

BEFORE
THE
FEDERAL COMMUNICATIONS COMMISSION

In the Matter of)
)
Federal-State Joint Board on) CC Docket No. 96-45
Universal Service)
_____)

ANNUAL CERTIFICATION OF CELLULAR SOUTH LICENSES, INC.

Cellular South Licenses, Inc. (“Cellular South”, the “Company”) an Eligible Telecommunications Company in the State of Alabama hereby provides the Commission with an annual compliance filing containing information as set forth in the Commission’s Order in the above-captioned proceeding (“*ETC Certification Order*”)¹ and in the Commission order designating Company as an ETC.²

1. Construction Plan Progress and Use of Support.

Pursuant to the *ETC Certification Order*, Cellular South must “submit . . . progress reports on the ETC’ five-year service quality improvement plan, including maps detailing progress towards meeting its plan targets, an explanation of how much universal service support was received and how support was used to improve signal quality, coverage, or

¹ *Report and Order In the Matter of the Federal-State Joint Board on Universal Service*, FCC 05-46, March 17, 2005 (“*ETC Certification Order*”).

² *See Federal-State Joint Board on Universal Service, Cellular South License, Inc*, DA 02-3317 (W.C.B. rel. Dec. 4, 2002)

⁵ *See ETC Certification Order* at para 69.

capacity; and an explanation regarding any network improvement targets that have not been fulfilled.”⁵

Cellular South was first designated as an ETC in Alabama on December 4, 2002. During the last twelve month period the company has received a total of \$ [REDACTED] in Universal Service Support. Information provided below is as of June 30, 2006 which is the company’s most recent quarterly period for which accounting data is available.

During the same period, Cellular South invested \$ [REDACTED] in capital improvements.

Because Cellular South was designated in 2002 and was not previously required to file a five-year service quality improvement plan, Cellular South hereby submits its current plan for the next five years. Specifically, Cellular South plans to build [REDACTED] sites throughout its ETC service area as shown in the exhibits to this report. Cellular South believes it would only be able to construct [REDACTED] of those sites in the absence of the high-cost support it expects to receive over the next five years. The Company’s five-year plan shows how its USF-supported investments, together with its other network improvements, will benefit consumers in rural wire centers throughout its ETC service area.

Although Cellular South fully intends to spend the USF funds as shown in this plan, it may be necessary to modify the Plan based upon more detailed engineering studies and plans which will be generated in the coming years or to meet the identified needs of our customers in these areas. In fact, in the normal course of business as needs are identified, the timing of some of the additional sites shown in the attached plan could be moved up and completed earlier. For similar reasons, the timing of some of the sites

shown in the attached plan could be delayed. In any event, additional sites may be constructed as well.

For the period between June 30, 2005 and June 30, 2006, Cellular South completed construction of █ sites. Cellular South has also improved existing cell site coverage, performance and reliability by upgrading antennas, deploying generators, and installing microwaves.

Since June 30, 2006, Cellular South has placed █ additional sites into service.

2. Outage Reporting.

In the last twelve months Cellular South has not had any outages of at least 30 minutes in duration on the facilities it owns, operates, leases, or otherwise utilizes that potentially affect at least ten percent of the end users served in its designated service area in Alabama, pursuant to the *ETC Certification Order*.⁷

3. Service Requests.

In the last twelve months, there were no unfulfilled requests for service from potential customers within the designated ETC service area. However, Cellular South hereby certifies that it continues to follow the six-step process for provisioning service to requesting customers.

Specifically, in response to such requests for service at a residence or business, Cellular South will take the following steps:

1. If a request comes from a customer within its existing network, Cellular South will provide service immediately using its standard customer equipment.
2. If a request comes from a customer residing in any area where Cellular South does

⁷ *See id.*

not provide service, Cellular South will take a series of steps to provide service.

* First, it will determine whether the customer's equipment can be modified or replaced to provide acceptable service.

* Second, it will determine whether a roof-mounted antenna or other network equipment can be deployed at the premises to provide service.

* Third, it will determine whether adjustments at the nearest cell site can be made to provide service.

* Fourth, it will determine whether there are any other adjustments to network or customer facilities which can be made to provide service.

* Fifth, it will explore the possibility of offering the resold service of carriers that have facilities available to that location.

* Sixth, Cellular South will determine whether an additional cell site, a cell-extender, or repeater can be employed or can be constructed to provide service, and evaluate the costs and benefits of using scarce high-cost support to serve the number of customers requesting service. If there is no possibility of providing service short of these measures, Cellular South will notify the customer and notify the FCC of how many requests for service could not be filled in its next annual certification report. The FCC will retain authority to resolve any customer complaints that Cellular South has refused to respond to a reasonable request for service.

4. Consumer Complaints.

⁹ Under the CTIA Consumer Code, wireless carriers agree to: (1) disclose rates and terms of service to customers; (2) make available maps showing where service is generally available; (3) provide contract terms to customers and confirm changes in service; (4) allow a trial period for new service; (5) provide specific disclosures in advertising; (6) separately identify carrier charges from taxes on billing statements; (7) provide customers the right to terminate service for changes to contract terms; (8) provide ready access to customer service; (9) promptly respond to consumer inquiries and complaints received from government agencies; and (10) abide by policies for protection of consumer privacy. The CTIA Code can be viewed on the Web at http://www.wow-com.com/pdf/The_Code.pdf

In the twelve months prior to June 30, 2006, Cellular South did not receive and is not aware of any consumer complaints having been filed with either the FCC in the designated ETC service area.

5. Commitment to CTIA’s Consumer Code for Wireless Services.

In the *ETC Certification Order*, the FCC reiterated that carriers must certify that they comply with applicable service quality and consumer protection standards, e.g., the CTIA Consumer Code for Wireless Services (“CTIA Code”).⁹ Cellular South hereby certifies that it abides by the CTIA Code, as it may be amended from time to time, for all of its operations in Alabama. The Company is a signatory to the CTIA Code and is listed with the CTIA as having fully implemented the CTIA Code’s provisions.

6. Ability to Remain Functional in Emergencies.

The FCC’s rules require an ETC applicant to:

demonstrate its ability to remain functional in emergency situations, including a demonstration that it has a reasonable amount of back-up power to ensure functionality without an external power source, is able to reroute traffic around damaged facilities, and is capable of managing traffic spikes resulting from emergency situations.¹⁰

Cellular South is mindful of the importance of ensuring uninterrupted service so that law enforcement and public safety officials, as well as the general public, can make important calls in the event of a hurricane or other emergency. Cellular South hereby certifies that the company is capable to function in emergency situations as defined in the above-referenced *ETC Certification Order* via the company’s generators and via temporary microwaves.

7. Local Usage.

¹⁰ *ETC Certification Order. supra.* at para. 25.

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In the *ETC Certification Order*, the Commission concluded that each ETC must annually certify that it offers at least one local usage plan comparable to the one offered by the incumbent LEC in the service areas for which the applicant seeks designation.¹¹ In the *ETC Certification Order* on which that requirement was based, FCC declined to adopt a specific local usage threshold or require that an applicant match the incumbent's offering. Rather, the FCC concluded that the comparability of rate plans should be evaluated on a case-by-case basis, in consideration of the number of included minutes, the size of the "local" calling area, monthly price, and other factors. As examples, the FCC mentioned that an applicant may offer "a local calling plan that has a different calling area than the local exchange area provided by the LECs in the same region, or . . . a specified number of free minutes of service within the local service area."¹² The FCC also envisioned cases where an applicant may offer an unlimited calling plan that bundles local minutes with long distance minutes.¹³

Cellular South satisfies the FCC's local usage requirement. Customers may choose from a variety of plans with different combinations of local calling areas, included minutes, and monthly rates, to suit individual consumer needs. For example, Cellular South's Unlimited Calling Plan, which offers unlimited calling within a local calling area comprising Cellular South's licensed service area. The plan is available for a monthly price of \$49.99. Cellular South also offers a number of usage plans that allow customers to make calls or travel beyond the local calling area without incurring toll or roaming

¹¹ See *id.* at para. 32.

¹² *Id.* at para. 33.

¹³ *Id.*

charges. The Nationwide 750 Plan, for example, offers unlimited local calling and unlimited nationwide long distance plus 750 minutes of nationwide roaming without per-minute charges, at a monthly rate of \$59.99.

Cellular South's service offering described above allow consumers to select a plan that provides them with equal or greater value than a wireline rate plan. Cellular South's licensed area – its smallest 'local' calling area – is much larger than rural ILEC local calling areas, which typically allow a consumer to reach only a few hundred or a few thousand people within an area made up of a handful of exchanges. Consumers who make calls primarily within Cellular South's licensed area will benefit from unlimited local calling at a low monthly price. If they travel more or make many calls to relatives or business associates beyond that area, they may benefit from one of the nationwide plans. Providing deeper geographic reach delivers a significant benefit to the consumer, and the FCC has cited studies concluding that "wireless service is cheaper than wireline, particularly if one is making a long distance call or when traveling."¹⁴

¹⁴ *Implementation of Section 6002(b) of the Omnibus Budget Reconciliation Act of 1993, Annual Report & Analysis of Competitive Market Conditions with Respect to Commercial Mobile Servs., Ninth Report.* 19 FCC Rcd 20597, 20684, para. 214 (2004) ("*Ninth CMRS Competition Report*").

In sum, Cellular South certifies that it offers at least one plan that is comparable to ILEC rate plans under the applicable FCC test.

8. Equal Access.

As required of applicants before the FCC under the *ETC Report and Order*,¹⁵ Cellular South acknowledges that the FCC may require it to provide equal access to interexchange carriers in the event no other ETC is providing equal access in the designated ETC service area.

We trust that you will find this to be responsive to the compliance materials requested in the *ETC Certification Order* and in the orders designating Cellular South as an ETC in Alabama. Should you have any questions or require any additional information, please contact:

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Respectfully submitted,

Cellular South Licenses, Inc.

By: Benjamin C. Pae
V.P. of Finance
Title

Dated: September 26, 2006

¹⁵ See *ETC Report and Order*, *supra*, 20 FCC Rcd at 6386, para. 35.

DECLARATION UNDER PENALTY OF PERJURY

I, Ben Pace, do hereby declare under penalty of perjury as follows:

1. I am the VP of Finance of Cellular South Licenses, Inc. ("Cellular South")

2. This Affidavit is submitted in support of Cellular South's Annual Compliance Filing and Request for Recertification, pursuant to *Report and Order In the Matter of the Federal-State Joint Board on Universal Service*, FCC 05-46 (rel. March 17, 2005) and Sections 54.202 and 54.209 of the FCC's Rules.

3. I declare under penalty of perjury that the statements contained in the foregoing Annual Compliance Filing are true and correct to the best of my knowledge.

Executed on September 26, 2006

Ben Pace
Ben Pace, VP of Finance
Cellular South Licenses, Inc.

SUBSCRIBED, SWORN TO AND ACKNOWLEDGED before me this 26th day of September, 2006.

Nancy Jordan
NOTARY PUBLIC

My Commission Expires: 6 My Commission Expires November 6, 2008



Appendix A

**FIVE-YEAR SERVICE QUALITY IMPROVEMENT PLAN
OF CELLULAR SOUTH LICENSES, INC.**

**[SUBJECT TO CONFIDENTIALITY REQUEST
AND SUBMITTED VIA HAND DELIVERY]**