

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

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

To: The Commission

**Leaco Rural Telephone Cooperative, Inc. 2007 Third Quarterly Handset Penetration
Status Report**

Leaco Rural Telephone Cooperative, Inc., (“Leaco”), by its attorneys and pursuant to the Federal Communication Commission’s (“FCC” or “Commission”) December 12, 2005 *Order* in the above-captioned proceeding,¹ hereby submits its third quarterly report of 2007 on the status of its compliance with the 95 percent location-capable handset penetration requirement set forth in Section 20.18(g)(1)(v) of the Commission’s rules.²

I. Number and Status of Phase II Requests from PSAPs

Leaco received a request for Phase II enhanced 911 (“E911”) service from the Lea County public safety answering point (“PSAP”) on October 12, 2006 and a request for Phase II E911 from Chaves County PSAP on January 12, 2007. Leaco has received no other PSAP requests.

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

Leaco is currently providing Phase II service to the Lea County PSAP and the Chaves County PSAP. Leaco expects Phase II service to be available to other requesting PSAPs served by Leaco within 6 months following the receipt of a valid request for service as required by Section 20.18(g)(2) of the Commission’s rules.³

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

² 47 C.F.R. § 20.18(g)(1)(v).

³ 47 C.F.R. § 20.18(g)(2).

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

Leaco remains in contact with its local PSAPs and the State of New Mexico in the State's efforts to help coordinate and implement both Phase I and Phase II E911 capabilities throughout the state.

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

While Leaco plans to retain its marketing measures that have been detailed in previous reports and in Leaco's December 12, 2006 Petition for Waiver, additional measures are needed in order for Leaco to persuade its remaining analog or TDMA holdouts to convert to location-capable CDMA handsets. Among other actions, Leaco has instituted a customer education program whereby it will now attempt to convert customers with analog or TDMA handsets to location-capable CDMA handsets by contacting each individual customer that does not have a CDMA handset and offering them a location-capable CDMA handset at no cost. In addition, these remaining holdouts will be given one month of free voice and data services. Further, these customers, who can be quite loyal to their analog "bag" phones, will be advised that Leaco has plans to discontinue the provision of analog service next year at which point their current handsets will no longer function on Leaco's wireless network. While Leaco believes this individual customer outreach will increase customer conversion to location-capable handsets, Leaco will review the results of these new measures at the end of the month and, if necessary, consider increased incentives to convert its remaining analog and TDMA holdouts.

V. Extent of Subscribers with Analog Service Only

Leaco cannot determine the percentage of its analog-only customers that utilize service in areas where there is only analog service. Based upon information from Leaco's mobile switch, Leaco estimates that less than twenty percent of its customers are using analog-only handsets. Leaco currently serves approximately 4,200 customers in rural New Mexico.

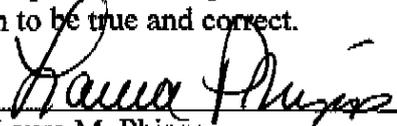
VI. Information on Leaco's Implementation Status and Percentage of Customers with Location-Capable Handsets

As Leaco discussed in its 2007 First Quarterly Handset Penetration Status Report, Leaco's late 2006 conversion to CDMA has speeded progress toward reaching the Commission's 95 percent benchmark. To date, 62 percent of Leaco's subscribers have location-capable handsets. After experiencing rapid adoption of location-capable handsets, the pace of handset conversions has slowed markedly in recent months. Accordingly, even with the implementation of new marketing and outreach measures discussed *supra*, Leaco does not expect to meet the Commission's 95 percent benchmark by September 12, 2007 as it previously had expected. Leaco therefore plans to amend its Petition for Waiver in the near future to modify its expected compliance date.

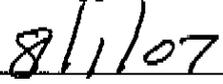
DECLARATION OF LAURA M. PHIPPS

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

1. I am the General Manager of Leaco Rural Telephone Cooperative, Inc.
2. I have read the foregoing "Leaco Rural Telephone Cooperative, Inc. 2007 Third Quarterly Handset Penetration Status Report." I have personal knowledge of the facts set forth herein, and believe them to be true and correct.



Laura M. Phipps



Date