



Over A Century Strong

Frontier Members:

The following is an update on the MIFA II negotiations between IBEW Locals 21,51,702 (Illinois) and 723 (Indiana) and Frontier. This update will mainly focus on the effects to MIFA II employees in Illinois. However, the MIFA portion of the CBA (the white pages in the front of the contract), applies to both Illinois and Indiana.

As most of you are aware, the MIFA II Unions had proposed a contract extension to Frontier in April of 2020. The Company's negotiators stated they did not have approval to agree to an extension. At which time, the contract was extended through November 9, 2020. In this extension agreement there was a provision that after November 9, 2020, the extension would remain in effect until one of the parties gave a ninety-day written notice to the other party of their intent to end the extension. On January 4, 2021 Frontier gave the ninety-day written notice to the Unions of the Company's intent to terminate the extension on April 4, 2021. However, due to the structured bargaining agreement that is part of all MIFA negotiations, this simply means that the structured bargaining language and timelines may be used.

The Unions and Frontier have had nine bargaining sessions since late October. To this point, both parties have passed all substantial proposals, with little back and forth on the actual proposals.

The Company has submitted five proposals most of which are concessionary in nature. Company proposal #5 addresses employee benefits and contains more than one reduction to benefits.

Company Proposals:

- #1. Duration May 9, 2020 to May 13, 2023.
- #2. Increased employee insurance premium contributions.
- #3. Reductions to the Performance Recognition Plan. (Bonus Plan)
- #4. Only applies to Indiana.
- #5. Reductions to retirement benefits.
 - Reduction to the 401k match for pension eligible employees.
 - Reduction to retiree healthcare benefits.

Union Proposals:

The Unions have passed four MIFA II proposals, effecting both Illinois and Indiana. The four proposals address Uniforms program, certification differentials, insurance premiums and the Performance Recognition Plan (Indiana non-commissioned employees).

The three Illinois Locals have passed six proposals, effecting the Illinois Service, Construction and Supply, contract, or Appendix 1. These six proposals address personal days, language clean up, short term disability, wage increases, prearranged overtime clarification, per diems and the Customer Engineer classification.

As stated earlier, there has been very little back and forth (negotiating) over the actual proposals. We will provide further information as it becomes available. We appreciate the member's patience throughout this process. These negotiations are anything but normal, we have the bankruptcy to deal with as well as the challenge of bargaining virtually due to COVID. All IBEW Unions who are currently in negotiations with Frontier have been conducting calls at least every other week to make sure we are on the same page.

One other bit of information that the Unions were made aware of Thursday, January 28th: Frontier's pension deferral request to the IRS for their 2020 pension payment was approved. This will allow Frontier to make their 2020 pension payment, with interest, over five years (2021-2025). This will (according to the latest information that the unions have) keep the lump sum disbursement in a restricted state for approximately two years after emerging from bankruptcy, until the pension funding level is above the required 80%.

Sincerely,

Mike Lustig

**Business Representative
IBEW Local 702
106 North Monroe Street
West Frankfort, IL 62896
Office: 618.932.2102 ext. 233**