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25 May 2012

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IDAHO PUBLIC
UTILITIES COMMISSION

Ms. Jean Jewell
Commission Secretary
Idaho Public Utilities Commission
P O Box 83720
Boise ID 83720-0074

Hand Delivered

RE: CASE NO. ~~ALL-T-12-01~~ ALL-T-10-01

APPLICATION OF ALLIED WIRELESS COMMUNICATIONS
CORPORATION FOR CONDITIONAL DESIGNATION AS AN
ELIGIBLE TELECOMMUNICATIONS CARRIER AND REQUEST FOR
EXPEDITED CONSIDERATION

Dear Ms. Jewell:

Enclosed herewith are an original and seven copies of the above-referenced Application.

We have also enclosed a copy of the above-referenced Application to be file-stamped
"Received" and returned for our records.

Sincerely,

Molly O'Leary
Richardson & O'Leary, PLLC

Enclosures

cc: Coeur d'Alene Tribe
Nez Perce Tribe of Idaho
Shoshone-Bannock Tribe

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IDAHO PUBLIC UTILITIES COMMISSION

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Attorneys for Allied Wireless Communications Corporation

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

In the Matter of the Application]	CASE NO. ALL-T-12-01 <i>ALL-T-10-01</i>
of Allied Wireless]	
Communications Corporation,]	APPLICATION OF ALLIED WIRELESS
d/b/a Alltel, for Conditional]	COMMUNICATIONS CORPORATION
Designation as an Eligible]	FOR CONDITIONAL DESIGNATION AS
Telecommunications Carrier for]	AN ELIGIBLE TELECOMMUNICATIONS
Purposes of Participating in the]	CARRIER AND REQUEST FOR EXPEDITED
Mobility Fund Phase I Auction]	CONSIDERATION

Allied Wireless Communications Corporation, d/b/a Alltel ("Allied" or the "Company"), pursuant to 47 U.S.C. § 214(e)(2), 47 C.F.R. § 54.1003, and the Idaho Public Utilities Commission (the "Commission") Eligible Telecommunications Carrier ("ETC") designation requirements¹, hereby petitions the Commission for conditional designation as an ETC in all areas in Idaho where Allied is licensed by the Federal Communications Commission ("FCC") to provide commercial mobile radio services ("CMRS") where it is not presently designated as an ETC. The area for which designation is sought by this application is indicated on **Exhibit 1** to this Application.

¹ See *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*, Order No. 29841, Appendix pp 1-3 (IPUC Case No. WST-T-05-1, served August 4, 2005) ["Idaho ETC Requirements"]

Allied seeks conditional ETC designation so that it will be eligible to participate in the FCC Mobility Fund Phase I auction that is presently scheduled to be conducted on September 27, 2012 (the "Phase I Auction").² The Phase I Auction is to provide up to \$300 million of support on a one-time basis to accelerate deployment of networks for mobile voice and broadband services in unserved areas. Because some of the areas of Idaho where Allied is licensed to provide CMRS are generally very rural and the FCC has determined are unserved, the public would benefit substantially if funds are awarded to Allied from the Phase I Auction.

In order to submit a bid in the Phase I Auction, Allied must first be designated as an ETC in all the census blocks for which it will submit a bid. ETC designation by this Commission is, therefore, a prerequisite for bidding. Bids are presently required to be submitted between **June 29, 2012 and July 12, 2012**. Allied, therefore, must receive ETC designation before these dates and is seeking expedited approval of this application pursuant to the Commission's Modified Procedure rules.

Further, Allied is requesting that the ETC designation requested herein be made conditional on it being the successful bidder in the Phase I Auction. Therefore, any ETC designation granted pursuant to this application would only continue in effect if or to the extent it is the successful bidder.

² *Connect America Fund*, WC Docket No. 10-90, *A National Broadband Plan for Our Future*, GN Docket No. 09-51, *Establishing Just and Reasonable Rates for Local Exchange Carriers*, WC Docket No. 07-135, *High-Cost Universal Service Support*, WC Docket No. 05-337, *Developing an Unified Intercarrier Compensation Regime*, CC Docket No. 01-92, *Federal State Joint Board on Universal Service*, CC Docket No. 96-45, *Lifeline and Link-up*, WC Docket No. 03-109, *Universal Service Reform - Mobility*, WT Docket No. 10-208, *Report and Order and Further Notice of Proposed Rulemaking*, FCC 11-161, rel. November 18, 2011 ("USF Transformation Order")

1. IDENTIFICATION OF THE COMPANY

Allied, a wholly-owned subsidiary of Atlantic Tele-Network, Inc., a publicly traded corporation headquartered in Beverly, Massachusetts, is licensed by the FCC as a facilities based provider of CMRS, including voice and data services and provides those services in principally rural areas of Idaho, Georgia, Illinois, Ohio, North Carolina, and South Carolina. Allied, as described in its original ETC application to this Commission, was formed and acquired certain FCC licenses and facilities in areas in the above states when Verizon Wireless acquired Alltel Communications in 2009 and was required to divest those licenses and facilities.³ Allied is presently designated and operates as an ETC in certain areas of Idaho, Georgia, and North Carolina and has an application on file in South Carolina.⁴ Allied is filing or will file applications essentially identical to this application seeking conditional ETC designation in Ohio and Illinois in order to allow it to also participate in the Phase I Auction with respect to its licensed area in those states.

2. THE MOBILITY FUND AND PHASE I AUCTION

In connection with its adoption of comprehensive reform of the universal service system in November 2011, the FCC created the Mobility Fund, part of the Connect America Fund. The FCC indicated the Mobility Fund will provide up to \$300 million to accelerate the deployment of next generation 3G or better networks

³ *In the Matter of the Application of Allied Wireless Communications Corporation dba Alltel Wireless for Designation as an Eligible Telecommunications Carrier*, Case No. ALL-T-10-01, Order No 3229, Service date March 22, 2011 [the order approving the application, the "2011 Allied Designation Order"].

⁴ *In the Matter of: 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*, Public Service Commission of South Carolina, Docket No. 2010-385-C.

for mobile voice and broadband services in unserved areas. Phase I Auction funds are to be awarded through a reverse auction that will be held on September 27, 2012. The FCC has also determined census blocks that are considered unserved and thus eligible for awards under the Phase I Auction. Some of these designated census blocks are located in Idaho and within the area where Allied is licensed to provide CMRS. Allied, therefore as one of the few carriers licensed to provide CMRS in the designated unserved census blocks, is uniquely positioned to bring the benefit of the Phase I Auction to rural unserved areas of Idaho.

3. THIS COMMISSION HAS AUTHORITY AND ALLIED IS QUALIFIED TO BE DESIGNATED AS AN ETC

Federal law allows states to exercise the authority to designate a qualified carrier as an ETC.⁵ This Commission, for example as it has previously determined in designating Allied an ETC in the 2011 Allied Designation Order, has the authority under state law to designate a qualified carrier as an ETC.

Allied satisfies all the relevant requirements for designation as an ETC. Allied is (i) a common carrier; (ii) offers all the supported services; (iii) uses its own facilities to provide the services; and (iv) offers service throughout its designated service area and following designation and success in receiving Phase I Auction funds it also will (v) advertise the availability of its universal service offerings and charges through media of general distribution; (vi) make Lifeline service available to qualifying low-income consumers; (vii) certify that it complies with the service requirements applicable to the support it receives; (viii) submit a 2 year service improvement plan, (ix) be able to

⁵ 47 U.S.C. § 214(e) and 47 C.F.R. §54.1003.

remain functional in emergency situations; (x) satisfy consumer protection and service quality standards; (xi) provide local usage plans comparable to the incumbent local exchange carriers already operating in the area; (xii) provide notice to affected tribal governments or tribal regulatory authorities; (xiii) comply with applicable reporting requirements and (xiv) take steps to limit fraud, waste and abuse in the federal universal fund programs. Because Allied is uniquely positioned to bring and improve service in rural unserved areas of Idaho, and the provision of those services will benefit the public, granting this application is in the public interest. Demonstration that Allied meets or exceeds each of the above requirements is provided in the following corresponding sections.

- (i) Common Carrier Status - Allied is a CMRS provider licensed by the FCC and therefore regulated as and subject to the requirements applicable to a common carrier. Allied is a common carrier and meets this requirement of ETC designation.⁶
- (ii) Provide the Supported Services - As determined by the Commission in the 2011 Allied Designation Order, Allied provides (a) voice grade access to the public switched telephone network, (b) local usage, (c) access to emergency services and (d) toll-limitation services for qualifying low-income consumers. These are the supported services that a carrier must provide and that are supported by universal service funds. Allied, therefore, satisfies this qualification for ETC designation as previously determined by the Commission.

⁶ 47 C.F.R. § 20.9

- (iii) Use of Allied Facilities - Allied is a facilities-based provider of services and as such principally utilizes its network and facilities to serve its customers rather than resell the service of another carrier. Again, this was the case when the Commission approved its earlier ETC designation in the 2011Allied Designation Order.
- (iv) Supported Services Provided Throughout Service Area - Allied commits to provide all of the supported services throughout its designated service area as required. Allied is licensed to provide CMRS in all the area indicated on Exhibit 1 for which it is seeking conditional ETC designation and therefore satisfies this requirement. Approval of this application and success in receiving Phase I Auction funds will further enable Allied to fulfill this requirement in those areas indicated on Exhibit 1.
- (v) Advertise the Availability of Supported Services - Allied currently advertises the availability of supported services through media of general distribution. It utilizes newspapers, its website, and other direct advertising methods throughout its service area. Allied will expand upon these media, as necessary, to ensure that consumers within its ETC designated area are fully informed of its universal service offerings. Further, Allied will advertise its Lifeline and Link Up services throughout its ETC area. Allied therefore will satisfy this requirement for ETC designation.
- (vi) Lifeline Service Availability - Allied will offer Lifeline and Link Up service within its ETC area to all qualifying low-income consumers in accordance with applicable federal and state lifeline requirements. Details of Allied's

current Lifeline offering in Idaho are attached hereto as **Exhibit 2**. Upon designation as an ETC pursuant to this application and receipt of Phase I Auction funds, Allied will expand its offering of Lifeline and Link Up to include the area indicated on Exhibit 1 for which it receives Phase I Auction funds. Allied's Lifeline and Link Up service were part of the requirements that were approved by the Commission in the 2011 Allied Designation Order and therefore Allied has already been determined as satisfying this requirement.

- (vii) Provision of Service Requirements - Allied commits to provide service throughout its designated service area to all customers making a reasonable request for service. Allied commits that it will process such requests consistent with the provisions of section 54.202(a)(1)(A) of the FCC rules.⁷ Allied believes the service provisioning commitments in these rules and as described in its application approved in the 2011 Allied Designation Order will ensure that Allied will be responsive to consumers' needs in its ETC area and will enable it to act as a proper steward of available federal service support.
- (viii) 2 Year Service Improvement Plan - Allied is seeking designation conditioned on receipt of Phase I Auction funds. Therefore, in connection with a bid for those funds and approval of any bid, Allied will identify the service improvements that can be accomplished with any funds approved. Allied requests approval of this application conditional on its success in

⁷ 47 C.F.R. § 54.202(A)(1)(a).

bidding and requests that it be allowed to provide the bid to the commission on a confidential basis when details relating to the bid are filed with the FCC. The bid information filed with the FCC and the Commission would constitute its proposed improvement plan, as would consist of the same information required in a service improvement plan, subject to success in bidding for any portion of the improvements detailed in the bid. Alltel believes that this proposal will satisfy this requirement as its ETC designation will be specifically conditioned on the one-time receipt of funds and those funds must be expressly used for the improvements specified in the bid to provide service in unserved areas. Allied commits to submit to the commission the details of any successful bid and proposed use of the funds after those are determined by a successful bid.

- (ix) Ability to Function in Emergency Situations - Allied has the ability to remain functional in emergency situations as required by FCC rules and previously determined by this Commission in the 2011 Allied Designation Order.⁸ Specifically, Allied has adequate amounts of back-up power to ensure functionality without an external power source, and is able to reroute traffic around damaged facilities and is capable of managing traffic spikes resulting from emergency situations. Allied further commits to comply with any applicable reporting requirements of the FCC with respect to outages. Again, Allied satisfies this requirement for ETC designation.

⁸ 47 CFR. § 54.202(a)[2]

- (x) Consumer Protection Requirements - Allied complies with applicable consumer protection and service quality standards specified by the FCC and this Commission.⁹ Allied complies with the CTIA Consumer Code which sets forth several consumer protections developed by the industry. The FCC has determined that commitment to comply with the CTIA Consumer Code satisfies this requirement for ETC designation. Allied is committed to abide by the CTIA Consumer Code, as it may be amended from time to time, throughout its ETC designated area. Allied also certifies annually that it complies with the CTIA Consumer Code.
- (xi) Comparable Local Usage Plans - Allied has previously committed to offering local usage plans comparable to those offered by the incumbent LECs in the service areas for which it seeks ETC designation. While the FCC has eliminated this requirement in the recent reform of universal service, Allied commits to continue offering a local usage plan comparable to that offered by the incumbent LECs within its ETC designated area to the extent still applicable in Idaho and, therefore, satisfies this requirement for ETC designation if applicable.
- (xii) Notice to Tribal Governments or Regulatory Authorities - Allied is providing notice to the Tribal governments and regulatory authorities although it is not certain which of these may be interested as the census blocks that are unserved and for which Phase I Auction funds may be

⁹ 47 C.F.R. §202(a)(3) and Idaho ETC Requirements, app., at 3

dedicated are not yet fully known.¹⁰ Allied has satisfied this requirement by notifying all potentially interested Tribes.

- (xiii) Additional Reporting Requirements - Allied commits that it will comply with all applicable reporting requirements imposed by Idaho.¹¹
- (xiv) Limit Fraud, Waste, and Abuse - On February 6, 2012 the FCC adopted comprehensive reforms to the low-income program to revise the Lifeline service requirements.¹² In the Lifeline Reform Order, the FCC adopted specific reforms attempting to limit fraud, waste and abuse in the low-income program. Allied commits to compliance with the rules as they are applicable.

4. DESIGNATION OF ALLIED AS AN ETC IS IN THE PUBLIC INTEREST

As described above, this application is for conditional ETC designation specifically to enable Allied to submit a bid to the FCC in its September Phase I Auction. This auction will provide up to \$300 million in one-time support to immediately accelerate deployment of networks for mobile voice and broadband services in unserved areas.¹³ The FCC has already determined that certain census blocks are unserved and qualify for these funds. Some of those unserved census blocks are located in area where Allied is licensed to provide CMRS and for which it is not presently designated as an ETC. Allied is therefore one of the few carriers that is qualified and uniquely positioned as a predominately rural wireless carrier

¹⁰ Idaho ETC Requirements, App., at 3

¹¹ *Id.* at 3-4.

¹² *In the Matter of Lifeline and Link Up Reform and Modernization, Report and Order and Further Notice of Proposed Rulemaking*, WC Docket No. 11-42, FCC 12-11, released February 6, 2012 (“Lifeline Reform Order”).

¹³ USF Transformation Order, at ¶ 28.

to accelerate deployment of networks for mobile voice and broadband services in these unserved census blocks. Until the bids are submitted, it can not be concluded whether Allied may be the sole or one of few that will seek Phase I Auction funds with respect to these areas of Idaho. It is therefore clearly in the public interest to approve this application and to condition it on Allied being the successful bidder. The overarching principles embodied in the Telecommunications Act of 1996 that continue to guide the FCC decision to establish the Mobility Fund and embodied in the USF Transformation Order is the promotion of competition, the deployment of higher quality services and the rapid deployment of new telecommunications technologies.¹⁴

Conditional designation and successful bidding by Allied will undeniably increase customer choice and service availability and make available to consumers new service offerings, including wireless broadband and Lifeline services as the areas where the funds are to be used are presently unserved. Areas that are presently unserved will have service. The public interest is unmistakable and therefore this application is clearly in the public interest. Further, as structured, the Mobility Fund will not adversely impact the current universal service mechanisms. Approval of this application on an expedited basis and conditioned upon Allied being a successful bidder in the Phase I Auction is clearly in the public interest.

¹⁴ 47 U.S.C. § 254.

CONCLUSION

For the foregoing reasons, Allied Wireless Communications Corporation d/b/a Alltel, respectfully requests the following: (i) that, pursuant to its Modified Procedure Rules, the Commission expeditiously designate Allied as an ETC with respect to the areas indicated on Exhibit I conditioned on Allied being a successful bidder in the Phase I Auction; (ii) that the Commission send prompt notice of the designation to the FCC and the Universal Service Administrative Company; and (iii) for such other relief as may be appropriate.

RESPECTFULLY SUBMITTED, this 25th day of May, 2012.

ALLIED WIRELESS COMMUNICATIONS
CORPORATION

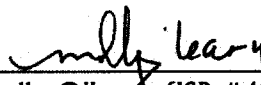

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EXHIBIT 1

ALLIED WIRELESS' IDAHO LICENSED AREA

CMA 389 – IDAHO RSA 2 (Counties: Adams, Gem, Idaho, Payette, Valley, Washington)

CMA 390 – IDAHO RSA 3 (Counties: Boise, Custer, Lemhi)

BTA 250 - Lewiston-Moscow, ID

EXHIBIT 2

ALLIED WIRELESS' LIFELINE OFFERING

LIFELINE 500 PLAN

Monthly Fee	\$10.00
Anytime Minutes Included Each Month	500
Text Messages Included Each Month	500
Mobile-to-Mobile (other U-Lifeline Customers)	Free
Long Distance Charges	Free
Caller ID	Free
Handset	Free
Additional anytime minutes above the 500 Included in the Plan	\$0.10 cents a minute
Additional text messages above the 500 Included in the Plan	\$0.10 cents per text
Roaming	\$0.59 cents a minute