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February 1, 2007

Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

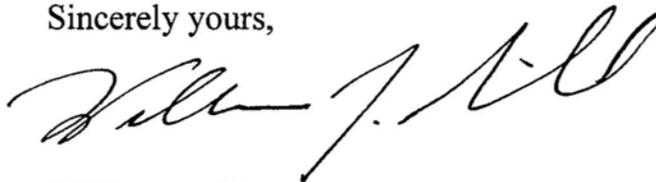
Re: *Washington RSA No. 8 Limited Partnership Quarterly E911 Status Report
CC Docket No. 94-102*

Dear Ms Dortch:

Pursuant to the Commission's *Order* in the above reference proceeding,¹ Washington RSA No. 8 Limited Partnership ("WA8LP") hereby submits its E911 status report ("Report"). This Report provides the Commission with the current status of WA8LP's progress towards compliance with the 95% handset penetration requirement set forth in Section 20.18(g)(1)(v) of the Commission's Rules.²

Please contact the undersigned if you should have any questions regarding this Report.

Sincerely yours,



William J. Sill

¹ See *In the Matter of the Commission's Rules to Ensure Compatibility with Enhanced 911 Emergency Calling Systems*, CC Docket No. 94-102, *Order*, FCC 06-25 (rel. Mar. 8, 2006); see also Request for Limited Waiver of Washington RSA No. 8 Limited Partnership, CC Docket No. 94-102 (filed Dec. 5, 2005).

² See 47 C.F.R. § 20.18(g)(1)(v).

Before the
Federal Communications Commission
Washington, DC 20554

In the Matter of)
)
Revision of the Commission's Rules to Ensure) CC Docket No. 94-102
Compatibility with Enhanced 911 Emergency)
Calling Systems)
)

To: The Commission

**WASHINGTON RSA NO. 8 LIMITED PARTNERSHIP'S QUARTERLY HANDSET
PENETRATION STATUS REPORT**

Washington RSA No. 8 Limited Partnership ("WA8LP"), by its attorneys, and pursuant to the Commission's March 8, 2006 *Order* in the above captioned proceeding,¹ was granted a limited waiver of the 95% handset penetration rate for its subscribers until October 31, 2006 and was required to file quarterly reports ("Quarterly Report") during the extension period.² WA8LP hereby submits its status report regarding its compliance with the 95% handset penetration requirement set forth in Section 20.18(g)(1)(v) of the Commission's Rules.³

To be responsive to its subscribers needs, WA8LP offers its subscribers the flexibility to subscribe to either its pre-paid program or post-paid program. Under the former, a subscriber purchases a specified dollar amount of service prior to utilizing the service and in the latter, a subscriber is billed on a monthly basis after service has been rendered. This Quarterly Report includes data and information from both programs.

¹ See *In the Matter of the Commission's Rules to Ensure Compatibility with Enhanced 911 Emergency Calling Systems*, CC Docket No. 94-102, *Order*, FCC 06-25 (rel. Mar. 8, 2006) ("Order"); see also Request for Limited Waiver of Washington RSA No. 8 Limited Partnership, CC Docket No. 94-102 (filed Dec. 5, 2005).

² See *Order*, FCC 06-25 at ¶¶ 15-17. WA8LP has submitted a request for further extension of time to comply with the 95% handset penetration rate for its subscribers. WA8LP requested a one year extension, through October 31, 2007 to achieve the 95% milestone to enable WA8LP to continue its good faith efforts, as detailed in the further extension and the instant status report, toward achieving full compliance.

³ See 47 C.F.R. § 20.18(g)(1)(v).

I. Number and Status of Phase II Requests From PSAPs

WA8LP provides cellular service on the B Block frequencies in the Washington 8 – Whitman, Idaho; in the Idaho 1(B)(2) RSA – Boundary RSA submarket, and in the Idaho 2 (B)(2) RSA submarket (Call Signs KNKN489, KNKQ400, and KNKR305). To date, WA8LP has received 5 valid requests for Phase II E911 service within the state of Washington. All 5 of these requests have been fulfilled and Phase II service is being provided. Similarly, WA8LP has received 2 Phase II requests from Idaho PSAPs in its service area, both of which have been completed.

II. Dates On Which Phase II Service Has Been Implemented/Estimated Dates On Which Phase II Service Will Be Available to PSAPs Served by Its Network

Phase II service has been implemented for the following PSAPs:

<u>PSAP Name</u>	<u>Implementation Date</u>
Asotin County, Washington	May 2005
Columbia County, Washington	May 2005
Garfield County, Washington	May 2005
Walla Walla County, Washington	May 2005
Whitman County, Washington	May 2005
City of Moscow, Idaho	June 2005
Nez Perce County, Idaho	June 2006

III. Status of Coordination Efforts with PSAPs for Alternative 95% Handset Penetration Rates

WA8LP continues to remain in regular contact with the appropriate public safety officials in its service area regarding the implementation of Phase I and Phase II E911 and updates of WA8LP's ALI-capable handset efforts. WA8LP believes the relevant PSAPs in WA8LP's service area are aware of WA8LP's handset deployment plan. Furthermore, no PSAP has expressed objection to WA8LP's handset deployment plan.

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

As reported in its May and November 2006 E911 Status Reports, WA8LP has designed multi-faceted campaign which provides a clear path to full compliance. With the goal of achieving the 95% handset penetration rate by October 31, 2007, WA8LP has an ongoing multi-tiered campaign to encourage customers to upgrade to an ALI-compliant handset:

- 1) **Free ALI-capable Handsets:** Starting in November 2003, WA8LP has provided ALI-capable handsets at no charge to new customers that selected a two year contract. WA8LP anticipates that this offering saves customers an average of \$120.

- 2) **Discounted ALI-capable Handsets:** For existing post-paid customers, WA8LP offers a \$120 ALI-capable handset discount to customers who choose to renew their service for two years. In addition, WA8LP gives post-paid subscribers that do not wish to renew for two years as well as existing pre-paid customers, a \$35 discount when they switch to an ALI-capable handset. Customers that take advantage off this discount can receive a new, ALI-capable handset for as little as \$24.95.
- 3) **Other Incentives:** To further motivate existing analog handset customers to upgrade their phone, starting in December 2005, WA8LP began giving 500 bonus minutes to qualified post-paid subscribers who choose to upgrade their analog handsets. To incent pre-paid subscribers to switch to ALI-capable handsets, in March 2006, WA8LP implemented a program to give these pre-paid subscribers a \$10 service credit when they make the switch.
- 4) **Bill Inserts:** WA8LP attached a bill insert into its post-paid subscribers bills reminding them of the discounts WA8LP offers on ALI-capable handsets. There have been three rounds of these mailings, the most recent was concluded in December 2006. WA8LP plans to continue sending these mailings to its subscribers every other month.
- 5) **WA8LP Analyzes Results of Program and Contacts Every Subscriber with an Analog Handset:** WA8LP continually analyzes the results of steps 1-4 and has, as a result, implemented and completed a direct mail flyer program and a direct phone call campaign that reached *all* of WA8LP's customers who have not yet traded in their analog phones. WA8LP's direct mailings were sent out at the beginning of May 2006, and a second round of mailings will be mailed at the beginning of August 2006. In addition, in May, August and December 2006, WA8LP's direct phone call campaign contacted each subscriber with a non-ALI capable handset urging the subscribers to trade-in their analog handsets and answered any questions they had about the benefits of Phase II service. WA8LP is re-evaluating the effectiveness of this calling subscribers to discuss transitioning to digital ALI-capable handsets in light of some subscriber-voiced dissatisfaction over this mode of contact.
- 6) **Point-of-Purchase Displays:** WA8LP produced and utilizes in-store, point-of-purchase flyers to ensure that its current and prospective subscribers are notified of their ability to trade-in their analog handset for a free digital phone.
- 7) **Website ALI Information:** Information regarding customer options to upgrade to ALI-capable phones is also available on WA8LP's website.
- 8) **Introduction of a Digital Bag Phone:** Many of WA8LP's analog handset subscribers utilize analog bag phones to obtain service in rural areas with marginal service. In September 2006, WA8LP introduced a digital bag-phone manufactured by Motorola which will have a greater range than the conventional digital handset. The digital bag phone has been a disappointment, both in terms of its range and consumer interest. While its range is somewhat better than a digital handheld phone, the digital bag phone does not provide nearly the equivalent coverage of an analog bag phone. WA8LP expects that these limitations have contributed to the fact that the company has sold less than twenty digital bag phones to date. As an alternative,

WA8LP will continue to market and install external antennas and signal boosters that can be attached to its ALI-capable digital handsets to enhance their range.

- 9) **Significant Build-out of Digital Base Stations:** As reported in its May and August 2006 E911 Status Reports, WA8LP has embarked on a significant build out campaign to construct additional facilities that will enhance the quality of its digital coverage and thus diminish any subscriber perception that currently, analog coverage exceeds digital coverage. In 2006 WA8LP had constructed and made operative 12 new digital cell sites even though it was faced with significant delays caused by weather and other circumstances beyond WA8LP's control. Another digital facility is scheduled to be completed and go on line this month.

V. Percentage of Customers with Location Capable Phones

As of the date of the instant filing, 87.1 % of WA8LP's customers have upgraded to ALI-capable handsets, up 2.5% from WA8LP's November 2006 E911 Status Report. While WA8LP still has a long way to go to reach the 95% penetration rate, WA8LP is steadfast in its desire to accomplish this goal in a timely manner and as described above, will be re-doubling its efforts in the coming months. As discussed in detail in Section IV *supra*, WA8LP has already devoted significant efforts and resources to increasing its ALI penetration rate and WA8LP will continue to explore new approaches to convince its analog holdouts that the time has come to transition to digital ALI handsets.

VI. Detailed Information on the Status in Achieving Compliance

In the course of contacting its subscribers by telephone and speaking with them in WA8LP's retail stores, WA8LP has found that many customers are exhibiting a profound reluctance to give up their current analog handsets and bag phones. The reasons for their reluctance to trade-in their phones include: 1) analog subscribers' perception that they need to retain their analog phones in order to receive service in remote areas; 2) subscribers do not believe they need ALI capabilities; 3) general reluctance to change; and 4) disappointment over the performance of digital bag phones. WA8LP is surprised by the attachment that some of its subscribers have to their analog handsets. WA8LP believes that a part of this resistance is due to the fact that Phase II service is not available to subscribers in Idaho except for around Moscow, Idaho and Nez Perce County, Idaho.⁴ Thus, analog subscribers see no "value added" to acquiring an ALI-capable handset and in fact are concerned that they will be giving up reliable coverage in fringe areas. Most disconcerting is the fact that more than a few subscribers have contacted WA8LP and stated they have received calls, bill inserts and seen promotional material offering ALI handsets, but they simply are not interested in obtaining an ALI-capable handset.

⁴ In contrast, the Eastern Sub-RSA Limited Partnership (which is also managed by Inland Cellular) has Phase II service throughout its market, and was able to reach the 95% benchmark.

Although WA8LP will re-double its outreach efforts to convince these subscribers to switch to an ALI-capable handset, WA8LP anticipates a steep uphill battle in achieving the 95% penetration rate.

DECLARATION OF GREGORY A. MARAS

I, Gregory A. Maras, do hereby declare under penalty of perjury the following is true and correct:

1. I am the Secretary of Inland Cellular Telephone Company, General Partner of Washington RSA No. 8 Limited Partnership.
2. I have reviewed the foregoing Quarterly Handset Penetration Status Report and believe it to be true and correct to the best of my knowledge, information and belief.

This declaration is executed on this 1st day of February, 2007.


Gregory A. Maras
Secretary of General Partner
Inland Cellular Telephone Company