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UTILITIES COMMISSION

Attorneys for Allied Wireless Communications Corporation

### Before the

# IDAHO PUBLIC UTILITIES COMMISSION

In the Matter of Application of	)	
Allied Wireless Communications Corporation, d/b/a/ Alltel Wireless	) ]	CASE NO. ALL-T-10-01
	j	APPLICATION OF ALLIED WIRELESS
For Designation as an Eligible	)	COMMUNICATIONS CORP. FOR
Telecommunications Carrier	)	DESIGNATION AS AN ELIGIBLE
Under 47 U.S.C. § 214(e)(2)	j	TELECOMMUNICATIONS CARRIER
	)	

# APPLICATION OF ALLIED WIRELESS COMMUNICATIONS CORPORATION FOR DESIGNATION AS AN ELIGIBLE TELECOMMUNICATIONS CARRIER

Pursuant to Section 214(e)(2) of the Communications Act of 1934 (the "Act"), Allied Wireless Communications Corporation ("Allied Wireless", "Company" or "Applicant"), hereby files this Application with the Idaho Public Utilities Commission ("Commission") for designation as an Eligible Telecommunications Carrier ("ETC") in the State of Idaho. Allied Wireless meets all of the statutory and regulatory prerequisites for ETC designation, and designation of Allied Wireless as an ETC in the State of Idaho will serve the public interest.

<sup>&</sup>lt;sup>1</sup> 47 U.S.C. § 214(e)(2).

### I. BACKGROUND.

Allied Wireless is a commercial mobile radio services ("CMRS") carrier licensed by the Federal Communications Commission ("FCC") to provide wireless communication services throughout portions of Idaho. Allied Wireless provides service in accordance with the terms of its FCC licenses. Allied Wireless is well-positioned to bring competitive universal service to Idaho customers and to improve the ability of consumers, law enforcement agencies, and other telecommunications users to communicate during emergencies in Idaho.

Allied Wireless is wholly-owned by Atlantic Tele-Network, Inc. ("ATNI"), a publicly-traded corporation (NASDAQ: ATNI) headquartered in Beverly, Massachusetts. In June 2009, ATNI filed a series of applications with the FCC, jointly with Cellco Partnership d/b/a Verizon Wireless and certain of its subsidiaries ("Verizon Wireless") (collectively, "the FCC Applicants"), pursuant to Sections 2I4 and 3IO(d) of the Act. In these applications, the FCC Applicants sought FCC approval for the assignment or transfer of control of certain wireless licenses and related authorizations ("the Alltell Wireless assets") from subsidiaries of Verizon Wireless to a holding company to be indirectly owned by ATNI.<sup>2</sup> On April 7, 2010, the U.S. Department of Justice announced its approval of ATNI's acquisition of the former Alltel wireless assets in six states, including spectrum licenses in Idaho. On April 20, 2010, the FCC granted its approval of the transaction.<sup>3</sup> Ultimately, these licenses and related

<sup>&</sup>lt;sup>2</sup> See Atlantic Tele-Network, Inc. and Verizon Wireless Seek FCC Consent to Assign or Transfer Control of Licenses and Authorizations, WT Docket No. 09-119, Public Notice, DA 09-1515 (rel. July 9, 2009).

<sup>&</sup>lt;sup>3</sup> See Atlantic Tele-Network, Inc. and Verizon Wireless Seek FCC Consent to Assign or Transfer Control of Licenses and Authorizations, WT Docket No. 09-II9, Memorandum Opinion and Order, DA 10-661 [rel. Apr. 20, 2010]. These assignment and transfer of control applications pertained to licenses for cellular radiotelephone service, Personal Communications Service, Advanced Wireless Service, and Common Carrier Fixed Point-to-Point Microwave Service, as well as partial assignments of

authorizations were acquired by Allied Wireless upon consummation of the transaction on April 26, 2010. The transaction has resulted in ATNI's acquiring control of wireless properties, including wireless spectrum licenses and network assets, serving over 800,000 subscribers across Idaho, Georgia, Illinois, Ohio, North Carolina, and South Carolina.<sup>4</sup>

As part of Allied Wireless' acquisition of the former Alltel Wireless assets from Verizon Wireless, Allied Wireless has secured the rights to continue using the Alltel brand name in the acquired areas and intends to continue using the Alltel name going forward.<sup>5</sup> Most existing Alltel customers that were acquired by Allied Wireless will see no substantive changes to their existing wireless service, and new customers will have access to wireless plans, features, handsets and service that are similar to what has historically been provided by Alltel.

# II. ALLIED WIRELESS SATISFIES ALL OF THE STATUTORY AND REGULATORY PREREQUISITES FOR DESIGNATION AS AN ETC.

A. The Idaho Public Utilities Commission has Jurisdiction to grant this Application
In its capacity as a CMRS carrier, Allied Wireless is entitled to seek designation as an ETC.<sup>6</sup>
Section 254(e) of the Act provides that "only an eligible telecommunications carrier

international authorizations pursuant to Section 214 of the Act.

<sup>&</sup>lt;sup>4</sup> The transaction also aided Verizon Wireless in fulfilling its divestiture obligations under the FCC's order approving the merger of Verizon Wireless and Alltel Corporation. *See Applications of Cellco Partnership d/b/a Verizon Wireless and Atlantis Holdings LLC,* WT Docket No. 08-95, Memorandum Opinion and Order, 23 FCC Rcd 17444 (2008).

<sup>&</sup>lt;sup>5</sup> Allied Wireless will continue using the Alltel name throughout the State of Idaho. *See* Monica Alleven, *Alltel Name to Live On*, Wireless Week (Apr. 27, 2010).

<sup>&</sup>lt;sup>6</sup> See Federal-State Joint Board on Universal Service, CC Docket No. 96-45, First Report and Order, 12 FCC Rcd 8776, 8858-59 (para. 145) [1997] ("Universal Service First Report and Order").

designated under section 214(e)(2) shall be eligible to receive specific federal universal service support."<sup>7</sup> Section 214(e)(2) of the Act states that state commissions "shall designate" common carriers that meet the statutory requirements as ETCs.<sup>8</sup> The FCC has further ruled that Section 214(e)(2) of the Act "provides state commissions with the *primary* responsibility for designating ETCs."<sup>9</sup> Therefore, the Commission has the authority and the primary responsibility under federal law to designate Allied Wireless as an ETC for federal Universal Service Fund ("USF") purposes.

B. Allied Wireless Will Offer All of the Services Supported by the Federal High-Cost Universal Service Program.

To be designated an ETC, an applicant must: (I) be a common carrier as defined by 47 U.S.C. § 153(10); (2) offer throughout its proposed service areas the universal services set forth in 47 C.F.R. § 54.10I(a) either by using its own facilities or a combination of its own facilities and the resale of another carrier's services; and (3) advertise the supported services throughout the designated service area.<sup>10</sup> The Act requires carriers to certify that they provide each of the supported services.<sup>11</sup> Attached as Exhibit 1 is a sworn declaration that Allied Wireless offers "all of the services designated for support by the Federal

<sup>&</sup>lt;sup>7</sup> 47 U.S.C. § 254(e).

<sup>&</sup>lt;sup>8</sup> 47 U.S.C. § 214(e)(2).

<sup>&</sup>lt;sup>9</sup> See Federal-State Joint Board on Universal Service, CC Docket No. 96-45, Report and Order, 20 FCC Rcd 6371, 6372 (para. 1, n.2) (2005) ("ETC Criteria Order") (emphasis added) (interpreting 47 U.S.C. § 254(e)[2]); see also In the Matter of the Application of WWC Holding Co., Inc. dba CellularOne® Seeking Designation as an Eligible Telecommunications Carrier That May Receive Federal Universal Service Support, Case No. WST-T-05-I, Order No. 29841 (Aug. 4, 2005), at 3 ("Idaho ETC Eligibility Requirements Order")...

<sup>10 47</sup> U.S.C. § 214(e)(1); see also Idaho ETC Eligibility Requirements Order, at 3.

<sup>&</sup>quot; See, e.g., 47 U.S.C. § 254(c).

Communications Commission."<sup>12</sup> Allied Wireless will offer, upon designation as an ETC, all of the supported services throughout the areas in which Allied Wireless is requesting designation as an ETC

# 1. Voice-Grade Access to the Public Switched Telephone Network.

Allied Wireless offers customers voice grade access to the Public Switched Telephone Network service at bandwidth between 300 and 3,000 hertz as required by 47 C.F.R. 54.IOI(a)(I). Allied Wireless is able to originate and terminate telephone calls for all of its subscribers. Accordingly, all customers of Allied Wireless are able to make and receive phone calls within the specified bandwidth, and thus, Allied Wireless meets the requirement regarding voice grade access to the PSTN.

# 2. Local Usage.

The Commission has determined that it is sufficient for an ETC applicant to simply describe its local usage plans and those of the ILEC.<sup>13</sup> Allied Wireless' service in Idaho includes local usage that allows customers to originate and terminate calls within a local calling area without incurring toll charges. Allied Wireless offers service plans that include varying amounts of local usage.<sup>14</sup> Therefore, Allied Wireless satisfies the local usage criterion for ETC designation.

Designation of Fort Mojave Telecommunications, Inc., at al., as Eligible Telecommunications Carriers Pursuant to Section 214[e][6] of the Communications Act, AAD/USB File No. 98-28, Memorandum Opinion and Order, 13 FCC Rcd 4547, 4552 [para. 11] [1998] ("Fort Mojave"). In Fort Mojave, the FCC made it clear that it will designate carriers as ETCs, pursuant to Section 214[e][6] of the Act, upon finding that they "offer or will be able to offer" the supported services throughout the service area.

<sup>&</sup>lt;sup>13</sup> See Idaho ETC Eligibility Requirements Order, at 12.

<sup>&</sup>lt;sup>14</sup> See Exhibit 2.

# 3. Functional Equivalent of Touch-Tone ("DTMF") Signaling.

DTMF is a method of signaling that facilitates the transportation of call set-up and call detail information. Consistent with the principles of competitive and technological neutrality, the FCC permits carriers to provide signaling that is functionally equivalent to DTMF in satisfaction of this service requirement.<sup>15</sup> Allied Wireless uses out-of-band digital signaling and in-band multi-frequency signaling that is functionally equivalent to DTMF signaling.<sup>16</sup> Allied Wireless therefore meets the requirement of providing DTMF signaling or its functional equivalent.

# 4. Single Party Service.

"Single-party service" means that only one party will be served by a subscriber loop or access line, in contrast to a multi-party line.<sup>17</sup> The FCC has concluded that a wireless provider offers the equivalent of single-party service when it offers a dedicated message path for the length of a user's particular transmission. Therefore, Allied Wireless meets the requirement of single-party service because it provides a dedicated message path for the length of all customer calls.<sup>18</sup>

# 5. Access to Emergency Service.

The ability to reach a public emergency service provider through dialing 911 is a required universal service offering. Customers can reach an emergency dispatch, or public safety answering point ("PSAP"), by dialing "911." Upon dialing "911," the customer's emergency call will be routed to the appropriate PSAP.

<sup>15 47</sup> C.F.R. § 54.101(a)(3).

<sup>&</sup>lt;sup>16</sup> See Universal Service First Report and Order, 12 FCC Rcd at 8814-15 (para. 71).

<sup>&</sup>lt;sup>17</sup> *Id.* at 8810 (para. 62).

<sup>&</sup>lt;sup>18</sup> *Id*.

The FCC requires that a carrier must provide access to enhanced 911 ("E911"), which includes the capability of providing both automatic numbering information ("ANI") and automatic location information ("ALI"), when a PSAP submits a compliant request to the carrier. Allied Wireless provides its customers with access to emergency services by dialing 911 in accordance with this requirement throughout its licensed service area. Allied Wireless also delivers both ANI and ALI to PSAPs that are capable of both receiving and utilizing the data and that have made arrangements for the delivery of the data. Therefore, Allied Wireless meets the requirement of access to emergency service.

# 6. Access to Operator Services.

An ETC must provide access to operator services, which is defined as any automatic or live assistance provided to a consumer to arrange for the billing or completion, or both, of a telephone call. Allied Wireless is capable of offering its subscribers access to operator services provided either by Allied Wireless or other entities (e.g., LECs or interexchange carriers ("IXCs")), and will offer access to operator services throughout its designated service area. Therefore, Allied Wireless meets the requirement of access to operator services.

# 7. Access to Interexchange Service.

An ETC providing universal service must offer consumers access to interexchange service to make or receive toll or interexchange calls. Specifically, customers must have access to live or automatic operator assistance for the placement and billing of telephone calls, including collect calls, calling card calls, credit card calls, person-to-person calls, and third party calls, as well as for obtaining related information. Allied Wireless' indirect connections with IXCs provide end users with the required access to interexchange service

to make or receive toll or interexchange calls. As a result, Allied Wireless meets the requirement of access to interexchange service.

# 8. Access to Directory Assistance.

The ability to place a call to directory assistance is a required service offering of an ETC. Allied Wireless will meet this requirement by providing all of its customers with access to information contained in directory listings by dialing "411" or "555-1212."

# 9. Toll Limitation for Qualifying Low-Income Customers (Lifeline and Link-Up Services).

An ETC must offer toll restriction, which can be in the form of "toll control" or "toll blocking" services to qualifying Lifeline universal service customers at no charge. Toll blocking allows customers to block the completion of outgoing toll calls. Toll control allows the customer to limit the toll charges a subscriber can incur during a billing period. The FCC's rules require an ETC to provide either toll control or toll blocking as part of the toll limitation services.<sup>19</sup>

Certain low-income consumers in Idaho will be eligible to pay reduced connect charges and monthly fees under the Federal Link-Up and Lifeline programs in which Allied Wireless will participate, and customers may contact Allied Wireless for more information on eligibility criteria. If enrolled in Lifeline, a customer will be able to choose to have Allied Wireless block all attempted toll calls originating from the customer's phone.

<sup>&</sup>lt;sup>19</sup> 47 C.F.R. § 54.101(a)(9). *See Federal-State Joint Board on Universal Service,* CC Docket Nos. 96-45, 96-262, 94-1, 91-213, 95-72, Fourth Order on Reconsideration, Report and Order, 13 FCC Rcd 5318 (1997).

Upon designation as an ETC, Allied Wireless will provide toll limitation for qualifying low-income customers, at no charge, as part of its universal service offerings. Therefore, Allied Wireless meets the requirement of toll limitation for qualifying low-income customers.

# C. Allied Wireless Meets the Additional Eligibility Criteria Adopted by the Commission in its *Idaho ETC Eligibility Requirements Order*.

The *Idaho ETC Eligibility Requirements Order* established additional criteria that all ETC applicants must satisfy in order to be designated as ETCs in Idaho. The Commission held that an ETC applicant must demonstrate: (1) a commitment and ability to provide the supported services throughout the designated area; (2) the ability to remain functional in emergency situations; and (3) that it will satisfy consumer protection and service quality standards.<sup>20</sup> As described in more detail below, Allied Wireless meets each of these additional criteria.

# 1. Commitment and Ability to Provide the Supported Services.

The Commission requires an ETC applicant to demonstrate its commitment and ability to provide the supported services throughout its designated service area by: (1) committing to provide service throughout its proposed ETC designated service area to all potential customers making a reasonable request for service; and (2) submitting a two-year plan demonstrating how high cost universal service support will be used to improve its

<sup>&</sup>lt;sup>20</sup> In its *Idaho ETC Eligibility Requirements Order*, the Commission ruled that "[r]ather than require that the applicant's usage plan is comparable to that of the ILEC, we find it is sufficient for the ETC applicant to simply describe its local usage plans and those of the ILEC. The Commission also rejected the FCC's requirement of ETC applicants to certify that it may be required to provide equal access to long distance carriers in the event no other ETC is providing equal access within the service area finding that this requirement is based entirely on speculation and would serve no substantive purpose. *See Idaho ETC Eligibility Requirements Order*, at 11-13.

coverage, service quality, and capacity throughout the service area for which its seeks ETC designation.

a. Commitment to Serve all Customers Making a Reasonable Request for Service.

Allied Wireless certifies that it will provide service throughout its proposed designated ETC area using its standard customer equipment and service offerings where available. Specifically, upon receiving a reasonable request for service within its ETC service area, Allied Wireless will, consistent with section 54.202(a)(I)(A) of the FCC's Rules and the Commission's requirements:<sup>21</sup>

- 1. Provide service using its standard customer equipment and service offerings if it serves the area at the time of the request; or
- 2. Evaluate the feasibility of providing the requested service using a variety of means if it does not serve the area at the time of the request. Among the potential means for providing the requested service, Allied Wireless will evaluate whether:
  - a. the customer's wireless handset equipment can be modified or replaced to provide acceptable service;
  - b. a roof-mounted antenna or other network equipment can be deployed at the customer's premises to provide service;
  - c. adjustments at the nearest Allied Wireless cell site can be made to provide service;
  - d. there are other available adjustments to network or customer equipment handsets to provide service;
  - e. an additional cell site, a cell-extender, or a repeater can be employed or could be constructed to provide service (and Allied Wireless will evaluate the costs and benefits of using scarce high-cost support to serve the number of customers requesting service); and

<sup>&</sup>lt;sup>21</sup> 47 C.F.R. §54.202(a)(I)(A).

f. resold service should be offered to the customer's location in order to provide immediate service.

If Allied Wireless determines that it must deny a service request after evaluating the various options described above, Allied Wireless will notify the customer and provide the Commission with an annual report of how many requests for service were refused following the foregoing evaluation, in accordance with section 54.209(a)(3) of the FCC's Rules. <sup>22</sup> Allied Wireless believes these service provisioning commitments will ensure that Allied Wireless will be responsive to consumers' needs in its ETC service area, and will act as a proper steward of available high-cost support funds.

# b. Two-Year Service Improvement Plan.

Allied Wireless submits its proposed two-year service improvement plan ("Plan"), attached hereto as CONFIDENTIAL Exhibit 3, in accordance with the Commission's ETC application requirements.<sup>23</sup> Because the Plan contains highly confidential information, Allied Wireless is submitting it separately in accordance with Section 9-340(D)(I), Idaho Code and Rule 67 of the Rules of Procedure of the Commission. The Plan describes the projected improvements in the areas in which Allied Wireless seeks ETC designation in this Application. Moreover, as set forth in the Plan, Allied Wireless will incur expenses in order to upgrade and maintain its existing network in the areas in which Allied Wireless seeks designation, both of which are equally appropriate uses of high-cost funding.

As with all service improvement plans, Allied Wireless' Plan must be flexible in order to respond to general consumer demand, changes in technology, and other appropriate

<sup>&</sup>lt;sup>22</sup> 47 C.F.R. § 54.209(a)[3]; see also Idaho ETC Eligibility Requirements Order, at 8-9.

<sup>&</sup>lt;sup>23</sup> See Idaho ETC Eligibility Requirements Order, at 7-9. Allied Wireless' Two-Year Service Improvement Plan reflects all of the capital and operational expenditure improvements proposed by Allied Wireless throughout its entire proposed ETC service area.

factors. Therefore, the Plan is subject to change for these reasons. Allied Wireless commits to provide the Commission with annual progress reports as required by the *Idaho ETC Eligibility Requirements Order*.<sup>24</sup>

The Plan satisfies the ETC designation requirements and constitutes a good faith estimate of the universal service benefits, including expanded coverage and improved signal and service quality, which citizens of the State of Idaho will enjoy if the Commission designates Allied Wireless as an ETC in the requested areas.

# 2. Ability to Remain Functional in Emergency Situations.

Allied Wireless is able to remain functional in emergency situations. The Company's network is designed to remain functional in emergency situations. Specifically, Allied Wireless: (1) has adequate amounts of back-up power to ensure functionality without an external power source; (2) is able to reroute traffic around damaged facilities; and (3) is capable of managing traffic spikes resulting from emergency situations.<sup>25</sup>

Allied Wireless' system is reinforced by the presence of generator backups, capable of running for extended periods in the event of a major electrical outage. These include back-up batteries that provide at least four hours of back-up power and portable generators can be moved to individual cell sites, as needed. Because individual cell sites are spread out, it is highly unlikely that an electrical outage would affect more than two sites simultaneously. In the event of power or other types of failure, the cell sites are equipped with alarms that will alert our technicians. Additionally, the sites are monitored remotely by Allied Wireless'

<sup>&</sup>lt;sup>24</sup> Idaho ETC Eligibility Requirements Order, at 18.

<sup>&</sup>lt;sup>25</sup> See Idaho ETC Eligibility Requirements Order, at 9-11; 47 C.F.R. § 54.202(a)(2).

24/7 Network Operations Center (NOC), should there be a total communications failure at the site.

Allied Wireless's main switch connectivity to the public switched voice network will be based on a ring topology and is redundant — if the ring is cut, call traffic can be rerouted. Allied Wireless uses both microwave and leased lines for added diversity to cell site hubs. Backbone traffic lines are designed with sufficient capacity to manage extraordinary spikes. The Company has multiple agreements with long distance providers to absorb excess calling, if needed. Allied Wireless has cell sites on wheels, mobile towers, and mobile generators available for deployment to areas where there are traffic spikes due to emergencies or special events.

A typical cell site installation consists of an 8' x 10' concrete pad, on which outdoor equipment cabinets or a prefabricated shelter containing the equipment will be placed. Antennas are typically mounted on an adjacent tower, either new or existing, or other suitable structure. Most cell sites consist of two or three cabinets or equipment racks; one or two of the cabinets for radio communications equipment, and the other for power rectification and battery backup. In cases where landline T1 telecommunications facilities are unavailable, microwave communication will be employed to connect the cell site to the mobile switching center (MSC). The radio equipment cabinets are configured and equipped with voice and data equipment necessary to carry the projected busy hour traffic. This equipment can be increased as required to accommodate increases in call traffic.

All cell sites are remotely monitored by Allied Wireless' NOC to ensure continuous operation. Operational measurement data is also routinely collected and reviewed to identify off-normal conditions. In the event of a failure, the NOC will take action to restore service,

reroute traffic around damaged facilities and/or dispatch appropriate personnel to remedy the trouble. Response time to an outage report is normally less than 60 minutes. In addition, all cell sites are periodically visited by field operations personnel to conduct preventative maintenance and routine testing of the cell site components.

In accordance with Section 54.209(a)(2) of the FCC's Rules,<sup>26</sup> Allied Wireless will annually certify that it is able to function in emergency situations. Allied Wireless will also fulfill the annual outage reporting requirement described in Section 54.209(a)(2) and required by the Commission,<sup>27</sup> which requires an ETC applicant to submit detailed information on any outage of at least thirty (30) minutes in duration that potentially affects (i) at least 10 percent of the end users served in a designated area; or (2) a 911 special facility, as defined in Section 4.5(e) of the FCC's Rules.<sup>28</sup>

As required, the outage report will include information detailing: (1) the date and time of onset of the outage; (2) a brief description of the outage and its resolution; (3) the particular services affected; (4) the geographic areas affected by the outage; (5) steps taken by Allied Wireless to prevent a similar situation in the future; and (6) the number of customers affected.<sup>29</sup> Therefore, Allied Wireless meets the requirement that it will remain functional in emergency situations.

### 3. Consumer Protection.

Section 54.202(a)(3) of the FCC's Rules states that an ETC applicant must

<sup>&</sup>lt;sup>26</sup> 47 C.F.R. § 54.209(a)(2).

<sup>&</sup>lt;sup>27</sup> Idaho ETC Eligibility Requirements Order, at 18-19.

<sup>&</sup>lt;sup>28</sup> 47 C.F.R. § 4.5(e).

<sup>&</sup>lt;sup>29</sup> 47 C.F.R. § 54.209(a)(2).

"demonstrate that it will satisfy applicable consumer protection and service quality standards." The FCC has determined that a commitment by wireless applicants to comply with the Consumer Code for Wireless Service adopted by CTIA—The Wireless Association® ("CTIA Consumer Code") satisfies this requirement. The Commission has noted that, consistent with the FCC's determination, it also requires that all wireless applicants for ETC designation agree to comply with the CTIA Code. The satisfies applicants for ETC designation agree to comply with the CTIA Code.

Allied Wireless is committed to abide by the CTIA Consumer Code, as it may be amended from time to time, throughout its service area in Idaho. In fact, on July 28, 2010, the CTIA announced that, effective January 1, 2011, it will revise the CTIA Consumer Code.<sup>33</sup> If designated as an ETC, Allied Wireless will abide by the requirements of Sections 54.209(a)(4) and 54.209(a)(5) of the FCC's rules<sup>34</sup> and the virtually identical requirements adopted by the Commission.<sup>35</sup> Specifically, Allied Wireless will, on an annual basis, certify its compliance with the CTIA Consumer Code and report the number of customer complaints per thousand handsets. Therefore, Allied Wireless meets the consumer protection requirements.

<sup>30 47</sup> C.F.R. § 54.202(a)(3).

<sup>&</sup>lt;sup>31</sup> The CTIA Consumer Code can be viewed on the Web at http://files.ctia.org/pdf/ConsumerCode.pdf.

<sup>&</sup>lt;sup>32</sup> Idaho ETC Eligibility Requirements Order, at 11, 19.

<sup>&</sup>lt;sup>33</sup> CTIA—The Wireless Association® Announces Updates to Its 'Consumer Code for Wireless Service, CTIA Press Release (available at <a href="http://www.ctia.org/media/press/body.cfm/prid/1992">http://www.ctia.org/media/press/body.cfm/prid/1992</a>) (rel. July 28, 2010).

<sup>&</sup>lt;sup>34</sup> 47 C.F.R. §§ 54.209(a)(4), 54.209(a)(5).

<sup>35</sup> See Idaho ETC Eligibility Requirements Order, at 19.

# 4. Local Usage.

Though not required by the Commission, Allied Wireless is committed to offering local usage plans comparable to those offered by the incumbent LEC in the service areas for which the Company seeks ETC designation. In that regard, Allied Wireless will submit annually reports describing its local usage plan(s), as well as that of the ILEC in accordance with Commission requirements.<sup>36</sup>

D. Allied Wireless Will Provide the Supported Services Using its Own Facilities and, as Necessary, Through the Resale of Another's Carrier's Service or Through Roaming Arrangements.

Allied Wireless will provide the supported services under Section 2l4(e)(l)(A) of the Act<sup>37</sup> and Section 54.lOl(a) of the FCC's Rules<sup>38</sup> (l) by using Allied Wireless' existing cellular network infrastructure, which consists of switching, trunking, cell sites, and network equipment, together with any expansions and enhancements to that network; and (2) as necessary, through the resale of another carrier's service or through roaming arrangements. In fact, Allied Wireless has entered into roaming agreements that enable Allied wireless to serve customers in those portions of wire centers which are outside of its licensed service area. Furthermore, upon designation as an ETC and as required by the Commission, Allied Wireless will report annually any expansions and enhancements to its network at the same time it submits its annual certification required under Section 54.314 of the FCC's Rules.<sup>39</sup> Therefore, Allied Wireless meets the requirement that it provide the supported services

<sup>&</sup>lt;sup>36</sup> See Idaho ETC Eligibility Requirements Order, at 19.

<sup>&</sup>lt;sup>37</sup> 47 U.S.C. § 214(e)(1)(A).

<sup>38 47</sup> C.F.R. § 54.101(a).

<sup>&</sup>lt;sup>39</sup> See Idaho ETC Eligibility Requirements Order, at 18; see also 47 C.F.R. §§ 54.313, 54.314.

using its own facilities or through the combination of its own facilities and, as necessary, through the resale of another carrier's service or through roaming arrangements.

### E. Allied Wireless Will Advertise its Universal Service Offerings.

Allied Wireless will advertise the availability of its universal service offerings, and the charges associated with such offerings, using media of general distribution, including newspapers, radio, its website, and other direct advertising methods throughout its ETC service area. Allied Wireless will expand upon these media, as necessary, to ensure that consumers within its ETC designated service area are fully informed of its universal service offerings. Allied Wireless commits to continue to advertise the availability of its services throughout its ETC service areas, and will also provide notices at local unemployment, social security, and welfare offices. Therefore, consumers will easily be able to learn about Allied Wireless' services and the availability of Lifeline and Link Up discounts.

Upon designation as an ETC, Allied Wireless will implement its outreach program. In light of Allied Wireless' investment plans and the relationship between federal USF support and number of customers served, Allied Wireless will have strong economic incentives to promote its universal service offering in Idaho, in addition to its statutory obligation to do so. Therefore, Allied Wireless will meet the Commission's advertising and publicity requirements.

### III. GEOGRAPHIC AREA WHERE DESIGNATION IS SOUGHT

Allied Wireless, in its capacity as a provider of cellular services, is not a "rural telephone company" as that term is defined in Section 3(37) of the Act.<sup>40</sup> Accordingly, Allied Wireless

<sup>&</sup>lt;sup>40</sup> 47 U.S.C. § 153(37).

is required to describe the geographic area in which it requests designation.<sup>41</sup> In this Application, Allied Wireless requests ETC designation in certain rural telephone company study areas and non-rural telephone company wire centers in the state of Idaho which are identified in Exhibit 4.<sup>42</sup>

Pursuant to Section 54.207 of the FCC's Rules, <sup>43</sup> a "service area" is a "geographic area established by a state commission for the purpose of determining universal service obligations and support mechanisms." <sup>44</sup> Applicable FCC rules do not impose restrictions on how a state defines a non-rural telephone company service area for purposes of designating a competitive ETC because the potential for creamskimming does not exist in the service areas served by non-rural telephone companies. However, in an area served by a rural telephone company, the FCC's rules define "service area" to mean the LEC study area unless a different definition of service area is established for such company. <sup>45</sup>

Allied Wireless, through this Application, is requesting ETC designation in rural telephone company study areas it will serve in their entirety. Therefore, Allied Wireless is not requesting the Commission to redefine the study area requirement in this Application. Because Allied Wireless is committing to serve the rural telephone company study areas,

<sup>41</sup> See 47 U.S.C. § 214(e).

<sup>&</sup>lt;sup>42</sup> See Exhibit 4 (List of Rural Study Areas/Wire Centers to Be Served by Allied Wireless in its Proposed ETC Service Area).

<sup>&</sup>lt;sup>43</sup> 47 C.F.R. § 54.207.

<sup>&</sup>lt;sup>44</sup> 47 C.F.R. §54.207(a).

<sup>&</sup>lt;sup>45</sup> See 47 C.F.R. §54.207(b); see also Multi-Association Group (MAG) Plan for Regulation of Interstate Services of Non-Price Cap Incumbent Local Exchange Carriers and Interexchange Carriers, CC Docket Nos. 96-45, OO-256, Fourteenth Report and Order, Twenty-Second Order on Reconsideration, Further Notice of Proposed Rulemaking, Report and Order, 16 FCC Rcd 11244 (2001).

identified herein in their entirety, the Commission may designate Allied Wireless as an ETC in those study areas upon finding that such a designation is in the public interest.

### A. Tribal Notification

The *IPUC ETC Eligibility Requirements Order* at Appendix A p. 2, requires an ETC applicant seeking ETC designation for any part of tribal lands to provide a copy of its application to the affected tribal government or tribal regulatory authority, as applicable, at the time it files its application with Commission. Allied Wireless has notified the Nez Perce tribal government of its application. See Exhibit 5.

# IV. DESIGNATION OF ALLIED WIRELESS AS AN ETC WILL SERVE THE PUBLIC INTEREST.

For Allied Wireless to be designated as an ETC in rural telephone company service areas, the Commission must find that the grant of ETC status to Allied Wireless would serve the public interest. The Commission has noted that, "in determining whether ETC designation is in the public interest, this Commission shall consider the benefits of increased consumer choice, and the unique advantages and disadvantages of the applicant's service offering... In addition, the Commission may consider any other factors it deems relevant to determining whether an application is in the public interest."<sup>46</sup> In cases decided by state public utility commissions, <sup>47</sup> including this Commission, <sup>48</sup> and by the FCC, <sup>49</sup> the question of

<sup>46</sup> See Idaho ETC Eligibility Requirements Order, at 16.

<sup>&</sup>lt;sup>47</sup> See, e.g., Commnet of Nevada, LLC, Compliance Order, Docket No. 08-l2017 (Nevada PUC, Mar. 2, 2009); American Cellular Corp., Docket No. PT6458/M-05-l122 (Minn. PUC, Feb. 3, 2006); Cellular Network Partnership d/b/a Pioneer Cellular, Docket No. 06-CNPZ-l028-ETC (Kansas Corp. Comm'n, Nov. 21, 2006); Smith Bagley, Inc., Utility Case No. 3026, Recommended Decision of the Hearing Examiner and Certification of Stipulation (Aug. 14, 2001), aff'd, Final Order (N.M. Pub. Reg. Comm. Feb. 19, 2002); Smith Bagley, Inc., Docket No. T-02556A-99-0207 (Ariz. Corp. Comm'n Dec. 15, 2000); United States Cellular Corp. et al., Docket No. 199 IAC 39.2(4) (Iowa Util. Bd. Jan. 15, 2002); N.E. Colorado Cellular, Inc., Docket No. 00A-315T (Colo. PUC Dec. 21, 2001); Alltel Commu-

whether it is in the public interest to designate a wireless carrier in areas served by incumbent LECs has been decided in the affirmative.

The 1996 Act and the FCC in its enabling orders provide guidance for determining the public interest.<sup>50</sup> The overarching principles embodied in the 1996 Act are to "promote competition and reduce regulation[,]... secure lower prices and higher quality services[,]... and encourage the rapid deployment of new telecommunications technologies." In its implementing orders, the FCC has ruled that the pro-competitive and deregulatory directives from Congress required USF support mechanisms to be competitively neutral and portable

nications, Inc., Case No. U-13765 [Mich. P.S.C. Sept. 11, 2003] ["Alltel Michigan Order"]; Western Wireless Holding Co., Decision on Exceptions, Docket No. 00A-174T [Colo. PUC May 4, 2001]; RCC Holdings, Inc., 2005-UA-0157 [Miss. PSC Sept. 28, 2005] ["RCC Mississippi Order"]; USCOC of Greater Missouri, LLC, Case No. TO-2005-0384, Report and Order [May 3, 2007] [U.S. Cellular Missouri Order"]; Alltel Communications of Nebraska, Inc., Application No. C-3497 [Neb. PSC, March 7, 2006] ["Alltel Nebraska Order"]; Easterbrooke Cellular Corp., Docket No. 03-0935-T-PC [W. Va. PSC, May 14, 2004] ["Easterbrooke Rural Order"], affd, Final Order, Aug. 27, 2004; Centennial Lafayette Communications, LLC et al., Order on Reconsideration, Docket No. U-27174 [La. PSC May 26, 2004]; NPCR, Inc. d/b/a Nextel Partners, Docket No. U-27289 [La. PSC, June 9, 2004].

<sup>&</sup>lt;sup>48</sup> See e.g., In the Matter of the Application of CTC Telecom, LLC for Designation as an Eligible Telecommunications Carrier Under 47 U.S.C. § 214(e)(2), Order No. 80867 (IPUC Case No. CTL-T-09-01, Service Date July 24, 2009); In the Matter of the Application of Syringa Wireless, LLC for Designation as an Eligible Telecommunications Carrier Under 47 U.S.C. § 214(e)(2), Order No. 30629 (IPUC Case No. SYR-T-08-01, Service Date August 28, 2008); In the Matter of the Petition of Edge Wireless, LLC for Designation as an Eligible Telecommunications Carrier Under 47 U.S.C. § 214(e)(2), Order No. 30360 (IPUC Case No. EDG-T-07-01, Service Date June 29, 2007).

<sup>&</sup>lt;sup>49</sup> See, e.g., North Carolina RSA 3 Cellular Tel. Co., CC Docket No. 96-45, Order, 21 FCC Rcd 9151 [Wireline Comp. Bur. 2006] ("Carolina West Order"); Corr Wireless Communications, LLC, CC Docket No. 96-45, Order, 21 FCC Rcd 1217 [Wireline Comp. Bur. 2006]; RCC Minnesota, Inc. and RCC Atlantic, Inc., CC Docket No. 96-45, Order, 20 FCC Rcd 15833 [Wireline Comp. Bur. 2005]; Virginia Cellular LLC, CC Docket No. 96-45, Memorandum Opinion and Order, 19 FCC Rcd 1563 [2004] ("Virginia Cellular Order"); NPCR, Inc., d/b/a Nextel Partners, 19 FCC Rcd 16530 [2004] ("Nextel Partners Order"); Highland Cellular, Inc., CC Docket No. 96-45, Memorandum Opinion and Order, 19 FCC Rcd 6422 [2004].

<sup>&</sup>lt;sup>50</sup> See, e.g., Universal Service First Report and Order, 12 FCC Rcd at 8801 (para. 47); Federal-State Joint Board on Universal Service, CC Docket No. 96-45, Ninth Report and Order and Eighteenth Order on Reconsideration, 14 FCC Rcd 20432, 20480 (para. 90) (1999) (Universal Service Ninth Report and Order).

<sup>&</sup>lt;sup>51</sup> 1996 Act (preamble).

among eligible carriers.<sup>52</sup> Consistent with the Act and these orders, the FCC also promulgated a rule that expressly prohibits a state commission from discriminating against a carrier based on the technology used to provide service. The rule states that "[a] state commission *shall* designate a common carrier that meets the requirements of this section as an eligible telecommunications carrier *irrespective of the technology used by such carrier*."<sup>53</sup>

In conformity with the Act and the FCC's rules, the FCC has repeatedly found that wireless carriers satisfy the federal requirements for ETC designation, and has cautioned state commissions against imposing artificial barriers to competitive entry by wireless carriers, particularly in rural areas where wireless carriers are best positioned to compete with wireline carriers.<sup>54</sup>

Although the Commission's rules do not provide specific public interest criteria, the FCC has enunciated a framework of five factors for consideration in ETC designations. In determining the public interest, the FCC has indicated that the following should be considered:

- The benefits of increased competitive choice;
- The impact of designation on the federal USF;
- The unique advantages and disadvantages of the competitor's service offering;
- Any commitments made regarding the quality of telephone service; and

<sup>&</sup>lt;sup>52</sup> Universal Service First Report and Order, 12 FCC Rcd at 8801, 8861-62 (para. 152); Universal Service Ninth Report and Order, 14 FCC Rcd at 20480 (para. 90).

<sup>&</sup>lt;sup>53</sup> 47 C.F.R. § 54.201(h) (emphasis added).

<sup>&</sup>lt;sup>54</sup> See Federal-State Joint Board on Universal Service, CC Docket Nos. 96-45, 96-262, Seventh Report and Order, 14 FCC Rcd 8078 [1999].

The likelihood that cream-skimming will result from the designation. Allied Wireless sets forth below specific facts demonstrating how its designation will advance the public interest in the service areas requested in this Application.

# A. Allied Wireless' Designation Will Bring Improved Coverage, Service Quality and Reliability.

With USF high-cost support, Allied Wireless will operate, maintain, and expand its communications infrastructure in Idaho to improve signal coverage, enhance wireless call quality, and provide more advanced services to Idaho consumers. If it is granted ETC status in the proposed ETC service areas, Allied Wireless also intends to bring third generation ["3G"] wireless services to the area.

Allied Wireless commits to provide service to consumers that do not have wireline service at their residences upon reasonable request, and to use its high-cost support to upgrade and expand its network to provide improved coverage and capacity. The mobility of Allied Wireless's wireless service will assist "consumers in rural areas who often must drive significant distances to places of employment, stores, schools, and other critical community locations."

Allied Wireless employs an experienced engineering and technical support team located at Allied Wireless' Network Operations Center in Castle Rock, Colorado that monitors service quality and service outages across Allied Wireless' network, providing on-

<sup>&</sup>lt;sup>55</sup> ETC Criteria Order, 20 FCC Rcd at 6390-96 (paras. 44-57). In instances where an ETC application seeks designation below the study level of a rural telephone company, this Commission has stated that it will conduct a cream skimming analysis that compares the population density of each wire centers in which the ETC applicant seeks designation against that of the wire centers in the study area in which the ETC does not seek designation. The Commission will also consider other factors, such as disaggregation of support by the ILEC. See Idaho ETC Eligibility Requirements Order, at 16.

<sup>&</sup>lt;sup>56</sup> Virginia Cellular Order, 19 FCC Rcd at 1576 (para. 29).

call emergency support 24 hours a day, seven days a week. Allied Wireless' response time to an outage report is normally less than one hour.

Allied Wireless' network is reinforced by the presence of battery and generator backups, capable of running indefinitely in the event of a major electrical outage. Portable generators can be moved to individual cell sites in the event of a catastrophic electrical failure. In the event of power or other types of failure, the cell sites are equipped with alarms that will alert the Company's technicians. Additionally, as noted earlier, the sites are monitored remotely at Allied Wireless' Network Operations Center should there be a total communications failure on any portion of the Allied Wireless' network in the Company's Idaho service areas.

# B. Allied Wireless' Investment of High-Cost Support in Its Proposed ETC Service Area Will Lead to Significant Health and Safety Benefits.

People in rural areas depend on mobile phones more and more to provide critical communications needs. Designating Allied Wireless as an ETC in the areas requested in this Application will provide additional consumer choice and a potential solution to health and safety risks associated with the rural nature of these areas.<sup>57</sup> It is self-evident that every time Allied Wireless adds a cell site or increases channel capacity with high-cost support, the

<sup>&</sup>lt;sup>57</sup> See, e.g., Corr Wireless Communications, LLC, Petition for Designation as an Eligible Telecommunications Carrier in the State of Alabama, CC Docket No. 96-45, Order, 21 FCC Rcd 1217, 1226 [2006] ("The mobility of telecommunications assists consumers in rural areas who often must drive significant distances to places of employment, stores, schools, and other locations. The availability of a wireless universal service offering also provides access to emergency services that can mitigate the unique risks of geographic isolation associated with living in rural communities."); U.S. Cellular Missouri Order at 12 ("Clearly, expansion of cell phone service would benefit consumers by giving them an additional option for phone service, by allowing them additional mobility, and by affording them increased safety while on the road or otherwise away from the end of a telephone wire."); Alltel Nebraska Order at 16-17; RCC Mississippi Order at 9 ("[The mobility of telecommunications] is ... invaluable in summoning emergency services in rural areas where public access telephones are few and far between.").

number of completed calls, including important health and safety calls, will increase. Thus, for every cell site that Allied Wireless constructs, the reliability and performance of Allied Wireless' E911 service will improve.

It is difficult to overstate the important public safety benefit that will be realized should the Commission designate Allied Wireless an ETC in its proposed service area. The federal USF funding to which Allied Wireless would then be eligible would significantly bolster Allied Wireless' ability to more quickly expand its coverage throughout vast portions of Idaho and build a 3G network that can offer state-of-the-art services.

Wireline service is only available at the end of the provider's wires. By contrast, mobile service can extend important health and safety benefits so that people in need are not required to travel long distances to find a telephone in an emergency or other important health or safety situation.<sup>58</sup>

# C. Grant of This Application Will Impose No Burden on the Federal Universal Service Fund and Only a Negligible Burden if the CETC Cap Is Lifted.

In May 2008, the FCC placed an interim cap on universal service high-cost support to competitive ETCs ("CETCs"). Under the interim cap, effective August 1, 2008, total annual CETC support was capped—on a state-by-state basis—at the level of support that CETCs in each state were eligible to receive during March 2008 on an annualized basis.<sup>59</sup> In

<sup>&</sup>lt;sup>58</sup> Easterbrooke Rural Order at 61 ("Reliable mobile communications have a high level of importance for people who live in rural areas. The highest quality wireline service is no substitute for mobile services with broad geographic coverage, simply because the wireline service physically may not be there when it is needed, in a rural area.").

<sup>&</sup>lt;sup>59</sup> See High-Cost Universal Service, Federal-State Joint Board on Universal Service, WC Docket No. 05-337, CC Docket No. 96-45, Order, 23 FCC Rcd 8834, 8834 [para. 1] [2008], appeal docketed, No. 08-1284 [D.C. Cir. Aug. 29, 2008] ("CETC Interim Cap Order"). The FCC adopted the following two limited exceptions from the specific application of the interim cap: [1] a CETC will not be subject to the interim cap to the extent it files cost data demonstrating that its costs meet the support threshold in the same manner as the incumbent local exchange carrier; and [2] a CETC will not be subject

adopting the interim cap, the FCC declared that it would remain in place only until the FCC adopts comprehensive high-cost universal service reform.<sup>60</sup> As a result, designating Allied Wireless an ETC in Idaho will have absolutely no effect on the size of the federal USF as long as the CETC interim cap remains in place.

If the CETC interim cap is ultimately lifted, the amount of funding Allied Wireless expects to receive even if it were to capture each and every incumbent LEC subscriber in its proposed ETC service area—an entirely unrealistic scenario—would not cause undue strain on the federal USF high-cost fund. In the *Nextel Partners Order*, the FCC addressed the question of whether designating NPCR, Inc., d/b/a Nextel Partners ("Nextel Partners") as an ETC in Alabama, Florida, Georgia, New York, Pennsylvania, Tennessee, and Virginia would cause undue strain on the federal high-cost mechanism. In making that determination, the FCC used the unrealistic scenario of Nextel Partners capturing each and every incumbent LEC subscriber in Alabama—the state in which the affected incumbent LECs receive the largest amount of support—which would result in Nextel Partners' receiving support equivalent to 1.88 percent of total high-cost mechanism disbursements. Based on that analysis, the FCC concluded that Nextel Partners' designation in all seven states would not "dramatically burden" the federal high-cost support mechanism. More recently, the FCC

to the interim cap it serves tribal lands or Alaska Native regions. *Id.* 

<sup>&</sup>lt;sup>60</sup> *Id*.

<sup>61</sup> See Nextel Partners Order, 19 FCC Rcd at 16539-40 (para. 21).

<sup>62</sup> See id. at 16540 (para. 21, n.69).

<sup>63</sup> Id.

specifically rejected the idea of assessing the impact of one designation on the USF, stating that "analyzing the impact of one ETC on the overall fund may be inconclusive." 64

Here as well, even if the CETC interim cap is lifted, Allied Wireless' designation will clearly not burden the USF. According to Universal Service Administrative Company's ("USAC") most recent quarterly filing projections to the FCC, Allied Wireless would receive well less than one percent of the federal high-cost mechanism disbursements even if it were to capture each and every line within its proposed ETC service area. Even that unrealistically high estimate is a significantly lower percentage than the 1.88 percent figure corresponding to just one of the seven states approved in the *Nextel Partners Order*.

In sum, the Commission should follow the FCC's guidance and find that the analysis of any individual ETC designation's effect on the federal USF is inconclusive and, therefore, need not be undertaken. Should the Commission nonetheless determine that such an analysis is necessary, it is clear that, by any measure, Allied Wireless' designation would not burden the federal USF high-cost mechanism.

### D. Benefits of Competition.

One of the principal goals of the 1996 Act is, again, to "promote competition and reduce regulation in order to secure lower prices and high-quality services for American telecommunications consumers and encourage the rapid deployment of new telecommunications technologies." Designation of a competitive ETC increases facilities and

<sup>64</sup> ETC Criteria Order, 20 FCC Rcd at 6395 (para. 54) (footnote omitted).

<sup>&</sup>lt;sup>65</sup> See FCC Public Notice, Proposed Second Quarter 2010 Universal Service Contribution Factor, CC Docket No. 96-45, DA 10-247 (rel. Mar. 12, 2010); see also http://www.usac.org/hc/tools/disburse-ments/.

<sup>66</sup> See 1996 Act (preamble).

spurs development of advanced communications as carriers vie for a consumer's business.<sup>67</sup> Designation of Allied Wireless as an ETC in Idaho will promote competition and facilitate the provision of high-quality communications services to those living and working within Allied Wireless' proposed service area.<sup>68</sup> Residents in many rural areas have long trailed urban areas in receiving competitive local exchange service and advanced telecommunications services, and in some rural areas no meaningful choice of local exchange carrier exists. It is also evident that the deployment of high-quality wireless telecommunications infrastructure is essential to economic development in rural areas.

Allied Wireless will have every incentive to meet its commitments made in this proceeding, including use of federal USF support to improve its network and reliability. Under the current system, the amount of universal service support Allied Wireless would receive upon designation is directly based upon the number of customers it serves. If designated an ETC by the Commission in the proposed ETC service area, Allied Wireless will be able to better compete for customers, service quality and customer service will improve, and 3G services will be deployed more quickly to more Idaho residents. Wider local-calling areas and lower prices overall may also be introduced by Allied Wireless to retain and attract customers.<sup>69</sup>

<sup>&</sup>lt;sup>67</sup> See, e.g., Alltel Michigan Order at 11; N.E. Colorado Cellular, Inc. d/b/a Viaero Wireless, Application No. C-3324 [Neb. PSC, Oct. 18, 2005] at 11-12.

<sup>&</sup>lt;sup>68</sup> See Carolina West Order, 21 FCC Rcd at 9156 (para. 17) ("We find Carolina West's universal service offering will provide a variety of benefits to customers including consumer choice and advantageous service offerings. For instance, universal service support will enable Carolina West to construct facilities to improve quality of service and extend telephone service to people who have no choice of telephone provider.").

<sup>&</sup>lt;sup>69</sup> See Implementation of Section 6002(b) of the Omnibus Budget Reconciliation Act of 1993, Annual Report and Analysis of Competitive Market Conditions With Respect to Commercial Mobile Service, WT Docket No. 06-17, Eleventh Report, 21 FCC Rcd 10947, 10984-85 (para. 92) [2006] [de-

# E. Allied Wireless' Designation Will Not Result in "Cream-Skimming."

As part of its public interest analysis, the Commission must determine whether Allied Wireless' designation will enable it to "cream-skim," that is, target low-cost portions of a rural incumbent LEC's service area in which uneconomically high levels of support are available.

There is no possibility for cream-skimming in this Application. Allied Wireless is not targeting particular areas based on the possibility of receiving uneconomic levels of support. On the contrary, Allied Wireless is only seeking ETC designation in this Application in areas that cover the entirety of the incumbent LEC service area.

### IV. HIGH-COST CERTIFICATION.

Under Section 54.314 of the FCC's Rules,<sup>70</sup> carriers wishing to obtain high-cost support must either be certified by the appropriate state commission or, where the state commission does not exercise jurisdiction, must self-certify with the FCC and USAC their compliance with Section 254(e) of the Act.<sup>71</sup>

scribing how consumers have benefited from proliferation of service offerings including free mobile-to-mobile, nationwide toll-free and/or roaming-free calling, family plans, and unlimited calling to a list of designated numbers.); Applications of AT&T Wireless Services, Inc. and Cingular Wireless Corp., WT Docket Nos. O4-70, O4-254, O4-323, Memorandum Opinion and Order, 19 FCC Rcd 21522, 21554 (para. 63) [2004] ("By fostering continuing experimentation with a variety of different pricing options, service packages, and policies on handset subsidies, competition to attract and retain customers has resulted in complicated and ever-changing pricing and feature structures. Today all of the nationwide operators offer some version of a national rate pricing plan in which customers can purchase variously sized buckets of minutes to use on a nationwide or nearly nationwide network without incurring roaming or long-distance charges. Other significant trends in mobile telephony pricing have been the offering of free night and weekend minutes, and the expansion of free calling among a particular company's customers, known as 'in-network' or 'mobile-to-mobile' calling. Moreover, although most U.S. mobile telephony subscribers pay their mobile phone bills after they have incurred charges (known as postpaid service), all the nationwide operators offer some version of a prepaid service either directly to their retail customers or through third-party resellers.") [footnotes omitted].

<sup>&</sup>lt;sup>70</sup> 47 C.F.R. § 54.314.

<sup>&</sup>lt;sup>71</sup> 47 U.S.C. § 254(e).

Allied Wireless commits to use available federal USF support for its intended purposes—the provision, maintenance, and upgrading of facilities and services for which support is intended.<sup>72</sup> Therefore, Allied Wireless respectfully requests that the Commission issue a finding that Allied Wireless has met the high-cost certification requirement and that Allied Wireless is therefore entitled to begin receiving federal USF high-cost support as of the date it receives a grant of ETC status, in order that funding will not be delayed.<sup>73</sup>

# V. CONCLUSION.

For the reasons discussed in this Application, Allied Wireless respectfully requests the Commission to designate it as an ETC for the requested designated service areas in Idaho pursuant to Modified Procedure.

Respectfully submitted,

Molly O'Leary (ISB \*4996)

Richardson & O'Leary, PLLC

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P,Ø. Box 7218

Boise, Idaho 83707

Telephone: 208.938.7900

Fax: 208.938.7904

E-mail: molly@richardsonandoleary.com

December 16, 2010

<sup>&</sup>lt;sup>72</sup> See Exhibit 6.

<sup>&</sup>lt;sup>73</sup> See 47 C.F.R. § 54.307(d). See also Guam Cellular and Paging, Inc., Petition for Waiver of Section 54.214 of the Commission's Rules and Regulations, 18 FCC Rcd 7138 (2003).

# EXHIBIT 1 AFFIDAVIT OF BRIAN TAYLOR, CFO, ALLIED WIRELESS

### **AFFIDAVIT**

State of Arkansas			)	
			)	
County of Pulaski			)	

Brian Taylor, being duly sworn, states that he files this Application as Chief Financial Officer of Allied Wireless Communications Corporation; that in such capacity, he is qualified and authorized to file and verify such Application; that he has carefully examined all the statements and matters contained in the Application; and that all such statements made and matters set forth therein are true and correct to the best of his knowledge, information and belief.

Affiant further states that Allied Wireless offers, all of the services designated for support by the Federal Communications Commission throughout the areas in which Allied Wireless is requesting designation as an ETC, that the Application is made in good faith, with the intention of presenting evidence in support thereof in every particular.

Brian Taylor

Chief Financial Officer

Allied Wireless Communications Corp.

Subscribed and sworn to before me, a Notary Public in and for the State and County named above, this day of December, 2010.

(SEAL) Notary Public

CINDY STEELE
Arkansas - Pulaski County
Notary Public - Comm# 12376482
My Commission Expires May 24, 2020

# EXHIBIT 2

SAMPLE ADVERTISED ALLIED WIRELESS IDAHO SERVICE PLANS

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unlimited calling to any 5, 15 or 25 numbors on any network

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# **EXHIBIT 4**

LIST OF RURAL TELEPHONE COMPANY STUDY AREAS/WIRE CENTERS AND NON RURAL TELEPHONE COMPANY WIRE CENTERS

TO BE SERVED BY

ALLIED WIRELESS IN ITS PROPOSED ETC SERVICE AREA

# RURAL TELEPHONE COMPANY STUDY AREAS/WIRE CENTERS TO BE SERVED BY ALLIED WIRELESS IN ITS PROPOSED ETC SERVICE AREA

ILEC STUDY AREA	INCUMBENT LEC	WIRE CENTER	EXCHANGE
472215	CAMBRIDGE TELEPHONE COMPANY	CMBRIDXC	CAMBRIDGE
472215	CAMBRIDGE TELEPHONE COMPANY	CNCLIDXC	COUNCIL
472215	CAMBRIDGE TELEPHONE COMPANY	CPRMIDXC	CUPRUM
472215	CAMBRIDGE TELEPHONE COMPANY	LWMNIDXC	LOWMAN
472215	CAMBRIDGE TELEPHONE COMPANY	INVYIDXC	INDIAN VLY
472225	CENTURYTEL OF IDAHO, INC.	LEDRIDXC	LEADORE
472225	CENTURYTEL OF IDAHO, INC.	NFRKIDXC	NORFOLK
472225	CENTURYTEL OF IDAHO, INC.	SLMNIDXC	SALMON
472218	CUSTER TELEPHONE COOPERATIVE, INC.	CHLSIDXC	CHALLIS
472218	CUSTER TELEPHONE COOPERATIVE, INC.	CYTNIDXC	CLAYTON
472218	CUSTER TELEPHONE COOPERATIVE, INC.	EKBNIDXC	ELK BEND
472218	CUSTER TELEPHONE COOPERATIVE, INC.	MAY IDXC	MAY
472221	FARMERS MUTUAL TELEPHONE CO.	FRLDIDXX	FRUITLAND
472221	FARMERS MUTUAL TELEPHONE CO.	NUARIDXC	NU ACRES
472226	MIDVALE TELEPHONE EXCHANGE, INC.	LKVWIDXC	LAKEVIEW
472226	MIDVALE TELEPHONE EXCHANGE, INC.	MDVAIDXC	MIDVALE
472226	MIDVALE TELEPHONE EXCHANGE, INC.	STNLIDXC	STANLEY
472226	MIDVALE TELEPHONE EXCHANGE, INC.	WRLKIDXC	WARM LAKE
472226	MIDVALE TELEPHONE EXCHANGE, INC.	WRRNIDAA	WARREN
472226	MIDVALE TELEPHONE EXCHANGE, INC.	YLPNIDXC	YELLOWPINE

# NON-RURAL TELEPHONE COMPANYWIRE CENTERS TO BE SERVED BY ALLIED WIRELESS IN ITS PROPOSED ETC SERVICE AREA

ILEC STUDY AREA	INCUMBENT LEC	WIRE CENTER	EXCHANGE
475103	QWEST CORPORATION	CTWDID01	COTTONWOOD
475103	QWEST CORPORATION	EMMTIDMA	EMMETT
475103	QWEST CORPORATION	GAVLID01	GRANGEVILLE
475103	QWEST CORPORATION	IDCYIDMA	BOISE
475103	QWEST CORPORATION	KAMHIDOI	KAMIAH
475103	QWEST CORPORATION	NPMOIDMA	NEW PLYMOUTH
475103	QWEST CORPORATION	PYTTIDMA	PAYETTE
475103	QWEST CORPORATION	WESRIDMA	WEISER

# EXHIBIT 5 LETTER TO TRIBAL COUNCIL



# Molly O'Leary

Tel: 208-938-7900 Fax: 208-938-7904
molly@richardsonandoleary.com
P.O. Box 7218 Boise, ID 83707 - 515 N. 27th St. Boise, ID 83702

### 15 December 2010

NPTEC % Nez Perce Tribe P.O. Box 365 Lapwai, Idaho 83540

Dear Council Members:

We are notifying you that an Application for designation as an Eligible Telecommunications Carrier in Idaho.

As this Application may affect your Tribal Government or Tribal Regulatory Authority, we are enclosing a copy for your review.

The Application is being filed with the Idaho Public Utilities Commission today.

Very truly yours,

Molly O'Leary

Richardson & O'Leary, PLLC

encl.

# **EXHIBIT 6**

USF HIGH-COST CERTIFICATION OF BRIAN TAYLOR, CFO, CEO, ALLIED WIRELESS

### **AFFIDAVIT**

State of Arkansas	)
	)
County of Pulaski	)

Brian Taylor, being duly sworn, states that he files this Application as Chief Financial Officer of Allied Wireless Communications Corporation; that in such capacity, he is qualified and authorized to file and verify such Application; that he has carefully examined all the statements and matters contained in the Application; and that all such statements made and matters set forth therein are true and correct to the best of his knowledge, information and belief.

Affiant further states that Allied Wireless offers, all of the services designated for support by the Federal Communications Commission throughout the areas in which Allied Wireless is requesting designation as an ETC, that the Application is made in good faith, with the intention of presenting evidence in support thereof in every particular.

**Brian Taylor** 

Chief Financial Officer

Allied Wireless Communications Corp.

Subscribed and sworn to before me, a Notary Public in and for the State and County named above, this 2 day of December, 2010.

(SEAL) Notary Public

GINDY STEELE
Arkansas - Pulaski County
Notary Public - Comm# 12376482
My Commission Expires May 24, 2020