Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of Federal-State Joint Board On Universal Service	)	CC Docket No. 96-45
Petitions for Waiver of Section 54.209 of the Commission's Rules by Pine Belt Cellular, Inc., Gila River Telecommunications, Inc. and Saddleback Communications	)	DA 07-4592

To: Wireline Competition Bureau

REPLY COMMENTS OF PINE BELT CELLULAR, INC.

Pine Belt Cellular, Inc. ("Pine Belt"), by undersigned counsel, hereby files reply comments regarding the issues presented in above-captioned petitions and the Notice of Oral Ex Parte Presentation filed by Gila River Telecommunications, Inc. ("Gila River") in the above-referenced docket. In its Petition for Waiver ("Petition") Pine Belt respectfully requested that the Commission waive the October 1, 2007 deadline set forth in section 54.209 of the Commission's rules for the filing of an annual compliance report in relation to receipt of high-cost universal service ("USF") support.

Pine Belt, along with the other two petitioners, Gila River and Saddleback Communications ("Saddleback") have made a compelling case for grant of waiver. Pine Belt is a small company serving rural customers. It has made diligent efforts to meet its regulatory obligations, and has hired outside consultants to assist its small staff in meeting regulatory requirements and deadlines. Like the other two

petitioners, Pine Belt and its customers will suffer hardship if USAC withholds funds for the first quarter of 2008 due to the confusion over the October 1, 2007 reporting requirement deadline.

Gila River's Petition points out several sources of confusion about the Section 54.209 reporting requirement. In the Code of Federal Regulations, following 47 CFR §54.209, currently there is an "effective date note" stating that because the text of the rule contains information collection and recordkeeping requirements, the rule will not become effective until approval has been given by the Office of Management and Budget ("OMB"). According to a procedural conversation undersigned counsel recently had with Commission staff, apparently OMB approval was subsequently obtained by the Commission. However, it remains unclear, following OMB approval, whether the FCC or USAC gave any further formal (or informal) notice to affected carriers. In any event, the confusing "effective date note" remains in the Code of Federal Regulations. Further, as Pine Belt pointed out in its Petition, neither the Commission nor USAC included any specific notices about the October 1, 2007 Section 54.209 reporting requirement on any of its website locations or calendars. Clearly, the filing date was not well-publicized, and, as Gila River points out, many carriers subject to state regulation are not even required to file the report to receive USF support.

Notice of the effective date of the rule should have been more clearly provided to carriers subject to the rule. As the Commission knows, a fundamental principle of the administrative process is notice. Even a more basic equitable principle is that if notice is inadequate, and failure to comply with the rules results

in a harsh sanction, then the rules should be waived to prevent an inequitable result. Given such lack of transparency, coupled with disparate treatment in the application of the rule, the sanction for non-compliance is particularly harsh and inequitable.

As Gila River discusses, the rule is disparately applied to similarly situated carriers based upon the patchwork of different federal and state requirements. Pine Belt's incumbent local exchange ("ILEC") sister company, Pine Belt Telephone Company, is an Alabama rural ETC. The Alabama Public Service Commission does not require Pine Belt Telephone to make the Section 54.209 filing. The difference in the reporting requirements, coupled with the fact that both Pine Belt Cellular and Pine Belt Telephone share certain administrative resources, including those employed for regulatory reporting, further contributed to the confusion about regulatory compliance requirements for Pine Belt Cellular in this instance.

Pine Belt has filed the requested information with USAC, along with all other information USAC needs to process payment of USF funds to Pine Belt. If the funds are withheld, Pine Belt's rural customers will not receive the benefits of service improvements to their region. Such result is not in the public interest. Pine Belt respectfully requests that the Commission waive its rules to permit the release of first quarter 2008 USF funds to Pine Belt. In addition, Pine Belt supports waiver of the rules with respect to Gila River and Saddleback, and encourages the Commission to work with USAC to make sure that in the future all reporting requirements are clearly communicated to carriers.

WHEREFORE, Pine Belt respectfully requests that the Commission waive Section 54.209 of the Rules to permit Pine Belt to receive the USF funds to which it

is otherwise entitled, or clarify that due to the confusing language contained in the Code of Federal Regulations, that the Commission will accept Pine Belt's compliance report as timely filed, and instruct USAC to release the first quarter of 2008 funds to Pine Belt.

Respectfully submitted,

PINE BELT CELLULAR, INC.

By its Attorney

Phyllis A. Whitten
1629 K Street, N.W.
Suite 300
Washington, D.C. 20036
(202) 550-0722
pawhitten@earthlink.net

John C. Nettles, President
Pine Belt Cellular, Inc.
3984 County Road 32
Arlington, Alabama 36722

November 30, 2007

CERTIFICATE OF SERVICE

I, Phyllis A. Whitten, hereby certify that on this 30th day of November 2007 copies of the foregoing Reply Comments were delivered by e-mail to those marked (*) and by First Class mail to the following:

Jennifer McKee* (Jennifer.McKee@fcc.gov)
Telecommunications Access Policy Division
Wireline Competition Bureau
Federal Communications Commission
445 12th Street, S.W., Room 5-B550
Washington, D.C. 20554

David Duarte * (David.Duarte@fcc.gov)
Telecommunications Access Policy Division
Wireline Competition Bureau
Federal Communications Commission
445 12th Street, S.W., Room 5B-441
Washington, D.C. 20554

Karen Majcher
Vice President, High Cost Programs
USAC
2000 L Street, N.W., Suite 200
Washington, D.C. 20036

Best Copy and Printing, Inc.
445 12 Street, S.W.
Room CY-B402
Washington, D.C. 20554

James U. Troup * (jtroup@venable.com)
Tony S. Lee* (tslee@venable.com)
Venable LLP (Counsel to Gila River)
575 7th Street, N.W.
Washington, D.C. 20004

Mitchell F. Brecher * (BrecherM@gtlaw.com)
Greenberg Traurig (Counsel to Saddleback)
800 Connecticut Ave., N.W., Suite 500
Washington, D.C. 20006

Phyllis A. Whitten