

LUKAS, NACE, GUTIERREZ & SACHS

CHARTERED

1650 TYSONS BOULEVARD

SUITE 1500

McLEAN, VIRGINIA 22102

WRITERS' DIRECT DIAL:
DAVID A. LAFURIA
(703) 584-8666
STEVEN M. CHERNOFF
(703) 584-8670

July 28, 2006

VIA ELECTRONIC FILING

Marlene H. Dortch, Secretary
Office of Managing Director
Federal Communications Commission
445 12th Street, S.W.
Room TW-B204
Washington, DC 20554

Attn: Wireline Competition Bureau

**Re: USCOC of Virginia RSA #3, Inc., USCOC of Virginia RSA #2, Inc., Virginia RSA #4, Inc., Virginia RSA #7, Inc. Ohio State Cellular Telephone Company, Inc. and Charlottesville Cellular Partnership
Petition for Designation as an Eligible Telecommunications Carrier in the Commonwealth of Virginia
CC Docket No. 96-45**

Dear Madam Secretary:

USCOC of Virginia RSA #3, Inc., USCOC of Virginia RSA #2, Inc., Virginia RSA #4, Inc., Virginia RSA #7, Inc. Ohio State Cellular Telephone Company, Inc. and Charlottesville Cellular Partnership (collectively, "U.S. Cellular"), in response to an inquiry from Wireline Competition Bureau Staff, hereby further amends its above-referenced petition for ETC status in the Commonwealth of Virginia¹ to provide a

¹ USCOC of Virginia RSA #3, Inc., USCOC of Virginia RSA #2, Inc., Virginia RSA #4, Inc., Virginia RSA #7, Inc. Ohio State Cellular Telephone Company, Inc. and Charlottesville Cellular Partnership, Petition for Designation as an Eligible Telecommunications Carrier in the Commonwealth of Virginia, CC Docket No. 96-45 (filed April 13, 2004) ("Petition"). *See Parties are Invited to Comment on Petitions for Eligible Telecommunications Carrier Designations*, Public Notice, DA 04-1445 (rel. May 21, 2004) ("Public Notice").

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modified population density analysis consistent with the Commission's recent decisions and to make certain modifications to its proposed ETC service area.²

Specifically, U.S. Cellular provides a modified cream-skimming analysis for the Central Telephone Company and Verizon South based on a comparison of weighted population density – that is, total population divided by total square miles – inside the proposed ETC service area to that of the remaining portions of the study area.

Additionally, U.S. Cellular withdraws the Alta Vista and Buena Vista wire centers of Central Telephone Company of Virginia ("Centel") from its proposed ETC service area and adds Centel's Brownsburg and Virgilina wire centers to its proposed ETC service area by committing to provide service upon reasonable request in the small portions beyond its licensed service area via a combination of its own facilities and roaming or resale. U.S. Cellular also confirms the removal of the Pocahontas and Tazewell wire centers of Verizon South from its proposed ETC service area, as set forth in Alternative B discussed in its most recent amendment, filed June 14, 2006 ("June 14 Amendment").

As set forth below, U.S. Cellular submits that the changes made herein will conform to Staff's request for a weighted population density analysis, and will negate any cream-skimming concerns that may have previously existed. A spreadsheet setting forth a weighted population density analysis with respect to each affected ILEC is provided in Attachment 1 hereto.

I. Removal and Addition of Certain Centel Wire Centers.

In its June 14 Amendment, in response to a request from Staff for a modified cream-skimming analysis, U.S. Cellular withdrew Centel's high-density Collinsville wire center from its proposed ETC service area. Taking the average of population densities of individual wire centers, the removal of that wire center resulted in an average population density of the Centel wire centers inside U.S. Cellular's proposed ETC service area being lower than the average population density in the remaining portions of Centel's study area.

U.S. Cellular is advised that a different outcome would issue from a weighted analysis based on the overall population density inside the proposed ETC service area compared to the remaining portions of the study area. Accordingly, in addition

² See, e.g., *Federal-State Joint Board on Universal Service, Report and Order*, 20 FCC Rcd 6371 (2005), *recon. pending* ("ETC Report and Order"); *Virginia Cellular, LLC*, 19 FCC Rcd 1563 (2004), *recon. pending* ("Virginia Cellular"); *Highland Cellular, Inc.*, 19 FCC Rcd 6422 (2004), *recon. pending* ("Highland Cellular").

to the removal of the Collinsville wire center, U.S. Cellular hereby withdraws the Alta Vista and Buena Vista wire centers, which have high population densities, from its Petition. U.S. Cellular also adds the Brownsburg and Virgilina wire centers, which have low population densities. Consistent with recent FCC orders designating competitive ETCs, U.S. Cellular commits to serve consumers in the small portions of the above wire centers outside of its licensed service area by negotiating extension agreements or through resale or roaming on another carrier's network.³ However, the portions outside of its licensed service area are very small and the company expects it will be able to respond to reasonable requests in such areas through *de minimis* service extensions.

With the removals and additions set forth above, the weighted population density for the Centel wire centers inside U.S. Cellular's proposed ETC service area is 75.88 persons per square mile, while the weighted population density of the remaining wire centers is 76.23 persons per square mile. Because the weighted population density inside the proposed ETC service area is lower than the that of the remaining Centel wire centers – and thus costs are presumed higher in the portions within the proposed ETC service area – there is no risk of cream-skimming associated with U.S. Cellular's designation in the requested portions of Centel's study area.⁴

II. Removal of Pocahontas and Tazewell Wire Centers of Verizon South.

In its June 14 Amendment, U.S. Cellular proposed two alternatives with respect to the Verizon South portions of its proposed ETC service area. Under Alternative A, U.S. Cellular proposed the removal of the Pocahontas wire center. In that scenario, the average of the population densities for individual wire centers inside U.S. Cellular's proposed ETC service area was slightly higher than that of the remaining wire centers in Verizon South's study area. While noting that this difference was not high enough to raise cream-skimming concerns, U.S. Cellular proposed Alternative B in the event the FCC determined such concerns persisted under Alternative A. Under Alternative B, both the Pocahontas and Tazewell wire centers would be removed, resulting in an average population density of 59.36 for the individual wire centers inside U.S. Cellular's proposed ETC service area compared to 70.40 for the remaining Verizon South wire centers.

In response to Staff's request, U.S. Cellular now provides a modified cream-skimming analysis based on weighted population density for areas served by

³ See, e.g., *Public Service Cellular*, 20 FCC Rcd 6854, 6857 and n.23 (2005); *Advantage Cellular*, 19 FCC Rcd 20985, 20990 and n. 65 (2004) ("*Advantage Cellular*").

⁴ See *Virginia Cellular*, 19 FCC Rcd at 1578-79.

Verizon South. As shown in Attachment 1 hereto, the weighted population density for the Verizon South areas inside U.S. Cellular's proposed ETC service area is 65.88, and the weighted population density for the remaining portions of Verizon South's study area is 76.52. Because the weighted population density of the portions of the Verizon South study area inside the proposed ETC service area is substantially lower than the average for the remaining portions of Verizon South study area, U.S. Cellular's designation in the requested portions of Verizon South's study area will not result in cream-skimming.⁵ Accordingly, U.S. Cellular hereby confirms the removal of the Pocahontas and Tazewell wire centers from its proposed ETC service area, as specified in Alternative B of its June 14 Amendment.

III. Weighted Population Density Analysis For Remaining Rural ILEC Areas.

As set forth in the spreadsheet provided as Attachment 1 hereto, the weighted population density analysis for the remaining affected rural ILECs confirms that U.S. Cellular has included the less densely populated portions of each ILEC's study area within its proposed ETC service area.

We trust this will provide information that is useful to you. Should any questions arise, please contact undersigned counsel directly.

Respectfully submitted,

USCOC OF VIRGINIA RSA #3, INC., USCOC OF
VIRGINIA RSA #2, INC., VIRGINIA RSA #4, INC.,
VIRGINIA RSA #7, INC. OHIO STATE CELLULAR
TELEPHONE COMPANY, INC. AND
CHARLOTTESVILLE CELLULAR
PARTNERSHIP



David A. LaFuria
Steven M. Chernoff

⁵ See *Advantage Cellular, supra*, 19 FCC Rcd at 20994 ("The average population density for the Bledsoe wire centers for which we grant Advantage Cellular ETC designation is 24 persons per square mile and the average population density for Bledsoe's remaining wire centers is 35 persons per square mile. Because the Bledsoe wire centers that Advantage Cellular can serve have a lower population density, and therefore probably higher costs than the remaining wire centers, we conclude that ETC designation will not result in creamskimming.") (footnote omitted.)

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Its Attorneys

cc: Gerard J. Waldron, Esq., Counsel for TDS Telecom
Paul Garnett, Esq., CTIA
Manny Staurulakis, Esq., John Staurulakis, Inc.
William Irby, Esq., Virginia State Corporation Commission
Mark Seifert, Esq., Wireline Competition Bureau
Thomas Buckley, Esq., Wireline Competition Bureau
Carol Pomponio, Esq., Wireline Competition Bureau
Jeremy Marcus, Esq., Wireline Competition Bureau