

Attachment B

Rural Cell Site Announcement

Midwest Wireless Activates Tower to Improve Coverage in Worthington

Worthington, Minn. (Aug. 28, 2006) – Midwest Wireless customers in the Worthington area are experiencing enhanced communications with the activation of an additional tower site in southern Worthington. The tower will improve wireless service coverage in downtown and southern Worthington and along Highway 59 and 60 South.

“Midwest Wireless’ mission has always been to provide access to advanced communication technology on and off the beaten path by having the most comprehensive network delivering consistently reliable service to more places,” said Dennis Miller, Midwest Wireless President & Chief Executive Officer. “We are proud that we were able to extend our coverage and improve service to more areas.”

The new tower in Worthington has Code Division Multiple Access (CDMA) technology, which Midwest Wireless rolled out to its entire network in 2003. CDMA brings with it advanced services like mobile Internet and downloadable applications like weather, sports and gaming. In order to benefit from these advanced services and enhanced coverage provided by the new tower, a CDMA phone is needed.

Realizing early on that a wireless services provider is really only as good as its network of towers, Midwest Wireless has dedicated significant resources to continually enhancing its network infrastructure. The company has earmarked more than \$34 million in their 2006 budget for network enhancements this year.

The new tower in Worthington was made possible by Midwest Wireless and the Universal Services Fund (USF), which is listed as a charge on all wireless and landline phone bills. This fund was established by the Telecommunications Act as a way to provide Americans with equal access to advanced communications services at affordable prices. Money from the fund is available to eligible carriers to use for the investment and maintenance of communication facilities in high-cost, mainly rural, areas.



Attachment C

Alltel Certification in Minnesota

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

LeRoy Koppendraye
Marshall Johnson
Ken Nickolai
Thomas Pugh
Phyllis A. Reha

Chair
Commissioner
Commissioner
Commissioner
Commissioner

In the Matter of Annual Eligible
Telecommunications Carriers (ETCs) Use of
Federal Universal Service Support

MPUC Docket No. P-999/M-06-616

**ELIGIBLE TELECOMMUNICATIONS CARRIER CERTIFICATION
AND ANNUAL REPORT ON BEHALF OF
WWC HOLDING CO., INC. d/b/a ALLTEL COMMUNICATIONS**

June 1, 2006

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I. INTRODUCTION

In accordance with the standards and requirements established by the Minnesota Public Utilities Commission (“Commission”),¹ WWC Holding Co., Inc. d/b/a Alltel Communications (“Alltel”) submits this ETC Certification and Annual Report, and respectfully requests the Commission to certify its eligibility for high-cost support from the federal universal service fund for calendar year 2007. In the *Annual Certification Order*, the Commission adopted the annual reporting and certification requirements as established by the Federal Communications Commission (“FCC”) and codified at 47 C.F.R. §§ 54.202 and 54.209, with modifications to allow for a two-year service improvement plan to be filed on a wire center or service area basis.² For reference purposes, Alltel’s demonstrated compliance with the Commission’s annual reporting and certification standards will reference the FCC’s regulations.

II. BACKGROUND

Alltel is licensed by the FCC to provide commercial mobile radio services (“CMRS”) throughout certain rural and non-rural telephone areas in Minnesota. Alltel is licensed to provide CMRS in the following areas: Minnesota Rural Service Area (“RSA”) Nos. 1 (Kittson), 2 (Lake of the Woods), 7 (Chippewa), 8 (Lac qui Parle), 9 (Pipestone), 10 (LeSueur), and Minneapolis/St. Paul A2. In addition to the cellular licensed areas, Alltel holds PCS licenses to serve the Mankato-Fairmont BTA 277E and the Rochester-Austin-Albert Lea BTA 378E.

¹ *In the Matter of Possible Changes to the Commission’s Annual Certification Requirements Related to Eligible Telecommunications Carriers’ Use of the Federal Universal Service Support, Order Setting Filing Requirements and Opening Proceeding to Consider Adopting FCC Standards for Designating Eligible Telecommunications Carriers*, MPUC Docket No. P-999/CI-05-741 (July 21, 2005) (“*Annual Certification Order*”).

² *Annual Certification Order*, p. 9.

The Commission has designated Alltel as a competitive ETC in certain non-rural wire centers served by Qwest Corporation, the full study areas of several rural telephone companies, and certain individual wire centers of other rural telephone companies.³ A complete listing of the areas in which Alltel has been designated as an ETC is contained in Exhibit 1 to the Basic Universal Service Offering (“BUS”) informational tariff on file with the Commission in Docket No. P-5695/M-98-1285 (the “Designated Areas”).

III. ALLTEL SATISFIES EACH OF THE COMMISSION’S ETC APPLICATION REQUIREMENTS SET FORTH IN SECTION 54.202(a)

The Commission has adopted Section 54.202(b) of the FCC’s Rules requiring a common carrier previously designated by the Commission as an ETC to submit the information required by FCC Rule 54.202(a) no later than June 1, 2006.⁴ Alltel has previously submitted and the Commission has accepted the information required by FCC Rule 54.202(a) at the time of granting ETC status for the Designated Areas in *ETC Order IV*.⁵ No further filing or information

³ *In the Matter of Minnesota Cellular Corporation’s Petition for Designation as an Eligible Telecommunications Carrier*, Docket No. P-5695/M-98-1285, Order Granting Preliminary Approval and Requiring Further Filings (Oct. 27, 1999) (“*ETC Order I*”); *In the Matter of a Request by WWC Holding Co., Inc. for Federal ETC Status in 29 Frontier Exchanges*, Docket No. P-5696/M-01-1116, Order (Oct. 16, 2001) (“*ETC Order II*”); *In the Matter of WWC Holding Co., Inc. d/b/a CellularOne for Designation as an Eligible Telecommunications Carrier and Redefinition of Rural Telephone Company Service Area Requirement*, Docket No. P-5695/M-04-226, Order Approving Petition for ETC Designation (Aug. 9, 2004) (“*ETC Order III*”); and *In the Matter of WWC Holding Co., Inc. d/b/a CellularOne Petition for Designation as an Eligible Telecommunications Carrier and Redefinition of Rural Telephone Company Service Area Requirement*, Docket No. P-5695/M-05-1979, Order (April 7, 2006) (“*ETC Order IV*”).

⁴ *Annual Certification Order*, pp. 9-10.

⁵ Alltel’s Verified Petition in *ETC Order IV* included all the necessary information and demonstrations of eligibility based on the ETC designation standards established by the Commission in Docket No. P-999/M-05-1169.

is required for those areas. Alltel respectfully submits the following information in satisfaction of the Commission's requirements for the remainder of its Designated Areas.

A. Alltel Commits To Provide Service Throughout Its Designated Areas To All Customers Making A Reasonable Request For Service

Alltel commits to provide service throughout its Designated Areas to all customers making a reasonable request for service in compliance with the Commission's standards based on FCC Rule 54.202(a)(1)(i). For purposes of evaluating the provision of service upon request from a potential customer within its Designated Areas, Alltel hereby certifies that it will:

1. Provide service on a timely basis to requesting customers within its Designated Areas where its network already serves the potential customer's premises; and
2. Provide service within a reasonable period of time, if the potential customer's premises is located within Alltel's Designated Areas, but outside its existing network coverage, if service can be provided at reasonable cost by:
 - (a) Modifying or replacing the requesting customer's equipment;
 - (b) Deploying a roof-mounted antenna or other equipment;
 - (c) Adjusting the nearest cell tower;
 - (d) Adjusting network or customer facilities;
 - (e) Reselling services from another carrier's facilities to provide service; or
 - (f) Employing, leasing or constructing an additional cell site, cell extender, repeater, or other similar equipment.

If service cannot be offered at reasonable cost using one of these options, Alltel will report the unfulfilled service request to the Commission and describe how it attempted to provide service consistent with the Commission's requirement based on FCC Rule 54.209(a)(3).

B. Alltel's Service Improvement Plan

Alltel has developed a two-year plan that describes with specificity proposed improvements or upgrades to its network serving its Minnesota Designated Areas ("Service Improvement Plan"). Alltel's Service Improvement Plan is attached as **Trade Secret Exhibit A**.

The Service Improvement Plan includes those areas in which Alltel was designated in *ETC Order IV*, and Alltel incorporates by reference the initial Service Improvement Plan submitted in that docket. The Service Improvement Plan includes all information required by FCC Rule 54.202(a)(1)(ii) for calendar years 2006 and 2007. The projected expenditures under the Service Improvement Plan are based on an estimate of receiving approximately \$10.1 million in federal high-cost universal service support over the two-year period.⁶

Alltel's Service Improvement Plan demonstrates how signal quality, coverage or capacity will continue to improve due to Alltel's receipt of federal high-cost universal service support; the projected start date and completion date for each improvement; the estimated amount of investment for each project that is funded by high-cost support; the specific geographic areas where the improvements are expected to be made; and the estimated population that will be served as a result of the improvements. In certain portions of the Designated Areas, service improvements are not currently projected within the scope of this two-year Service Improvement Plan. As reflected in **Trade Secret Exhibit A**, Alltel is projecting certain enhancements and upgrades to its switching facilities which will provide an improvement to all areas served in the Designated Areas. Additionally, the projected capital expenditures and other operating expenses reflected in the Plan exceed the projected amount of universal service support Alltel will receive, so the Company need not provide a further demonstration of how funding will otherwise be used to further the provision of supported services in those areas. In those portions of the Designated Areas for which a specific service improvement is not identified in the Service Improvement Plan, Alltel will continue to utilize federal high-cost universal service support for the provision,

⁶ This figure is based on projections from the Universal Service Administrative Company's website found at www.universalservice.org. Actual support amounts received may vary from this projection.

maintenance, and upgrading of facilities and services for which the support is intended consistent with Section 254(e) of the Telecommunications Act of 1996 (the “Act”) and FCC Rules 54.7 and 54.202(a)(1)(ii).

C. Alltel Has Adequately Prepared For Emergency Operations

Alltel provides the following information demonstrating its ability to remain functional in emergency situations consistent with the Commission’s standards based on FCC Rule 54.202(a)(2). As previously demonstrated in *ETC Order IV*, the Alltel network is designed to be able to remain functional in emergency situations.⁷ Alltel has reasonable amounts of back-up power to provide functionality without an external power source, and has implemented industry practices to reroute traffic around damaged facilities and manage traffic spikes resulting from emergency situations.

Alltel has deployed fixed and portable back-up power generators at various locations throughout its network that can be deployed in emergency situations. These back-up power generators are capable of keeping a cell site up and running until power is restored to the cell site, a portable generator is moved to the site, system changes are made to reroute traffic or a cell on wheels (“COW”) is deployed. Alltel tests its back-up power generators regularly to ensure functionality. Alltel is also capable of rerouting traffic around damaged or out-of-service facilities by changing call routing translations as needed. Alltel is also able to deploy COWs as temporary cell sites when existing facilities are damaged or out-of-service for longer periods of time. Further, by changing call routing translations or deploying COWs, Alltel is able to manage traffic spikes throughout its network. As a long-term solution for managing increased traffic

⁷ *ETC Order IV*, p. 11.

levels and traffic spikes, Alltel may increase capacity at its cell sites, switches and transport facilities.

D. **Alltel Will Satisfy Applicable Consumer Protection And Service Quality Standards Within Its Designated Areas, Including Compliance With The CTIA Consumer Code**

Alltel will satisfy applicable consumer protection and service quality standards within its Designated Areas. For purposes of this requirement, the applicable consumer protection and service quality standards established by the Commission relate to the approved provisions in Alltel's customer service agreement for the BUS offering and the CTIA – The Wireless Association's Consumer Code for Wireless Service ("Consumer Code"). There are no other consumer protection or service quality standards applicable to Alltel. Set forth below is a demonstration of Alltel's ability to comply with the applicable standards.

Alltel offers the BUS offering throughout its Minnesota Designated Areas pursuant to a Commission-approved customer service agreement. The BUS service agreement contains certain service quality and consumer protection provisions previously established and approved by the Commission. The consumer protection and service quality provisions set forth in the BUS service agreement generally relate to call quality and customer service issues. Some of the more specific provisions contained in the BUS service agreement include prevention of service interruptions, a benchmark for completion of attempted calls, customer care personnel and Commission jurisdiction over customer complaints. Alltel makes available to all subscribers of the BUS offering in the Designated Areas the same consumer protection and service quality provisions of the BUS service agreement.

Further, as set forth in FCC Rule 54.202(a)(3), a commitment by a wireless carrier to comply with the Consumer Code satisfies this requirement.⁸ Alltel became a voluntary signatory to the Consumer Code in September, 2003. Since adopting the Consumer Code, Alltel has implemented the policies and practices required of signatories throughout its Designated Areas, including disclosures of rates, terms of service and maps of service areas, a trial period for new service, ready access to customer service, policies for customer privacy and prompt responses to consumer inquiries and complaints from government agencies. Furthermore, Alltel provides periodic training materials to customer service representatives and internally monitors and updates its intranet site toward maintaining compliance with the Consumer Code. Finally, Alltel provides subscribers with benefits that are not mandated by the Consumer Code or other regulation in that it monitors its network for dropped calls and does not bill such dropped calls to customers.

E. Alltel Offers A Local Usage Plan Comparable To The Service Offerings Of The Incumbent LECs Serving Alltel's Designated Areas

Alltel offers a local usage plan comparable to the service offerings of the incumbent LECs serving its Designated Areas consistent with the Commission's requirement incorporating FCC Rule 54.202(a)(4). The requirement to offer at least one service offering that contains an amount of local usage comparable to the local usage offered by the incumbent LEC does not mandate unlimited local calling. When comparing Alltel's service offerings to one offered by an incumbent LEC, it is appropriate to consider that Alltel offers local calling plans that may

⁸ FCC Rule 54.202(a)(3) states that a wireless ETC applicant's commitment to comply with the Consumer Code satisfies the requirement to meet applicable consumer protection and service quality standards. While the Commission did not fully adopt this FCC standard as an ETC designation requirement in MPUC Docket No. P-999/CI-05-1169, FCC Rule 54.202(a)(3) was adopted by the Commission without modification in the *Annual Certification Order*.

contain fewer minutes of use but larger local calling areas, which is comparable to a LEC plan with more minutes of use but a smaller local calling area.⁹

All Minnesota incumbent LECs are required under Minn. R. 7811/7812.0600 to offer a service plan that includes unlimited local usage within an exchange area. A listing of Alltel's rate plans currently available in the Designated Areas is attached as **Exhibit B**. Alltel provides rate plans that include substantial local calling areas with varying levels of local usage, including plans with unlimited local usage that provide an outstanding consumer value. Alltel includes local usage in each rate plan and Alltel offers local calling areas that are substantially larger than those offered by the incumbent LECs. Customers therefore have the opportunity to select a rate plan that best meets their needs. Consistent with the Commission's requirements in the Alltel ETC designation dockets, Alltel offers a rate plan with unlimited local usage within the Designated Areas through its BUS offering. Each Alltel rate plan includes, at a minimum, all of the supported services required by FCC Rule 54.101(a)(1)-(9) comparable to the service offerings of the incumbent LECs. Consistent with FCC Rule 54.202(a)(4), the amount of local usage available in Alltel's generally available rate plans is comparable to that offered by the incumbent LECs in the Designated Areas.

F. **Alltel Acknowledges The FCC May Require It To Provide Equal Access In A Designated Area In The Event That No Other ETC In the Service Area Is Providing Equal Access**

Consistent with the Commission's requirement incorporating FCC Rule 54.202(a)(5), Alltel hereby acknowledges that the FCC, pursuant to 47 U.S.C. § 332(c)(8), may require it to

⁹ *Federal-State Joint Board on Universal Service*, CC Docket No. 96-45, Report and Order, FCC 05-46, ¶ 33 (rel. March 17, 2005) ("*March 17 Order*").

provide equal access to long distance carriers in the event that no other ETC is providing equal access within one of its Designated Areas.

IV. ALLTEL'S ANNUAL REPORT IN ACCORDANCE WITH SECTION 54.209(a)

The *Annual Certification Order* also adopted FCC Rule 54.209(a) requiring a common carrier previously designated by the Commission as an ETC to annually report certain additional information no later than June 1 of each calendar year.¹⁰ Alltel respectfully submits the following information in satisfaction of the Commission's annual reporting requirement.

A. Progress Report on its Service Improvement Plan

In the *Annual Certification Order*, the Commission adopted FCC Rule 54.209(a)(1) requiring an ETC to file a progress report on its Service Improvement Plan. As noted above, Alltel has previously submitted a Service Improvement Plan for the areas in which it has been designated as an ETC in *ETC Order IV*. Alltel did not receive ETC designation in Docket No. P-5695/M-05-1979 until April 7, 2006, or less than two months ago. As a result, Alltel has incorporated its Service Improvement Plan in Docket No. P-5695/M-05-1979 into the attached **Trade Secret Exhibit A**.

The Service Improvement Plan covers the time period from January 1, 2006 through December 31, 2007. The information within **Trade Secret Exhibit A, Appendix A-1** provides a summary of improvements or upgrades made by the Company through May 30, 2006, and thus reflects Alltel's progress on the Service Improvement Plan through that date.

In addition, when adopting the new annual reporting rules, the Commission required a carrier that had not previously filed a Service Improvement Plan to include a description of improvements or upgrades it has made since the date of its initial designation or its last annual

¹⁰ *Annual Certification Order*, pp. 9-10.

certification, whichever is later.¹¹ Information regarding the amount of federal universal service support received by Alltel in 2005, service improvements completed and unaudited financial information regarding Alltel's capital expenditures and operating expenses for the period between August 1, 2005 and December 31, 2005 is contained in **Trade Secret Exhibit C**.

B. Network Outages In Minnesota Designated Areas

The Commission has adopted FCC Rule 54.209(a)(2), which requires an ETC to annually report network outages within its Designated Areas. FCC Rule 54.209(a)(2) specifically requires:

detailed information on any outage, as that term is defined in 47 C.F.R. § 4.5, of at least 30 minutes in duration for each service area in which an eligible telecommunications carrier is designated for any facilities it owns, operates, leases, or otherwise utilizes that potentially affect (a) at least ten percent of the end users served in a designated service area; or (b) a 911 special facility, as defined in 47 C.F.R. § 4.5(e). Specifically, the eligible telecommunications carrier's annual report must include information detailing: (a) the date and time of onset of the outage; (b) a brief description of the outage and its resolution; (c) the particular services affected; (d) the geographic areas affected by the outage; (e) steps taken to prevent a similar situation in the future; and (f) the number of customers affected.

This information, for the time period August 1, 2005 through December 31, 2005,¹² is contained within **Trade Secret Exhibit D**. Alltel has compiled and reported information for all outages, as defined in 47 C.F.R. § 4.5, of at least 30 minutes in duration occurring within its Minnesota

¹¹ *Annual Certification Order*, p. 9 (MPUC adopts FCC reporting requirements as set forth in the *March 17 Order*, ¶ 68 n. 191.

¹² Neither the Commission's *Annual Certification Order* nor FCC Rule 54.209(a)(2) establishes the time period to be covered by an outage report filing. Alltel has adopted August 1 through December 31 as an appropriate time period for the initial report since such information should not be required prior to the Commission's adoption of the requirement on July 21, 2005. Prior to the Commission's establishment of the ETC outage reporting requirement, Alltel did track and report outages based on the FCC's Part 4 regulations. However, FCC Rule 54.209(a)(2) established different reporting thresholds and substantive content requirements as compared to the Part 4 rules. Future outage reports will be based on a January 1 through December 31 period.

Designated Areas. Such information includes, but is not limited to, any outage that may potentially affect at least ten percent (10%) of its customers served in a service area. Similarly, the information relating to the number of customers affected by an outage is estimated based on the number of customers with a billing address in the wire center as of June 30, 2005. The exact number of customers affected would be dependent upon the number of call attempts during the service disruption, which is not capable of being ascertained.

C. Unfulfilled Requests For Service

The Commission has adopted FCC Rule 54.209(a)(3), which requires an ETC to annually report the number of requests for service from potential customers within the ETC's designated service areas that were unfulfilled during the past year. The filing must also detail how the ETC attempted to provide service to those potential customers as set forth in FCC Rule 54.202(a)(1)(i). The required information concerning Alltel's unfulfilled requests for service within its Designated Areas from August 1, 2005 through December 31, 2005¹³ is contained in **Exhibit E**.

D. Complaints Per 1,000 Handsets Or Lines

The Commission has adopted FCC Rule 54.209(a)(4), which requires an ETC to make an annual report of the number of complaints per 1,000 handsets or lines. The number of complaints per 1,000 handsets for its Designated Areas which Alltel has received from the Commission, FCC, Minnesota Attorney General, the Better Business Bureau or similar third

¹³ Neither the Commission's *Annual Certification Order* nor FCC Rule 54.209(a)(3) establishes the time period to be covered by a report of unfulfilled requests for service. Alltel has adopted August 1 through December 31 as an appropriate time period for the initial report. Future unfulfilled requests for service will be reported based on a January 1 through December 31 period. See footnote 12, *supra*.

party consumer agency between August 1, 2005 and December 31, 2005¹⁴ is 0.5204. The percentage of complaints is calculated based on the number of subscribers in the Designated Areas as of December 31, 2005.

E. Certification Regarding Applicable Service Quality Standards And Consumer Protection Rules

The Commission has adopted FCC Rule 54.209(a)(5), which requires an ETC to certify that it is complying with applicable service quality standards and consumer protection rules. Alltel's compliance with the terms and conditions of the BUS service agreement and the CTIA Consumer Code satisfies this requirement. As noted above, Alltel provides consumer protection and service quality standards in the BUS customer service agreement, and Alltel is a compliant signatory to the CTIA Code. *See supra* Section III(D). Alltel certifies that it is in compliance with these consumer protection and service quality standards.

F. Certification Regarding Its Provision Of A Comparable Local Usage Plan

The Commission has adopted FCC Rule 54.209(a)(7), which requires an ETC to certify that it is offering a local usage plan comparable to the incumbent LEC in the relevant service areas. As noted above, Alltel makes available the BUS offering, a comparable local usage plan, as well as other comparable service offerings in its Designated Areas. *See supra* Section III(E). Alltel certifies that it is offering at least one comparable local usage plan as required by Section 54.209(a)(7).

¹⁴ Future complaints will be reported based on a January 1 through December 31 period. *See* footnote 12 *supra*.

G. Certification Regarding Equal Access

Alltel certifies that the FCC, pursuant to 47 U.S.C. § 332(c)(8), may require it to provide equal access to long distance carriers within one of its Designated Areas in the event that no other ETC is providing equal access.

H. Lifeline Verification Procedures And Annual Survey

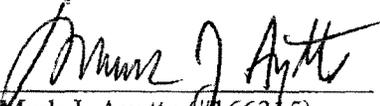
In accordance with the requirements adopted by the Commission in Docket Nos. P-999/CI-04-305 and P-999/CI-05-334, Alltel has adopted procedures to corroborate income documentation for any Lifeline customer seeking to qualify based on income-eligibility and to verify the continued eligibility of a statistically valid random sample of its Lifeline customers in the State. Attached as **Exhibit F** is a copy of Alltel's report of its verification of the eligibility of Lifeline subscribers.

V. CONCLUSION

Based on the foregoing information, WWC Holding Co., Inc. d/b/a Alltel Communications respectfully requests the Commission to certify to the FCC and USAC its eligibility to receive federal universal service support for calendar year 2007 in accordance with 47 C.F.R. §§ 54.313 and 54.414.

BRIGGS AND MORGAN, P.A.

June 1, 2006

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PUBLIC DOCUMENT - TRADE SECRET DATA REDACTED

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

LeRoy Koppendrayer	Chair
Marshall Johnson	Commissioner
Ken Nickolai	Commissioner
Thomas Pugh	Commissioner
Phyllis A. Reha	Commissioner

In the Matter of Annual Eligible
Telecommunications Carriers (ETCs) Use of
Federal Universal Service Support

MPUC Docket No. P-999/M-06-616

CERTIFICATION

The undersigned, Gene DeJordy, does hereby certify as follows:

1. I serve as Vice-President of Regulatory Affairs for Alltel Communications, Inc. and each of its affiliates and subsidiaries, including WWC Holding Co., Inc.
2. This certification is submitted in support of Alltel's ETC Certification and Annual Report in MPUC Docket No. P-999/M-06-616.
3. I have reviewed the ETC Certification and Annual Report and the facts stated therein, of which I have personal knowledge, are true and correct to the best of my present knowledge, information and belief.


Gene DeJordy

Subscribed and sworn to before me
this 31st day of May, 2006.


Notary Public



SUMMARY OF EXHIBITS

Trade Secret Exhibit A – Service Improvement Plan for the State of Minnesota

Exhibit B – Alltel Service Plans in Minnesota

Trade Secret Exhibit C – 2005 Universal Service Support and Expenditures

Trade Secret Exhibit D – Outage Report for August 1, 2005 – December 31, 2005

Exhibit E – Unfulfilled Requests for Service for August 1, 2005 – December 31, 2005

Exhibit F – Lifeline Verification Report

EXHIBIT A

**SERVICE IMPROVEMENT PLAN
FOR THE
STATE OF MINNESOTA**

See attachment

STATEMENT JUSTIFYING DATA AS TRADE SECRET

Pursuant to Minn. Stat. § 13.37 and the Minnesota Public Utilities Commission's "Revised Procedures for Handling Trade Secret and Privileged Data" (Sept. 1, 1999), Alltel provides the following statement justifying the TRADE SECRET designation of information noted above. The information set forth in Appendices A-1, A-2, A-3, A-4, A-5 and A-6 qualifies as Trade Secret under Minn. Stat. § 13.37, subd. 1(b) because it contains specific financial information and information relating to the location of Alltel's projected network improvements in Minnesota. Such information has independent economic value, is not generally known to, and not readily ascertainable by, competitors which could obtain economic value from the disclosure of this information. Alltel maintains this information as confidential and trade secret. Alltel further requests that it be treated as nonpublic, trade secret data.

Questions regarding this matter may be directed to Mark J. Ayotte, Attorney for Alltel, at (612) 977-8400.

PUBLIC DOCUMENT – TRADE SECRET DATA REDACTED

EXHIBIT A

**SERVICE IMPROVEMENT PLAN FOR THE STATE OF MINNESOTA
ON BEHALF OF WWC HOLDING CO., INC. d/b/a ALLTEL COMMUNICATIONS**

I. INTRODUCTION

WWC Holding Co., Inc. d/b/a Alltel Communications (“Alltel” or “the Company”) submits the following Service Improvement Plan and progress report pursuant to the standards established by the Minnesota Public Utilities Commission (“Commission”).¹ The Commission’s standards require a service quality improvement plan based on Sections 54.202(a)(1)(ii) and 54.209(a)(1) of the Federal Communications Commission’s (“FCC”) universal service rules, with modifications for a two-year plan and the filing of information on a service area basis.² Alltel has been designated by the Commission as a competitive eligible telecommunications carrier (“ETC”) for certain service areas within the State of Minnesota (the “Designated Areas”).³

¹ *In the Matter of Possible Changes to the Commission’s Annual Certification Requirements Related to Eligible Telecommunications Carriers’ Use of the Federal Universal Service Support, Order Setting Filing Requirements and Opening Proceeding to Consider Adopting FCC Standards for Designating Eligible Telecommunications Carriers*, MPUC Docket No. P-999/CI-05-741 (July 21, 2005) (“*Annual Certification Order*”).

² *Annual Certification Order*, p. 9; *In the Matter of a Commission Investigation to Consider Adopting the FCC’s Standards for Designating Eligible Telecommunications Carriers*, Order Adopting FCC Requirements, MPUC Docket No. P-999/CI-05-1169 (Oct. 31, 2005) (“*ETC Designation Order*”).

³ *In the Matter of Minnesota Cellular Corporation’s Petition for Designation as an Eligible Telecommunications Carrier*, Docket No. P-5695/M-98-1285, Order Granting Preliminary Approval and Requiring Further Filings (Oct. 27, 1999) (“*ETC Order I*”); *In the Matter of a Request by WWC Holding Co., Inc. for Federal ETC Status in 29 Frontier Exchanges*, Docket No. P-5696/M-01-1116, Order (Oct. 16, 2001) (“*ETC Order II*”); *In the Matter of WWC Holding Co., Inc. d/b/a CellularOne for Designation as an Eligible Telecommunications Carrier and Redefinition of Rural Telephone Company Service Area Requirement*, Docket No. P-5695/M-04-226, Order Approving Petition for ETC Designation (Aug. 9, 2004) (“*ETC Order III*”); and *In the Matter of WWC Holding Co., Inc. d/b/a CellularOne Petition for Designation as an Eligible Telecommunications Carrier and Redefinition of Rural Telephone Company Service Area Requirement*, Docket No. P-5695/M-05-1979, Order (April 7, 2006) (“*ETC Order IV*”).

As modified by the Commission in the *ETC Designation Order*, FCC Rule 54.202(a)(1)(ii) requires the submission of a Service Improvement Plan setting forth projected uses of high-cost universal service support for improvements or upgrades to the carrier's network on either a wire center-by-wire center basis or service area basis. FCC Rule 54.202(a)(1)(ii) further requires an applicant to describe how signal quality, coverage or capacity will improve due to the receipt of high-cost universal service support.

As set forth in the *Annual Certification Order*, a common carrier previously designated by the Commission as an ETC must submit the information required by Section 54.202(a) no later than June 1, 2006. In compliance with FCC Rules 54.202(a)(1)(ii), the Service Improvement Plan set forth below describes Alltel's projected use of federal high-cost universal service support for the period January 1, 2006 through December 31, 2007 for the provision, maintenance and upgrading of facilities and services for which the support is intended in the Designated Areas.

II. PROJECTED HIGH-COST SUPPORT

Pursuant to Section 254(e) of the Telecommunications Act of 1996 (the "Act"), a carrier eligible to receive federal high-cost universal service support shall use such support "only for the provision, maintenance, and upgrading of facilities and services for which the support is intended." Consistent with Section 254(e) and FCC Rules 54.7, 54.313 and 54.314, Alltel hereby certifies that all federal high-cost universal service support received will be used only for the provision, maintenance, and upgrading of facilities and services for which the support is intended.

Based on the most recent per-line support projections of the Universal Service Administrative Company ("USAC"), Alltel currently estimates that it will receive approximately \$5 million in 2006 and approximately \$5 million in 2007 of federal high-cost universal service

support for the provision of universal service within the Designated Areas in the State of Minnesota. The total projected amount of high-cost support used to develop the Service Improvement Plan is \$10.1 million. The actual amount of high-cost universal service support received by the Company for either year may vary from this estimate as universal service support levels and subscribership change over time. If the projected amount of support is not received, Alltel reserves the right to modify its Service Improvement Plan accordingly.

III. SERVICE IMPROVEMENTS

Alltel has identified certain facility construction and service quality or capacity projects that are intended to expand coverage and improve service quality within its Designated Areas in the State of Minnesota. Attached as **Trade Secret Appendix A-1** is a spreadsheet describing the types of facilities or improvements, locations, estimated population covered,⁴ projected budget and estimated deployment schedule for each of the projected improvements. Alltel will use federal high-cost universal service support to assist it in completing these improvements for purposes of expanding and improving its services in the Designated Areas.

The selection of these facility construction projects and service improvements is based on Alltel's evaluation of numerous factors, including current consumer demand, competitive forces, available capital, projected high-cost support and others. It is also based on the Company's evaluation of where current network facilities could be improved to provide better service and where current and projected consumer demand may require increased capacity. As these factors change, Alltel will reevaluate and modify its projected service improvements accordingly. The

⁴ Alltel has estimated the population covered based on data contained in MapInfo™ mapping software. For upgrades and improvements allocated to a particular facility location, Alltel has identified the estimated population of the wire center where the facility is physically located.

order in which these facilities and improvements are deployed has not been finally determined and will be revised over time.

IV. OPERATING EXPENSES

Since Alltel first began providing service in the State of Minnesota, the Company has developed a robust network throughout its licensed service areas and currently provides service to a substantial number of subscribers within its Designated Areas. Attached as **Trade Secret Appendix A-2** is a brief description of the types and locations of facilities the Company currently operates that serve the State of Minnesota.

Alltel's projected service coverage, quality and capacity improvements set forth in the Service Improvement Plan represent a substantial capital investment in new facilities and services based on the projected receipt of federal high-cost universal service support. Pursuant to Section 254(e) of the Act, the Company will utilize the federal high-cost universal service support it receives to operate, maintain and upgrade these network facilities and services consistent with the universal service objective of providing quality telecommunications services in rural and high-cost areas and to low-income subscribers. Included in **Trade Secret Appendix A-1** is a description of the projected operational costs associated with the provision of service and maintenance of facilities within the Company's Designated Areas in Minnesota.

V. ANNUAL PROGRESS REPORT

Due to changes in consumer demand, regulatory requirements, technology improvements in the wireless telecommunications industry and other factors, Alltel's Service Improvement Plan is subject to modification and amendment. In addition, the Company's proposed deployment schedule may be adjusted depending upon the amount of federal high-cost universal service support it receives and the timing of its receipt of such support. Construction of the Company's projected network facilities and completion of other upgrades is based on its estimates of

projected expenses, the per-line support available and the number of current subscribers in the Designated Areas. Should the Company's actual expenses, per-line support amount or the number of its subscribers change, it may require more time to complete the proposed service improvements.

Although Alltel's proposed Service Improvement Plan may change over time, it will continue to provide service throughout its Designated Areas to all customers upon reasonable request. Alltel will continue to respond to consumer demand and is fully committed to taking additional steps to ensure quality service. As required by the Commission's adoption of FCC Rule 54.209(a)(1), Alltel will file a progress report on its two-year Service Improvement Plan on or before June 1, 2007.

VI. PROGRESS REPORT ON SERVICE IMPROVEMENT PLAN THROUGH MAY 30, 2006

Alltel filed an initial Service Improvement Plan in Docket No. P-5695/M-05-1979. At that time, Alltel's Service Improvement Plan was limited to the specific service areas for which Alltel sought to be designated as a competitive ETC in Docket No. P-5695/M-05-1979. Alltel did not receive ETC designation in Docket No. P-5695/M-05-1979 until April 7, 2006, or less than two months ago. As a result, Alltel has incorporated its Service Improvement Plan in Docket No. P-5695/M-05-1979 into the attached **Trade Secret Appendix A-1**. Alltel has included within **Trade Secret Appendix A-1** a summary description of the status of improvements or upgrades made by the Company through May 30, 2006.

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

LeRoy Koppendrayner
Marshall Johnson
Ken Nickolai
Thomas Pugh
Phyllis A. Reha

Chair
Commissioner
Commissioner
Commissioner
Commissioner

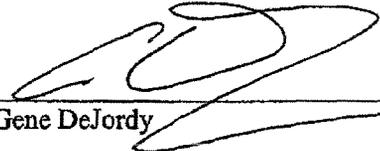
In the Matter of Annual Eligible
Telecommunications Carriers (ETCs) Use of
Federal Universal Service Support

MPUC Docket No. P-999/M-06-616

CERTIFICATION

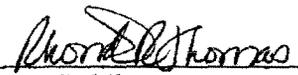
The undersigned, Gene DeJordy, does hereby certify as follows:

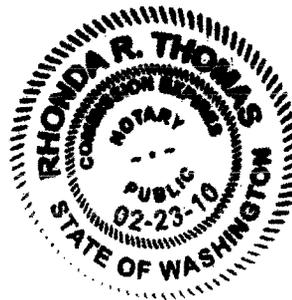
1. I serve as Vice President of Regulatory Affairs for Alltel Communications, Inc. and each of its affiliates and subsidiaries, including WWC Holding Co., Inc.
2. This certification is submitted in support of the Company's Service Improvement Plan for the State of Minnesota.
3. I have reviewed the Service Improvement Plan and the facts stated therein, of which I have personal knowledge, are true and correct to the best of my present knowledge, information and belief.


Gene DeJordy

(NOTARY SEAL)

Subscribed and sworn to before me
this 31st day of May, 2006.


Notary Public



PUBLIC DOCUMENT – TRADE SECRET DATA REDACTED

TRADE SECRET APPENDIX A-1

Projected Service Improvements

See attachment

TRADE SECRET APPENDIX A-2

Description of Types and Location of Facilities

1. Switching Facilities: Alltel's switching facilities used to provide service in the Designated Areas are as follows:

[TRADE SECRET DATA BEGINS]

[TRADE SECRET DATA ENDS]

2. Cell sites/towers: A description of Alltel's cell sites/towers serving the Designated Areas by location, including latitude and longitude, is set forth below:

[TRADE SECRET DATA BEGINS]

SITE ID	SITE NO.	TECHNOLOGY	LONGITUDE	LATITUDE
---------	----------	------------	-----------	----------

[TRADE SECRET DATA ENDS]

3. Signal Coverage: Specific information regarding Alltel's signal coverage within the Designated Areas is attached as **Trade Secret Appendix 2-B**.

EXHIBIT B

**ALLTEL SERVICE PLANS IN MINNESOTA
ELIGIBLE FOR UNIVERSAL SERVICE SUPPORT**

In addition to the US Rate Plan 1 and US Rate Plan 2 as described in the Company's Basic Universal Service Offering informational tariff filed pursuant to the Commission's Order dated October 27, 1999 in MPUC Docket No. P-5695/M-98-1285, Alltel currently makes available additional service plans in the Designated Areas. A description of the available rate plans eligible for universal service funding is attached to this **Exhibit B**. In addition to the attached service plans, Alltel provides service offerings to customers under grandfathered or legacy service plans that are no longer available to new subscribers. Each service plan includes the supported services required by FCC Rule 54.101(a)(1)-(9). Alltel's additional service plans are subject to change.

Attachment D

Texas Economic Study

**The Economic and Development Impacts of Western
Wireless Operations in Texas and the Value of Wireless
Services as Providers of Universal and Lifeline
Telecommunications Services**

By Terry L. Clower, Ph.D. and Bernard L. Weinstein, Ph.D.

Prepared on behalf of:

Western Wireless Corporation
Gene DeJordy, Vice President of Regulatory Affairs
Jim Blundell, Director of External Affairs
Mark Rubin, Director of Federal Government Affairs
3650 131st Avenue SE, Suite 400
Bellevue, Washington 98006
425-586-8700

May 5, 2003

The Economic and Development Impacts of Western Wireless Operations in Texas and the Value of Wireless Services as Providers of Universal and Lifeline Telecommunications Services

By Terry L. Clower, Ph.D. and Bernard L. Weinstein, Ph.D.¹

Section I: Introduction

The following reports our findings regarding the economic, social, and development impacts of the operations of Western Wireless telecommunications in its Texas service areas. Our analysis consists of three components. In the first, we examine the economic impacts of Western Wireless' universal service operations on the counties where it currently offers services. Part two assesses the benefits that accrue to low-income families from Western Wireless' entry into the universal service market. Finally, we address broad issues on the role telecommunications services plays in the economic development of non-metropolitan regions and how wireless telecommunications offerings can promote regional economic and community development.

Western Wireless currently serves communities in 46 Texas counties. These communities are largely rural in nature with relatively few choices in wireless or traditional telecommunications services. Table 1 provides a listing of the 48 central towns within Western Wireless' service area.

Table 1. Western Wireless Texas Markets

Central City of Market Area			
Albany	Amherst	Anson	Anton
Aspermont	Baird	Benjamin	Big Lake
Bronte	Canadian	Christoval	Eldorado
Estelline	Forsan	Fort Davis	Groom
Gruver	Hale Center	Hamlin	Hedley
Knox City	Lakeview	Lefors	Lockney
Marfa	Mclean	Mentone	Mertzon
Midkiff	Mobeetie	Moran	Panhandle
Petersburg	Robert Lee	Rochester	Roscoe
Rule	Shamrock	Sierra Blanca	Spade
Spearman	Sterling City	Toyah	Valentine
Van Horn	Wheeler	White Deer	Whiteface

Section 2: Economic Impacts of Initial Capital Investment and Operations

In this section we report the findings of our economic impact analysis of Western Wireless cellular telecommunications operations in Texas. Our estimates are based on operating expenditure and output data provided by Western Wireless using the IMPLAN impact modeling system developed by the Minnesota IMPLAN Group. This model, which is well-regarded by academic and professional researchers, provides reasonable and conservative estimates of direct, indirect, and induced impacts. Direct economic impacts represent direct spending for goods and services supporting the provision of telecommunication services within the counties served by Western Wireless. Indirect impacts occur when the company's vendors spend money in the local economy to support their business operations. Finally, induced impacts are those that result from employees and sales representatives spending a portion of their earnings in the area for groceries, household goods, dining, entertainment, and all other goods and services.

One of the primary economic advantages of wireless telecommunications services is the comparatively low level of capital investment required to initiate service when compared to traditional landline services. These lower costs allow Western Wireless to bring modern, effective telecommunication services to Texas' sparsely populated areas. However, even though initial capital expenditures are *comparatively* low, these outlays nonetheless represent substantial investment in Western Wireless' service communities. Latest available data show that Western Wireless has spent more than \$625 million to bring wireless services to its Texas markets. These expenditures temporarily boosted economic activity in the Western Wireless service area by a total of \$641.3 million, created more than 460 full-time-equivalent jobs, and increased labor income \$18.4 million (see Table 2).

Table 2

Temporary Impacts of Western Wireless Capital Investment in Texas

Description	Impact
Capital Spending	\$625,000,000
Total Economic Activity	\$641,308,000
Income	\$18,394,000
Employment (FTE)	463

Western Wireless employs more than 200 FTE staff in serving its Texas markets. In addition, cellular tower site landowners receive rental income on their land. In total Western Wireless' ongoing operations in Texas increase economic activity in its local markets by an amount exceeding \$66 million per year. This activity supports 276 FTE direct and indirect jobs paying over \$12 million per year in salaries wages (see Table 3). As Western Wireless continues to expand, these impacts will grow in tandem.

Table 3

Local Economic Impacts of Western Wireless Operations in Texas

Description	Impact
Economic activity	\$66,441,000
Income	\$12,036,000
Employment (FTE)	277

Section 3: Impacts of Western Wireless Rates

In this section we explore the cost savings and resulting economic benefits from the introduction of Western Wireless' competitive universal service offerings. Western Wireless consistently offers lower rates than incumbent carriers in its Texas markets. One of their current universal service offerings is a \$14.99 per month rate plan that includes unlimited local usage and an expanded local calling area that is about \$10 per month lower than the average rates of the incumbent service providers. This means existing Western Wireless customers are saving a total of more than \$600,000 each year on their basic wireless telecommunications services (see Table 4). Given that Western Wireless also prices additional universal service offerings and services very competitively, total savings are likely to be substantially higher.

In addition, as Western Wireless continues to expand its market penetration into Texas markets, incumbent carriers will likely lower their rates to remain competitive. For example, if incumbent telecommunications service providers were to lower their basic service rates by just \$5 per month to compete with Western Wireless' rate plans, their customers would save almost \$1 million per year on their telecommunications services.

Perhaps the most important cost saving feature of wireless telecommunications services is expanding the effective non-toll intra-LATA calling area. Most any resident or visitor to Texas's rural areas can recall paying long distance toll charges to phone a household that is literally within sight. Based on data compiled by Kridell, et al (2001)² and the IMPLAN impact model, we estimate that households in the counties where Western Wireless currently offers services spend about \$86 million per year for intra-LATA toll calls. Western Wireless households probably save more than \$1 million per year by having an expanded local calling area. Our estimates do not include savings enjoyed by all telecommunications customers as incumbent carriers expand their non-toll calling areas to compete with Western Wireless. Thus, our cost savings estimates are conservative. Total savings for rural consumers in Texas may well exceed \$2.7 million per year, and these savings translate into broader economic impacts.

On an individual level, the savings offered and induced by Western Wireless are a few hundred dollars per year per household; however, in aggregate they have an appreciable impact on local economic activity. Assuming the cost savings are fully spent,³ substitute spending on retail goods, dining, and other local purchases boost total

local economic activity. This is because almost one-half of every dollar spent on telecommunications services in Western Wireless' Texas markets actually supports economic activity in other areas, whereas most of the impact of spending on retail goods, dining, and other services tends to stay in the local area. More telling is the impact on jobs. Because retailers and hospitality industries spend a much larger proportion of their total receipts for labor compared to telecommunications services providers, substituting retail spending for telecommunications spending can create net new local jobs. Using the IMPLAN modeling system, \$2.7 million in annual spending for telecommunications services will support about 14 jobs in the Western Wireless service area. This same spending divided between retailers and dining establishments in the same area will support 87 jobs, a net increase of 73 jobs.

Table 4
Economic Impact of Savings to Texas Customers

Description	Impact
Savings	
Total annual savings for Western Wireless subscribers	\$ 613,000
Total potential annual savings from competitive response by other carriers	\$ 962,000
Total potential savings from expanded local calling areas	\$ 1,160,000
Total potential annual savings	\$ 2,735,000

Impacts of Savings on Economic Activity	
Economic impact of telecommunications spending	\$ 3,407,000
Economic impact of equal spending on retail and dining	\$ 3,930,000
Net gain in economic activity	\$ 523,000

Impacts of Savings on Job Creation	
Local jobs supported by \$2.735 million in retail and dining spending	87
Local jobs supported by \$2.735 million in telecommunications spending	14
Net gain in employment	73

The rate savings described here are especially valuable to low-income ratepayers. Saving a few hundred dollars per year means these households can better afford other living necessities. Almost one-fourth of all expenditures for telecommunications services in the counties served by Western Wireless are made by households with annual incomes less than \$15,000. There is a clear and substantial social benefit to having Western Wireless participate in life-line and universal service programs, due simply to the lower rate structure that allows low-income households to utilize telecommunications services in ways that most Texas residents take for granted.

Section 4: Impact of Wireless Telecommunications on Rural Economic Development

As the US continues its decades-long shift to an information-based economy, the presence of effective, efficient, and affordable telecommunications is a necessary, if not sufficient, condition for economic growth. In a 2001 survey of local and regional economic development organizations in the US, more than half identified working to expand their local telecommunications infrastructure as a capacity building activity.⁴ In other words, telecommunications services are essential to rural areas because enhanced connectivity is the key to improving the provision of local services, increasing the viability of local businesses, and reducing the pernicious business effects of isolation.⁵ These observations are especially applicable to the provision of broadband telecommunication services. With the continuing spread of electronic data interchange as the key medium for managing supply chains across an increasingly global geography, the *basic* level of telecommunications services required to meet the necessary conditions for economic growth are at broadband channel capacities.

Because of low population densities, the expansion of telecommunications services into rural areas has traditionally relied on government subsidies, mostly through agencies such as the Rural Electrification Administration and state regulation of rates providing cross-subsidization to rural carriers. However, with the expansion of rate deregulation and the opening of local telecommunications markets to competition, which may reduce incumbent carriers' financial ability to subsidize rural services with rates paid by urban customers, there is less likelihood rural areas will continue to obtain the telecommunications services they need to compete for industrial site locations – at least based on landline services.

As observed by Wohlbruck and Levy (2001): “[Wireless telecommunications] will become the dominant technology for most remote and low-density telephone cooperatives...for bringing broadband services to rural areas.”⁶ As technology enhances the ability to support broadband telecommunications service with comparatively low-cost wireless technologies, rural areas will be able to maintain, and perhaps increase, their ability to compete with urban and suburban communities for business expansion and relocations. These new services will be first offered in communities with high-quality existing cellular telephone infrastructures. However, recent market conditions are hampering new technology development and the expansion of even basic wireless telecommunication services.

Between March 2000 and September 2001, the S&P Communications Services Index fell 43 percent taking \$150 billion in equity off the market.⁷ The resulting loss of investor confidence has crippled the ability of telecommunications service providers to raise capital for expanding services and to fund development of new services. Moreover, with the continuing weakness in the overall economy, it still appears that industry-wide loan defaults are strong possibilities in the telecom sector. Industry analysts expect recovery in the telecommunications industry will lag other economic sectors.⁸

The downturn in the telecommunications industry and the inability of telecom service providers to tap financial markets for new capital will be especially problematic for carriers operating in rural markets. Despite efforts to introduce competition, even in

high-population density urban markets, incumbent carriers maintain a stranglehold on residential local voice markets.⁹ There is less incentive than ever before for incumbent telecommunication service providers to offer cost-effective rates and services to customers in rural markets. A competitive response to new market entrants remains the best way to encourage the provision of competitive rates and services for residential telephone customers in Texas' rural areas. The challenge will be to implement policies that can attract these new market entrants.

Western Wireless and other wireless telecommunications companies operating across the nation have taken an innovative approach for quickly developing the market base to justify entry or expansion of services in rural markets. Through their entry into the universal service market, Western Wireless is allowing rural households to use their cellular phones just like a landline system. This further allows residential users to take advantage of expanded local calling areas and reduced basic monthly rates, as discussed earlier. This universal service strategy enables wireless telecommunications to become the basic phone service for rural residents.

The low basic rates and expanded local calling areas are especially attractive to those who are least able to afford basic utility services. Lifeline and universal service households using wireless services can more readily participate in telecommunications-based social networks, which are particularly important to elderly households for safety and security. Putting it simply, the benefits intended to be provided by Texas' telecommunications lifeline and universal service programs are leveraged to much higher levels by having these services offered by providers such as Western Wireless.

Section 5: Conclusion

Rural communities across America, including those in Texas, are under severe economic strain as more and more households and businesses aggregate in urban areas. However, because broadband telecommunications networks can bring rural communities into the economic mainstream, distance does not have to mean isolation.

Wireless technology offers the best hope for developing an advanced telecommunications infrastructure in rural Texas while keeping costs at a competitive level. The key to accelerating this development will be to qualify companies such as Western Wireless as providers of universal and lifeline telecommunications services.

ENDNOTES

1. Terry L. Clower is associate director for the Center for Economic Development and Research at the University of North Texas. Prior to joining UNT in January 1992, Dr. Clower was employed in private industry in logistics and transportation management positions. Clower received a B.S. in Marine Transportation from Texas A&M University in 1982, a M.S. in Applied Economics from the University of North Texas in 1992 and a Ph.D. in Information Sciences from the University of North Texas in 1997 specializing in information policy issues and the use of information resources. Bernard L. Weinstein is director of the Center for Economic Development and Research and a professor of applied economics at the University of North Texas in Denton. He also serves as director of the Institute of Applied Economics, which offers masters degree programs in economic development. Dr. Weinstein studied public administration at Dartmouth College and received his B.A. in 1963. After a year of study at the London School of Economics and Political Science, he began graduate work in economics at Columbia University, receiving an M.A. in 1966 and a Ph.D. in 1973.

2. Kridell, D., Rappoport, P. & Taylor, L. (2001). Competition in Intra-LATA Long Distance: Carrier Choice Models Estimated from Residential Phone Bills. *Information Economics & Policy*, 13, 267-282.

3. Given the low rate of savings by households in the US, it is reasonable to assume that any savings realized from lower telecommunications service costs will likely be spent on other goods and services.

4. Clower, T. (forthcoming). Local Development in the United States of America. In Beer, Maude, and Haughton.. Bristol, UK. The Policy Press.

5. Stenberg, P., Rahman, S., Perrin, M., & Johnson, E. Rural areas in the new telecommunications era. *Rural Development Perspectives*, 12(3), 32-38.

6. Wohlbruck, A. & Levy, M. (2001). Overview of broadband technologies. *Economic Development Digest*, 12(3).

7. Thompson, J. (2002). Is telecom disconnected or just on hold? *Southwest Economy*, Issue 1.

8. Ibid.

9. Smith, M. & Price, C. (2002). Carriers rediscover enterprise customers. *Business Communications Review*. 32(11), 40-44.

Attachment E

Great Plains Certification in Nebraska
Century Tel Certification in Minnesota

P.O. Box 4065
Monroe, LA 71211-4065
Tel 318 388 9000

M-06-616



CENTURYTEL

May 31, 2006

Mr. Burl W. Haar, Executive Secretary
Minnesota Public Utilities Commission
121 Seventh Place East, Suite 350
St. Paul, MN 55101-2147

Re: CenturyTel of Chester, Inc.
CenturyTel of Minnesota, Inc.
CenturyTel of Northwest Wisconsin, LLC

Dear Mr. Haar:

Enclosed please find the affidavits of Jeffrey Glover certifying the use of USF dollars for CenturyTel of Chester, Inc., CenturyTel of Minnesota, Inc. and CenturyTel of Northwest Wisconsin, LLC. The funds received by CenturyTel will be used for the provision, maintenance and upgrading of facilities and services for which the support is intended. CenturyTel requests certification by the Minnesota Public Utility Commission to the Federal Communication Commission (FCC) and the Universal Administrative Corporation (USAC) for 2007 universal support before the October 1, 2006 deadline.

If you have questions or need additional information, please contact John Schafer at 608-441-5730 or myself at 318-362-1858.

Sincerely,

A handwritten signature in black ink, appearing to read "Terrance Hinkston".

Terrance Hinkston
Compliance Analyst

Enclosures

Cc: John Schafer

10

**BEFORE THE
MINNESOTA PUBLIC UTILITIES COMMISSION**

REQUEST FOR CERTIFICATION

CenturyTel of Chester (CenturyTel) is seeking certification of eligibility from the Minnesota Public Utilities Commission (the "Commission") in order to be eligible for support from the federal Universal Service Fund.

The certification required for rural carriers to receive federal universal service support for all four quarters during calendar year 2007 is currently due to be filed with the Federal Communications Commission ("FCC") and the Universal Service Administrative Company ("USAC") on or before October 1, 2006. The certification may be presented to these entities in the form of a letter from the State Commission. The letter must identify which carriers in the State are eligible to receive federal support during the 12-month period and must certify that the carriers listed will only use the support for the provision, maintenance, and upgrading of facilities and services for which the support is intended.

CenturyTel is a rural incumbent telephone company that has previously been designated by this Commission as an eligible telecommunications carrier. The Company provides local exchange telephone services, including all of the essential services that are included in the federal definition of universal service, to approximately 50 access lines within its established rural service area in Minnesota. CenturyTel's service area also includes customers in Iowa.

Based on the information in this filing CenturyTel requests that the Commission make the appropriate certification to the FCC and USAC.

Exhibit A provides details as to the expenditures that were incurred by CenturyTel in 2005 and estimates of the expenditures for years 2006 and 2007 for the provision, maintenance, and upgrading of facilities and services supported by federal universal service. Consistent with the universal service principals set forth in the federal law and also the FCC orders. CenturyTel will use federal universal support amounts received in 2006 to offset a portion of 2006 expenditures incurred as shown in Exhibit A. This use of federal universal service support will enable CenturyTel to: (1) maintain rates for its local exchange services that are affordable and reasonably comparable to rates being charged for the same service in urban areas; and (2) to continue to upgrade its telecommunications facilities and equipment as necessary to meet evolving service requirements and maintain high quality service. The use of federal universal service support for these purposes is clearly consistent with the federal universal service principles.

In Docket P-999/M-05-741 the Commission ordered carriers seeking annual certification for universal service support to comply with the filing requirements adopted by the FCC in CC Dock 96-45, FCC 05-46 with the modifications that (i) a report on a two-year service quality improvement plan is to be used instead of a five year plan and (ii) information may be filed on a service area basis instead of a wire-center basis. The following information is provided in compliance with this requirement.

CenturyTel's service quality improvement plan is to continue to upgrade its telecommunications facilities and equipment as necessary to meet evolving service requirements and maintain high quality service throughout CenturyTel's service area. As an incumbent local carrier CenturyTel upgrades and replaces facilities and equipment as necessary.

CenturyTel has not provided maps as no changes to our service areas have been made during the current year. The existing maps are on file with the Department of Commerce and the Department of Administration.

Additional information required is provided as follows:

During the year of 2005 there were no outages that required reporting to the FCC.

CenturyTel was able to provide service to all potential customers that requested service during 2005 and at December 31, 2005 we had no unfulfilled requests for service.

The number of complaints of service quality per 1000 handsets or lines for 2005 is less than 1 which is in accordance with state rules.

The attached affidavit contains the required certifications as they pertain to an incumbent local exchange carrier.

Also attached as Exhibit B is a copy of the Certification to USAC regarding the Lifeline Verification Survey for 2005. CenturyTel verifies all lifeline customers each year and not just a sample.

The following are the most significant investment initiatives that are planned for CenturyTel in 2006:

1. Investment to accommodate growth in demand for ADSL.
2. Investment to accommodate day-to-day changes in facilities to meet customer needs.

Based on the foregoing information, the enclosed Exhibits A and B and the enclosed Affidavit, CenturyTel requests that this Commission issue an appropriate certification to the FCC and USAC indicating that CenturyTel is in compliance with 47 U.S.C. § 254(e) and should receive all federal universal service support determined for distribution to the Company in 2007.

**Attachment to Affidavit
CenturyTel of Chester, Inc.**

Year 2005 Federal Universal Service Receipts Subject To Certification.

High Cost Loop Support	\$	28,254
ICLS Support		n/a
Safety Net Additive		\$0
Local Switching Support	\$	34,428
TOTAL	\$	62,682

Expenditures For Provision, Maintenance, and Upgrading Of Facilities and Services Supported By Federal Universal Service Funding

	<u>Actual</u>	<u>Estimated</u>	
	2005	2006	2007
Plant Specific Operations Expenses			
Network support (Accts. 6110-16)	\$ 209	\$ 286	\$ 292
General support (Accts. 6120-24)	\$ 2,593	\$ 3,295	\$ 3,360
Central office switching (Accts. 6210-6212.2)	\$ 7,392	\$ 9,823	\$ 10,020
Cable and wire facilities (Accts. 6410-6441)	\$ 11,135	\$ 15,487	\$ 15,796
Network operations (Accts. 6530-35)	\$ 10,565	\$ 9,770	\$ 9,966
Depreciation and amortization (Accts. 6560-65)	\$ 40,689	\$ 41,244	\$ 28,561
Customer operations expenses			
Customer services (Accts. 6620-23)	\$ 10,111	\$ 10,288	\$ 10,494
Corporate operations expenses			
Executive and planning (Accts. 6710)	\$ 2,050	\$ 2,225	\$ 2,270
General and administrative (Accts. 6720)	\$ 16,460	\$ 17,623	\$ 17,975
Other corporate (not included elsewhere)	\$ -	\$ -	\$ -
Total Year 2005 Supported Expenses, Before Return On Investment	\$ 101,202	\$ 110,041	\$ 98,734
Additions			
Switching (Acct. 2210, Column C)	\$ -	\$ 235	\$ -
Cable and wire (Acct. 2410, Column C)	\$ 300	\$ 3,979	\$ 2,500
TOTAL	\$ 300	\$ 4,214	\$ 2,500
Total Year 2005 Supported Expenditures, Before Return On Investment	\$ 101,502	\$ 114,256	\$ 101,234

Verification of Consumer's Continued Eligibility for Lifeline

Date: June 20, 2005

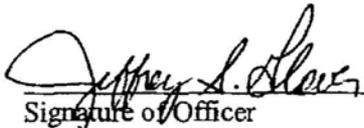
To: Vice-President, High Cost and Low Income Division
Annual Lifeline Verification
USAC
2000 L Street, NW
Suite 200
Washington, D.C. 20036

This letter is to certify that the attached subsidiaries of "CenturyTel" have procedures in place to verify the continued eligibility of its Lifeline customers.

CenturyTel sends an application along with a letter to each Lifeline customer requesting that he/she recertify for Lifeline and submit the necessary corroborating documentation. The results to date are provided in the attached chart.

To the extent any Lifeline customers qualify based on their income, I certify that my companies have income verification procedures in place and that, to the best of my knowledge, the company was presented with corroborating income documentation.

I am an officer of the company named above. I am authorized to make this certification for the Study Areas listed on the attached.



Signature of Officer

Jeffrey S. Glover

Printed Name of Officer

Vice President External Relations

Title of Officer

P.O. Box 4065, Monroe, LA 71211-4065

Company Address

318-388-9000

Company Telephone Number

CenturyTel, Inc. Company Information
Lifeline Re-certification Survey Results

Total Lifeline Customers	46,446
Letters sent in May 2005	
Number of Lifeline customers surveyed	3,713
Number of Lifeline customers found to be ineligible	0
Number of Lifeline customers who did not respond to survey	2,549
Letters sent in June 2005	
Number of Lifeline customers surveyed	3,238
Number of Lifeline customers found to be ineligible	0
Number of Lifeline customers who did not respond to survey	3,238

Approximately 3,500 letters will be sent monthly until all Lifeline customers are re-certified. They are given seventy-five (75) days to respond. If they do not respond within the allotted time frame, the Lifeline credits are expired from the account.

STUDY AREA CODE	COMPANY NAME	STATE(S)
442117	CenturyTel of Port Aransas, Inc.	TX
290557	CenturyTel of Claiborne, Inc.	TN
270423	CenturyTel of Central Louisiana, LLC	LA
401711	CenturyTel of Mountain Home, Inc.	AR
280458	CenturyTel of North Mississippi, Inc.	MS
401705	CenturyTel of Arkansas, Inc.	AR
270436	CenturyTel of North Louisiana, LLC	LA
270440	CenturyTel of East Louisiana, LLC	LA
401727	CenturyTel of South Arkansas, Inc.	AR, LA
270424	CenturyTel of Southeast Louisiana, LLC	LA
270434	CenturyTel of Evangeline, LLC	LA
270442	CenturyTel of Southwest Louisiana, LLC	LA
270431	CenturyTel of Northwest Louisiana, Inc.	LA, AR, TX
320801	CenturyTel of Odon, Inc.	IN
320747	CenturyTel of Central Indiana, Inc.	IN
310671	CenturyTel of Midwest - Michigan, Inc.	MI
330895	CenturyTel of Wisconsin, LLC	WI
330931	CenturyTel of Southern Wisconsin, LLC	WI
330877	CenturyTel of Fairwater-Brandon-Alto, LLC	WI
351126	CenturyTel of Chester, Inc.	IA
472225	CenturyTel of Idaho, Inc.	ID
290552	CenturyTel of Adamsville, Inc.	TN
401720	CenturyTel of Redfield, Inc.	AR
	CenturyTel of Northwest Ark, LLC (legal entity for T090 & T091)	
401142	CenturyTel of Russellville	AR, MO, OK
401143	CenturyTel of Siloam Springs	AR, OK
	CenturyTel of Central Ark, LLC (legal entity for T093 & T094)	
401144	CenturyTel of Mammoth Spring	AR
	CenturyTel of Jacksonville	AR
421151	Spectra Communications Group, LLC	MO
331155	Telephone USA of Wisconsin, LLC	WI
331159	CenturyTel of Central Wisconsin, LLC	WI
310702	CenturyTel of Michigan, Inc.	MI
330884	CenturyTel of Forestville, LLC	WI

AFFIDAVIT

STATE OF LOUISIANA)
)ss.
PARISH OF OUACHITA)

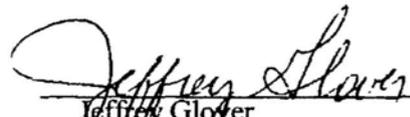
1. My name is Jeffrey Glover. I am employed by CenturyTel of Chester, Inc. (the "Company") as its Vice President External Relations. I am an officer of the Company and am authorized to give this affidavit on behalf of the Company. This affidavit is provided to support the request of the Company for certification by the Minnesota Public Utilities Commission as contemplated in 47 C.F.R. § 54.314.

2. During the year 2005, the Company received federal universal service support as shown on Exhibit 1 to this Affidavit and had investments and expense relating to the provision, maintenance and upgrading of facilities and services for which such support was intended as also shown on Exhibit 1. During the year 2005, the Company used the federal universal service support it received only for the provision, maintenance and upgrading of facilities and services for which the support is intended.

3. The Company hereby also certifies that it will only use the federal high-cost support it receives during 2007 for the provision, maintenance and upgrading of facilities and services for which such support is intended.

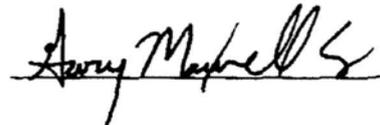
4. The Company also certifies that it is compliance with applicable rules on service quality; service provision in emergency situations and that we do provide equal access to long distance carriers.

FURTHER AFFIANT SAYETH NOT.



Jeffrey Glover
Vice President External Relations

SUBSCRIBED AND SWORN to before me this 30th day of May 2006



Gary Maxwell Cox
Louisiana Bar Roll No. 27419
Notary Public, Ouachita Parish, Louisiana
My Commission is for Life