

# 1.16 Paragraph 38 of the Application states in part as follows: Wissouri Public

"In areas where signal strength is weak and where no business plan supports construction of new facilities, U.S. Cellular will use high-cost support to construct facilities to improve signal strength...."

With regard to all exchange areas listed on Exhibits D and F to the Application, which are to be included in USCOC's proposed ETC service area, please identify with specificity (or provide) the following:

- (a) Each area where signal strength is weak;
- (b) Each area where no business plan supports construction of new facilities; and
- (c) The facilities that would be constructed to improve signal strength.
- (d) Please provide support for any "business plan" or internal analysis regarding the preceding.
- (e) Each area where the underlying ILEC is also not serving.

Response:

- (a) Objection. This question is not designed to produce evidence that is relevant to the disposition of U.S. Cellular's Petition. As the FCC has recognized, "dead spots" in wireless coverage are presumed, and ETC petitioners are not required to identify each such area.
- (b) See response to 1.11(f) above.
- (c) See response to 1.08 above.
- (d) See responses to 1.11(d), 1.11(e), 1.13, 1.14, and 1.15 above.
- (e) U.S. Cellular does not have the subscriber data or network information indicating the extent to which the relevant ILECs serve a given area. U.S. Cellular understands that ILECs provide service in only a small fraction of their service areas, as consumers can only use a wireline telephone at the endpoints of the ILEC wires.

Signature:

Name:

Bradley L. Stein

Position:

Director - External Affairs

Case No(s):10 -0005-0884

Date 10 -06 05 Rptr 45

- 1.11 Paragraph 31 of the Application states, with regard to the 16 proposed cell sites, "U.S. Cellular intends to construct facilities within the first 18 months of receiving high-cost support".
  - a. Does that mean that all 16 cell sites will be completed within the 18-month period?
  - b. Please supply all studies, work papers and other documentation which support the 18-month construction period, by each proposed cell site.
  - c. Within paragraph 31 is the following sentence: "The exact locations of the proposed sites are subject to shifts in demand and other factors..." What are these "other factors"?
  - d. Within paragraph 31 is the following sentence: "If U.S. Cellular receives substantially more support . . . it will be able to invest in additional cell sites or other infrastructure improvements". Please supply all studies and work papers which support this statement and identifies the "additional cell sites or other infrastructure improvements".
  - e. Within paragraph 31 is the following sentence: "If U.S. Cellular . . . receives less [support], it will be able to construct fewer towers within that time frame". (emphasis added) Please supply all studies and work papers which support this statement and identify the towers that would be deleted from the 16 proposed cell sites.
  - f. Within paragraph 31 is the following sentence: "U.S. Cellular commits to use available high-cost support to improve service in areas it would not otherwise invest in." Please identify with specificity the portion of each exchange area

listed on Exhibits C, D, and F to the Application, which are to be included in USCOC's proposed ETC service area, where the company "would not otherwise invest" if it does not receive high-cost support.

### Response:

- (a) Objection. This request is not intended to produce information that is relevant to the disposition of U.S. Cellular's petition. Neither the FCC nor any state U.S. Cellular is aware of has required mandatory completion dates for cell-site construction or network improvements as a condition of ETC designation. U.S. Cellular intends to complete the sixteen cell sites within the first eighteen months following its designation.
- (b) U.S. Cellular has no such studies, work papers or other documentation. Also, see response to subpart (a) above.
- (c) Other factors include, but are not necessarily limited to, the amount of universal service support available, whether ILECs can promptly provision necessary facilities, and U.S. Cellular's ability to obtain necessary zoning and other approvals.
- (d) U.S. Cellular has no such studies, work papers or other documentation. Competitive ETCs have no way to know how much support will be provided and so U.S. Cellular simply commits that if support exceeds its expectations, it will invest all such funds as required, as promptly as possible, and report any such changes to the Commission.
- (e) U.S. Cellular has no such studies, work papers or other documentation. Competitive ETCs have no way to know how much support will be provided and so U.S. Cellular simply commits that if support is significantly less than its expectations, it will adjust its construction plans accordingly, and report any such changes to the Commission.
- (f) Objection. This request is not intended to produce information that is relevant to the disposition of U.S. Cellular's petition. Neither the FCC nor any state U.S. Cellular is aware of has required an ETC applicant to identify portions of exchanges in which the applicant would not invest absent receipt of USF support. U.S. Cellular will comply with the requirement under federal law that it only use support on the provision, maintenance, and upgrading of facilities and services for which support is intended. Moreover, consistent with what the FCC and other states have required, U.S. Cellular has committed to provide service upon reasonable request to consumers in high-cost areas. Many of these requests will come from areas in which it would not otherwise invest. U.S. Cellular cannot identify these areas with specificity

because it cannot predict where these requests will come from. All sixteen cell sites that U.S. Cellular proposed to construct would not be constructed without receipt of universal service support.

Signature:

Name:

Bradley L. Stein\_

Position:

- 1.08 Paragraph 31 and Exhibit E of the Application discuss and present 16 locations for "proposed sites for initial build-out with use of high-cost support". Please provide the following for each of the proposed 16 sites:
  - (a) Map of the coverage area;
  - (b) The closest town or municipality served;
  - (c) The specific ILEC exchange(s) served;
  - (d) Location using longitude and latitude;
  - (e) Height;
  - (f) Radiated power;
  - (g) How signal quality, coverage or capacity will improve;
  - (h) Estimated cost of constructing each;
  - (i) Estimated population that will be served;
  - (j) Projected start date and completion date;

#### Response:

Objection. U.S. Cellular objects to the excessively burdensome nature of this question, which requests 16 separate maps of a type that is not prepared in the ordinary course of business. U.S. Cellular also objects to subparts (d), (e), and (f), because they are not intended to produce information that is relevant to the disposition of U.S. Cellular's petition. To U.S. Cellular's knowledge, the data requested in those subparts has never been required by another state PUC as a condition of ETC status. Moreover, the FCC has never required such information in connection with ETC requests that it has granted.

Notwithstanding the above objections, U.S. Cellular is currently preparing a map showing the predicted signal coverage for each of the 16 proposed cell sites referred to in this Request. U.S. Cellular will provide the map as a supplement to this response upon completion and when appropriate steps have been taken to protect the confidential information therein. The table provided as Exhibit E to the Petition shows the closest town or municipality and estimated population that will be affected by the proposed network improvements. The estimated cost of constructing each site ranges from \$250,000 to \$400,000. U.S. Cellular does not know the projected start and completion dates, which are dependent on the date on which U.S. Cellular receives ETC designation. However, U.S. Cellular will update the Commission on its progress as part of the Commission's review of ETC expenditures and provide its best estimates as to completion dates in its regular reports to the Commission.

1.13 Please provide USCOC's capital expenditure budgets for its Missouri Operations for 2005, 2006 and 2007 including any documents or work papers identifying each item or project covered in the budget.

Response:

Objection. This question is not designed to produce evidence that is relevant to the disposition of U.S. Cellular's Petition. U.S. Cellular's future budgets are not relevant to determine whether it is qualified to be an ETC or whether the public interest will be served by a grant of its petition.

Signature:

Name:

Bradley L. Stein

Position:

1.14 Are any of the items in the 2005, 2006 and 2007 budgets, identified in the previous response above, projects that would not be completed if USCOC does not receive high cost support? Please so note and explain why they would not be completed but for high cost support.

Response:

Objection. This question is not designed to produce evidence that is relevant to the disposition of U.S. Cellular's Petition. U.S. Cellular's future budgets are not relevant to determine whether it is qualified to be an ETC or whether the public interest will be served by a grant of its petition.

Signature:

Name:

Bradley L. Stein

Position:

1.15 Paragraph 37 of the Application states in part as follows: "U.S. Cellular will construct new facilities with high-cost support to improve service quality levels to rural Missouri consumers." Please identify each "new facility", together with its location, which USCOC will construct with high-cost support over the next five years, assuming it is designated as an ETC.

## Response:

Objection. This request is not intended to elicit information relevant to U.S. Cellular's qualifications for ETC status under existing law, This request apparently seeks information based on the FCC's recent decision in CC Docket No. 96-45, FCC 05-46 (rel. March 17, 2005) ("FCC ETC Order"). The new rules adopted by the FCC apply only to petitions filed at the FCC and are not applicable to petitions filed in Missouri. Moreover, the FCC's new designation criteria and reporting requirements – including the five-year network improvement plan - are not yet effective, and they are the subject of multiple petitions for reconsideration before the FCC and at least one appeal filed in federal court. Even assuming they survive reconsideration and judicial review, the new rules will not be applicable to petitions pending at the FCC on or before their effective date. See 47 C.F.R. Section 54.202(b) as adopted in the referenced FCC ETC Order. Thus, if the Missouri PSC has promulgated a similar rule and followed the FCC's approach, it would not apply to U.S. Cellular's petition. Finally, as an ETC, U.S. Cellular will not be restricted to spending its high-cost support on "new facilities." Under federal law, high-cost support may also be spent on provision and maintenance of existing facilities and services, not solely on upgrading or construction of new facilities.

Signature:

Name:

Bradley L. Stein

Position:



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August 22, 2005

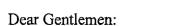
## **VIA FEDERAL EXPRESS**

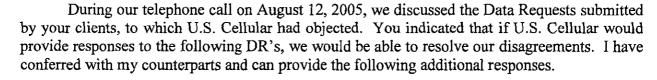
Mr. W.R. England III Mr. Bryan T. McCartney Brydon Swearengen & England, P.C. 312 East Capitol Avenue P.O. Box 456 Jefferson City, MO 65101

Re:

U.S. Cellular ETC Application

Case No. TO-2005-0384





This also confirms that on August 18 we delivered to you via overnight mail two radio frequency propagation maps prepared by U.S. Cellular. The first map describes its existing coverage in the proposed Missouri ETC service area. The second map describes the predicted coverage U.S. Cellular's proposed sites in this same service area based on the cell sites projected as of this date. It is likely that these precise locations will not be used once U.S. Cellular begins the real estate acquisition process, but what we have to date can provide guidance for where the company intends to build.

# U.S. Cellular provides the following additional responses:

- 1. <u>DR's 1.05, 1.06, and 1.09</u>: Information responsive to these requests is contained in the radio frequency propagation maps that were sent to you last week as noted above.
- 2. <u>DR 1.07</u>: U.S. Cellular utilizes switches in Mansfield, Joplin, Columbia and St. Louis which it owns.
- 3. <u>DR 1.12</u>: U.S. Cellular does not compile or maintain its historical capital expenditure data by state, however, I enclose a copy of U.S. Cellular's 2004





Mr. W.R. England III Mr. Bryan T. McCartney August 22, 2005 Page 2

annual report which provides information concerning its financial operations and the investments made by the Company since 2002.

- 4. <u>DR 1.13</u>: U.S. Cellular does not compile or maintain capital expenditure budgets for its Missouri operations, so the information requested for the years 2005, 2006 and 2007 does not exist.
- 5. <u>DR 1.14</u>: U.S. Cellular creates budgets only for projects that will be funded. As such, until U.S. Cellular receives ETC certification in Missouri and can confirm the Universal Service Fund dollars that it will receive, it cannot state what projects would or would not be completed in the absence of high cost support.
- 6. <u>DR 1.17</u>: I have confirmed that the term "not available for release," as used in U.S. Cellular's original response to this data request, means that this information does not exist and is therefore not available.
- 7. DR 1.35: U.S. Cellular believes that those areas that are "underserved" are those located in each rural ILEC exchange where U.S. Cellular seeks ETC designation because such locations still do not receive choices in telecommunications and advanced services that are comparable to urban areas. As U.S. Cellular stated in Paragraph 30 of its Application for Designation as an Eligible Telecommunications Carrier: "It is difficult to specify or quantify areas in Missouri that have no or limited choice of competitive providers, but U.S. Cellular submits that any area served exclusively by an RLEC is relatively deficient of choices of wireline service providers for consumers. Similarly, there are numerous areas served by RLECs in which there is poor or limited wireless coverage." This belief is generally confirmed in a 2002 NECA report, the relevant pages which I enclose.

If you have any questions concerning this matter, please let me know. Best regards.

Very truly yours,

Karl Zobrist

KZ:tt

cc: David A. LaFuria
Steven M. Chernoff
Anne Bos