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FILED/ACCEPTED

SEP 29 2011

September 29, 2011
Federal Communications Commission
Office of the Secretary

PUBLIC REFERENCE COPY

VIA HAND DELIVERY

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

With a copy to:

Karen Majcher
Vice President, High Cost & Low Income Division
Universal Service Administrative Company
2000 L Street, N.W. Suite 200
Washington, DC 20036

Re: Federal-State Joint Board on Universal Service
WC Docket No. 09-197

Dear Secretary Dortch:

On behalf of New York RSA 2 Cellular Partnership (SAC 159015 for New York) ("New York RSA 2"), please find attached a redacted, public version of New York RSA 2's Annual ETC Report under Section 54.209 of the FCC's Rules ("ETC Report"). The attached ETC Report has been marked "**REDACTED – FOR PUBLIC INSPECTION.**"

NY RSA 2 is also submitting, under separate cover, a confidential version of this ETC Report. The confidential version is marked "**CONFIDENTIAL – NOT FOR PUBLIC INSPECTION.**"

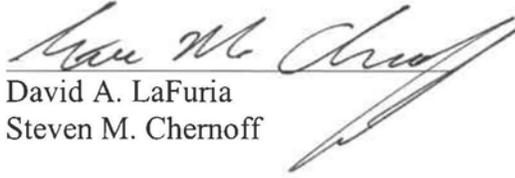
An original and four (4) copies of this ETC Report are enclosed. An additional copy has been provided, which you are requested to date-stamp and return in the envelope provided.

ORIGINAL

No. of Copies rec'd 0+4
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Please contact the undersigned at 703-584-8678 if any questions arise concerning the above-referenced enclosures or if you require any additional information.

Sincerely,



David A. LaFuria
Steven M. Chernoff

Attorneys for:
New York RSA 2 Cellular Partnership

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Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20054

In the Matter of)
)
Federal-State Joint Board on) WC Docket No. 09-197
Universal Service)
)

ANNUAL ETC REPORT OF
NEW YORK RSA 2 CELLULAR PARTNERSHIP

New York RSA 2 Cellular Partnership (“New York RSA 2” or the “Company”), a wireless service provider designated as an Eligible Telecommunications Company (“ETC”) in the State of New York, hereby provides the Commission with its annual compliance filing containing information as set forth in the Commission’s *Report and Order* in Docket No. 96-45 (“*ETC Report and Order*”).¹

I. REPORTING ITEMS

A. Five-Year Service Quality Improvement Plan.

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

¹ *Federal-State Joint Board on Universal Service*, CC Docket 96-45, *Report & Order*, 20 FCC Rcd 6371 (2005) (“*ETC Report and Order*”). The Company’s designation as an ETC carrier became effective on August 1, 2008. Section 54.209(b) of the Commission’s rules states that “In order for a common carrier designated under section 214(e)(6) to continue to receive support for the following calendar year, or retain its eligible telecommunications carrier designation, it must submit the annual reporting information in paragraph (a)...annually by October 1 of each year.” 47 C.F.R. § 54.209(b). The subject ETC Annual Report is being filed in order for New York RSA 2 to receive support and maintain its ETC designation for calendar year 2012.

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how support was used to improve signal quality, coverage, or capacity; and an explanation regarding any network improvement targets that have not been fulfilled.”²

In the 2010 calendar year, NY RSA 2 received a total of \$1,068,684 in high-cost support from the Universal Service Fund. During the same period, NY RSA 2 invested [begin confidential information] [REDACTED] [end confidential information] in capital improvements, not counting General and Administrative expenses. Specifically, New York RSA 2 improved coverage, performance and reliability in its ETC service area by adding a cell tower that benefitted the [begin confidential information] [REDACTED] [end confidential information] wire center. It also is in the process of completing an additional cell tower that would further improve service in the [begin confidential information] [REDACTED] [end confidential information] wire centers. New York RSA 2 also invested an additional [begin confidential information] [REDACTED] [end confidential information] relating to the improvement of existing cell site coverage, performance and reliability with respect to other cell sites in New York RSA 2’s designated ETC area that were not included in its 2010 service quality improvement plan (“SIP”).

New York RSA 2 expects to receive an estimated \$988,000 per year in federal high-cost support under the competitive ETC (“CETC”) cap currently in effect based on USAC’s latest projections. Its five-year SIP is attached as **Confidential Exhibit A**,³ which includes a listing of the locations of cell sites being built and those that New York RSA 2 proposes to build through 2015, along with the wire centers that are likely to receive increased capacity and coverage

² See *ETC Report and Order*, *supra*, 20 FCC Rcd at 6400.

³ This information contained in **Confidential Exhibit A** is proprietary and competitively sensitive; therefore, it is being submitted under seal and is subject to the Company’s request for confidential treatment.

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and/or improved signal quality as a result of the proposed improvements.⁴ New York RSA 2 also provides as **Confidential Exhibit B** a map showing its coverage in the region and the locations of the proposed new cell sites described in **Confidential Exhibit A**.⁵

As described in **Confidential Exhibit A**, the Company's five-year service quality improvement plan envisions the expenditure of approximately [begin confidential information] [redacted] [end confidential information] on network improvements and associated expenses that it would not undertake otherwise. The proposed expenditures are over and above ordinarily budgeted improvements, and the Company does not expect that it would undertake any of the listed improvements for several years in the absence of high-cost support from the USF. New York RSA 2 believes that every wire center in its ETC service area could benefit from service quality improvements made with high cost support. However, because New York RSA 2 is limited to the per-line support available in the areas it serves, it will not have sufficient support to undertake all desired improvements in every wire center within the next five years.

The selection of these projects set forth in **Confidential Exhibit A** is based on New York RSA 2's evaluation of many factors, including current consumer demand, competitive forces and estimated amounts of universal service support. These and other external factors are not within the New York RSA 2's control and are subject to change. Such changes may affect the New York RSA 2's assumptions and calculations of where network facilities could be improved to provide better coverage and service and where current and projected consumer demand may require increased capacity. As these externally-driven changes occur, New York RSA 2 will

⁴ The Company's updated five-year SIP covers 2011-2015.

⁵ This information in **Confidential Exhibit B** is proprietary and competitively sensitive; therefore, it is being submitted under seal and is subject to the Company's request for confidential treatment.

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reevaluate and modify its estimates for implementing these projects accordingly. The order in which the Company's proposed projects will be undertaken has not been finally determined and may be revised over time. As a result, the content and timing of the projects in **Confidential Exhibit A** is subject to change. Nonetheless, the network improvement plan described in **Confidential Exhibit A** demonstrates New York RSA 2's commitment to use federal high-cost support to make measurable improvements in coverage and capacity for consumers throughout its ETC service area, and to update the Commission on its progress every year prior to being recertified.

B. Outage Reporting.

Under the annual reporting rules adopted in the *ETC Report and Order*, an ETC must report any outages of at least 30 minutes in duration on the facilities it owns, operates, leases, or otherwise utilizes that potentially affect at least ten percent of the end users served in its designated service area.⁶ New York RSA 2 has attached an Outage Report (**Confidential Exhibit C**) that includes all reportable outages taking place during the 2010 calendar year.⁷

C. Service Requests.

The FCC's annual ETC reporting rules require carriers to report the "number of requests for service from potential customers within the eligible telecommunications carrier's service

⁶ 47 C.F.R. § 54.209(a)(2).

⁷ This information in **Confidential Exhibit C** is proprietary and competitively sensitive; therefore, it is being submitted under seal and is subject to the Company's request for confidential treatment. See also *In the Matter of New Part 4 of the Commission's Rules Concerning Disruptions to Communications, Report and Order and Further Notice of Proposed Rulemaking*, 19 FCC Rcd 16830 (2004).

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areas that were unfulfilled during the past year” and to describe the steps taken to attempt to provide service.⁸

New York RSA 2 hereby certifies that it follows the six-step process for provisioning service to requesting customers set forth in the FCC’s rules. The Company has implemented the necessary tracking systems and employee training procedures to ensure that the six-step process is followed as set forth in the FCC’s rules. Specifically, in response to requests for service at a residence or business, New York RSA 2 takes the following steps:

1. If a request comes from a customer within its existing network, New York RSA 2 provides service immediately using its standard customer equipment.

2. If a request comes from a customer residing in any area where New York RSA 2 does not provide service, New York RSA 2 follows a series of steps to provide service.

* First, it determines whether the customer’s equipment can be modified or replaced to provide acceptable service.

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

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

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

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

⁸ 47 C.F.R. § 54.209(a)(3).

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* Sixth, New York RSA 2 determines whether an additional cell site, a cell-extender, or repeater can be employed or can be constructed to provide service, and evaluates 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, New York RSA 2 notifies the customer and the Commission of how many requests for service could not be filled in its next annual certification report.

During the 2010 calendar year, New York RSA 2 received [begin confidential information] [redacted] [end confidential information] unfulfilled requests for service from customers within the designated area. These are described in **Confidential Exhibit D** hereto.⁹

D. Consumer Complaints.

During the 2010 calendar year, New York RSA 2 received [begin confidential information] [redacted] [end confidential information] complaints per 1,000 handsets.

E. Commitment to CTIA's Consumer Code for Wireless Services.

In the *ETC Report and Order*, the FCC reiterated that carriers must commit to abide by the CTIA Code.¹⁰ New York RSA 2 is officially listed by the CTIA as having fully implemented

⁹ The information in **Confidential Exhibit D** is proprietary and competitively sensitive; therefore, it is being submitted under seal and is subject to the Company's request for confidential treatment.

¹⁰ 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://www.wow-com.com/pdf/The_Code.pdf.

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and adopted the CTIA Code.¹¹ In submitting this report, New York RSA 2 certifies that it will continue to abide by the CTIA Code, as it may be amended from time to time, for all of its operations in New York.

F. Ability to Remain Functional in Emergencies.

Under the rules adopted in the *ETC Report and Order*, an ETC applicant must:

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.¹²

Once designated, an ETC must certify annually to its emergency functionality.¹³

New York RSA 2 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. Each cell site is equipped with a level of battery standby power and many cell sites are equipped with a standby generator, or have the necessary equipment to allow a portable generator to be connected to the site in the event of a commercial power failure. Portable generators are generally available for transport to an area affected by a commercial power outage. In the event of damaged facilities, telecommunications traffic may be rerouted to minimize service disruptions. Business procedures have also been adopted to assure minimal service disruptions. These procedures include frequent and thorough preventive maintenance, real-time monitoring of all key system components, the availability of trained maintenance personnel 24 hours a day, 7 days a week to repair or resolve critical failures should

¹¹ The list is on CTIA's web site at http://www.ctia.org/wireless_consumers/consumer_code/index.cfm.

¹² *ETC Report and Order, supra*, 20 FCC Rcd at 6382; 47 C.F.R. § 54.202(a)(2).

¹³ *ETC Report and Order, supra*, 20 FCC Rcd at 6401; 47 C.F.R. § 54.209(a)(6).

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they arise. The network is also designed to manage traffic spikes and minimize call blocking in emergency situations. These capabilities and systems reasonably minimize call blocking from potential traffic spikes during emergency situations. New York RSA 2 hereby certifies that it is capable of functioning in emergency situations as set forth in section 54.202(a)(2).

G. Local Usage.

In the *ETC Report and 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 LEC in the service areas for which the applicant seeks designation.¹⁴ In the *ETC Report and Order* on which that requirement was based, the FCC declined to adopt a specific local usage threshold or require that an applicant match the incumbent's offering. Rather, the FCC 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 FCC mentioned that an 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."¹⁵ The FCC also envisioned cases where an applicant may offer an unlimited calling plan that bundles local minutes with long distance minutes.¹⁶

New York RSA 2 satisfies the FCC's local usage requirement in that consumers may choose from a variety of plans with different combinations of minutes (with one plan offering unlimited minutes), and monthly rates, to suit individual consumer needs. With the ability to

¹⁴ See *ETC Report and Order*, *supra*, 20 FCC Rcd at 6385; 47 C.F.R. § 54.209(a)(7).

¹⁵ See *ETC Report and Order*, *supra*, 20 FCC Rcd at 6385.

¹⁶ *Id.*

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choose rate plans that meet their calling patterns and preferences, the Company's customers have the ability to select at least one rate plan that offers comparable or better value than the rate plans of the ILECs in the same areas.

The Company's rate plans offer comparable or better value to consumers than those offered by the ILECs in its proposed ETC service area. For example, New York RSA 2's Nationwide 450 Plan offers 450 minutes of calling that allow customers to make calls or travel beyond any local calling area without incurring toll or roaming charges. The plan is available for a monthly price of \$39.99. In addition, the Company's Nationwide 900 Plan offers 900 nationwide minutes for a monthly price of \$59.99.

The rate plans described above demonstrate that New York RSA 2's service offerings allow consumers to select a plan that provides them with equal or greater value than a wireline rate plan. The service area associated with the rate plans is much larger than rural ILEC 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 that travel more or make many calls to relatives or business associates will benefit from the above plans. Providing deeper geographic reach delivers a significant benefit to the consumer, and the FCC has cited studies concluding that "wireless service is cheaper than wireline, particularly if one is making a long distance call or when traveling."¹⁷

In sum, New York RSA 2 certifies that it offers at least one plan that is comparable to ILEC rate plans under the applicable FCC test.

H. Equal Access.

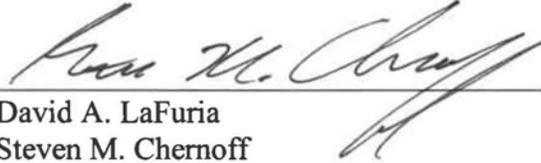
¹⁷ *Implementation of Section 6002(b) of the Omnibus Budget Reconciliation Act of 1993, Annual Report & Analysis of Competitive Market Conditions with Respect to Commercial Mobile Servs., Ninth Report*, 19 FCC Rcd. 20597, 20684 (2004).

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As required of ETCs designated by the FCC under the *ETC Report and Order*,¹⁸ New York RSA 2 acknowledges that the FCC 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.

We trust that you will find this to be responsive to the compliance materials requested in the *ETC Report and Order* and New York RSA 2's ETC designation order.

Respectfully submitted,



David A. LaFuria
Steven M. Chernoff
Lukas, Nace, Gutierrez & Sachs
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McLean, VA 22102
(703)584-8678

Attorneys for:
New York RSA 2 Cellular Partnership

Dated: September 29, 2011

¹⁸ See *ETC Report and Order*, *supra*, 20 FCC Rcd at 6386.

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Exhibit A

Five-Year Service Quality Improvement Plan

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**Projected Additional Operating Expenses / Repair and Maintenance
Associated with New Cell Sites**

Year 1 – 1/1/2011-12/31/2011		
	Budget (est.)	
Sites	Operating Expenses / Repair & Maintenance	Total
██████████	██████	
██████████████████	██████	
██████████	██████	
██████████	██████	
		██████████
Year 2 – 1/1/2012-12/31-2012		
	Budget (est.)	
Sites	Operating Expenses / Repair & Maintenance	Total
██████████	██████	
██████████████████	██████	
██████████	██████	
██████████	██████	
██████████	██████	
██████████	██████	
		██████████
Year 3 – 1/1/2013-1/31/2013		
	Budget (est.)	
Sites	Operating Expenses / Repair & Maintenance	Total
██████████	██████	
██████████████████	██████	
██████████	██████	
██████████	██████	
██████████	██████	
██████████	██████	
██████████	██████	
		██████████

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Exhibit B

Coverage Map and Locations of Proposed New Cell Sites

Verizon Wireless UPNY Region

Site Build Plan

By Year

-  2011
-  2012
-  2013
-  2014
-  2015

-  Primary Road
-  Primary Road

-  Adirondack Park Boundry

-  WATER

CDMA Coverage at 133 RL OPL
as of 9/30/2011

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Exhibit C

Outage Report

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

REDACTED – FOR PUBLIC INSPECTION

Exhibit D

Unfulfilled Service Requests

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

DECLARATION UNDER PENALTY OF PERJURY

I, Mark A. Krohse, do hereby declare under penalty of perjury as follows:

1. I am the Assistant Secretary of General Partner of New York RSA 2 Cellular Partnership.

2. This Affidavit is submitted in support of New York RSA 2 Cellular Partnership'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, information and belief.

Executed on September 28, 2011

Mark A. Krohse

Mark A. Krohse
Assistant Secretary of General Partner
New York RSA 2 Cellular Partnership

SUBSCRIBED, SWORN TO AND ACKNOWLEDGED before me this 28 day of September, 2011.

Lynn M. Chaney
NOTARY PUBLIC

My Commission Expires: 03/12/15

