

Exhibit No: 6
Issue: Qualifications and Need for ETC
Designation
Witness: Nick Wright
Type of Exhibit: Surrebuttal Testimony
Sponsoring Party: U.S. Cellular
Case No: TO-2005-0384

MISSOURI PUBLIC SERVICE COMMISSION

CASE NO: TO-2005-0384

FILED

NOV 23 2005

Missouri Public
Service Commission

SURREBUTTAL TESTIMONY

OF

NICK WRIGHT

ON BEHALF OF

USCOC OF GREATER MISSOURI, LLC d/b/a U.S. CELLULAR

October 3, 2005

Exhibit No. 6
Case No(s) TO-2005-0384
Date 10-26-05 Rptr tf

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of the Application of USCOC of)
Greater Missouri, LLC for Designation as an) Case No. TO-2005-0384
Eligible Telecommunications Carrier)
Pursuant To The Telecommunications Act Of)
1996)

AFFIDAVIT OF NICK WRIGHT

I, Nick Wright, under penalty of perjury, affirm and state this 3rd day of October, 2005:

1. My name is Nick Wright. I am employed by United States Cellular Corporation as Vice President - West Operations. My office is located at 4700 S. Garnett Road, Tulsa, Oklahoma.

2. Attached hereto and made a part hereof for all purposes is my Surrebuttal Testimony on behalf of USCOC of Greater Missouri, LLC d/b/a U.S. Cellular, having been prepared in written form for introduction into evidence in the above-captioned docket.

3. I have knowledge of the matters set forth therein. I hereby affirm that my answers contained in the attached testimony to the questions propounded, including any attachment thereto, are true and accurate to the best of my knowledge, information and belief.


NICK WRIGHT

1 **SURREBUTTAL TESTIMONY OF NICK WRIGHT**

2 **Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

3 A. My name is Nick Wright. I am employed by United States Cellular Corporation and
4 perform work for USCOC of Greater Missouri, LLC, ("U.S. Cellular"). My office is located at
5 4700 S. Garnett Road, Suite 100, Tulsa, Oklahoma 74146.

6 **Q. ARE YOU THE SAME PERSON WHO HAS PREVIUOSLY TESTIFIED IN THIS**
7 **CASE?**

8 A. Yes.

9 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY TODAY?**

10 A. To respond to rebuttal testimony of various witnesses in this proceeding and to make two
11 changes to my direct testimony.

12 **Q. IS THERE A CHANGE YOU WISH TO MAKE TO YOUR DIRECT**
13 **TESTIIMONY?**

14 A. There are two. First, on page 14, line 4, I stated that we intended to amend our
15 application to add additional construction commitments. We have decided to not do that because
16 we are advised that the amount of support we may actually receive may vary significantly and
17 that the Commission may require submission of a five-year plan or another form of network
18 improvement proposal following designation. I understand that our current commitment, sixteen
19 cell sites, will cost approximately \$6 million, not including significant switch and capacity
20 upgrades that will be required to integrate these cell sites into our network, and not including the
21 ongoing cost of maintaining those sites and related infrastructure. Assuming a designation

1 occurs near January 1, 2006, we will receive three quarters of support by September 30, 2006,
2 and we will be in a better position at that time to determine how much support we have at our
3 disposal to expand and improve our network coverage. On or before that date, we will submit
4 whatever the Commission requires in terms of plans for use of support, whether it be a more
5 detailed 18-month plan or a five-year plan set forth by the FCC. To be clear, whatever the
6 Commission requires with respect to plans for the use of support, we will submit.

7 **Q. WHAT IS THE SECOND CHANGE?**

8 A. On page 6, line 12, I misstated the company's local calling area for its lowest rated plans.
9 Our Local Plan does not have a local calling area that is limited to our licensed service area. All
10 consumers receive a local calling area that is the continental United States, no matter what rate
11 plan they choose. That is consumers can terminate calls throughout the U.S. without incurring
12 toll charges. The primary difference in our rate plans (Local, Regional, Span America) is the area
13 within which a consumer can move the phone without incurring roaming charges - the local
14 calling scope. I believe this correction resolves some of the Office of the Public Counsel's
15 concerns about matching EAS boundaries of ILECs, as discussed in more detail below.

16 **Q. WITNESS STIDHAM SUGGESTS THAT OUR COMMITMENT TO USE**
17 **SUPPORT PROPERLY IS NOT GOOD ENOUGH. DO YOU AGREE?**

18 A. No. Our commitment is very clear: we will use high-cost support to construct facilities
19 and make other network improvements that we would not be able to undertake without high-cost
20 support. In many areas, this means building facilities that, absent support, consumers would not
21 see new or improved service for several years. We will use all support lawfully and we will be
22 accountable to the Commission for whatever amount of support we actually receive. I don't

1 know how to be any more clear.

2 **Q. WITNESS MEISENHEIMER RECOMMENDS A NUMBER OF CONDITIONS**
3 **FOR DESIGNATING U.S. CELLULAR AS AN ETC. THE FIRST IS THE SUBMISSION**
4 **OF A FIVE-YEAR PLAN FOR USE OF AVAILABLE HIGH-COST SUPORT. WHY**
5 **HAS U.S. CELLULAR NOT SUBMITTED A FIVE-YEAR PLAN IN THIS**
6 **PROCEEDING?**

7 A. At the outset, let me be clear, U.S. Cellular does not oppose the submission of a five-year
8 plan for use of high-cost support consistent with that required by the FCC, and as stated above,
9 we would be pleased to prepare and submit one if required. We have not prepared one to date for
10 one legal reason and one practical one. I am advised that, legally, the FCC's new rules for
11 applications filed at the FCC do not require carriers with ETC petitions pending as of the
12 effective date of those rules to file a five-year plan until October 1, 2006. If this Commission is
13 going to follow the FCC's March 17 guidance, then U.S. Cellular should be treated the same
14 way. I am also advised that this Commission has no rule in effect requiring petitioners for ETC
15 status to make such a filing. What we have submitted in the record regarding our plans for the
16 use of support is equal to or greater than what we have submitted in other proceedings where we
17 have been designated. In addition, I am advised by counsel that it is greater than that which has
18 been submitted in ETC (Eligible Telecommunication Carrier) petitions granted by the FCC,
19 including those pending at the FCC on or before the effective date of those rules.

20 **Q. WHAT IS THE PRACTICAL REASON WHY A FIVE-YEAR PLAN HAS NOT**
21 **BEEN SUBMITTED?**

22 A. From a very practical perspective, we believe that a five-year plan submitted on this date
23 will be of very little use to the Commission. I am advised that the FCC is currently undertaking a

1 review of how all carriers receive high-cost support and we are advised by counsel that the
2 amount of support that U.S. Cellular may receive over the next several years cannot be predicted
3 with any certainty, and may vary significantly. Thus, we believe an alternative to a five-year plan
4 will provide the Commission with better information.

5 **Q. WHAT ALTERNATIVE DO YOU PROPOSE TO PROVIDE THE COMMISSION**
6 **WITH RELIABLE INFORMATION AND PROPER ACCOUNTABILITY?**

7 A. In my direct testimony, I explained that the better course is for U.S. Cellular to provide
8 the Commission with an estimate of support each year, along with a plan for using that support in
9 the next year. At the end of the year, U.S. Cellular would provide the Commission with a report
10 as to how it has used the support. Year over year, the Commission will have a more accurate and
11 useful picture of our use of support, and our estimates going out twelve to eighteen months will
12 be based on plans that are much more likely to be realized than plans going out five years. Many
13 factors, not the least of which is the state of new technology, change so fast that predicting
14 investments more than a year down the road quickly become mere speculation.

15 **Q. IF THE COMMISSION REQUIRES A FIVE-YEAR PLAN AS A CONDITION OF**
16 **GRANT, WILL U.S. CELLULAR PROVIDE IT?**

17 A. Yes. We note that such a plan may take more than a month to prepare, so we would ask
18 for a liberal deadline. We believe we should be treated similar to applicants at the FCC, and be
19 designated based on the law that was in effect when we filed our application, which would
20 require the submission of a five-year plan in advance of our recertification deadline of October 1,
21 2006. By then, we will have a better idea how much funding is actually provided by the high-
22 cost system and we'll be able to adjust our plans to provide the Commission with information
23 that is more reliable than what we could prepare today. We are doing this in other states where

1 we are a designated ETC, and it is a process that is now working well. In sum, I agree with
2 Witness McKinnie that this issue would best be addressed in a rulemaking proceeding rather than
3 in the course of this designation.

4 **Q. WILL THE COMPANY ADHERE TO THE REPORTING REQUIREMENTS AS**
5 **REQUIRED BY THE FCC?**

6 A. As I understand Witness Meisenheimer's Rebuttal Testimony at pages 5 and 12-14, she
7 refers to reporting requirements in Section 214(e)(6). I am advised that this is the federal statute,
8 not the FCC's rules. If she is referring to reporting requirements established in the FCC's March
9 17, 2005 order on universal service, the answer is yes. U.S. Cellular will adhere to those
10 reporting requirements.

11 **Q. WILL THE COMPANY AGREE TO FILE AND MAINTAIN WITH THE**
12 **COMMISSION A CURRENT COPY OF DETAILED SERVICE AREA MAPS, A LIST**
13 **OF THE LOCAL TELEPHONE EXCHANGES IN WHICH SERVICE IS AVAILABLE,**
14 **A DESCRIPTION OF ANY PORTIONS OF AN EXCHANGE WHERE IT IS**
15 **INFEASIBLE FOR U.S. CELLULAR TO SERVE, AND AN ILLUSTRATIVE COPY OF**
16 **CUSTOMER SERVICE AGREEMENTS?**

17 A. Yes, although the usefulness of some of these materials is unclear. For example,
18 providing a list of local telephone exchanges where service is available can be done, but it is
19 unclear what such information would be used for. Service availability at any particular point
20 changes rapidly as new cell sites are constructed. A description of areas where it is infeasible to
21 serve may not be possible to provide. When a customer requests service at a particular point,
22 U.S. Cellular may not know it is infeasible to provide facilities-based service there until it sends
23 a technician to the site to determine what needs to be done. Because U.S. Cellular can provide

1 universal service through a combination of its own facilities and resale of other carrier facilities,
2 we ordinarily assume that there are very few, if any, areas where it is infeasible to serve. My
3 sense of this requirement is it would be best addressed in a rulemaking where all carriers of all
4 technologies can work with the Commission to develop a report that provides the Commission
5 with what it needs in this area. Finally, we will provide an illustrative copy of our service
6 agreement.

7 **Q. WILL THE COMPANY WAIVE ALL TOLL AND ROAMING CHARGES ON**
8 **CALLS TO ANY TELEPHONE EXCHANGE AREA FOR WHICH THE CUSTOMERS**
9 **BILLING ADDRESS WOULD OTHERWISE HAVE EAS IF SERVED BY THE**
10 **INCUMBENT CARRIER?**

11 A. No. However, I believe this is a non-issue.

12 **Q. WHY IS THAT?**

13 A. As I discussed above, my Direct Testimony incorrectly characterized our local calling
14 area as our regional footprint. This likely caused Witness Meisenheimer of the Office of the
15 Public Counsel (OPC) in her Rebuttal Testimony at page 6 and pages 20-22, to compare our
16 local calling areas to those of ILECs. In fact, all U.S. Cellular customers generally have calling
17 areas where long distance/toll can be terminated throughout the continental United States, no
18 matter what rate plan they choose. The differences in our rate plans (Local, Regional, Span
19 America) is the area within which a consumer can move the phone without incurring roaming
20 charges - the local calling coverage scope. Thus, I believe OPC's concerns about our matching
21 EAS areas is really not an issue, as our customers can use their minutes to call throughout the
22 state, indeed throughout the nation, without toll. For the Commission's convenience, I have
23 attached to this testimony a copy of our rate sheet for Missouri customers as Schedule NW-3.

1 **Q. DO YOU BELIEVE U.S. CELLULAR SHOULD BE REQUIRED TO OFFER**
2 **SMALLER LOCAL CALLING AREAS?**

3 A. No. The purpose of designating Eligible Telecommunications Carriers who will receive
4 Universal Service Fund (USF) support is to encourage the construction of new and improved
5 facilities. Consumers will therefore have access to more services in a greater area and with
6 higher quality so that they can choose the service they want. We offer very simple rate plans
7 where consumers can choose the number of minutes they wish to use each month, choose the
8 area within which they want to move the phone without incurring roaming, choose other features
9 they want, and choose the handset. The local calling area is the same for all plans. Everyone in
10 the contiguous United States can be dialed without toll which is over 350 million numbers.

11 **Q. DOES U.S. CELLULAR INTEND TO USE SUPPORT TO SUBSIDIZE TOLL**
12 **USAGE BY CONSUMERS?**

13 A. No. I disagree with Ms. Meisenheimer's Rebuttal Testimony on page 21, lines 21-22, that
14 service over a larger area "does not count in the sense that high cost support is not designated to
15 support toll usage." We don't intend to use support to subsidize toll. We intend to invest support
16 to build and maintain facilities in rural high-cost areas. Our service is designed to provide broad
17 local calling areas, which is a key benefit of wireless service, and I am advised that the FCC and
18 many states have recognized this. The FCC did not license cellular and PCS carriers along
19 exchange or EAS boundaries, and it makes no sense to force those wireline models on a very
20 different business type and technological platform. It would be equally illogical, I believe, to
21 force ILECs to waive toll charges for all calls that would be local calls on U.S. Cellular's
22 nationwide plans.

23

1 **Q. ARE ROAMING CHARGES AN ISSUE THAT THE COMMISSION SHOULD BE**
2 **CONCERNED ABOUT?**

3 A. No. The minimum local calling scope, the area within which a customer can place calls
4 without incurring roaming charges, is enormous. In our Local Plan, which is the smallest local
5 calling scope, it encompasses much of Missouri, including St. Louis, almost all of Oklahoma,
6 almost all of Iowa, over two-thirds of Illinois, half of Wisconsin, and a third of Indiana. If a
7 customer wants a wider local calling scope, he or she can sign up for our Regional Plan, which
8 allows the phone to be moved within a ten state region, or our National Plan, which allows a
9 consumer to place calls from anywhere within the continental United States without incurring
10 roaming charges. 800 minutes on our ten state Regional Plan costs \$50.00, which is roughly
11 equivalent to the total voice usage of the average landline customer. 400 minutes on our National
12 Plan costs \$50.00, a far better value than using 400 minutes of ILEC service in a similar fashion.
13 Therefore, Witness Meisenheimer's Rebuttal Testimony at page 21, lines 22-24, regarding
14 roaming charges is somewhat misplaced because we offer consumers the ability to place and
15 receive calls in an area that is much greater than that offered by ILECs.

16 **Q. IS OPC'S REQUEST IN WITNESS MEISENHEIMER'S REBUTTAL**
17 **TESTIMONY AT PAGE 21, LINE 22 THAT U.S. CELLULAR PROVIDE ROAMING-**
18 **FREE CALLING A FAIR REQUEST?**

19 A. No. It seems as though OPC wants the Commission to require us to give away some
20 services that ILECs don't even offer. ILEC customers can't roam for free. A customer who
21 walks one block to a grocery store must pay to use an ILEC-owned pay phone. In addition, I am
22 advised that such a requirement would be contrary to principles of rate regulation, but that is for
23 the attorneys to brief. To me, the most important fact to consider is this: If U.S. Cellular's

1 offerings are not competitive or affordable, consumers can switch carriers and we'll lose both
2 their revenue and the USF support. Our entire business model is built on customer satisfaction.
3 Our churn rate is one of the lowest among major carriers. We are in the business of getting
4 customers and keeping them happy. Every day we assess and reassess our calling plans to
5 respond to our competition. We deliver far more value than we did just a few years ago, and the
6 trend is to lower prices and to provide bigger buckets of minutes. If you look at our service
7 offerings, U.S. Cellular is already exceeding what OPC is asking for in terms of delivering value
8 to the consumer.

9 **Q. IS THE COMPANY WILLING TO SUBMIT MORE DETAILED MAPS OF ITS**
10 **SERVICE AREA OR COVERAGE AREA?**

11 A. Yes. If the Commission requires a more detailed map of our service area, which defines
12 our local calling scope, we would do so. Moreover, if the Commission requires a map of our
13 coverage area, we would work with the Commission to provide one that is acceptable.

14 **Q. WILL THE COMPANY AGREE TO WAIVE EQUIPMENT CHANGE FEES FOR**
15 **LIFELINE CUSTOMERS?**

16 A. It is unclear to us whether this is a requirement that would be placed on all ETCs in
17 Missouri as a condition of ETC status. If so, then we would obviously comply. If this is rather a
18 proposal by OPC, then U.S. Cellular requests that the matter be the subject of a rulemaking, so
19 that all affected carriers can have the same requirements.

20 **Q. OPC WITNESS MEISENHEIMER'S REBUTTAL TESTIMONY AT PAGE 6,**
21 **LINE 15 PROPOSES THAT THE COMPANY DEVELOP AN ADEQUATE LIFELINE**
22 **SERVICE OFFERING THAT IS COMPARABLE IN PRICE TO THE SERVICE**
23 **OFFERING OF EACH ILECS' BASIC LOCAL SERVICE, NOT NECESSARILY**

1 INCLUDING TOLL CALLING, BUT INCLUDING CALLS TO ANY TERMINATING
2 EAS EXCHANGES ASSOCIATED WITH THE CUSTOMERS BILLING ADDRESS.

3 WHAT IS U.S. CELLULAR'S RESPONSE?

4 A. I respectfully disagree with the premise of the question that our Lifeline service is
5 somehow inadequate. U.S. Cellular should not be forced to duplicate fixed wireline service.
6 The only way to match wireline service in price and features is to make it fixed, and we're not in
7 the fixed business. Consumers who choose our service want mobility. As to price comparability,
8 our average revenue per subscriber is below \$50 per month. I am advised that ILECs average
9 over \$70. Instead of comparing the low base rate, the Commission should look at total consumer
10 burden because many low-income rural wireline consumers incur long distance charges. Our
11 way of doing business is very simple: the phone is mobile and our local calling areas are broad,
12 including one that spans the lower 48 states. That's a huge value that wireline companies cannot
13 deliver. If a low-income consumer chooses our \$40.00 offering, it will be because they find our
14 service to be a better value than a comparable ILEC offering. Perhaps they need mobility.
15 Perhaps they need a wide local calling area because of high toll rates on wireline networks. On
16 the other hand, if a consumer wants a small local calling area, does not need mobility, and makes
17 few long distance calls, then they should choose ILEC service. Some low-income consumers
18 will find our service to be of greater value, while others may prefer ILEC service. The value that
19 consumers get from our designation as an ETC are choices that they do not have today since we
20 cannot offer Lifeline discounts unless we are an ETC. In sum, it is not necessary for our service
21 to "match" ILEC's service any more than their service should be required to match ours.

22 Q. WILL THE COMPANY REFRAIN FROM INCREASING THE RATE OR
23 ADVERSELY ALTERING THE SERVICE ELEMENTS OF ITS LIFELINE

1 **OFFERINGS WITHOUT PRIOR APPROVAL OF THE COMMISSION, AS**
2 **SUGGESTED BY OPC WITNESS MEISENHEIMER AT PAGE 6, LINE 21?**

3 A. We advertise two Lifeline rate plans, as described in more detail below. Any qualifying
4 low-income consumer can take our lowest-priced rate plan without having to meet our credit
5 criteria. We do a credit check for Lifeline customers only to determine whether to permit
6 roaming and international calling on the account. We do not deny our lowest priced rate plan to
7 any Lifeline customer irrespective of their credit score. If an otherwise qualifying consumer
8 believes that a higher-priced rate plan will be more economical (because, for example, of high
9 ILEC toll charges), they may choose it and we would then apply the federal discounts.
10 Therefore, U.S. Cellular will not agree to submit all of its rate plans to Commission regulation.

11 **Q. WHAT IS U.S. CELLULAR WILLING TO DO WITH RESPECT TO ALTERING**
12 **LIFELINE CUSTOMER RATES AND TERMS?**

13 A. We will agree not to increase the rate or adversely alter the service elements of any
14 Lifeline customer's plan for as long as they are a Lifeline-eligible customer. This is another
15 issue where the Commission may wish to conduct a rulemaking because we think it is better to
16 have rules applicable to all eligible carriers.

17 **Q. CAN YOU PROVIDE MORE DETAIL AS TO WHAT U.S. CELLULAR'S**
18 **LIFELINE OFFERING IN MISSOURI WOULD LOOK LIKE IF THE COMPANY IS**
19 **DESIGNATED AS AN ETC?**

20 A. Yes. We will offer Lifeline consumers two basic choices. Our Local Plan with either 125
21 minutes or 700 anytime minutes. The 125 minute plan is \$25.00 and the 700 minute plan is
22 \$35.00. The available federal Lifeline discount is \$8.25, which we apply to either plan the
23 customer chooses. Thus, the end price to consumers for these two rate plans is \$16.75 and

1 \$26.75, respectively. As stated above, the Local Plan allows the customer to move throughout
2 our licensed service area in the states of Missouri, Wisconsin, Iowa, Illinois, Indiana, Nebraska,
3 Oklahoma, Kansas, and Texas without incurring roaming charges. The local calling area is the
4 continental U.S., that is, no long distance charges for plan minutes. These plans include a
5 number of advanced features that ILECs charge extra for, such as call waiting, three-way calling,
6 and call forwarding. Voice mail and caller ID are included on the 700 minute plan. Unlimited
7 night and weekend minutes can be added to the 700 minute plan for \$4.95. We waive our
8 activation fee and charge no deposit for Lifeline customers. These two plans provide substantial
9 value and a real choice to rural Lifeline consumers who are today limited to very small local
10 calling areas from wireline companies. However, even if they have access to our service, we
11 cannot offer Lifeline benefits unless we are an ETC.

12 **Q. WILL THE COMPANY INFORM LIFELINE CUSTOMERS OF THE LOWEST-**
13 **PRICED HANDSET AVAILABLE?**

14 A. Yes. We offer Lifeline-eligible customers a basic handset for one cent (\$0.01) as part of
15 our commitment to serve low income consumers. They may also choose other handsets on the
16 same terms as other customers.

17 **Q. DO YOU BELIEVE U.S. CELLULAR SHOULD BE REQUIRED TO MIMIC**
18 **ILEC OFFERINGS FOR LIFELINE CONSUMERS?**

19 A. No. We offer mobile service, not fixed. I am advised that the basic purpose of
20 designating competitive ETCs is to enable newcomers to offer consumers new services and
21 choices. Criticism that our lowest-priced plan does not offer enough minutes fails to take into
22 account that a wireline company offers more minutes to only a few numbers. For many
23 consumers, including those who are Lifeline-eligible, our service costs less than wireline service.

1 We intend to compete for consumers at every price point and firmly believe that for \$26.75, a
2 Lifeline-eligible consumer will find our offering a very attractive alternative to unlimited local
3 calling for a few thousand numbers.

4 **Q. WILL THE COMPANY ACT AS A CARRIER OF LAST RESORT?**

5 A. As it has been explained to me, we are already a carrier of last resort under federal law
6 which requires all carriers to respond to all reasonable requests for service. If that is what
7 Witness Meisenheimer means in her Rebuttal Testimony at 6, the answer is yes. Please see my
8 Direct Testimony at page 18, lines 8-20.

9 **Q. WILL THE COMPANY PRODUCE RESALE AGREEMENTS IN ADVANCE OF**
10 **BECOMING AN ETC?**

11 A. No. This has never been required of U.S. Cellular in any other state, and I'm advised that
12 neither the FCC nor any other state has issued such a requirement. Entering into resale
13 agreements in advance would be counterproductive for the following reasons. Wireless signals
14 do not "propagate" throughout a homogenous area. Many factors, including terrain, foliage, and
15 blockages (such as large buildings or silos) can interrupt service in small areas. It is thus
16 impossible for a wireless carrier to determine with precision where its service is high-quality
17 throughout the entirety of a large area. But it is not necessary to do so. When a consumer tells us
18 that our service does not work at their home or business, we will promptly determine how to
19 provide service to them. We may be able to provide service through an existing roaming
20 arrangement, which is a form of resale. We may need to resell from an ILEC or a wireless
21 carrier, of which there are dozens in our service area. It is impossible to determine exactly where
22 a request will come from that will require a resale agreement, but we know from experience that
23 it will be very few. In the states where we are an ETC, we have had to use traditional resale

1 agreements only a handful of times to meet a request for service. Almost all requests are handled
2 through our own facilities or existing resale arrangements. For these reasons, entering into resale
3 agreements with dozens of carriers would be wasteful and represents a barrier so high that no
4 competitive carrier would likely attempt to be an ETC in this state.

5 **Q. WHAT CAN THE COMPANY PROMISE WITH RESPECT TO PROMPTLY**
6 **RESPONDING TO REQUESTS FOR SERVICE?**

7 A. When a customer lives in an area where we do not provide facilities-based service, we
8 promise to move quickly to complete the six-step process for providing service. Although the
9 FCC did not place a time limit, we can move through the process within 30 days for even
10 difficult cases. The overwhelming majority of our customers have service within minutes of
11 entering our stores. In the few cases where a phone does not work where a customer lives, we
12 can dispatch a technician and analyze our network to find ways to get signal in there. Most times,
13 the process is completed within one to three days. Difficult cases may require network analysis,
14 altering equipment or power levels at a cell site, or installing ancillary equipment such as a cell
15 extender, or in rare cases, offering resold service from another carrier.

16 **Q. HOW DO YOU RESPOND TO WITNESS BROWN'S ASSERTION (REBUTTAL**
17 **TESTIMONY AT 35-36) THAT THE SIX-STEP PROCESS 'DOES NOT PROVIDE**
18 **COVERAGE'?**

19 A. The six-step process will provide coverage to consumers who otherwise could not receive
20 our service. I am advised that U.S. Cellular will not receive high-cost support for customers
21 served via resale. Thus, we have every incentive to improve and expand our network so we can
22 transition any resale customers to facilities-based service. To the extent Witness Brown is
23 suggesting the adoption of another service provisioning standard, we believe the Commission

1 should hear from all carriers on this issue in a rulemaking proceeding, rather than making an ad
2 hoc decision in this case.

3 **Q. WITNESS MEISENHEIMER STATES IN HER REBUTTAL TESTIMONY AT**
4 **PAGE 18, LINE 22 THAT U.S. CELLULAR HAS COMMITTED TO PROVIDE THE**
5 **COMMISSION WITH SUFFICIENT INFORMATION TO DETERMINE IF USE**
6 **SUPPORT WOULD BE USED FOR THE INTENDED PURPOSE "ONLY IF**
7 **ORDERED." PLEASE COMMENT.**

8 A. All carriers must be accountable for their use of support. We will abide by whatever
9 requirements this Commission adopts to determine whether support dollars U.S. Cellular
10 receives are being used lawfully. We are an ETC in several states now, and we are providing to
11 other states information to enable them to certify to the FCC each year that we are using support
12 only for the intended purposes. We will provide sufficient information to make that
13 demonstration in Missouri.

14 **Q. WILL U.S. CELLULAR MAKE THE COMMITMENT REQUIRED BY THE FCC**
15 **REGARDING EQUAL ACCESS?**

16 A. Yes. It was my intention in direct testimony to state this unequivocally, however,
17 Witness Meisenheimer seems to think otherwise in her Rebuttal Testimony at page 19, line 19
18 through page 20, line 11. She is correct that access to interexchange service is the supported
19 service, not equal access to interexchange service. My understanding is that a state cannot
20 impose equal access as a condition of ETC status. From a practical perspective, we don't
21 understand why the Commission would impose a regulation that would give consumers the
22 ability to buy interexchange service from us when it would likely cost a great deal more than our
23 own rate plans. To be clear, we will commit to provide equal access under the circumstances set

1 forth by the FCC.

2 **Q. WHAT IS YOUR RESPONSE TO BROWN'S CRITICISM (REBUTTAL**
3 **TESTIMONY AT PAGE 17) THAT U.S. CELLULAR HAS ONLY CONSTRUCTED IN**
4 **LOW-COST AREAS?**

5 A. We have initially constructed in the areas that present the best revenue opportunities.
6 Without high-cost support, that's all any carrier will do. This case is about whether we will
7 properly use high-cost support to build out to more remote areas. We have begun with a
8 commitment to construct 16 cell sites which we estimate to cost \$6 million, and that is just the
9 beginning.

10 **Q. WITNESS BROWN IN HIS REBUTTAL TESTIMONY AT PAGES 38**
11 **THROUGH 41 IS CONCERNED ABOUT THE CUSTOMER EXPERIENCE AS A**
12 **RESULT OF NEW TOWER CONSTRUCTION. IS THAT CONCERN RELEVANT**
13 **HERE?**

14 A. No. Mr. Brown's professed concerns are disingenuous. Unlike ILECs, we cannot get
15 support unless we get a customer. Thus, it is in our interest to get and keep customers by
16 delivering to them high-quality service. He speculates, without any evidence, that our business
17 plan may be to offer only fixed service through a roof-mounted antenna. That is not our business
18 plan. We are not a wireline company. We offer mobile services. His concern about having
19 high-quality service on roads is perplexing, in that wireline companies offer zero service outside
20 of the home or business. Of course, we will construct facilities on roads. As a competitor, Mr.
21 Brown's client should be pleased if we offer poor service because we won't get customers and
22 we won't get support, all to his client's benefit. We know that we do not currently offer high-
23 quality service in many parts of our proposed ETC service area which is why we need USF

1 support. Even with the initial addition of 16 towers, we will still have gaps to fill in to provide
2 consumers. All we ask is the opportunity to use all available support to expand our network and
3 improve service to rural consumers who want our service.

4 **Q. DO YOU AGREE WITH WITNESS SCHOONMAKER'S STATEMENT THAT**
5 **GRANT OF U.S. CELLULAR'S APPLICATION WILL NOT BRING COMPETITIVE**
6 **BENEFITS BECAUSE "THERE IS CONSIDERABLE WIRELESS COMPETITION IN**
7 **MISSOURI ALREADY"?**

8 A. No. Contrary to Witness Schoonmaker's assertion at page 51 of his Rebuttal Testimony,
9 we are not arguing "that there is no wireless competition in rural Missouri." Undoubtedly, some
10 wireless carriers are providing some level of service in some rural areas in Missouri, especially
11 in the major towns and along major roads. What Witness Schoonmaker wishes to ignore, and
12 what his maps completely fail to show is that rural consumers do not have access to wireless
13 service of the quality and reach that is available in urban areas. We know this because we
14 operate in these markets. Based on our analysis of wireless service needs in Missouri, I can state
15 that there are countless areas in rural Missouri where consumers receive poor wireless service.
16 Mr. Schoonmaker also ignores the fact that since none of the wireless carriers in Missouri have
17 undertaken the federal carrier of last resort obligation, consumers do not get the benefit of a six-
18 step response to requests for service. If the Commission designates U.S. Cellular as an ETC, we
19 have committed to bring improved service to 16 communities in just the first 18 months.

20 **Q. DO YOU FIND WITNESS SCHOONMAKER'S MAPS TO BE USEFUL TO**
21 **HELPING THE COMMISSION UNDERSTAND WHERE WIRELESS SERVICE IS**
22 **AVAILABLE IN RURAL MISSOURI?**

23 A. No I do not. The ALLTEL, Cingular, Dobson and Verizon Wireless marketing materials

1 attached to his rebuttal testimony are misleading because they all omit one crucial fact: where
2 each carrier actually provides facilities-based coverage. With respect to his Verizon Wireless
3 map, he has shown a marketing map of Verizon's "America's Choice" rate plan (Schedule RCS-
4 13), not Verizon Wireless's actual coverage map. Had he simply chosen the Verizon Wireless
5 network map on their web site, he would have seen a very different picture. Attached as
6 Schedule NW-6 is the Verizon Wireless network map available from its web site, which shows
7 very little coverage in the state. Likewise, we know that ALLTEL is not licensed throughout the
8 state of Missouri, yet Mr. Schoonmaker's map of ALLTEL's service in Missouri depicts almost
9 seamless coverage. See Schedule RCS-10. Since that map has no legend, we must assume it is,
10 at best, a marketing tool that does not depict their actual facilities in Missouri. Attached as
11 Schedule NW-7 is the ALLTEL network map available from its web site, which shows far less
12 network coverage than Mr. Schoonmaker's marketing map. We also know that Cingular does
13 not serve throughout the state. The map supplied by Mr. Schoonmaker contains a disclaimer on
14 its face that says: "Map may contain areas served by unaffiliated carriers and may depict their
15 licensed area rather than an approximation of the coverage there." See Schedule RCS-11. Thus,
16 that map is a marketing tool and not a depiction of where facilities are available. Finally, Mr.
17 Schoonmaker's map of Dobson's service area shows the company as having a very small local
18 presence in Missouri. See Schedule RCS-12. Virtually all of Dobson's purported coverage in
19 the state is through another carrier. We have tried to use the Dobson web site to order service
20 and the site reports that Dobson does not offer service in much of the state. The "home" areas
21 depicted on Mr. Schoonmaker's Dobson site are likely "home" calling areas for consumers with
22 service in Dobson's home markets in Oklahoma, other states, and the northwestern corner of
23 Missouri.

1 Q. DO YOU HAVE ANY OTHER COMMENTS ABOUT SHORTCOMINGS IN MR.
2 SCHOONMAKER'S PRESENTATION?

3 A. Yes. The maps shown by Mr. Schoonmaker do not appear to show dead zones and are of
4 a very small scale that could not show actual coverage. The maps certainly do not demonstrate
5 that high-quality wireless service is available throughout rural Missouri. They in no way
6 diminish the need for high-cost funding to make improved and expanded wireless service
7 available to rural consumers.

8 Q. IS THERE ADDITIONAL INFORMATION THAT YOU BELIEVE THE
9 COMMISSION WOULD FIND USEFUL IN CONSIDERING U.S. CELLULAR'S
10 APPLICATION?

11 A. Yes. U.S. Cellular's responses to the STCG Data Requests 1.02, 1.08, 1.22, 1.27, 1.33,
12 1.34, 1.38 and 1.39 are relevant to the tests that the Commission should apply in reviewing U.S.
13 Cellular's application. See Schedule NW-4. The "highly confidential" maps and related
14 information provided in August 2005 to the parties relating to U.S. Cellular's cell sites and
15 coverage will be presented at the hearing (responsive to CenturyTel's Data Requests 4-5), as
16 well as the company's Quarterly E911 Implementation Report filed with the FCC on August 1,
17 2005, and excerpts from a 2002 NECA report entitled "Trends in Telecommunications Cost
18 Recovery: The Impact on Rural America," also provided to the parties in response to Staff's
19 Data Requests DR-0001(2) and (7). See Schedule NW-5.

20 Q. DOES THIS CONCLUDE YOUR TESTIMONY?

21 A. Yes.



U.S. Cellular

COVERAGE MAP and CALLING PLANS

COVERAGE MAP and CALLING PLANS

The map shows an approximation of service coverage. Actual coverage may vary. Service may be interrupted or limited due to weather, terrain, excessive equipment or network limitations. Coverage you may also vary. U.S. Cellular does not guarantee coverage.

Service agreements required. All service agreements may be subject to an early termination fee. Credit approval required. Financing charges, late charges, service charges, and taxes apply. Bill, Federal and Other Regulatory Fee charge applies. This is not tax or government-imposed charge. User network coverage and reliability may vary. Lines are subject to the local network. Use all services consistent with the terms and conditions. Offer restrictions apply. See store for details.

Flight and Weekend Minutes valid Monday through Thursday 9:00 a.m. to 5:59 a.m. and Friday 9:00 a.m. to Monday 5:59 a.m. Unlimited local night and weekend minutes are available in local calling area only. Local calling area differs from regional calling area. See map for details.

ShareTalk™: Lines of ShareTalk™ are primarily for primary line ShareTalk. It is not available in Spanish-speaking areas. Primary line must be on a plan of \$30 or higher.

easyedge™ Phone Service: U.S. Cellular-approved phone required on all easyedge plans. Only available in U.S. Cellular licensed markets.

easyedge™ Picture Messaging Service requires a U.S. Cellular-approved phone and usage plan. Picture Messaging only available in easyedge coverage area (see map for details). You will be charged for picture messaging sent from your phone, even if not delivered to the intended recipient due to system or compatibility issues. You will not be charged for picture messages sent to your phone unless you opt-in and download them. U.S. Cellular is not responsible for content of pictures. easyedge™ is the proprietary mark of United States Cellular Corporation.

Unlimited Local Direct™: Plus is an insurance plan administered by The Signal™ and underwritten by MetLife Companies of America Group. A summary of coverage is available from The Signal by calling 1-800-835-0101.

Roadside Assistance is limited to four calls per year and a maximum of \$50.00 per service call (\$10.00 per week). Additional terms and conditions apply. See store for details.

Mobile-to-Mobile rate applies to calls you make or receive if your Mobile-to-Mobile Calling Area (see brochure for details). Roaming indicator on your phone must be off for Mobile-to-Mobile rates to apply. 10¢ per minute for calls exceeding Mobile-to-Mobile packaged minutes. Unused minutes cannot be carried over to next month.

Mobile Messaging: Duplex phone and service required. Services may not work using your digital local calling area. Functionality may depend on other carrier's networks and phones. U.S. Cellular does not guarantee message delivery or timeliness. 150-character limit per message. U.S. Cellular not responsible for content of messages. A charge of 10¢ per outgoing message applies if no messaging package is selected or outgoing package limit is exceeded. For internal transmission, message content including your phone number may be intercepted by third parties. By using U.S. Cellular's Mobile Messaging you agree to be bound by all terms and conditions available at www.uscellular.com/Messaging/terms.

Directory Assistance: Minimum and applicable toll charges will apply. Directory Assistance charges apply to all Directory Assistance calls.

Unlimited Local CALL ME™ Minutes are not deducted from package minutes and are only available when receiving calls in your local calling area. Does not include Expanded Local Area or nationwide roaming area.

U.S. Cellular reserves the right to terminate your service if less than 50% of your overall minutes in each of three consecutive billing cycles are used in U.S. Cellular's licensed markets. If on a Spanish-speaking or National Plan, please refer to the card coded legend entitled "U.S. Cellular's Licensed Markets". Service area may vary depending on the digital technology of your phone.

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US-428 0700pMid-Central

Optional Features

ShareTalk™

Per additional line with a Local Plan \$16.00/mo.
Per additional line with a Regional Plan \$20.00/mo.
Share your minutes without charging your phone. ShareTalk allows up to three additional lines to share the minutes on one account. Not available in Spanish-speaking areas.

Mobile Messaging

Can't text? Send and receive text messages from your wireless phone. All packages include unlimited incoming messages. See brochure for details.
Mobile Messaging 50.....\$2.95/mo./line
Mobile Messaging 100.....\$4.95/mo./line
Mobile Messaging 200.....\$6.95/mo./line
Mobile Messaging 300.....\$8.95/mo./line
Mobile Messaging 1000.....\$14.95/mo./line
Each additional outgoing message.....10¢/message
Add an e-mail address for your phone.....\$1.85/mo.

Signal DialDirect™ Plus

Wireless Phone Insurance \$4.95/mo.
Repairs or replaces your phone if it's lost, stolen or damaged. See Signal Insurance brochure for coverage details. Underwritten by MetLife Companies of America Group.

Roadside Assistance

24 hours a day, 365 days a year - help is just a phone call away. Protection travels with the phone. Some restrictions apply. See store for details.

Mobile-to-Mobile Calling

Wireless calling to and from other U.S. Cellular customers. See Mobile-to-Mobile Calling brochure for coverage area and details.

Unlimited Minutes.....\$19.95/mo.
200 Minutes.....\$4.95/mo.
100 Minutes.....\$2.95/mo.

Voice Mail

Our Voice Mail service answers calls when you can't. \$4.95/mo.

Caller ID

Lets you know who's calling before you answer. \$4.95/mo.

Detailed Billing

Shows the time date and cost of every wireless call on your monthly bill. \$1.85/mo.

Directory Assistance

Call Directory Assistance to get the phone numbers of the people and businesses you need. Directory Assistance is \$1.25/call within your home calling area. Pricing in other areas may vary. \$1.25/call

International Dialing

U.S. Cellular's international Dialing service gives you direct access to over 200 countries from your wireless phone. There is no monthly charge or extra fee for the service, simply pay for the calls you make. Consult a U.S. Cellular representative or our website for country rates and availability. Rates range from \$1.19 to \$1.26 per minute.

Automated Payment Service

No checks to write. No stamps to buy. We will automatically debit your cell phone bill from your checking account or a credit card - no extra cost.

easyedge™ Phone Service

easyedge™ Phone Service keeps you connected by providing instant access to news, sports, entertainment, weather, forecasts, stock quotes, maps and directions. Have more fun by downloading the latest ring tones, games and files. The easy way to get more from your phone. See brochure for details.

easyedge™ Picture Messaging Service

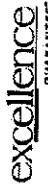
With easyedge™ Picture Messaging Service you can send and send pictures with ease. Personalize your phone by adding text and sound. A Picture adds information and fun to your message. See brochure for details.

Unlimited Local CALL ME™ Minutes

Per line.....\$5.95/mo.
Receive unlimited incoming calls from anywhere, anytime within your local calling area without using your Airtime Minutes.

Miscellaneous

Activation Fee.....\$30.00
Equipment Charge Fee.....\$15.00
Customer Service.....1-888-944-9430
Order it Home.....1-888-937-9333
289-8722
Business Services.....1-888-935-4812
872-4246



- 30-Day Guarantee - test our service, networks and products
- Customer service you can count on
- Change your calling plan to fit your needs
- Upgrade to phones with the latest technology



1-888-BUY-DISCC
usedcellular.com

At U.S. Cellular, we're committed to providing the best customer satisfaction. We want to fulfill all of your wireless needs with the highest quality products and services at a fair price. If you have questions about calling plans or features that will enhance your wireless service, you can always get answers from an expert at your local U.S. Cellular store, agent location or by calling one of our customer service specialists at 1-888-944-9400.



We connect with you.

COVERAGE MAP and CALLING PLANS



MONTHLY ACCESS

\$25 \$35 \$40 \$50 \$75 \$100 \$140 \$200

All plans include Nationwide Long Distance

Local Plans

125 700 1100 1400 1800 2200 2500 3600

Included Features: Voice Mail, Call Waiting, Caller ID, Call Forwarding, Three-Way Calling, Detailed Billing* and Mobile Messaging (10¢ per message).
Roaming Rate: 69¢/minute (nationwide, includes long distance)
ShareTalk®: \$15.00/line, per month
Expanded Local Calling Rate: 30¢/minute (includes long distance)
 *Not included on \$25 plan

Regional Plans

500 650 800 1300 1500 2300 3300

Included Features: Voice Mail, Call Waiting, Caller ID, Call Forwarding, Three-Way Calling, Detailed Billing and Mobile Messaging (10¢ per message).
Roaming Rate: 69¢/minute (nationwide, includes long distance)
ShareTalk®: \$20.00/line, per month

SpanAmerica® Plans

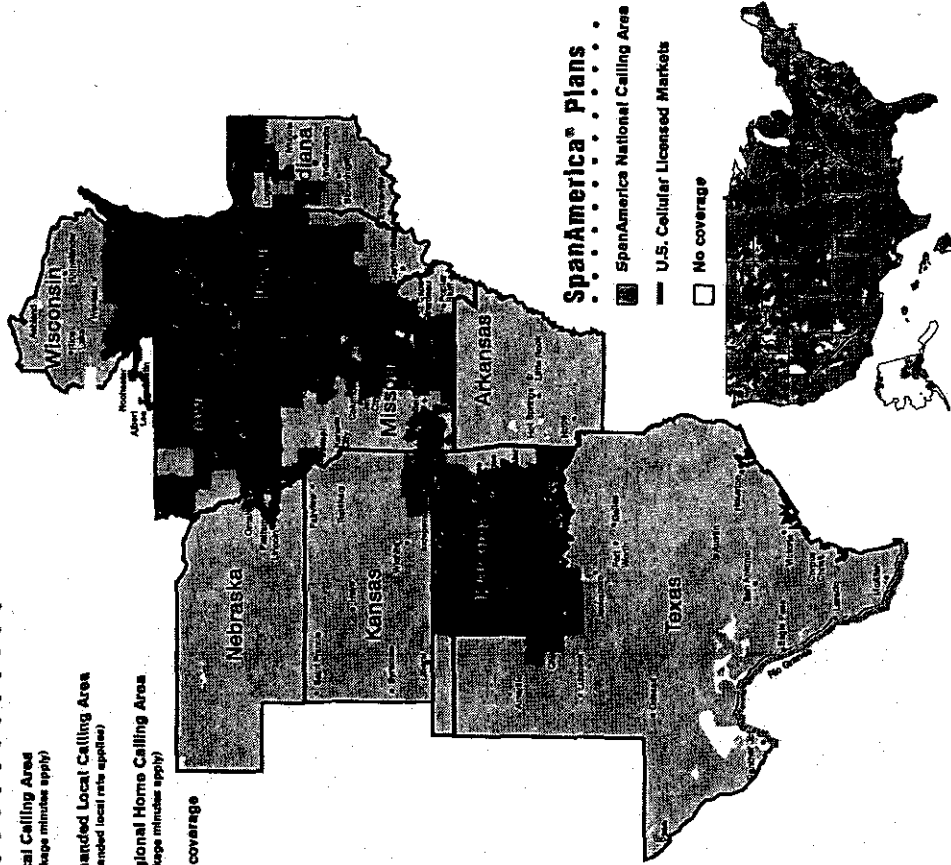
200 250 400 700 1000 1500 2000

Included Features: Voice Mail, Call Waiting, Caller ID, Call Forwarding, Three-Way Calling, Detailed Billing and Mobile Messaging (10¢ per message).

U.S. Cellular Night and Weekend Packages (based on base or pay calling plan).
 Unlimited local, with and without minutes, including nationwide long distance.
 Add to any Local (plans of \$35 and higher), Regional or SpanAmerica Plan.
 \$4.00/min. \$4.95/min.
 2000, regional, night and weekend, including nationwide long distance. Add to any Regional Plan.
 Rates subject to change without notice. Subject to regulatory requirements, additional deposit may be required. See reverse side for other information and restrictions.

Local Plans/Regional Plans

- Local Calling Area (package minutes apply)
- Expanded Local Calling Area (expanded local rate applies)
- Regional Home Calling Area (package minutes apply)
- No coverage



SpanAmerica® Plans

- SpanAmerica National Calling Area
- U.S. Cellular Licensed Markets
- No coverage

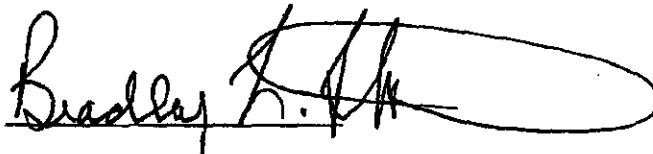
Maps depict an approximation of coverage area. Actual coverage may vary. User may incur roaming charges at borders of calling areas.

1.02 Please provide a copy of each and every license, radio station authorization and/or construction permit issued to USCOC by the Federal Communications Commission ("FCC") pursuant to which USCOC provides service in the state of Missouri. This would include PCS licenses as mentioned at paragraph 2 of the Application.

Response: Objection. This question is not intended to produce information that is relevant to the disposition of U.S. Cellular's petition. U.S. Cellular has described its proposed ETC service area with specificity in its petition. U.S. Cellular's proposed ETC service area is not the same as its licensed service area, nor is it required to be, because all ETCs are permitted to provide service via their own facilities, resale, or a combination of both. U.S. Cellular has identified the affected ILECs, by wire center, where it is seeking ETC status. The service area information provided is consistent with that provided to other states and the FCC. U.S. Cellular also objects to the unduly burdensome nature of this request. U.S. Cellular does not retain copies of its cellular and PCS licenses in the ordinary course of business, and anyone wishing to examine its licenses may view them by conducting a simple search on the Universal Licensing System on the FCC's web site.

Notwithstanding the above objection, U.S. Cellular provides as Attachment __ hereto a list of all cellular and PCS licenses pursuant to which it provides service in Missouri.

Signature:



Name:

Bradley L. Stein _____

Position:

Director - External Affairs

CELLULAR AUTHORIZATIONS

| CHM# | A/B | Market Name | Call Sign | State | FCC License Name | %Owner | Was license acquired via auction, lottery, or acquisition? | License acquired date |
|------|-----|--|-----------|-------|--------------------------------|--------|--|-----------------------|
| 239 | B1 | JOPLIN | KNK0840 | MO | USCOC Of Greater Missouri, LLC | 100% | Acquisition | 3/4/1994 |
| 278 | B1 | COLUMBIA | KNK4501 | MO | USCOC Of Greater Missouri, LLC | 100% | Acquisition | 10/24/1998 |
| 505 | A | MO RSA #2-Putnam & Sullivan Counties (Partitioned) | WPQT644 | MO | USCOC Of Greater Missouri, LLC | 100% | Acquisition | 9/29/2000 |
| 508 | A1 | MO RSA #3-SCHUYLER | KNK0327 | MO | USCOC Of Greater Missouri, LLC | 100% | Acquisition | 4/7/1992 |
| 508 | A1 | MO RSA #5-LINN | KNK4489 | MO | USCOC Of Greater Missouri, LLC | 100% | Acquisition | 7/15/1993 |
| 509 | B1 | MO RSA #8-MARION | KNK0895 | MO | USCOC Of Greater Missouri, LLC | 100% | Acquisition | 8/7/1991 |
| 514 | A1 | MO RSA #11-MONITEAU | KNK0450 | MO | USCOC Of Greater Missouri, LLC | 100% | Acquisition | 10/22/1998 |
| 517 | A1 | MO RSA #13-WASHINGTON | KNK0378 | MO | USCOC Of Greater Missouri, LLC | 100% | Acquisition | 10/19/1993 |
| 517 | A1 | MO RSA #14-BARTON | KNK0433 | MO | USCOC NEWCO LLC | 100% | Acquisition | 4/12/2005 |
| 518 | A1 | MO RSA #15-STONE | KNK0494 | MO | USCOC Of Greater Missouri, LLC | 100% | Acquisition | 4/19/1991 |
| 519 | A1 | MO RSA #16-LACLEDE | KNK0864 | MO | USCOC Of Greater Missouri, LLC | 100% | Acquisition | 9/2/1991 |
| 520 | A1 | MO RSA #17-SHANNON | KNK0722 | MO | USCOC Of Greater Missouri, LLC | 100% | Acquisition | 12/18/1997 |

PCS BTA AUTHORIZATIONS

| BTA # | PCS Block | BTA Name | Call Sign | State | FCC License Name | %Owner | Was license acquired via auction, lottery, or acquisition? | License acquired date |
|--------|-----------|--|-----------|-------|--------------------------------|--------|--|-----------------------|
| BTA051 | E | Burlington, IA (only includes Clark County, Missouri portion of BTA) | WPZK708 | MO | USCOC Of Greater Missouri, LLC | 100% | Acquisition | 8/12/2001 |
| BTA393 | E | St. Joseph, MO | KNLH767 | MO | USCOC of St. Joseph, Inc. | 100% | Acquisition | 6/16/2001 |
| BTA114 | C(2) | Secalia, MO | WPTS933 | MO | USCOC Of Greater Missouri, LLC | 100% | Auction (935) | 7/7/2004 |

PCS MTA AUTHORIZATIONS

| MTA Number/Name | PCS Block | State | Call Sign | State | USCC Licensed BTA Area(s) | Partitioned Area | Spectrum | FCG Licensed Name | %Owner | Was license acquired via auction, lottery, or acquisition? | License acquired date |
|-----------------|-----------|-------|-----------|-------|---------------------------------------|------------------|-------------------------------------|--------------------|--------|--|-----------------------|
| 019 - St. Louis | A | MO | WPF1804 | MO | BTA217 - Jefferson City, MO BTA | BTA217 | 10MHz (1850-1855); 1930-1935 MHz | Florida RSA #8 LLC | 100% | Acquisition | 7/5/2003 |
| 019 - St. Louis | A | MO | WPF1873 | MO | BTA308 - Mt. Vernon-Centralia, IL BTA | BTA308 | 10MHz (1850-1855); 1930-1935 MHz | Florida RSA #8 LLC | 100% | Acquisition | 7/5/2003 |
| 019 - St. Louis | A | MO | WPF1873 | MO | BTA383 - Rolla, MO BTA | BTA383 | 10MHz (1850-1855); 1930-1935 MHz | Florida RSA #8 LLC | 100% | Acquisition | 7/5/2003 |
| 019 - St. Louis | A | MO | WPF1873 | MO | BTA394 - St. Louis, MO BTA | BTA394 | 10MHz (1850-1855); 1930-1935 MHz | Florida RSA #8 LLC | 100% | Acquisition | 7/5/2003 |

PCS MTA AUTHORIZATIONS cont.

| MTA Number/Name | PCS Block | Call Sign | State | USCC Licensed BTA Area(s) | Partitioned Area | Spectrum | FCC Licensed Name | % Owner | Was license acquired via auction, lottery, or acquisition? | License acquired date |
|-----------------|-----------|-----------|-------|--|---|-------------------------------------|-------------------------------|---------|--|-----------------------|
| 019 - St. Louis | A | WQAY463 | MO | BTA428 - Springfield, MO BTA (partial) | Camden County, MO Stone County, MO Taney County, MO Cedar County, MO | 10MHz (1850-1855; 1930-1935 MHz) | USCC OF Greater Missouri, LLC | 100% | Acquisition | 7/31/2003 |
| | | | | BTA428 - Springfield, MO BTA (partial) | Dallas County, MO Douglas County, MO Hickory County, MO Laclede County, MO Polk County, MO Texas County, MO Webster County, MO Wright County, MO | 20MHz (1850-1860; 1930-1940 MHz) | | | | |
| 019 - St. Louis | A | WQAY464 | MO | BTA428 - Springfield, MO BTA (partial) | Christian County, MO Dade County, MO Greene County, MO Lawrence County, MO Berry County, MO | 20MHz (1850-1860; 1930-1940 MHz) | USCC OF Greater Missouri, LLC | 100% | Acquisition | 7/31/2003 |
| 019 - St. Louis | A | WQBT344 | MO | BTA428 - Springfield, MO BTA (partial) | Baty County, MO Dade County, MO Lawrence County, MO | 10MHz (1860-1865; 1940-1945 MHz) | USCC NEWCO LLC | 100% | Acquisition | 4/1/2005 |
| | | | | BTA090 - Columbia, MO BTA | | 10MHz (1850-1855; 1930-1935 MHz) | | | | |
| 019 - St. Louis | A | WQBB888 | MO | BTA090 - Columbia, MO BTA | | | USCC OF Greater Missouri, LLC | 100% | Acquisition | 7/31/2003 |

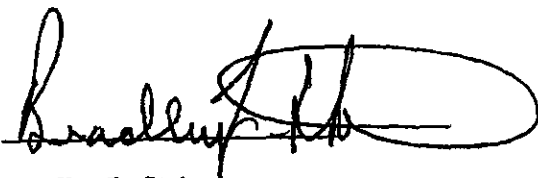
Notes: PCS BTA license held under call sign WPTS933 was originally granted to Black Crow Wireless, L.P. on 12/10/01. USCC held an 85% LP interest in Black Crow. The remaining 15% interest in this entity was acquired on 1/7/04.

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.

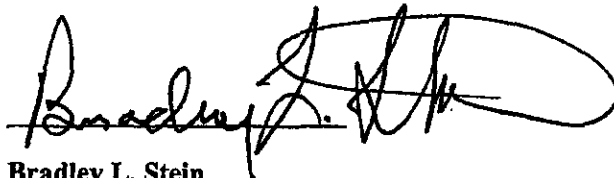
Notwithstanding the above objections, U.S. Cellular is currently preparing a map showing the predicted signal coverage for each of the 16 proposed cell sites referred to in this Request. U.S. Cellular will provide the map as a supplement to this response upon completion and when appropriate steps have 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.

Signature: 
Name: Bradley L. Stein
Position: Director - External Affairs

1.22 At paragraph 12, USCOC mentions that other states have "declined to impose a specific minimum quantity of local usage". Please identify which states have declined to impose a minimum quantity of local usage on USCOC and which states, if any, have imposed a minimum quantity of local usage and what the minimum quantity is in those instances where it has been imposed.

Response: On information and belief, states that have declined to impose a specific minimum quantity of local usage as a condition of granting federal ETC status include, but are not necessarily limited to: Alaska, Arizona, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Michigan, Minnesota, Mississippi, Nebraska, Nevada, New Mexico, North Dakota, Oklahoma, Oregon, South Dakota, Texas, Vermont, Washington, West Virginia, Wisconsin, and Wyoming. On information and belief, no state has required a specific minimum amount of local usage as a condition of federal ETC status. Pursuant to 47 C.F.R. § 54.101(a)(2), any required amounts of local usage would be set by the FCC, not states. The FCC has declined to mandate a minimum level of local usage when it designates ETCs.

Signature:



Name:

Bradley L. Stein

Position:

Director - External Affairs

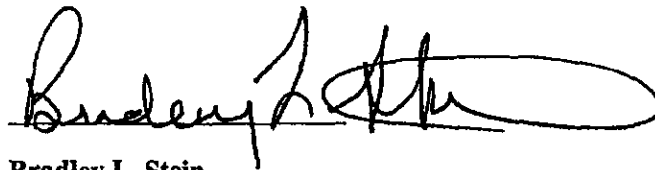
1.27 In regard to paragraph 30 of the Application, USCOC mentions its Lifeline and Linkup programs.

- (a) Please provide a description of the specific Lifeline and Link-up programs that USCOC will implement in Missouri if granted ETC status,
- (b) Please include specifics as to which of USCOC's existing or prospective rate plans the Lifeline and Linkup discounts will apply.
- (c) Please include the specific dollar discount associated with these programs.

Response: For Link-up, U.S. Cellular will provide a discount of 50% off the activation fee, up to a maximum \$30 discount.

For Lifeline, U.S. Cellular will offer the full Tier 1 discount, the amount of which depends on the end user common line charge for each ILEC. U.S. Cellular will offer the full Tier 2 discount of \$1.75. Thus, for a Lifeline consumer who would normally pay an end user common line charge of \$6.50 to the ILEC, this would mean a minimum of \$8.25 of available discounts from USCC. U.S. Cellular has worked very closely with the staff in other states to ensure its compliance with the federal low-income rules and U.S. Cellular fully intends to do so in Missouri if designated. U.S. Cellular will apply the Lifeline discounts to any rate plan selected. Consumers selecting U.S. Cellular's Lifeline plan, which is its lowest-cost plan, may choose it without a credit check. Eligible consumers wishing to select a higher-priced rate plan may do so, subject to U.S. Cellular's ordinary credit requirements.

Signature:



Name:

Bradley L. Stein

Position:

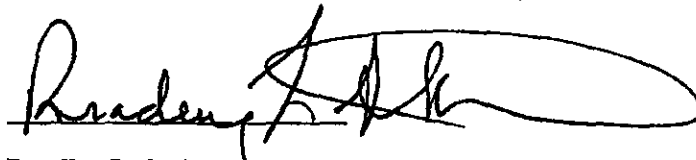
Director - External Affairs

1.34 Paragraph 39 of the Application states in part as follows: "U.S. Cellular states on information and belief that there are significant areas within its proposed ETC service area that are underserved by wireline telephone facilities."

- (a) Please explain what USCOC means by "underserved".
- (b) Please provide all documents or other materials which leads USCOC to have "information and belief" that such areas are underserved.

Response: By "underserved," U.S. Cellular means that consumers in many portions of its proposed ETC service area do not have the ability to choose among wireline service at prices that are comparable to wireline service available in urban areas. For example, according to the FCC's most recent Local Competition Report, 48% of Missouri's zip codes have no wireline telephone competitors, compared with 22% nationwide. It is also well established that local exchange rates are higher in rural areas, with generally more restrictive local calling areas, than in urban areas. Any area where a consumer has substandard competitive facilities that does not permit consumers to choose an alternative as a substitute for their primary telephone service is underserved.

Signature:



Name:

Bradley L. Stein

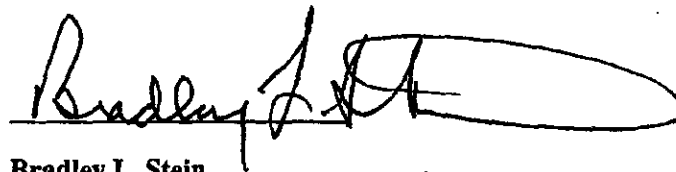
Position:

Director - External Affairs

1.33 Please describe what roaming charges, if any, will apply to customers who are located in the areas described at paragraph 8, where USCOC only serves via roaming or resale agreements. If this differs by rate plan, please describe such differences.

Response: No roaming charges will apply to consumers who make calls from within the proposed ETC service area, including consumers who can only be served via resale or roaming arrangements.

Signature:



Name:

Bradley L. Stein

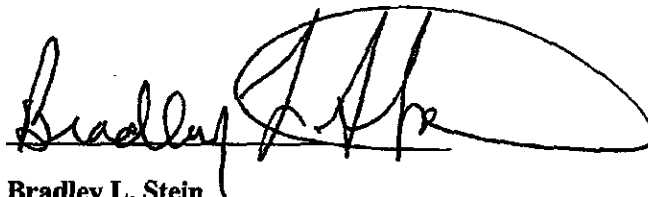
Position:

Director - External Affairs

1.38 At paragraph 46, USCOC uses the phrases "primary telephone service" and "primary phone". What does USCOC mean by these phrases?

Response: U.S. Cellular means that, until sufficient infrastructure improvements are made with the use of high-cost support, wireless service in many areas will not be reliable enough for consumers to depend on their wireless phone for most or all of their communications needs. Without high-quality infrastructure, wireless service is a complementary service and does not have the potential to be a substitute for wireline service.

Signature:



Name:

Bradley L. Stein

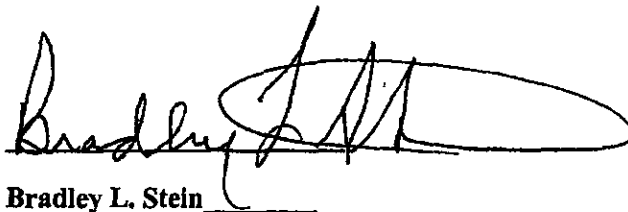
Position:

Director - External Affairs

1.39 At paragraph 30, USCOC states, "there are numerous areas served by RLECs in which there is poor or limited wireless coverage". By this statement, does USCOC mean to infer that there is "poor or limited wireless coverage" as to its own network or as to all wireless providers? If as to "all wireless providers", please provide a list of those Missouri exchanges affected by this Application which USCOC believes have "poor or limited wireless coverage" as to all wireless providers.

Response: U.S. Cellular responds that its statement refers to all wireless providers. U.S. Cellular's statement is based on the experience of its technicians and sales people who work in the markets where U.S. Cellular provides service. U.S. Cellular does not track its service by wireline exchanges, nor does it have access to other carriers' proprietary RF coverage data. There are many areas where wireless service is poor and can be improved with the construction of additional infrastructure. For example, each of the sixteen communities where U.S. Cellular proposes to construct facilities are not well served by U.S. Cellular's facilities, and most if not all do not have seamless wireless service from any other carrier.

Signature:



Name:

Bradley L. Stein

Position:

Director - External Affairs

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of the Application of USCOC of)
Greater Missouri, LLC for Designation as an)
Eligible Telecommunications Carrier) Case No. TO-2005-0384
Pursuant To The Telecommunications Act Of)
1996)

U.S. CELLULAR'S RESPONSES TO THE FIRST SET OF DATA REQUESTS
FROM MISSOURI PUBLIC SERVICE COMMISSION STAFF

USCOC of Greater Missouri, LLC, d/b/a U.S. Cellular (which is also referred to below as "USCC" for U.S. Cellular Corporation), hereby submits its Responses to the First Set of Data Requests from Missouri Public Service Commission Staff.

DATA REQUESTS

DR-0001.

- (1) Has U.S. Cellular received any requests to provide E-911 service? If so, from which entity? What sort of request (i.e., Phase I, Phase II)?

Response:

In response to this Request, USCC will provide its most recent quarterly E-911 Implementation Report to the FCC ("E-911 Report"). Appendix A to the E-911 Report contains a list of all PSAP entities that have made requests for Phase I or Phase II E-911 service from USCC in Missouri and other states in which it operates.

- (2) Is U.S. Cellular currently able to provide Phase I E-911 service throughout all of its sites on the state of Missouri? If not, please describe where in Missouri U.S. Cellular cannot provide Phase I E-911 service.

Response:

As is shown in the attached E-911 Report, USCC has successfully deployed Phase I and Phase II E-911 in all areas of Missouri in which it has been requested. The only exceptions are requests for Phase I and Phase II E-911 in Crawford and Osage Counties. USCC anticipates timely deployment in those areas in accordance with the time frames set forth in applicable FCC rules.

- (3) Is U.S. Cellular currently able to provide Phase II E-911 service throughout all of its sites in the state of Missouri? If not, please describe where in Missouri U.S. Cellular cannot provide Phase II E-911 service.

Response:

See Response to (2) above.

- (4) Does U.S. Cellular currently offer service throughout its proposed ETC area? How does U.S. Cellular determine if a customer is able to receive U.S. Cellular service?

Response:

U.S. Cellular currently offers service throughout its proposed ETC service area, but can only provide service to consumers who use their phones within the areas where USCC actually provides service. USCC utilizes a sophisticated database that relates geographic areas (based on zip code or city state) to product and service availability. This system is available to all sales and customer service associates. This enables consumers to decide whether USCC's service availability matches the areas within which they wish to use their telephone.

- (5) If U.S. Cellular does not receive ETC status in the state of Missouri, what will happen to its rates for service?

Response:

U.S. Cellular does not understand what Staff means by "what will happen to its rates for service." However, USCC can state that it anticipates it will continue to develop new rate plans and frequently offer promotional plans to consumers in Missouri. U.S. Cellular believes that over time its rates will continue to decline, as have wireless rates across the country.

If the question is designed to raise a concern that USCC's rates will rise if it does not receive ETC status, that is not so because U.S. Cellular will have no obligation to extend its service to potential customers upon reasonable request and thus will not incur expenditures related to such extensions. On the other hand, if USCC were to receive ETC status, it will have an obligation to extend its service to all requesting customers upon reasonable request, and will receive high-cost support to finance that obligation.

- (6) Does U.S. Cellular currently compete with the incumbent local exchange carriers (ILEC) in U.S. Cellular's proposed ETC area? If so, please explain how, and for what ILEC services U.S. Cellular competes.

Response:

Today USCC competes with ILEC service only to a limited extent. Without access to similar subsidies as those available to ILECs, U.S. Cellular has been unable to achieve reliable network coverage in sufficient areas to be a viable competitor for primary telecommunications service. With access to high-cost support, USCC will be able to offer its service to a greater number of consumers over a broader geographic area, and with a more consistent level of service. With better and wider signal coverage, more consumers may find the large local calling areas and array of vertical features to be more advantageous than wireline service, and therefore choose USCC's wireless service as their primary telephone.

- (7) Page 12 of US Cellular's Application for ETC status states:

Recognizing the advantages wireless carriers can bring to the universal service program, the FCC has found that "[d]esignation of competitive ETCs promotes competition and benefits consumers in rural and high-cost areas by increasing customer choice, innovative services, and new technologies."

Please state whether or not consumers in U.S. Cellular's proposed ETC area currently have access to a choice of telecommunications services, innovative services, and new technologies.

Response:

U.S. Cellular believes that consumers in rural Missouri do not have access to a similar array of services at prices comparable to those available in urban areas, which is a principal goal of universal service as set forth in 47 U.S.C. Section 254(b)(3). Consumers in the state's rural areas generally are limited to ILEC service with restrictive local calling areas reaching just a few hundred or a few thousand customers in one exchange or a handful of exchanges. As NECA stated in its 2002 report titled "Trends in Telecommunications Cost Recovery: The Impact on Rural America," rural consumers generally pay significantly higher monthly rates for local service in rural areas of the country than in urban areas. NECA also reported that rural consumers are also much less likely to subscribe to discount long-distance calling plans than are their urban counterparts. Relevant excerpts from this report will be provided. Additionally, high-speed data services at prices comparable to urban areas are sorely lacking in rural areas. High-cost support will help alleviate these concerns in Missouri by enabling more consumers to benefit from USCC's service, with its larger local calling areas, its wide array of usage packages, and the possibility of layering high-speed data service features over the expanded and upgraded infrastructure. Finally, consumers who live in areas with poor wireless signal coverage are denied the benefits of competition because their regulated monopoly carrier has no incentive to improve service or cut prices.

- (8) If known, how many U.S. Cellular customers would be eligible for Lifeline service?

Response:

U.S. Cellular does not know the answer to this question. It cannot determine if a customer is eligible unless that customer presents USCC with proof of Lifeline eligibility. Since USCC is not yet an ETC in Missouri, it has not requested such information from its customers or solicited Lifeline subscribers.

- (9) Has U.S. Cellular had to tell a customer that if that customer ported their telephone number to MMC they currently would lose their Lifeline discount? If yes, how many?

Response:

Ports are initiated by the "new" carrier and processed automatically. As such, if a customer decides to port from U.S. Cellular (old carrier) to MMC (new carrier), USCC would have no knowledge of it until the customer was gone. It would be the responsibility of the new carrier to inform the customer whether or not the customer has a substitute Lifeline offering.

- (10) Who is U.S. Cellular's primary competitor in U.S. Cellular's proposed ETC area?

Response:

In northern Missouri, U.S. Cellular considers its primary wireless competitor to be Cingular. In southern Missouri, it is ALLTEL.

- (11) Please estimate how many customers live in U.S. Cellular's proposed ETC area that cannot receive U.S. Cellular's service in their homes. Please provide any and all supporting documentation to this answer.

Response:

U.S. Cellular does not have the requested information.

DR-0001

Signature: Bradley L. Stein

Name: Bradley L. Stein

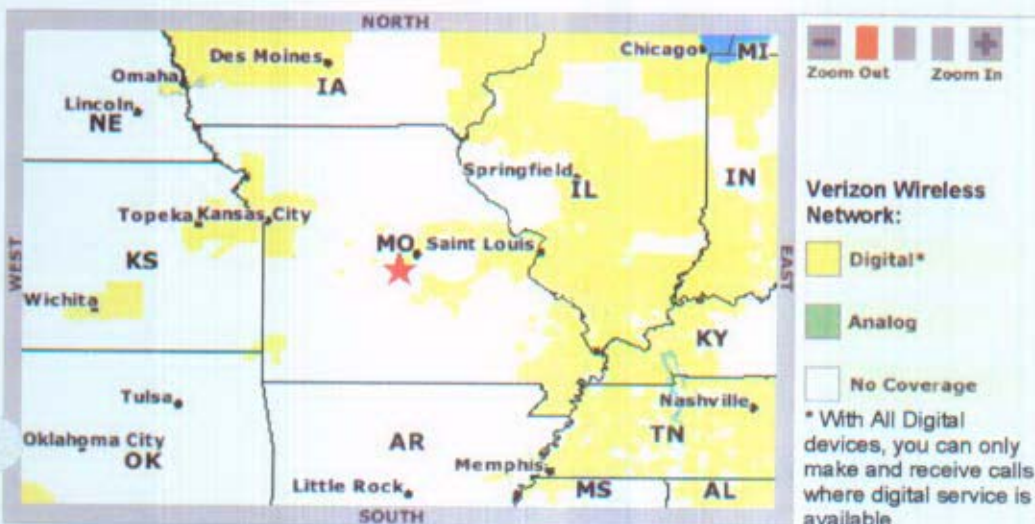
Position: Director-External Affairs



Coverage Locator

This tool identifies where Verizon Wireless offers service. Enter either the zip code or the city and state for corresponding wireless coverage information.

Please verify the spelling of the city name as we cannot locate it within the state you selected



What coverage do you want to view?

America's ChoiceSM Maps

- America's Choice for plans initiated before 2/21/05
- America's Choice/No Roaming for plans initiated on or after 2/21/05

- National SingleRateSM Map
- National Access and Enhanced Services Map
- Broadband Access and V CASTSM Map
- INpulseSM/EasyPay Map
- Verizon Wireless Network Map

Zip Code OR City State

Important Information about Coverage Locator Maps

This map is not a guarantee of coverage and may contain areas with no service.

This map shows approximately where rates and outdoor coverage apply based on our internal data. Wireless service is subject to limitations, particularly near boundaries and in remote areas. Customer equipment, cell site availability, topography and other environmental considerations also affect service, which may vary significantly within buildings. [With "all-digital" devices you can only make and receive

calls when digital service is available. When digital service is not available your device will not operate or be able to make 911 calls.] Check your roaming indicator to determine where rates apply.

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