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February 2, 2011

VIA ELECTRONIC FILING

Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street, S.W., Room TW-B204
Washington, DC 20554

Re: United States Cellular Corporation
WC Docket No. 05-337; CC Docket No. 96-45;
GN Docket No. 09-51; WC Docket No. 06-122
CC Docket No. 01-92

Madam Secretary:

In accordance with Section 1.1206 of the Commission's rules, 47 C.F.R. § 1.1206, we hereby provide you with notice of an oral ex parte presentation in connection with the above-captioned proceeding. On February 1, 2011, undersigned counsel, on behalf of United States Cellular Corporation, met with Zac Katz, Sharon Gillett, James Schlichting, Carol Matthey, Patrick Halley, and Michael Steffen to discuss the upcoming Connect America Fund item and related matters.

We discussed the importance of federal high-cost support in driving infrastructure development in America's rural areas. Specifically, U.S. Cellular combines support with its own capital budget to build new cell sites in many areas that would not otherwise receive service. Access to high-cost support will be critical to U.S. Cellular's ability to roll out 4G infrastructure in rural areas.

We discussed the fact that reductions in intercarrier compensation rates have generally resulted in wireless carriers reducing prices to consumers or increasing the quantity of service offered. We included a chart showing how the cost of wireless service dropped from approximately 29 cents per minute to approximately 6 cents per minute during the time that the Commission acted to move support from implicit access rates into an explicit universal service mechanisms.

U.S. Cellular reiterated its opposition to reverse auctions, as set forth in its written comments. Auctions will lead to the creation of a dominant carrier in rural areas, precisely the problem that the 1996 Act was intended to resolve. U.S. Cellular also reiterated its request that the Commission consider establishing an efficient level of support for each service area, using a forward-looking cost model, which would allow multiple carriers to compete in the marketplace.

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Such a mechanism would act as a cap on support and it would be consistent with Congressional intent that federal universal service rules preserve and advance universal service, and promote competition. U.S. Cellular agreed that the current mechanism for providing support should be rationalized so that all carriers are required to demonstrate that support is being used for appropriate purposes, and invested efficiently.

U.S. Cellular also urged reform of the contribution methodology, noting that as access line loss and VoIP services continue to accelerate, the current methodology which limits contributions to interstate revenues is unsustainable. The concept of universal service requires all users of the network to contribute some small amount to ensure access by all, increasing the value of the entire network for the nation and the current mechanism fails to collect support from a sufficiently broad base of network users.

We discussed carrier of last resort obligations. U.S. Cellular has no objection to assuming such obligations, provided that they are properly defined, administered on a competitively neutral basis, and provide for recovery of deployment costs in a manner that is similar to that which is common today in many states. U.S. Cellular believes that carrier of last resort obligations should largely be reserved for areas with only one provider, and are not necessary in areas where multiple providers are able to serve citizens,

Finally, U.S. Cellular urged the Commission to make broadband a supported service pursuant to the provisions of Section 254 of the Act at the earliest possible date. If broadband is not defined as a supported service, then it will be difficult to implement reform that provides market participants with needed regulatory certainty.

Copies of documents provided at the meeting are enclosed.

If you have any questions or require any additional information, please contact undersigned counsel directly.

Sincerely,



David A. LaFuria
Counsel for United States Cellular Corporation

Enclosures

cc: Zac Katz, Esq.
Sharon Gillett, Esq.
James Schlichting, Esq.
Carol Matthey, Esq.
Patrick Halley, Esq.
Michael Steffen, Esq.