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September 30, 2009

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## VIA ELECTRONIC FILING

Marlene H. Dortch  
Secretary  
Federal Communications Commission  
445 12th Street, S.W., Room TW-A306  
Washington, DC 20554

## VIA HAND DELIVERY

Karen Majcher  
Vice President, High Cost & Low Income Division  
USAC  
2000 L St., N.W., Suite 200  
Washington, D.C. 20036

Re: Federal-State Joint Board on Universal Service  
CC Docket No. 96-45

Dear Secretary Dortch:

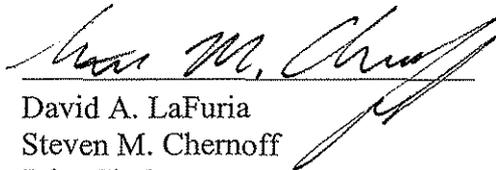
On behalf of Cellular South Licenses, Inc. (SAC 259004) ("Cellular South"), please find attached a redacted, public version of Cellular South's Annual ETC Report submitted under Section 54.209 of the FCC's Rules ("ETC Report"). The attached ETC Report has been marked "REDACTED – FOR PUBLIC INSPECTION."

Marlene H. Dortch  
Secretary  
Federal Communications Commission  
September 30, 2009  
Page 2

Cellular South is also submitting to the FCC, under separate cover, a confidential version of this ETC Report. The confidential version is marked "**CONFIDENTIAL – NOT FOR PUBLIC INSPECTION.**"

Please contact the undersigned at 703-584-8666 if any questions arise concerning the above-referenced enclosures or if you require any additional information.

Sincerely,



David A. LaFuria  
Steven M. Chernoff  
John Cimko

Attorneys for:  
*Cellular South Licenses, Inc.*

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

In the Matter of )  
Federal-State Joint Board on ) CC Docket No. 96-45  
Universal Service )  
\_\_\_\_\_ )

ANNUAL ETC REPORT OF CELLULAR SOUTH LICENSES, INC.

Cellular South Licenses, Inc. (“Cellular South”, the “Company”) an Eligible Telecommunications Company (“ETC”) in the State of Alabama hereby provides the Commission with an annual compliance filing containing information as set forth in the Commission’s Order in the above-captioned proceeding (“*ETC Certification Order*”)<sup>1</sup> and in the Commission order designating the Company as an ETC.<sup>2</sup>

**1. Construction Plan Progress and Use of Support.**

Pursuant to the *ETC Report and Order*, an ETC must:

submit . . . progress reports on the ETC’s five-year service quality improvement plan, including maps detailing progress towards meeting its plan targets, an explanation of how much universal service support was received and how support was used to improve signal quality, coverage, or capacity; and an explanation regarding any network improvement targets that have not been fulfilled.<sup>3</sup>

Cellular South was first designated as an ETC in Alabama on December 4, 2002.

<sup>1</sup> *Report and Order In the Matter of the Federal-State Joint Board on Universal Service*, 20 FCC Rcd 6371 ( 2005) (“*ETC Certification Order*”).

<sup>2</sup> *See Federal-State Joint Board on Universal Service, Cellular South License, Inc.*, DA 02-3317 (W.C.B. rel. Dec. 4, 2002).

<sup>3</sup> *See ETC Certification Order*, 20 FCC Rcd at 6400.

Cellular South provides its five-year plan in Exhibit A.<sup>4</sup> During the twelve-month period from July 1, 2008, to June 30, 2009, the company received a total of \$194,898 in Universal Service Support. Information provided below is as of June 30, 2009, which is the Company's most recent quarterly period for which accounting data is available.

During the same period, Cellular South invested [BEGIN CONFIDENTIAL] [REDACTED] [END CONFIDENTIAL] in capital improvements. Cellular South [BEGIN CONFIDENTIAL] [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] [END CONFIDENTIAL].<sup>5</sup> Cellular South has also improved existing cell site coverage, performance, and reliability by upgrading antennas, deploying generators, and installing microwaves.

**2. Outage Reporting.**

For the period beginning July 1, 2008, through June 30, 2009, Cellular South did not have any outages of at least 30 minutes in duration on the facilities it owns, operates, leases, or otherwise utilizes that potentially affect at least 10 percent of the end users served in its designated service area in Alabama, pursuant to the *ETC Certification Order*.<sup>6</sup>

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<sup>4</sup> This information is also proprietary and competitively sensitive; therefore, it is also being submitted under seal and is subject to Cellular South's request for confidential treatment.

<sup>5</sup> The cap imposed by the Commission on high-cost support provided to wireless ETCs has reduced funding that otherwise would have been available to Cellular South in Alabama by approximately 50 percent, necessitating delays in construction in areas that otherwise would have received service.

<sup>6</sup> See *ETC Certification Order*, 20 FCC Rcd at 6400.

**3. Service Requests.**

For the period beginning July 1, 2008, through June 30, 2009, there were no unfulfilled requests for service from potential customers within the designated ETC service area. However, Cellular South hereby certifies that it continues to follow the six-step process for provisioning service to requesting customers.

Specifically, in response to such requests for service at a residence or business, Cellular South will take the following steps:

1. If a request comes from a customer within its existing network, Cellular South will provide service immediately using its standard customer equipment.

2. If a request comes from a customer residing in any area where Cellular South does not provide service, Cellular South will take a series of steps to provide service.

\* First, it will determine whether the customer's equipment can be modified or replaced to provide acceptable service.

\* Second, it will determine whether a roof-mounted antenna or other network equipment can be deployed at the premises to provide service.

\* Third, it will determine whether adjustments at the nearest cell site can be made to provide service.

\* Fourth, it will determine whether there are any other adjustments to network or customer facilities which can be made to provide service.

\* Fifth, it will explore the possibility of offering the resold service of carriers that have facilities available to that location.

\* Sixth, Cellular South will determine whether an additional cell site, a cell-extender, or repeater can be employed or can be constructed to provide service, and

evaluate the costs and benefits of using scarce high-cost support to serve the number of customers requesting service. If there is no possibility of providing service short of these measures, Cellular South will notify the customer and notify the Commission of how many requests for service could not be filled in its next annual certification report. The Commission will retain authority to resolve any customer complaints that Cellular South has refused to respond to a reasonable request for service.

**4. Consumer Complaints.**

For the period beginning July 1, 2008, through June 30, 2009, Cellular South did not receive and is not aware of any complaints filed with the Commission in the designated ETC service area.

**5. Commitment to CTIA's Consumer Code for Wireless Services.**

In the *ETC Certification Order*, the Commission reiterated that carriers must certify that they comply with applicable service quality and consumer protection standards, *e.g.*, the CTIA Consumer Code for Wireless Services ("CTIA Code").<sup>7</sup>

Cellular South hereby certifies that it abides by the CTIA Code, as it may be amended from time to time, for all of its operations in Alabama. The Company is a signatory to the CTIA Code and is listed with the CTIA as having fully implemented the CTIA Code's provisions.<sup>8</sup>

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<sup>7</sup> Under the CTIA Consumer Code, wireless carriers agree to: (1) disclose rates and terms of service to customers; (2) make available maps showing where service is generally available; (3) provide contract terms to customers and confirm changes in service; (4) allow a trial period for new service; (5) provide specific disclosures in advertising; (6) separately identify carrier charges from taxes on billing statements; (7) provide customers the right to terminate service for changes to contract terms; (8) provide ready access to customer service; (9) promptly respond to consumer inquiries and complaints received from government agencies; and (10) abide by policies for protection of consumer privacy. The CTIA Code can be viewed on the Web at <http://files.ctia.org/pdf/ConsumerCode.pdf>.

<sup>8</sup> See CTIA website, [http://www.ctia.org/consumer\\_info/index.cfm/AID/10623](http://www.ctia.org/consumer_info/index.cfm/AID/10623).

**6. Ability to Remain Functional in Emergencies.**

The Commission's rules require an ETC applicant to:

demonstrate its ability to remain functional in emergency situations, including a demonstration that it has a reasonable amount of back-up power to ensure functionality without an external power source, is able to reroute traffic around damaged facilities, and is capable of managing traffic spikes resulting from emergency situations.<sup>9</sup>

Cellular South is mindful of the importance of ensuring uninterrupted service so that law enforcement and public safety officials, as well as the general public, can make important calls in the event of a hurricane or other emergency. Cellular South hereby certifies that the Company is capable to function in emergency situations as defined in the above-referenced *ETC Certification Order* via the Company's generators and via temporary microwaves.

**7. Local Usage.**

In the *ETC Certification Order*, the Commission concluded that each ETC must annually certify that it offers at least one local usage plan comparable to the one offered by the incumbent local exchange carrier ("LEC") in the service areas for which the applicant seeks designation.<sup>10</sup> In the *ETC Certification Order*, on which that requirement was based, the Commission declined to adopt a specific local usage threshold or require that an applicant match the incumbent's offering. Rather, the Commission concluded that the comparability of rate plans should be evaluated on a case-by-case basis, in consideration of the number of included minutes, the size of the "local" calling area, monthly price, and other factors. As examples, the Commission mentioned that an

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<sup>9</sup> *ETC Certification Order*, 20 FCC Red at 6382-83.

<sup>10</sup> *See id.* at 6385.

applicant may offer “a local calling plan that has a different calling area than the local exchange area provided by the LECs in the same region, or . . . a specified number of free minutes of service within the local service area.”<sup>11</sup> The Commission also envisioned cases where an applicant may offer an unlimited calling plan that bundles local minutes with long distance minutes.<sup>12</sup>

Cellular South satisfies the Commission’s local usage requirement. Customers may choose from a variety of plans with different combinations of local calling areas, included minutes, and monthly rates, to suit individual consumer needs. Cellular South offers a number of usage plans that allow customers to make calls or travel beyond the local calling area without incurring toll or roaming charges. The Nationwide 750 Plan, for example, offers unlimited calling within the Cellular South licensed area, unlimited nationwide long distance, and unlimited mobile-to-mobile calling, plus 750 minutes of nationwide roaming without per-minute charges, at a monthly rate of \$59.99.

Cellular South’s service offering described above allow consumers to select a plan that provides them with equal or greater value than a wireline rate plan. Cellular South’s licensed area – its smallest ‘local’ calling area – is much larger than rural incumbent LEC local calling areas, which typically allow a consumer to reach only a few hundred or a few thousand people within an area made up of a handful of exchanges. Consumers who make calls primarily within Cellular South’s licensed area will benefit from unlimited local calling at a low monthly price. If they travel more or make many calls to relatives or business associates beyond that area, they may benefit from one of the nationwide plans. Providing deeper geographic reach delivers a significant benefit to the

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<sup>11</sup> *Id.*

<sup>12</sup> *Id.*

consumer, and the Commission has cited studies concluding that “wireless service is cheaper than wireline, particularly if one is making a long distance call or when traveling.”<sup>13</sup>

In sum, Cellular South certifies that it offers at least one plan that is comparable to incumbent LEC rate plans under the applicable Commission test.

**8. Equal Access.**

As required of applicants before the Commission under the *ETC Certification Order*,<sup>14</sup> Cellular South acknowledges that the Commission may require it to provide equal access to interexchange carriers in the event no other ETC is providing equal access in the designated ETC service area.

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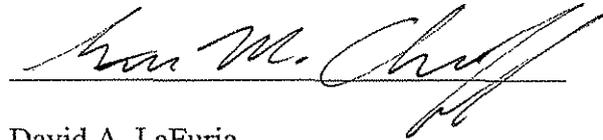
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<sup>13</sup> Implementation of Section 6002(b) of the Omnibus Budget Reconciliation Act of 1993, Annual Report & Analysis of Competitive Market Conditions with Respect to Commercial Mobile Servs., *Ninth Report*, 19 FCC Rcd 20597, 20684 (2004).

<sup>14</sup> See *ETC Certification Order*, 20 FCC Rcd at 6386.

We trust that you will find this to be responsive to the compliance materials requested in the *ETC Certification Order* and in the orders designating Cellular South as an ETC in Alabama.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Steven M. Chernoff", is written over a horizontal line.

David A. LaFuria  
John Cimko  
Steven M. Chernoff  
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(703)584-8678

Attorneys for:  
*Cellular South Licenses, Inc.*

Dated: September 30, 2009

**EXHIBIT A**

**UPDATED FIVE-YEAR SERVICE QUALITY IMPROVEMENT PLAN**

**THIS EXHIBIT IS WITHHELD FROM THE PUBLIC COPY  
AS THE FILER HAS REQUESTED CONFIDENTIAL TREATMENT**

**DECLARATION UNDER PENALTY OF PERJURY**

I, Benjamin C. Pace, do hereby declare under penalty of perjury as follows:

1. I am the Chief Financial Officer of Cellular South Licenses, Inc. ("Cellular South").

2. This Affidavit is submitted in support of Cellular South's Annual Compliance Filing and Request for Recertification, pursuant to *Report and Order In the Matter of the Federal-State Joint Board on Universal Service*, FCC 05-46 (rel. March 17, 2005) and Sections 54.202 and 54.209 of the FCC's Rules.

3. I declare under penalty of perjury that the statements contained in the foregoing Annual Compliance Filing are true and correct to the best of my knowledge.

Executed on September 30<sup>th</sup>, 2009

Benjamin C. Pace  
Benjamin C. Pace  
Chief Financial Officer  
Cellular South Licenses, Inc.

**SUBSCRIBED, SWORN TO AND ACKNOWLEDGED** before me this 30<sup>th</sup> day of September, 2009.

Margie L. Hendricks  
NOTARY PUBLIC

My Commission Expires \_\_\_\_\_

