

Exhibit No.: \_\_\_\_\_  
Issue: ETC Designation  
Witness: Robert C. Schoonmaker  
Type of Exhibit: Rebuttal Testimony  
Sponsoring Party: Craw-Kan Telephone Cooperative, Inc.  
Case No.: TO-2004-0527  
Date: September 15, 2004

BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI

In the Matter of the Application of )  
WWC License, LLC, d/b/a CellularOne® )  
for Designation as an Eligible Telecommunications ) Case No. TO-2004-0527  
Carrier, and Petition for Redefinition of )  
Rural Telephone Company Service Areas )


AFFIDAVIT OF ROBERT C. SCHOONMAKER

Robert C. Schoonmaker, of lawful age, being duly sworn, deposes and states as follows:

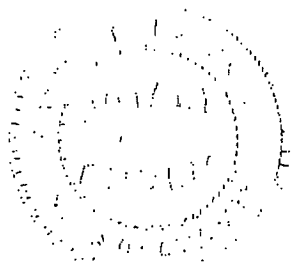
1. My name is Robert C. Schoonmaker. I am employed by GVNW Consulting, Inc. as President and Chief Executive Officer.
2. Attached hereto and made a part hereof for all purposes is my rebuttal testimony with accompanying schedules.
3. I hereby affirm that my answers contained in the attached testimony to the questions therein propounded are true and correct to the best of my knowledge and belief and that the information contained in the attached schedules is also true and correct to the best of my knowledge and belief.

  
Robert C. Schoonmaker

Subscribed and sworn to before me this 15th day of September, 2004.

 Notary Public

My Commission expires: 8-28-2006



1 REBUTTAL TESTIMONY OF ROBERT C. SCHOONMAKER

2  
3 Q. Please state your name and address.

4 A. My name is Robert C. Schoonmaker. My business address is 2270 La Montana  
5 Way, Colorado Springs, Colorado 80918.

6  
7 Q. By whom are you employed and in what capacity?

8 A. I am President and CEO of GVNW Consulting, Inc., a consulting firm  
9 specializing in working with small telephone companies.

10  
11 Q. Would you please outline your educational background and business experience?

12 A. I obtained my Masters of Accountancy degree from Brigham Young University in  
13 1973 and joined GTE Corporation in June of that year. After serving in several  
14 positions in the revenue and accounting areas of GTE Service Corporation and  
15 General Telephone Company of Illinois, I was appointed Director of Revenue and  
16 Earnings of General Telephone Company of Illinois in May, 1977 and continued  
17 in that position until March, 1981. In September, 1980, I also assumed the same  
18 responsibilities for General Telephone Company of Wisconsin. In March, 1981, I  
19 was appointed Director of General Telephone Company of Michigan and in  
20 August, 1981 was elected Controller of that company and General Telephone  
21 Company of Indiana, Inc. In May, 1982, I was elected Vice President-Revenue  
22 Requirements of General Telephone Company of the Midwest. In July, 1984, I  
23 assumed the position of Regional Manager of GVNW Inc./Management (the  
24 predecessor company to GVNW Consulting, Inc.) and was later promoted to the

1 position of Vice President. I served in that position until October 1, 2003 except  
2 for the period between December 1988 and November, 1989 when I left GVNW  
3 to serve as Vice President-Finance of Fidelity and Bourbeuse Telephone  
4 Companies. I was elected to the position of President and Chief Executive  
5 Officer effective October 1, 2003. In summary, I have had over 30 years of  
6 experience in the telecommunications industry working with incumbent local  
7 exchange carrier companies.

8  
9 Q. What are your responsibilities in your present position?

10 A. In my current position I have overall responsibility for the management and  
11 direction of GVNW Consulting, Inc. In addition, I consult with independent  
12 telephone companies and provide financial analysis and management advice in  
13 areas of concern to these companies. Specific activities which I perform for client  
14 companies include regulatory analysis, consultation on regulatory policy,  
15 financial analysis, business planning, rate design and tariff matters,  
16 interconnection agreement analysis, and general management consulting.

17  
18 Q. Have you previously testified in regulatory proceedings?

19 A. Yes, I have submitted testimony and/or testified on regulatory policy, local  
20 competition, rate design, accounting, compensation, tariff, rate of return,  
21 interconnection agreements, and separations related issues before the Illinois  
22 Commerce Commission, the Public Service Commission of Wisconsin, the  
23 Michigan Public Service Commission, the Iowa Utilities Board, the Tennessee

1 Public Service Commission, the New Mexico Public Regulation Commission, the  
2 Public Utilities Commission of the state of South Dakota and the Missouri Public  
3 Service Commission. In addition, I have filed written comments on behalf of our  
4 firm on a number of issues with the Federal Communications Commission and  
5 have testified before the Federal-State Joint Board in CC Docket #96-45 on  
6 Universal Service issues.  
7

8 Q. On whose behalf are you testifying in this case?

9 A. I am testifying on behalf of Craw-Kan Telephone Cooperative, Inc. ("Craw-  
10 Kan").  
11

12 Q. What is the purpose of your testimony?

13 A. The purpose of my testimony is to respond to the petition and testimony of WWC  
14 License, LLC, d/b/a CelularOne® ("Western Wireless") to have Western Wireless  
15 designated as an eligible telecommunications carrier ("ETC") for receipt of  
16 federal Universal Service Funds ("USF") in the rural high-cost areas served by  
17 Craw-Kan. I will respond to Western Wireless' proposals regarding the  
18 designation of a service area smaller than Craw-Kan's study area. I will also  
19 respond to the testimony presented by Western Wireless supporting that Petition  
20 and will describe why I do not believe that Western Wireless has demonstrated  
21 that such a designation is in the public interest.  
22

1 Q. What responsibility does the Act give to state Commissions in the ETC  
2 designation process?

3 A. Section 214(e)(2) of the Telecommunications Act of 1934, as amended by the  
4 Telecommunications Act of 1996 ("the Act") states in relevant part:

5 Upon request and consistent with the public interest, convenience, and  
6 necessity, the State commission may, in the case of an area served by a  
7 rural telephone company, and shall, in the case of all other areas,  
8 designate more than one common carrier as an eligible  
9 telecommunications carrier for a service area designated by the State  
10 commission, so long as each additional requesting carrier meets the  
11 requirements of paragraph (1). Before designating an additional  
12 eligible telecommunications carrier for an area served by a rural  
13 telephone company, the State commission shall find that the  
14 designation is in the public interest.  
15

16 In regard to *rural areas* such as that served by Craw-Kan, the Missouri Public  
17 Service Commission (the Commission) *may* designate more than one carrier *only*  
18 *if* the commission finds that the designation is consistent with the public interest,  
19 convenience and necessity; and the requirements of Section 214(e)(1) are met.

20 Section 214(e)(1) requires:

21 (e) PROVISION OF UNIVERSAL SERVICE.--

22 (1) ELIGIBLE TELECOMMUNICATIONS CARRIERS.--A  
23 common carrier designated as an eligible telecommunications  
24 carrier under paragraph (2) or (3) shall be eligible to receive  
25 universal service support in accordance with section 254 and shall,  
26 throughout the service area for which the designation is received--

27 (A) offer the services that are supported by Federal  
28 universal service support mechanisms under section 254(c),  
29 either using its own facilities or a combination of its own  
30 facilities and resale of another carrier's services (including  
31 the services offered by another eligible telecommunications  
32 carrier); and

33 (B) advertise the availability of such services and  
34 the charges therefor using media of general distribution.  
35

1 Thus, the Commission in the case of Western Wireless' Petition relative to Craw-  
2 Kan must address Western Wireless' compliance with Section 214(e)(1) and,  
3 beyond that, whether a grant of ETC designation is in the public interest.  
4

5 Q. Has the FCC issued any additional guidance to be used in conjunction with a  
6 public interest finding for competitive ETC designations in areas served by rural  
7 telephone companies?

8 A. Yes. The FCC issued an order with respect to Virginia Cellular's request for ETC  
9 designation in which it stated the following:

10 [w]e acknowledge the need for a more stringent public interest analysis for  
11 ETC designations in rural telephone company service areas. The  
12 framework enunciated in this Order shall apply to all ETC designations for  
13 rural areas pending further action by the Commission. We conclude that  
14 the value of increased competition, by itself, is not sufficient to satisfy the  
15 public interest test in rural areas. Instead, in determining whether  
16 designation of a competitive ETC in a rural telephone company's service  
17 area is in the public interest, we weigh numerous factors, including the  
18 benefits of increased competitive choice, the impact of multiple  
19 designations on the universal service fund, the unique advantages and  
20 disadvantages of the competitor's service offering, any commitments  
21 made regarding quality of telephone service provided by competing  
22 providers, and the competitive ETC's ability to provide the supported  
23 services throughout the designated service area within a reasonable time  
24 frame.<sup>1</sup> (emphasis added).  
25

26 Q. Can the Commission impose additional obligations on carriers seeking ETC  
27 status?

28 A. Yes. Specifically, in determining whether the FCC could prohibit states from  
29 imposing additional requirements when designating carriers as eligible for federal

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<sup>1</sup> *In the Matter of Federal-State Joint Board on Universal Service, Virginia Cellular, LLC Application for Designation as an Eligible Telecommunications Carrier in the Commonwealth of Virginia*, CC Docket No. 96-45, FCC 03-338 (rel. January 22, 2004) (Virginia Cellular Order).

1 USF, the Fifth Circuit overturned a portion of the FCC's universal service order  
2 that did just that when it ruled that "the FCC erred in prohibiting the states from  
3 imposing additional eligibility requirements on carriers otherwise eligible to  
4 receive federal universal service support."<sup>2</sup>

5  
6 Q. Can the Commission deny Western Wireless' Petition?

7 A. Yes. If the criteria, including the public interest criteria, listed above are not met,  
8 the Commission may deny Western Wireless' Petition as this Commission  
9 recently did in denying the ETC application of Mid-Missouri Cellular (MMC") in  
10 Case No. TO-2003-0531 ("MMC Order"). In an ETC designation case in Utah,  
11 the Utah Public Service Commission decided it was not in the public interest to  
12 add a second ETC in the service territories of Utah's rural carriers by an order  
13 issued July 21, 2000, in Docket No. 98-2215-01. This order was subsequently  
14 upheld by the Utah Supreme Court in *WWC Holding Co. v. Public Service*  
15 *Commission of Utah*, 44 P.3d 714.

16  
17 Q. You mention the Commission's denial of ETC status to MMC. Do you believe  
18 the MMC Order is significant to this case?

19 A. Yes, I do. In evaluating the evidence in this proceeding, the Commission should  
20 carefully determine how the evidence in this proceeding compares with the  
21 evidence upon which the Commission made its decision in the MMC Order.  
22 Specifically, the Commission found in the MMC Order that:

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<sup>2</sup> *Texas Office of Public Utility Counsel v. FCC*, 183 F.3d 393, 418 (5<sup>th</sup> Cir. 1999).

- 1 • “[t]he benefits to competition of designating MMC an ETC will not be
- 2 very significant.” MMC Order, p.22
- 3 • “[t]he Commission cannot just ignore the potential harm to universal
- 4 service fund of designating [a] wireless carrier as an additional ETC in
- 5 rural areas.” MMC Order, p. 24
- 6 • “MMC has only generally said that it would increase its network
- 7 capabilities. It has not presented any specific plans for how to upgrade
- 8 its network, except for the technology update. Without specific plans
- 9 for upgrade before it, the Commission cannot determine that MMC
- 10 will offer any advantages over its current offering.” MMC Order, p.
- 11 24-25.
- 12 • “[t]he grant of ETC status to MMC is not in the public interest because
- 13 MMC has not provided competent and substantial evidence to show
- 14 that the public will benefit from designating MMC an eligible
- 15 telecommunications carrier for universal service fund purposes.”
- 16 MMC Order, p. 26.
- 17
- 18

19 Q. Has Western Wireless presented sufficient evidence that would allow the  
20 Commission to reach a conclusion different from the one it reached in the MMC  
21 Order?

22 A. No. As I discuss in further detail in the remainder of my testimony, Western  
23 Wireless has not presented evidence that would allow the Commission to make a  
24 decision any different from the one it made relative to MMC’s ETC Petition.  
25 Specifically, Western Wireless has not adequately demonstrated that granting it  
26 ETC designation: 1) will benefit competition; 2) will not harm USF; 3) will lead  
27 to specific improvements to Western Wireless’ network; and 4) is in the public  
28 interest.

29  
30 Q. Did the MMC Order incorporate the additional FCC guidelines to be used in  
31 conjunction with a public interest finding for competitive ETC designations in  
32 areas served by rural telephone companies?



1 A. Yes. Each of the guidelines discussed in the Virginia Cellular Order, as well as  
2 those used in a follow-up FCC ETC Order<sup>3</sup>, was used in the Commission's  
3 analysis in the MMC Order. Accordingly, each of the citations I make to the  
4 Commission's MMC Order in this testimony inherently incorporates the FCC's  
5 additional public interest guidelines.

6  
7 Q. You previously cited the three major criteria that the Commission must address in  
8 regard to the determination of granting ETC status in a rural study area. Do you  
9 believe that Western Wireless has demonstrated that it meets all of these criteria?

10 A. I do not. I particularly do not believe that Western Wireless has demonstrated  
11 that the granting of its Petition will be in the public interest.

12  
13 Q. Before discussing each of these criteria, can you comment on the purpose of the  
14 Federal Universal Service Funds for which Western Wireless would be eligible if  
15 it is granted ETC status?

16 A. Yes, in the Act, Congress was focused on two major purposes: 1) increasing  
17 competition in telecommunications services; and 2) increasing Universal Service  
18 availability. The Act defines the following Universal Service Principles in  
19 Section 254(b):

20  
21 (b) UNIVERSAL SERVICE PRINCIPLES.--The Joint Board and the  
22 Commission shall base policies for the preservation and advancement of  
23 universal service on the following principles:

---

<sup>3</sup> *In the Matter of Federal-State Joint Board on Universal Service, Highland Cellular, Inc., Petition for Designation as an Eligible Telecommunications Carrier in the Commonwealth of Virginia*, CC Docket No. 96-45, FCC -3-338 (rel. April 12, 2004).

1 (1) QUALITY AND RATES.--Quality services should be  
2 available at just, reasonable, and affordable rates.

3 (2) ACCESS TO ADVANCED SERVICES.--Access to advanced  
4 telecommunications and information services should be provided  
5 in all regions of the Nation.

6 (3) ACCESS IN RURAL AND HIGH COST AREAS.--Consumers  
7 in all regions of the Nation, including low-income consumers and  
8 those in rural, insular, and high cost areas, should have access to  
9 telecommunications and information services, including  
10 interexchange services and advanced telecommunications and  
11 information services, that are reasonably comparable to those  
12 services provided in urban areas and that are available at rates that  
13 are reasonably comparable to rates charged for similar services in  
14 urban areas.

15 (4) EQUITABLE AND NONDISCRIMINATORY CONTRIBUTIONS.-  
16 -All providers of telecommunications services should make an  
17 equitable and nondiscriminatory contribution to the preservation  
18 and advancement of universal service.

19 (5) SPECIFIC AND PREDICTABLE SUPPORT MECHANISMS.--  
20 There should be specific, predictable and sufficient Federal and  
21 State mechanisms to preserve and advance universal service.

22 (6) ACCESS TO ADVANCED TELECOMMUNICATIONS SERVICES  
23 FOR SCHOOLS, HEALTH CARE, AND LIBRARIES.--Elementary and  
24 secondary schools and classrooms, health care providers, and  
25 libraries should have access to advanced telecommunications  
26 services as described in subsection (h).

27 (7) ADDITIONAL PRINCIPLES.--Such other principles as the  
28 Joint Board and the Commission determine are necessary and  
29 appropriate for the protection of the public interest, convenience,  
30 and necessity and are consistent with this Act.  
31

32 Q. Did the FCC adopt any additional principles under 254(b)(7)?

33 A. Yes. It adopted the following additional principle in its Report and Order in CC

34 Docket No. 96-45, FCC 97-157 Issued May 8, 1997 (Para 47):

35 COMPETITIVE NEUTRALITY -- Universal service support mechanisms  
36 and rules should be competitively neutral. In this context, competitive  
37 neutrality means that universal service support mechanisms and rules  
38 neither unfairly advantage nor disadvantage one provider over another,  
39 and neither unfairly favor nor disfavor one technology over another.  
40  
41

1 Q. What is the relevance of these principles as adopted by Congress and the FCC in  
2 relationship to the Petition of Western Wireless for ETC status?

3 A. In evaluating the Petition of Western Wireless for ETC status in the rural study  
4 areas where Western Wireless has requested such status, the Commission should  
5 use these criteria as a guide in evaluating the public interest benefits of granting  
6 that status.

7  
8 Q. One of the requirements for eligibility for ETC status is providing the services  
9 required by the FCC in 47 C.F.R. § 54.101(a). What are your comments  
10 regarding the provision of these services?

11 A. The services required by this section of the FCC rules are:

- 12 (1) Voice grade access to the public switched network
- 13 (2) Local usage
- 14 (3) Dual tone multi-frequency signaling or its functional equivalent
- 15 (4) Single-party service or its functional equivalent
- 16 (5) Access to emergency services
- 17 (6) Access to operator services
- 18 (7) Access to interexchange service
- 19 (8) Access to directory assistance
- 20 (9) Toll limitation for qualifying low-income consumers

21  
22 While in its Petition for ETC status, Western Wireless discusses each of these  
23 services and asserts that it is providing them, the manner in which several of these  
24 services are provided by Western Wireless in comparison to the offerings by  
25 Craw-Kan and Incumbent Local Exchange Carriers (ILECs) generally, raise  
26 issues regarding whether they comport with the requirements of the Missouri  
27 Commission and how well the public interest will be served by granting ETC

1 status to Western Wireless. There are also issues raised regarding the competitive  
2 neutrality principle established by the FCC.

3

4 Q. Can you give an example of the public interest issues that may be raised by the  
5 Western Wireless offering of one of these services?

6 A. Yes. Let's take the offering of "local usage." As was correctly stated in Western  
7 Wireless' Petition, while "local usage" is a required service offering, the FCC has  
8 never identified a required level of "local usage." In the wireline industry, the  
9 vast majority of the rural carriers in the nation, including Craw-Kan, offer  
10 unlimited local usage, both originating and terminating, for a flat monthly rate.  
11 According to Western Wireless' response to Craw-Kan Data Request No. 0005,  
12 attached as Schedule RCS-1, only two of Western Wireless' 23 wireless service  
13 offerings include unlimited local usage. All of the other 21 plans have limited  
14 usage amounts. If customers exceed those minute allowances, they pay \$0.39 per  
15 minute for excess local usage, either originating or terminating. For the two  
16 "unlimited local usage plans" Western Wireless has not provided the prices that  
17 would apply, despite its statements that each service plan is available throughout  
18 Missouri. Western Wireless has listed the prices for those plans as "TBD," which  
19 presumably means "to be determined." Mr. Blundell's testimony indicates that  
20 Western Wireless "intends" to offer at least one "unlimited usage plan," from  
21 which I infer that such a plan is not currently being offered. Given Mr. Blundell's  
22 statements that Western Wireless intends to offer at least one unlimited usage  
23 plan, it is my belief that Western Wireless included the two TDB plans in

1 response to Data Request No. 0005 as plans it is going to offer in the future  
2 despite its statements that those plans are currently being offered. Although the  
3 apparent contradiction may be a simple mistake, what is important is the fact that  
4 the Commission does not have enough detail on the “proposed” plans to  
5 determine if they would serve the public interest.

6  
7 Q. Can you discuss issues regarding access to interexchange services?

8 A. Yes. Western Wireless’ Petition states that it has direct interconnection  
9 arrangements with several interexchange carriers (“IXCs”). (Petition, p. 6)  
10 However, in response to Craw-Can Data Request No. 0020, attached as Schedule  
11 RCS-2, it would appear that Western Wireless’ customers only have access to one  
12 interexchange carrier on a “presubscribed” basis and that would be the carrier  
13 designated by Western Wireless, not a carrier chosen by the customer. The only  
14 way that Western Wireless’ customers can access an IXC of their choice is by  
15 first dialing an appropriate six-digit access code provided by the IXC. Contrast  
16 this with the access to interexchange services offered by Craw-Kan. Pursuant to  
17 the Act, ILECs are required to offer dialing parity. Under FCC rules  
18 implementing dialing parity, ILECs are required to offer each end user a  
19 presubscription choice from all interexchange carriers to be dialed using (1+) *and*  
20 code dialing (101xxxx) for all other carriers. If Congress and the FCC felt that  
21 choice in interexchange carriers was so important to the public interest that they  
22 required, by legislation, wireline ILECs to offer those choices, it would not appear

1 to be in the public interest or competitively neutral to provide universal service  
2 support to a wireless carrier who did not provide that choice.

3  
4 Q. For a final example, let's turn to toll limitation service. Can you describe toll  
5 limitation service?

6 A. Yes. The FCC rules require the provision of "Toll Control" (limitation on the  
7 dollar amount of toll calls per month) or "Toll Blocking" (the blocking of all toll  
8 calls) for customers qualifying for Lifeline and Linkup services. Western  
9 Wireless' Petition indicates in its Petition that it will offer Toll Blocking to its  
10 customers.

11  
12 Q. What, in your mind, was the intent of requiring the offering of toll  
13 limitation/blocking service to Lifeline and Linkup customers?

14 A. I believe that the primary concern of the FCC was providing a way for low-  
15 income customers qualifying for these services to assure that their cost for  
16 telephone service would be limited to a relatively small amount and that they  
17 could not incur large costs for toll service which could cause them to have their  
18 local service disconnected.

19  
20 Q. Does Western Wireless offer additional evidence as to how it will offer toll  
21 limitation service?

1 A. No. It merely states it "will offer toll blocking to Lifeline customers at no  
2 additional charge in the Designated Areas as required by FCC rules." (Direct  
3 Testimony of James H. Blundell, pp. 11-12.)  
4

5 Q. Does Western Wireless provide further information regarding its Lifeline  
6 offering?

7 A. Somewhat. As shown in Schedule RCS-1, Western Wireless' Basic Lifeline Plan  
8 would offer unlimited local calling, long distance at 10 cents per minutes, toll  
9 blocking capability at no additional charge, and no roaming. However, Western  
10 Wireless does not provide the price that will apply to this service. Given the lack  
11 of price information provided by Western Wireless, I don't believe the  
12 Commission can determine the public interest benefit of providing Universal  
13 Service to such a plan. The lowest priced plan that is listed by Western Wireless  
14 is \$20 per month. When comparing this plan to the ones offered by Craw-Kan, it  
15 is important to remember that a residential customer could obtain similar service  
16 from Craw-Kan for between \$11.50 and \$13.75 per month including the federal  
17 subscriber line charge (SLC) (the local rates vary by exchange).  
18

19 Q. Mr. Blundell indicates in his testimony that Western Wireless uses a number of  
20 means to advertise its service including its web site. Does Western Wireless  
21 advertise the availability of Lifeline Service on its web site?

22 A. If they do, I was unable to find any evidence of such advertising. I spent a good  
23 deal of time reviewing the web site map and many of the individual sites

1 including product listings in two states were Western Wireless is an ETC and  
2 found no mention of lifeline service.

3

4 Q. Do the FCC rules for required services discuss the price at which such services  
5 are offered?

6 A. No, they do not. However, the first principle in the Act related to Universal  
7 Service which I quoted above states that "...quality service should be available at  
8 just, reasonable and affordable rates." If one reviews the history of Universal  
9 Service, a prime intent of providing USF funds is so that rates for local service  
10 can be maintained at lower, more affordable levels.

11

12 Q How does the Commission assure that the rates of Craw-Kan are maintained at  
13 just, reasonable, and affordable levels?

14 A. The Commission, by state statute, has the authority to review and establish the  
15 rates of Craw-Kan, along with other rate-of-return regulated companies in the  
16 state, to assure that they are "just, reasonable, and affordable." For Craw-Kan, the  
17 local tariffed rates for residential services are between \$5.00 and \$7.25. When  
18 combined with the mandatory federal SLC of \$6.50, a Craw-Kan residential  
19 customer would pay between \$11.50 and \$13.75 for local service.

20

21 Q. Does the Commission have authority to regulate the rates of Western Wireless?

22 A. No, both by federal and state statute, the Commission does not have authority to  
23 regulate Western Wireless' rates.



1

2 Q. What are the rates that Western Wireless charges for "local" service?

3 A. Again, as shown in Schedule RCS-1, it cannot be determined for certain what rate  
4 is the lowest price at which Western Wireless will provide "local" service because  
5 it has not provided the prices that apply to its unlimited local calling plans. The  
6 lowest priced service for which Western Wireless lists a price is \$20 per month  
7 which includes 60 minutes of "Anytime Minutes". It should also be noted that  
8 Plans 1 and 2 require "...wireless access unit customer equipment..." with no  
9 indication of what the cost of such equipment might be.

10

11 Q. Does Western Wireless intend that all 23 plans listed in Schedule RCS-1 qualify  
12 for federal USF?

13 A. It is my understanding that they intend for all of their service offerings to be  
14 eligible for universal service.

15

16 Q. Has Western Wireless given any indication that it would reduce any of its rates if  
17 it is designated an ETC?

18 A. Western Wireless has given no such indication in its Petition or testimony  
19 although it has indicated that it would offer a lifeline plan which is not currently  
20 offered if it is granted ETC status.

21

1 Q. Do you see a public interest benefit for providing USF for rates that are above the  
2 rate levels offered by the incumbent, if the funds provided do not lead to a  
3 reduction in the rates charged?

4 A. No. It does not seem that the public will benefit if public funds are provided to  
5 Western Wireless and there is no reduction in the rates it is charging or there is no  
6 increase in the infrastructure that is being provided.

7  
8 Q. What level of federal USF support is Craw-Kan currently receiving?

9 A. There are three different segments of federal USF support that Craw-Kan  
10 currently receives. These are high cost loop support (HCL), local switching  
11 support (LSS), and interstate common line support, (ICLS). Based on the 4<sup>th</sup> Qtr,  
12 2004 projected USF projections by the Universal Service Administration  
13 Corporation (USAC), Craw-Kan would receive the following levels of support  
14 per line:

15

Type of Support	Craw-Kan
	Residence/Single Line Business
HCL	\$6.15
LSS	\$8.60
ICLS	\$9.19
Total	\$23.93

16  
17  
18  
19

20 These amounts would be portable to any competitive ETC that serves customers  
21 in the areas served by Craw-Kan.

22

1 Q. How much would Western Wireless receive annually if it is designated an ETC  
2 by this Commission?

3 A. Western Wireless has stated that it serves \*\* \_\_\_\_ \*\* customers in the Craw-Kan  
4 exchanges for which it is seeking ETC designation. Thus, Western Wireless  
5 would, as an ETC, be eligible to receive approximately \*\* \_\_\_\_\_ \*\* monthly  
6 (\*\* \_\_\_\_\_ \*\* annually) in federal USF funds for the customers served in the  
7 applicable Craw-Kan exchanges. It would also be eligible to receive further funds  
8 in other study areas where it has sought ETC status. Western Wireless has  
9 estimated that it would receive \$584,000 annually in USF support, in total, in its  
10 Missouri service area. (Direct Testimony of James H. Blundell, p. 26.)  
11

12 Q. Has Western Wireless provided specific plans as to how this money will be used,  
13 if received?

14 A. Western Wireless does not provide any detail in its application or testimony about  
15 how this money will be used. Western Wireless does provide a brief answer in  
16 response to Craw-Kan Data Request No. 0022 (attached as Schedule RCS-3) on  
17 this issue. Specifically, Western Wireless states:

18 Western Wireless is currently evaluating the construction of two new cell  
19 sites within Missouri RSA 9 subject to its designation as an ETC. The  
20 projected cost of these cell sites is \$300,000 each, including typical site  
21 acquisition and construction costs. In addition, Western Wireless is  
22 currently evaluating faster data technologies and is likely to upgrade its  
23 GSM/GPRS network to EDGE technology in 2005.  
24

25 Western Wireless also states in the data request response that the funds will be  
26 used to "...provide, maintain and upgrade facilities and services for which the  
27

1 support is intended” but that it “has not finalized its plans or budget for any future  
2 enhancement or expansion of network infrastructure in Missouri.” These  
3 statements are vague, lack commitment, and there is no indication as to whether  
4 they apply specifically to the Craw-Kan service area. Since Western Wireless  
5 does not appear to have any intention of lowering rates to its end users and no  
6 specific plans for upgrading its infrastructure, I infer that the USF funds will be  
7 used as Western Wireless indicates, but that the funds that it currently receives  
8 from its operations for those purposes will be used to increase the profits of its  
9 stockholders. The Commission’s denial of MMC’s ETC Petition was at least  
10 partially based on similar problems associated with the lack of specific plans for  
11 the use of USF by the Petitioner.

12  
13 Q. What does Western Wireless indicate as the public interest benefit that will come  
14 from their being designated an ETC and receiving USF funds?

15 A. Western Wireless discusses the benefit it perceives will occur if it is designated an  
16 ETC in its Petition (pp. 9-16), in the testimony of Mr. Blundell (pp. 17-21), and in  
17 the testimony of Don J. Wood (pp. 6-9). The benefits listed by Western Wireless  
18 are primarily based on what it perceives to be the outcome of competition with  
19 rural LECs. In support of some of its positions, Western Wireless cites various  
20 FCC decisions that have granted ETC status to certain entities because those  
21 designations will promote competition.

1 Q. Do you think that Congress intended that ETC designations be based solely on the  
2 public benefits of providing competition in rural areas?

3 A. I don't believe so. The very application of a competitive ETC inherently includes  
4 the establishment of competition. If that was the only benefit that Congress had  
5 intended the states to consider, there would have been no need for a public  
6 interest determination for rural study areas. Congress could have used the word  
7 "shall" rather than "may" in instructing state commissions regarding granting  
8 ETC status in rural study areas as Congress did with non-rural carriers. In spite of  
9 the FCC decisions cited by Western Wireless, I believe that Congress intended  
10 that states look beyond the "benefits" of competition in making the public interest  
11 judgment regarding ETC status in rural areas.

12  
13 Q. Is increased competition sufficient by itself to justify the designation of an  
14 additional ETC in a rural area?

15 A. No. First, the introduction of a competitor into a rural environment does not  
16 necessarily lead to lower costs or higher quality service for consumers. A high-  
17 cost market, by definition, is still a high-cost market even after the introduction of  
18 competition. The primary reason the ILECs are eligible to receive funding from  
19 the federal USF is that they are providing service in geographic areas where it is  
20 not economically feasible to serve at reasonable rates. With the introduction of a  
21 competitive ETC, the only difference is that the market has to support multiple  
22 entrants with limited financial resources. Since costs of a telecommunications

1 network are relatively fixed, the splitting of a rural market between two or more  
2 providers generally causes the cost of service to increase for each of the providers.

3  
4 Q. Is ETC status and the accompanying USF support necessary to draw Western  
5 Wireless into the markets where it seeks that status?

6 A. No. Based on data request responses received from Western Wireless, it appears  
7 that Western Wireless has been providing service in these areas since 1994, or for  
8 nearly 10 years. Based on additional data request responses, the number of  
9 customers Western Wireless is serving in 3 of the 4 Craw-Kan wireless centers  
10 for which Western Wireless is seeking service equals about 20% of the Craw-Kan  
11 line totals in those 3 wire centers.<sup>4</sup> That represents significant market penetration  
12 in those wire centers. Furthermore, in testimony in Case No. TO-2004-0401, Mr.  
13 Williams, testifying on behalf of Western Wireless, indicated that Western  
14 Wireless assumes it has about 25% of the wireless market in this area.<sup>5</sup> If this  
15 assumption is correct, then all wireless carriers would have approximately 80% of  
16 the wireline subscribers that Craw-Kan has in these areas, indicating significant  
17 wireless penetration and competition today without USF support. The wireless  
18 network owned by Western Wireless was built, and its customers were being  
19 served, well before this request for ETC status. The granting of ETC status will  
20 not add any new providers of service in the affected study areas, materially  
21 increase wireless subscribership, or likely result in any new services or rate plans.

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<sup>4</sup> Western Wireless provided specific data designated CONFIDENTIAL regarding the number of customers in three Craw-Kan exchanges. Western Wireless did not provide customer counts for the 4<sup>th</sup> wire center in which it is seeking ETC designation despite stating that it is providing service in that exchange today.

<sup>5</sup> Transcript, p 334, Case No. TO-2004-0401.

1 For example, in response to Craw-Kan's Data Request No. 25, Western Wireless  
2 indicated that it did not have any specific projections as to the number of new  
3 customers that will subscribe to its service over the next five years, if Western  
4 Wireless receives Federal USF support. (See Schedule RCS-4 which is a copy of  
5 Data Request No. 25 and Western Wireless' response thereto.) In addition,  
6 Western Wireless witness Blundell states at page 19 of his testimony that a  
7 benefit arising from the designation of Western Wireless as an ETC is that  
8 customers who don't have telephone service today will be able to obtain service  
9 for the first time. However, in response to another data request of Craw-Kan,  
10 Western Wireless was unable to identify any such "unserved" customers in the  
11 Craw-Kan service area. (See Schedule RCS-5, a copy of Craw-Kan's Data  
12 Request No. 32 and Western Wireless' response thereto.)

13  
14 The Commission denied MMC's ETC Petition at least partially on the grounds  
15 that benefits to competition would not be significant by designating ETC status to  
16 the Petitioner because of the significant competitive presence that already existed  
17 in the rural LECs' serving areas. The evidence in this case supports a similar  
18 conclusion.

19  
20 Q. Is there a lack of competition in the service area of Craw-Kan?

21 A. No. There are several additional CMRS providers that provide service in the  
22 Craw-Kan wire centers. From a review of several web sites I found the following  
23 information regarding other competitors in this area:

CMRS Provider	# of Plans Offered	Range of Rates
Alltel	21	\$29.95 – \$299.95
AT&T Wireless	10	\$19.90 - \$299.99
Cingular	32	\$19.99 - \$299.99
Sprint PCS	8	\$35.00 - \$115.00
T-Mobile	13	\$19.99 - \$129.99
US Cellular	23	\$25.00 - \$200.00
Verizon Wireless	15	\$35.00 - \$300.00
Virgin Mobile	1	Pay as you go <sup>6</sup>

1

2       There appears to be no lack of competition in this area currently, and it is most  
3       unlikely that the granting of ETC status will increase the number of providers or  
4       level of competition. Certainly, there is a great deal of competition and a wide  
5       variety of plans and offerings without providing federal USF money to Western  
6       Wireless. A more detailed review of these plans shows: 1) variations in the  
7       packages of minutes, and the times of the day various services are offered; 2) a  
8       wide variety of additional features; and 3) new services such as Blackberry, PDA  
9       services, data and text services, and picture services. All these services are being  
10      offered without the provision of universal service support.

11

12   Q.   Is Craw-Kan required to adhere to the service standards of the Commission in  
13       Chapter 32 of the Commission's rules and the Service and Billing Practices in  
14       Chapter 33 of the Commission's rules?

15   A.   Yes. Craw-Kan is required to abide by these rules that have been adopted by the  
16       Commission.

17

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<sup>6</sup> There is no monthly fee. Virgin Mobile charges 25 cents per minute for the first 10 minutes and 10 cents per minute after that. Virgin Mobile also requires that the customer spend at least \$20 every 90 days.



1 Q. Can you describe the types of standards that are in these rules?

2 A. Yes. Chapter 32 contains rules related to the provision of service to customers.

3 These rules include the requirement to provide directories and directory listings,  
4 technical standards for the provision of service, customer commitment  
5 requirements for installing service consistent with company commitments,  
6 standards for responding to customer inquiries, and standards for completion of  
7 calls on the network.

8

9 Chapter 33 contains rules regarding billing practices. These rules include  
10 requirements for the content of bills, customer deposit practices, and practices for  
11 the discontinuance of service and resolving disputes and complaints. They also  
12 contain specific provisions regarding the provision of operator services,  
13 presubscription for long-distance service, and prepaid calling services.

14

15 These rules, which have been developed over a period of years and are modified  
16 periodically, contain provisions which the Commission has felt are necessary to  
17 protect the public interest by establishing standards for such services.

18

19 Q. Are CMRS providers, such as Western Wireless, subject to these rules?

20 A. Under the current provisions of the Missouri statutes it would appear they are not,  
21 since CMRS providers are excluded from the definition of "telecommunications  
22 company" in §386.020(5) RSMo 2000.

23

1 Q. Does Western Wireless appear to have any intention of complying with these  
2 rules?

3 A. No, its does not. Attached as Schedule RCS-6 is the Western Wireless response  
4 to Craw-Kan Data Request No. 0024 where Western Wireless states that it will  
5 only comply with lawfully applicable service quality standards and that any State  
6 of Missouri laws or rules purporting to regulate the service quality of CMRS  
7 carriers would likely be unlawful.

8  
9 Q. If the Commission felt such standards were important enough to incorporate into  
10 formal rules for ILECs, is it likely that the lack of such rules for CMRS providers  
11 will lead to a service offering that fills the public interest needs in these areas at a  
12 level less than the service provided by the ILECs?

13 A. I would think so. The imposition of these service and billing requirements in  
14 many cases imposes additional financial and administrative burdens on the ILECs  
15 which the Commission believes are justified in order to give greater protection  
16 and choice to consumers. Wireless carriers who do not have to meet these  
17 requirements will likely not conform to these requirements found necessary for  
18 the provision of telecommunications service and thus provide service that is less  
19 likely to fulfill/advance the public interest.

20  
21 Q. Does the imposition of tariffs, service standards, and other regulatory  
22 requirements on ILECs to meet service and billing standards, while allowing

1 CMRS providers to avoid such requirements, lead to a USF system that is  
2 “competitively neutral” as described by the USF principle adopted by the FCC?

3 A. I do not believe that it does and would recommend that the Commission take this  
4 into account in its consideration of the public interest standard. Imposing  
5 requirements such as providing directory listing and directories, emergency power  
6 backup, specific deposit and disconnection procedures, service installation  
7 criteria, and call completion standards create specific additional costs on ILECs.  
8 It shouldn’t be considered competitively neutral to provide CMRS providers the  
9 benefits of USF when they are not required to meet the same service standards as  
10 the ILECs nor incur the same costs to meet these service standards.

11

12 Q. Are the terms of service provision for Western Wireless similar to those that  
13 ILECs are required to provide through the tariff approval process?

14 A. No. There are differences that are not necessarily to the subscribers’ benefit. For  
15 example, Western Wireless generally requires a two-year service contract, and  
16 termination of the contract before the end of two years will invoke a termination  
17 charge of \$200. (See Schedule RCS-1). The Commission requires ILECs to  
18 provide service on a monthly service offering basis with no termination fee or  
19 penalty.

20

21 Q. If Western Wireless is granted ETC status, what will be the basis of its support?

22 A. Under current FCC rules, Western Wireless will receive federal USF support  
23 based on the identical amount per line that the ILEC receives. A rural ILEC

1 average service lives for cable and wire plant), there is a disincentive to invest in  
2 these longer-term investments. Therefore, the ILEC faces a double jeopardy  
3 situation where its investments yield additional support for its competitor who is  
4 not faced with the same costs and the risk associated with recovering the  
5 investment is magnified. This does provide the ILEC a disincentive to invest in  
6 additional infrastructure.

7  
8 Q. On a broad national policy basis, what are some of the implications of the  
9 Commission granting ETC status to Western Wireless?

10 A. The granting of ETC status to wireless carriers is causing a dramatic growth in the  
11 size of the federal USF. Between the 4<sup>th</sup> quarter of 2001 and the 4<sup>th</sup> quarter of  
12 2004, the amount of USF received by competitive ETCs, the vast majority of  
13 which are wireless carriers, grew from approximately \$10.8 million annually to  
14 approximately \$423 million annually. In a Joint Board proceeding addressing this  
15 issue, comments of the National Association of State Utility Consumer Advocates  
16 stated:

17 “Under the current ETC designation rules, in the near future there will  
18 likely be a sharp upward curve in the growth of the high-cost fund  
19 related to the issues being examined here. A substantial portion of this  
20 growth is a result of additional funds needed to support multiple lines  
21 per customer and to support lines provided by new competitive eligible  
22 telecommunications carriers (“CETCs”), mostly wireless ETCs.

23  
24 and:

25 The current and anticipated rate of growth in fund requirements needed  
26 to support additional lines suggests that the current support mechanisms  
27 will be strained unless the Commission makes substantial changes to  
28 the ETC designation rules.”  
29

1 receives support based on its actual embedded costs of providing the service and  
2 making investments in its area. This support is based on annual cost filings  
3 prepared by the ILEC to reflect its costs and submitted to the Universal Service  
4 Administration Corporation ("USAC"). These study results are verified by both  
5 USAC and NECA (the National Exchange Carrier Association). A competitive  
6 ETC, on the other hand, merely reports the number of customers it is serving in its  
7 designated ETC area and then receives the same amount of support per line as the  
8 ILEC without verification of its costs or the underlying need for support being  
9 made by any regulatory or administrative entity. There is certainly a question as  
10 to whether this approach meets the competitive neutrality principle.

11  
12 Q. Does granting ETC status to a competitor provide a disincentive for an ILEC to  
13 make additional investments?

14 A. Unfortunately, it may. Under the current environment, when there is more than  
15 one ETC, an ILEC that makes the decision to make more investment in  
16 telecommunications infrastructure must take into consideration that the increased  
17 investment it makes, resulting in additional USF support to the ILEC, will result  
18 in more USF support to the competitive ETC. The critical difference is that the  
19 ILEC will be getting the funding to recover a portion of the actual cost of the  
20 investment already made, while the competitor gets the money as a windfall  
21 without any tie to additional investment. In addition, given that the ILEC no  
22 longer has any assurance that high cost customers will remain with the ILEC long  
23 enough for it to recover an investment that typically spans 20-25 years (the

1       There clearly is concern that growth in the federal fund resulting from the large  
2       increase in wireless ETC designations ultimately may jeopardize the sustainability  
3       of the USF fund for all providers. The Commission recognized this problem  
4       when it denied the MMC ETC Petition. Specifically, the Commission stated that  
5       it is "...concerned with the rapid growth of the Universal Service Fund..." and  
6       that it "...cannot just ignore the potential harm to the universal service fund of  
7       designating [a] wireless carrier as an additional ETC in rural areas." (MMC  
8       Order, p. 24).

9  
10    Q.    What are the implications of granting ETC status to Western Wireless in relation  
11       to the current regulatory scheme imposed on the ILECs?

12    A.    The current regulatory scheme imposed on the ILECs is based on the assumption  
13       that the ILECs are monopoly providers of service and that regulation of the  
14       services and prices of the ILEC offerings are necessary to protect the public  
15       because of the lack of competition. When ETC status is granted to a competitive  
16       carrier such as Western Wireless, the Commission is essentially determining that  
17       there is more than one provider in the designated areas that is fully capable and  
18       willing to provide basic telecommunications services throughout these areas and  
19       that will be publicly supported in doing so. Once this occurs, the rationale for  
20       imposing regulation on the ILECs is no longer valid, and the whole purpose of  
21       regulation of the ILEC by the Commission is subject to question. If regulation is  
22       to continue, the ILEC should be regulated on the same basis as the competitor.  
23       This could occur in one of three ways. Regulation of the ILEC could be relaxed

1 or eliminated, the wireless entrant could be regulated to the same extent the ILEC  
2 is currently, or some middle ground of lessened regulation could be applied to  
3 both. While this case is not the appropriate forum to address all those issues, the  
4 Commission should be aware that its decision in this case will raise those types of  
5 fundamental questions which may need to be addressed should it decide to grant  
6 ETC status to Western Wireless.

7  
8 Q. Western Wireless states its Application is consistent with the evidentiary  
9 requirements applied by the Commission when it granted ETC designation to  
10 Green Hills Telecommunications Services (Green Hills). Can the application of  
11 Western Wireless as a wireless carrier not subject to regulation by the  
12 Commission be appropriately compared to the application of Green Hills?

13 A. No. There are several differences that demonstrate that the Commission's  
14 consideration and grant of the ETC status to Green Hills was a very different  
15 proceeding. At the time of its application to the Commission, Green Hills was a  
16 certificated competitive local exchange carrier (CLEC) subject to the jurisdiction  
17 of the Commission. In its application for a certificate of service authority, Green  
18 Hills agreed to abide by all Commission rules and regulations regarding quality of  
19 service, service and billing practices, and E-911 requirements.<sup>7</sup> Green Hills filed  
20 a tariff setting out the terms and conditions of its service as well as the rates it  
21 would charge for those services. That tariff was reviewed and approved by the

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<sup>7</sup> See *In the Matter of the Application of Green Hills Area Cellular Telephone, Inc. d/b/a Green Hills Telecommunications Services for Designation as a Telecommunications Company Carrier Eligible for Federal Universal Service Support Pursuant to Section 254 of the Telecommunications Act of 1996*, Case No. CO-2003-0162, Order Approving Stipulation and Agreement (Mar. 4, 2003).

Commission, as are all CLEC tariffs. In its application for ETC designation, Green Hills only requested ETC designation in one Sprint Missouri, Inc., exchange where it provided facilities-based service. Green Hills is required to file an Annual Report with the Commission each year, and it is required to make the same annual ETC filings to the Commission as the ILECs with cost support showing that the funds it receives from the USF fund have been used for the required purposes. Green Hills was obligated by its certificate of service authority to provide facilities-based service throughout the entire exchange consistent with and subject to the Commission's full enforcement powers relating to quality of service and other customer protection requirements imposed by rule on all Missouri certificated telecommunications companies.

Q. On Exhibit JHB-1, Mr. Blundell identifies the Pleasanton wire Center of Craw-Kan as part of the Craw-Kan study area in Kansas and requests that the Commission designate Western Wireless as an ETC in this exchange. Is this an appropriate request?

A. No. The Pleasanton exchange in Missouri is part of the Craw-Kan Missouri study area, not Craw-Kan's Kansas study area. In addition, the rates applicable to the customers in the portion of the Pleasanton exchange located in Missouri are approved by the Missouri Commission, and Missouri laws and regulations apply to Craw-Kan's services offered to those customers. These customers, though located in Missouri and in a Missouri exchange, are served by the central office switch located in Pleasanton, Kansas, which may have led to Mr. Blundell's



1 conclusion that they were part of the Kansas study area. Western Wireless'  
2 request that ETC designation for the Pleasanton exchange of Craw-Kan in  
3 Missouri be granted on a non-conditional basis is inappropriate and should not be  
4 granted.

5  
6 Q. How should the Commission consider Western Wireless' request for ETC  
7 designation in the Craw-Kan Pleasanton exchange?

8 A. It should be considered a conditional request subject to this Commission's and the  
9 FCC's approval of a service area designation separate and apart from Craw-Kan's  
10 total study area as Western Wireless has requested for the four Craw-Kan  
11 exchanges listed on Exhibit JHB-2.

12  
13 Q. In supporting the redefinition of the various study areas to smaller service areas  
14 served by Western Wireless, Mr. Blundell states that the FCC has issued rules to  
15 ensure that the ILECs USF support will not be impacted by Western Wireless'  
16 designation as an ETC. Do you have any comments on this observation?

17 A. While this is true at the present time, the FCC currently has under consideration a  
18 recommendation by a Federal State Joint Board to base the payment of federal  
19 universal service amounts on a "primary line" concept rather than the current  
20 payments which are based on all lines. If such proposals are adopted by the FCC,  
21 customers would have to identify one line from all lines they have from all  
22 carriers as the line that would receive universal service support. Under this  
23 circumstance, the designation of Western Wireless as an ETC could have an

1 impact on the support that rural ILECs such as Craw-Kan receive. Under these  
2 proposals the administrative burdens on ILECs would be increased substantially  
3 by the designation of Western Wireless as an ETC.

4  
5 Q. Mr. Blundell argues that redefinition is in the public interest because it will allow  
6 Western Wireless to bring "...new services and new technologies to customers in  
7 rural and high-cost areas of Missouri..." Do you agree with this statement?

8 A. Western Wireless already provides wireless service in its licensed area with a  
9 variety of pricing plans and service options. There has been no substantial  
10 evidence presented that the granting of ETC status to Western Wireless will cause  
11 it to offer technologies or services that it would not offer if it is not granted ETC  
12 status. It is also clear that there is a great deal of competition from all wireless  
13 companies in the area without granting ETC status to Western Wireless and no  
14 evidence that competition will increase substantially if such status was granted.

15  
16 Q. Does Craw-Kan believe the public interest will be served by granting Western  
17 Wireless the ETC status that it has requested in the study area of Craw-Kan?

18 A. No. To the contrary, Craw-Kan believes:

19 1) That Western Wireless' primary claimed public benefit of granting it ETC  
20 status, increased and enhanced competition, will not be realized from granting  
21 ETC status because competition from Western Wireless and other CMRS  
22 providers is already a reality without the necessity of providing USF funds.

1           2)     That Western Wireless has failed to demonstrate that granting it ETC  
2 designation in the rural areas it proposes will enhance universal service or the  
3 principles of universal service outlined in the Act and by the FCC.

4           3)     That granting of ETC status to Western Wireless will not provide end user  
5 customers any universal service benefits that they do not currently have.

6           4)     That granting of ETC status to Western Wireless in view of the  
7 substantially different regulatory requirements imposed on incumbents, such as  
8 providing equal access, submitting to rate regulation, submitting to service and  
9 billing standards, would not comport with the competitively neutral principle of  
10 universal service.

11           Consequently, the granting of ETC status to Western Wireless is not in the public  
12 interest.

13  
14   Q.     What is Craw-Kan's recommendation to the Commission in this case?

15   A.     Craw-Kan recommends that the Commission deny the Petition of Western  
16 Wireless to receive ETC status in the study area of Craw-Kan for the same  
17 reasons it denied MMC's ETC Petition. Specifically, Western Wireless has not  
18 provided any evidence with respect to the Commission's previous findings on the  
19 harm of continued USF growth, the current availability of wireless competition in  
20 rural areas, and how the USF support would be used by the wireless carrier to  
21 justify the Commission reaching a conclusion in this proceeding different from  
22 the conclusion it reached with respect to MMC's ETC Petition.

1 Q. Does this conclude your rebuttal testimony?

2 A. Yes it does.