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September 30, 2011

FILED/ACCEPTED

VIA ELECTRONIC FILING

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

SEP 30 2011

Federal Communications Commission
Office of the Secretary

PUBLIC REFERENCE COPY

ORIGINAL

VIA HAND DELIVERY

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

**Re: All Filings, Communications, and Proceedings Involving Eligible
Telecommunications Carrier (ETC) Matters as Prescribed in
Section 214(e) of the Communications Act of 1934**

WC Docket No. 09-197

Dear Secretary Dortch:

On behalf of Carolina West Wireless, Inc. (SAC 239004) ("Carolina West"), please find attached a redacted public version of Carolina West'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.**"

Carolina West is also submitting to the FCC, under separate cover, a confidential version of the ETC Report. The confidential version is marked "**CONFIDENTIAL - NOT FOR PUBLIC INSPECTION.**"

MS. ALICE... 0+4
LE. ASOP

PUBLIC REFERENCE COPY

Marlene H. Dortch, Secretary
Federal Communications Commission
September 30, 2011
Page 2

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.

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:
Carolina West Wireless, Inc.

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

In the Matter of)
)
All Filings, Communications, and) WC Docket No. 09-197
Proceedings Involving Eligible)
Telecommunications Carrier (ETC))
Matters as Prescribed in Section 214(e))
of the Communications Act of 1934)

**ANNUAL ETC REPORT OF
CAROLINA WEST WIRELESS, INC.**

Carolina West Wireless, Inc. (“Carolina West” or the “Company”), a wireless service provider designated as an Eligible Telecommunications Carrier (“ETC”) in the State of North Carolina, hereby provides the Commission with its annual compliance report containing information as set forth in the Commission’s Report and Order in the above-captioned proceeding (“*ETC Report and Order*”).¹ Carolina West was first designated as an ETC in North Carolina on August 14, 2006.²

A. 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.³

¹ *Federal-State Joint Board on Universal Service*, Report and Order, 20 FCC Rcd 6371 (2005) (“*ETC Report and Order*”).

² *North Carolina RSA 3 Cellular Tel. Co.*, CC Docket No. 96-45, Order, DA 06-1628 (WCB Aug. 14, 2006) (“*Order*”).

³ *ETC Report and Order*, 20 FCC Rcd at 6400.

Attached hereto as Exhibit A is an updated five-year service quality improvement plan covering 2012-2016.⁴ For the 12-month time period from July 1, 2010, to June 30, 2011, the Company received a total of [BEGIN CONFIDENTIAL INFORMATION] [REDACTED] [END CONFIDENTIAL INFORMATION] in Universal Service Support.

During the same period, Carolina West invested [BEGIN CONFIDENTIAL INFORMATION] [REDACTED] [END CONFIDENTIAL INFORMATION]. Specifically, for the period between July 1, 2010, and June 30, 2011, Carolina West completed construction of [BEGIN CONFIDENTIAL INFORMATION] [REDACTED] [END CONFIDENTIAL INFORMATION]. Carolina West has also improved existing cellular facility site coverage, performance, and reliability by upgrading antennas and switching equipment. Details of these expenditures are set forth in Tab 1 of Exhibit A.⁵

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 10 percent of the end users served in its designated service area.⁶ Between July 1, 2010, and June 30, 2011, Carolina West has not had any outages of at least 30 minutes in duration on the facilities it owns,

⁴ The information contained in Exhibit A is proprietary and competitively sensitive; therefore, the entirety of Exhibit A is being submitted under seal and is subject to Carolina West's request for confidential treatment.

⁵ The cap imposed by the Commission on high-cost support provided to wireless ETCs has reduced funding that otherwise would have been available to Carolina West, necessitating delays during the period from July 1, 2010, to June 30, 2011, in construction in areas that otherwise would have received service. *See High-Cost Universal Service Support*, Order, 23 FCC Rcd 8834 (2008), *aff'd*, *Rural Cellular Ass'n v. FCC*, 588 F.3d 1095 (D.C. Cir. 2009).

⁶ 47 C.F.R. § 54.209(a)(2).

operates, leases, or otherwise utilizes that potentially affect at least 10 percent of the end users served in its designated service area in North Carolina, pursuant to the *ETC Report and Order*.⁷

C. Service Requests.

Between July 1, 2010, and June 30, 2011, there were no unfulfilled requests for service from potential customers within Carolina West's designated ETC service area. However, Carolina West hereby certifies that it continues to follow the six-step process for provisioning service to requesting customers set forth in the Commission's rules. Specifically, in response to such requests for service at a residence or business, Carolina West will take the following steps:

1. If a request comes from a customer within its existing network, Carolina West will provide service immediately using its standard customer equipment.
2. If a request comes from a customer residing in any area where Carolina West does not provide service, Carolina West 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 customer's premises to provide service.

⁷ *See id.*

- Third, it will determine whether adjustments at the nearest cellular facility site can be made to provide service.
- Fourth, it will determine whether there are any other adjustments to network or customer facilities that can be made to provide service.
- Fifth, it will explore the possibility of offering the resold services of carriers that have facilities available to the customer's location.
- Sixth, Carolina West will determine whether an additional cellular facility 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, Carolina West will notify the customer, and notify the Commission of how many requests for service could not be filled in its next annual certification report. Carolina West acknowledges that the Commission will retain authority to resolve any customer complaints alleging that Carolina West has refused to respond to a reasonable request for service.

D. Consumer Complaints.

Between July 1, 2010, and June 30, 2011, no consumer complaints were filed with either the Commission or the North Carolina Utilities Commission regarding Carolina West's service in the designated ETC service area.

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

In the *ETC Report and Order*, the Commission reiterated that carriers must commit to abide by the CTIA–The Wireless Association[®] (“CTIA”) Consumer Code for

Wireless Service (“CTIA Code”).⁸ In submitting this annual report Carolina West certifies that it will continue to abide by the CTIA Code for all of its operations in North Carolina.

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.⁹

Once designated, an ETC must certify annually to its emergency functionality.¹⁰ Carolina West 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. Carolina West hereby certifies that the Company is capable of functioning in emergency situations as defined in the *ETC Report and Order*.

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

⁸ Under the CTIA 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 CTIA website at http://www.ctia.org/consumer_info/service/index.cfm/AID/10352.

⁹ *ETC Report and Order*, 20 FCC Rcd at 6382; see 47 C.F.R. § 54.202(a)(2).

¹⁰ *ETC Report and Order*, 20 FCC Rcd at 6401; see 47 C.F.R. § 54.209(a)(6).

by the incumbent local exchange carrier (“LEC”) in the service areas for which the ETC is certified.¹¹ In the *ETC Report and Order*, 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 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.”¹² The Commission also envisioned cases where an applicant may offer an unlimited calling plan that bundles local minutes with long distance minutes.¹³

Carolina West satisfies the Commission’s local usage requirement in that consumers may choose from a variety of plans with different combinations of local calling areas, local calling scopes,¹⁴ included minutes (with four plans offering unlimited minutes), and monthly rates, to suit individual consumer needs. With the ability to choose rate plans that meet their calling patterns and preferences, Carolina West’s customers have the ability to select at least one rate plan that offers comparable or better value than the rate plans of the incumbent LECs in the same areas.

¹¹ See *ETC Report and Order*, 20 FCC Rcd at 6385, 6402; 47 C.F.R. § 54.209(a)(7).

¹² *ETC Report and Order*, 20 FCC Rcd at 6385.

¹³ *Id.*

¹⁴ “Local calling scope” signifies the area in which a customer can make calls without incurring roaming charges, while “local calling area” signifies the area in which a customer can terminate calls without incurring per-minute toll charges.

For example, Carolina West offers several nationwide plans that include the ability to make calls from anywhere in the Company’s nationwide coverage area without per-minute roaming or toll charges. An unlimited nationwide plan is priced at \$50 per month. Additional, more economical nationwide plans are available, which include monthly minutes. A nationwide plan without any shared lines is priced at \$40 per month for 450 included minutes (39 cents per minute overage charge). Nationwide shared plans range from \$50 per month for 1,000 included minutes (39 cents per minute overage charge) to \$100 per month for 2,000 included minutes (39 cents per minute overage charge). All the nationwide plans include unlimited night and weekend calling, and unlimited mobile-to-mobile calling. Also, a nationwide economy plan is available, priced at \$20 per month for 100 included minutes, with unlimited nationwide texting, as well as Caller ID, Call Forwarding, Call Waiting, and Three-Way Calling.

As described above, several of the plans incorporate several vertical features—including Caller ID, Call Waiting, Call Forwarding, Voice Mail, Three-Way Calling, Text Messaging, and Picture Messaging—as standard features at no additional charge.

Carolina West’s rate plans offer comparable or better value to consumers than those offered by the incumbent LECs in Carolina West’s ETC service area. Carolina West’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 Carolina West’s licensed area benefit from un-

limited local calling at a low monthly price.¹⁵ If they travel more or make many calls to relatives or business associates beyond that area, they may benefit from one of the Company's nationwide plans. Providing deeper geographic reach delivers a significant benefit to the 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."¹⁶

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

H. Equal Access.

As required of ETCs designated by the Commission under the *ETC Report and Order*,¹⁷ Carolina West acknowledges that the Commission may require it to provide

¹⁵ Although Carolina West discontinued certain unlimited local plans as of November 1, 2010, similar benefits to consumers have continued to be made available by Carolina West during the 12-month period covered by this Annual Compliance Report. As described in the text, customers have choices that include an unlimited nationwide plan priced at \$50 per month, nationwide plans (including shared plans) with included minutes ranging from 450 to 2,000 per month, and a \$20 economy nationwide plan with 100 included minutes, unlimited nationwide texting, and other features.

¹⁶ *Implementation of Section 6002(b) of the Omnibus Budget Reconciliation Act of 1993, Annual Report and Analysis of Competitive Market Conditions with Respect to Commercial Mobile Services*, Ninth Report, 19 FCC Rcd 20597, 20684 (2004).

¹⁷ See *ETC Certification Order*, 20 FCC Rcd at 6386.

REDACTED – FOR PUBLIC INSPECTION

equal access to interexchange carriers in the event no other ETC is providing equal access in the designated ETC service area.

Respectfully submitted,



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Carolina West Wireless, Inc.

Dated: September 30, 2011

DECLARATION



DECLARATION UNDER PENALTY OF PERJURY

I, Slayton Stewart, hereby declare under penalty of perjury as follows:

1. I am the Chief Executive Officer of Carolina West Wireless, Inc. ("Carolina West").
2. This Affidavit is submitted in support of Carolina West's Annual Compliance Filing and Request for Recertification, pursuant to *Federal-State Joint Board on Universal Service*, Report and Order, 20 FCC Rcd 6371 (2005) and Sections 54.202 and 54.209 of the Commission'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 19, 2011



Slayton Stewart, Chief Executive Officer
Carolina West Wireless, Inc.

SUBSCRIBED, SWORN TO AND ACKNOWLEDGED before me this 19 day of September, 2011.



NOTARY PUBLIC

My Commission Expires: October 10, 2012



EXHIBIT A

REDACTED – FOR PUBLIC INSPECTION

EXHIBIT A

UPDATED FIVE-YEAR SERVICE QUALITY IMPROVEMENT PLAN

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