes	Net Operating Income
1. Total Intrastate Taxes / NOI per Books	(173,570)	(32,234)	4,900	(200,905)	(641,957)
INTRASTATE ADJUSTMENTS					
2. Out of period adjustments	\$ _____	\$ _____	\$ _____	\$0	\$0
3. _____	_____	_____	_____	0	0
4. _____	_____	_____	_____	0	0
5. _____	_____	_____	_____	0	0
6. Total Accounting Adjustments, Intrastate	\$0	\$0	\$0	\$0	\$0
7. Total Adjusted Intrastate Taxes / NOI	(173,570)	(32,234)	4,900	(200,905)	(641,957)

**Earnings Surveillance
Schedule Z-10**

Company:

For the year ended December 31, 2011

Page 4 of 4

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
AVERAGE CAPITAL	Average Per Books	Specific Adjustments	Pro Rata Adjustments	Adjusted Amount	% of Total	COST RATE			WEIGHTED COST RATE		
						Floor	Midpoint	Ceiling	Floor	Midpoint	Ceiling
1. Long Term Debt		0	0	0	0		0.00%				0
2. Short Term Debt		0	0	0	0		0.00%				0
3. Preferred Stock		0	0	0	0		0.00%				0
4. Customer Deposits		0	0	0	0		0.00%				0
5. Common Equity	14,028,717	(17,391,848)	4,414,241	1,051,110	73.45%	11.00%	12.00%	13.00%	8.08%	8.81%	9.55%
6. ITC		0	0	0	0	0.00%	0.00%	— %	0	0	0
7. Cost Free Capital	(1,215,819)	0	1,595,809	379,991	26.55%	0.00%	0.00%	— %	0	0	0
8. Total Capital	12,812,899	(17,391,848)	6,010,051	1,431,101	100.00%				8.08%	8.81%	9.55%

FINANCIAL RATIO

9. Intrastate achieved return on equity -73.15%
FPSC Adjusted Basis

ADJUSTMENTS TO AVERAGE CAPITAL	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	LONG TERM DEBT	SHORT TERM DEBT	PREFERRED STOCK	CUSTOMER DEPOSITS	COMMON EQUITY	INVESTMENT TAX CREDITS	COST FREE CAPITAL	TOTAL CAPITAL
1. Total Capital Per Books	0	0	0	0	14,028,717	0	(1,215,819)	12,812,899

DESCRIPTION OF ADJUSTMENTS TO SPECIFIC SOURCES

2. Investment in Alabama Cellular	\$	\$	\$	\$	\$	\$	\$	0
3. NonRegulated Investments					(74,051)			(74,051)
4. Frontier Investments					(17,317,797)			(17,317,797)
5. Sub-total of Adjustments to Specific Sources	0	0	0	0	(17,391,848)	0	0	(17,391,848)
6. Adjusted Total Capital	0	0	0	0	(3,363,131)	0	(1,215,819)	(4,578,949)

DESCRIPTION OF PRO RATA ADJUSTMENTS

7. Alabama Rate Base	\$	\$	\$	\$	\$ 4,414,241	\$	\$ 1,595,809	\$ 6,010,051
8. _____								0
9. _____								0
10. Sub-total of Pro Rata Adjustments to Sources	0	0	0	0	\$ 4,414,241	\$ -	\$ 1,595,809	\$ 6,010,051
11. Subtotal, Pro Rata Adjusted Total Capital	0	0	0	0	\$ 1,051,110	\$ -	\$ 379,991	\$ 1,431,101
12. Less Interstate Operations	0	0	0	0	\$ -	\$ -	\$ -	\$ -
13. Achieved Intrastate Capital	\$	\$	\$	\$	\$ 1,051,110	\$ -	\$ 379,991	\$ 1,431,101