



Received & Inspected

MAR 31 2009

FCC Mail Room

March 30, 2009

Via Electronic Filing

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

Re: March 30, 2009 Form 525 filing with Tribal Lands Exception; and **Federal-State Joint Board on Universal Service**, CC Doc. No. 96-45; and **High-Cost Universal Service Support**, WC Docket No. 05-337

Dear Ms. Dortch:

Sagebrush Cellular, Inc. ("Sagebrush") is respectfully filing this letter in conjunction with its March 30th, 2009 Form 525 submission. We feel this letter is required for the FCC and USAC to establish a record that follows our December 30th, 2008 response to Commission's Public Notice issued on December 10, 2008, and designated DA 08-2684 in the above-referenced proceedings (the "Notice"), and our December 30th, 2008 Form 525 in which we elected to utilize the tribal land exception to the interim, emergency cap that the Commission established in its May 1, 2008 *Interim Cap Order*.

The Notice was issued in the context of the Commission's May 1, 2008 *Interim Cap Order* decision to establish an interim, emergency cap on the amount of universal service high-cost support that competitive ETCs (CETCs), including Sagebrush, may receive. In accordance with the *Interim Cap Order*, the CETC support for each state is capped, on an annualized basis, at that the level of support that each CETC in a state was eligible to receive during March 2008.

In the interval since the release of the *Interim Cap Order*, the FCC and USAC have not provided specific guidance for CETCs electing the tribal land exception to modify and appropriately report their tribal land exempted lines in their Form 525 submissions. Therefore we are utilizing our December 30th, 2008 letter, and this letter to specifically identify the lines that historically qualify for the exception.

In addition, the Commission recently released an Order waiving, on its own motion, the limitation on the availability of uncapped high-cost universal service support for CETCs serving tribal lands (referred to by the FCC as "Covered Locations") in Docket No. 96-45, Order, FCC 09-16 (March 5, 2009). Specifically, this order waived the restriction limiting the availability of uncapped support "to one payment per each residential account". Notably, the FCC also clarified

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that the waiver would apply retroactively, effective as of August 1, 2008 (the effective date of the *Interim Cap Order*).

Accordingly, Sagebrush again reiterates that it qualifies for, and has formally elected to utilize the limited exception to the interim cap established in the *Interim Cap Order*. Since we are still waiting for the release of a formal election methodology, we are filing our March 30th Form 525 with the total number of lines in service, and we are providing USAC with the number of qualified accounts, as amended by the FCC's recent order - Docket No. 96-45, Order, FCC 09-16 (March 5, 2009). We will provide USAC with a similar letter that quantifies the accounts served on the Tribal Lands (Fort Peck and Crow Reservations) in our designated study areas. The letter to USAC will establish that as of September 30th, 2008 (line counts represented on March 30th, 2009 Form 525) Sagebrush serves 6,268 qualifying accounts located on tribal lands constituting Covered Locations as defined in the *Interim Cap Order*, that should be an exception from the interim cap. This is out of a total of 11,737 lines reported on the Sagebrush Form 525 for Montana. Our understanding is that this means that 6,268 will be excepted and treated under the former identical support methodology, while 5,469 (11,737 – 6,268 = 5,469) will be treated under USAC's interim cap methodology.¹

Additionally, we will restate the June 30th, 2008 lines filed on our December 30th Form 525 to reflect adjustments caused by amendments in the FCC's recent order – Docket No. 96-45, Order, FCC 09-16 (March 5, 2009). These restated lines are 7,714 qualifying accounts located on tribal lands constituting Covered Locations as defined in the *Interim Cap Order*, that should be an exception from the interim cap. This is out of a total of 11,564 lines reported on the December 30th, 2008 Sagebrush Form 525.

Please direct any questions regarding this matter to the undersigned.

Sincerely,



Shawn Hanson
Sagebrush GM

Cc: Karen Majcher, USAC Vice President, High Cost & Low Income Division
Jennifer McKee, Acting Division Chief, CC Telecommunications Access Policy Division,
Wireline Competition Bureau

¹ In addition, Sagebrush respectfully notes that it has not waived its right, as established by the *Interim Cap Order*, to determine subsequently the amount of high-cost support it receives on the basis of the submission of its own costs.

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FCC Form 525
High Cost Support Mechanism
Competitive Carrier Line Count Report

FCC Form 525
OMB Control No. 3060-0986
January 2005

COMPETITIVE CARRIERS HIGH COST DATA SUBMISSION

(1) Quarterly Submission Date:	03/27/2009
(2) USAC Service Provider Identification Number (SPIN):	143000729
(3) Company Study Area Code: (First time filers leave blank and a Study Area Code will be assigned)	489006
(4) Study Area Name:	Sagebrush Cellular, Inc.
(5) Company Legal Name:	Sagebrush Cellular, Inc. dba Nemont
(6) Filer 499 ID:	805272

Check Box if this is a new address/contact from a previous data submission:

(7) Mailing Address:	PO Box 600, Scobey, MT 59263-0600		
(8) Contact Name:	Aimee Dietrich	(9) Title:	Billing/Finance/Accounting/Regulatory Manager
(10) Telephone Number:	406-783-2225		
(11) E-mail Address:	aimee.dietrich@nemont.coop		

Do Not Write in this Area:
For Administrator's Use Only

(12) Mechanism for which you are requesting support:	(13) Lines Reported as of:	(14) Type of Filing		(15) Worksheet to Complete
		Original	Revision	
High Cost Loop Support (HCL)	9/30/2008	X		Complete HCL and LSS
Local Switching Support (LSS)	9/30/2008	X		Complete HCL and LSS
Interstate Common Line Support (ICLS)	9/30/2008	X		Complete ICLS Worksheet
High Cost Model Support (HCM)				Complete HCM Worksheet
Interstate Access Support (IAS)				Complete IAS Worksheet

TO BE COMPLETED BY THE REPORTING CARRIER, IF THE REPORTING CARRIER IS FILING FCC FORM 525 ON ITS OWN BEHALF:

Certification of Officer or Employee as to the Accuracy of the Data Reported in FCC Form 525, Line Count Report for Competitive Carriers, on Behalf of Reporting Carrier			
I certify that I am an officer or employee of the reporting carrier; my responsibilities include ensuring the accuracy of the actual line count data reported on FCC Form 525; and, to the best of my knowledge, the information reported on this form is accurate.			
Name of Reporting Carrier: Sagebrush Cellular, Inc.			
Service Provider Identification Number: 143000729			
Signature of authorized officer or employee: <i>Shawn Hanson</i>			Date: 03/27/2009
Printed name of authorized officer or employee: Shawn Hanson			
Title or position of authorized officer or employee: CEO			
Telephone number of authorized officer or employee: (406) 783 - 2200 ext.			
Study Area Code of Reporting CETC	489006	Filing Due Date for this form (mm/dd/yyyy)	3/30/2009
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.			