

**Before the
Federal Communications Commission
Washington, D.C. 20554**

In the Matter of)
)
Revision of the Commission’s Rules to Ensure) CC Docket No. 94-102
Compatibility with Enhanced 911 Emergency)
Calling Systems)
)
Petition for Enhanced 911 Phase II Waiver by)
Leaco Rural Telephone Cooperative, Inc.)

To: The Commission

**Leaco Rural Telephone Cooperative, Inc. Second Quarterly Handset Penetration
Status Report**

Leaco Rural Telephone Cooperative, Inc., (“Leaco”), by its attorneys and pursuant to the Federal Communication Commission’s (“FCC” or “Commission”) December 12, 2005 *Order* in the above-captioned proceeding,¹ hereby submits its second quarterly report on the status of its compliance with the 95 percent location-capable handset penetration requirement set forth in Section 20.18(g)(1)(v) of the Commission’s rules.²

I. Number and Status of Phase II Requests from PSAPs

As of May 1, 2006, Leaco has not received any requests for Phase II enhanced 911 (“E911”) service from any public safety answering points (“PSAPs”) that it serves.

II. Estimated Dates When Phase II Service Will Be Available to PSAPs Served by Leaco’s Network

Leaco expects Phase II service to be available to any requesting PSAP served by Leaco within 6 months following the receipt of a valid request for service as required by Section 20.18(g)(2) of the Commission’s rules.³

¹ *In re Revision of the Commission’s Rules to Ensure Compatibility with Enhanced 911 Emergency Calling Systems*, CC Docket No. 94-102, *Petition for Enhanced 911 Phase II Waiver by Leaco Rural Telephone Cooperative, Inc.*, Order, FCC 05-210 (December 12, 2005) (“*Order*”).

² 47 C.F.R. § 20.18(g)(1)(v).

³ 47 C.F.R. § 20.18(g)(2).

III. Status of Leaco's Coordination Efforts with PSAPs and the State of New Mexico

Leaco remains in constant contact with its local PSAPs and the State of New Mexico in the State's efforts to help coordinate and implement both Phase I and Phase II E911 capabilities throughout the state. Leaco participates in monthly conference calls with Lea County public safety officials regarding Leaco's Phase II implementation status and the county's Phase II upgrade efforts. Leaco has also been sending representatives to Albuquerque to participate in statewide E911 educational meetings.

IV. Efforts to Encourage Customers to Upgrade to Location-Capable Handsets

As Leaco reported in its initial January 31, 2006 status report, Leaco is pursuing an aggressive marketing plan to encourage its customers to upgrade to CDMA-based, location-capable handsets. As Leaco outlined in its initial status report, this plan includes free antennas for customers holding onto their old, analog "bag phones," and promotions such as 30-days free service and free features. Leaco's extensive plan, as discussed in its January 31, 2006 status report, remains in place.

V. Extent of Subscribers with Analog Service Only

Based upon information from Leaco's mobile switch, Leaco estimates that approximately 1,300 of its customers are using analog-only handsets. Leaco currently serves approximately 5700 customers in rural New Mexico. Leaco cannot determine the percentage of its analog-only customers that utilize service in areas where there is only analog service.

VI. Information on Leaco's Implementation Status and Percentage of Customers with Location-Capable Handsets

Leaco expects to begin aggressively selling and activating location-capable handsets after it converts to CDMA, which is scheduled for September 1, 2006. Leaco's conversion to CDMA has taken more time than Leaco originally expected. This has been due, in part, to the need for extensive upgrades to Leaco's Lucent switch. Once Leaco commenced its CDMA upgrade last year, Leaco determined that its mobile switch was out of date and needed five-years' worth of software releases before it would be capable of conversion to CDMA. These software releases had to be installed and tested sequentially since the most recent releases rely on previous releases to properly function. Leaco finished installing and testing these releases on April 23, 2006. Because of the delay in its conversion to CDMA, Leaco has determined that it will be unable to meet its June 12, 2006 deadline for compliance with the handset sale and activation benchmarks set forth in Section 20.18(g)(1)(i)-(iv) of the Commission's rules.⁴ Accordingly, it will be seeking a further waiver of these deadlines. Leaco intends to file such a request within the next few weeks. At that time, Leaco will provide further details on its switch upgrade delays and the timetable for its conversion to CDMA.

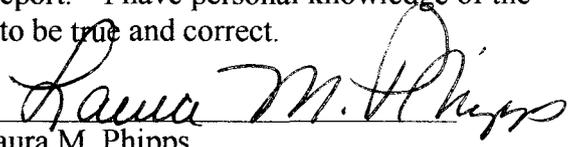
⁴ See *Order* at ¶ 24 (making Leaco's new deadline for compliance six months after the December 12, 2005 release of the *Order*).

Leaco is currently testing three types of location-capable, dual-mode analog/CDMA handsets that it hopes will be able to function in analog-only mode. If these tests are successful, Leaco will be able to begin selling and activating location-capable handsets within a few weeks. However, while Leaco is already testing location-capable handsets and may be able to begin selling dual-mode, location-capable handsets prior to June 12, 2006, it is the September 1, 2006 conversion to CDMA that will allow Leaco to rapidly convert its customer base to location-capable phones.

DECLARATION OF LAURA M. PHIPPS

I, Laura M. Phipps, do hereby declare under penalty of perjury, the following:

1. I am the General Manager of Leaco Rural Telephone Cooperative, Inc.
2. I have read the foregoing "Leaco Rural Telephone Cooperative, Inc. Second Quarterly Handset Penetration Status Report." I have personal knowledge of the facts set forth herein, and believe them to be true and correct.



Laura M. Phipps

5-1-2006

Date