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October 24, 2011

VIA ELECTRONIC FILING

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

Re: WC Docket No. 10-90, 07-135, 05-337, and 03-109
GN Docket No. 09-51, CC Docket No. 01-92 and 96-45

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 October 20, 2011, Grant Spellmeyer of United States Cellular Corporation ("U.S. Cellular"), along with undersigned counsel, met with Margaret McCarthy to discuss universal service and intercarrier compensation reform.

U.S. Cellular reiterated positions taken in the record of the above-captioned proceedings. The parties discussed the allocation of high-cost support for wireless carriers set forth in the ABC Plan. U.S. Cellular discussed the importance of phasing down ongoing support under the CETC mechanism simultaneously with the phasing in of a replacement mechanism that provides ongoing support for mobile broadband. In the absence of an appropriate transition mechanism, carriers will reduce investment in accordance with the phase down, which will have significant adverse economic impacts in rural areas, at a time when our government should be expanding infrastructure investments to encourage economic development.

To the extent that the Commission is concerned about whether support under the existing mechanism is being used appropriately, simple accountability measures for carriers can be implemented. For example, the Commission could permit carriers to file copies of their annual reports made to state commissions pursuant to the protective order in the universal service reform dockets. Those reports would provide the Commission with a significant amount of data on which to conclude that carriers are accountable for support they are receiving.

Hon. Marlene H. Dortch

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U.S. Cellular also discussed the fact that the amount of support currently understood to be in the new proposed Mobility Fund under consideration by the Commission is inadequate to allow existing carriers to make a significant dent in the infrastructure needs of rural America. There is an incorrect perception held by some that because an unsubsidized carrier “serves” a particular area, no support is needed there despite the fact that the Commission has never provided any public analysis or data concerning the quality of service being provided by unsubsidized carriers.

U.S. Cellular also reiterated its concern that nothing in the ABC Plan would prevent a price cap carrier from exercising a right of first refusal (“ROFR”), and then meeting its build-out requirements by deploying a mobile broadband network, for example 4G LTE. This amounts to the Commission subsidizing the two largest telecommunications carriers in the country, assisting them in competing against U.S. Cellular and other smaller wireless carriers, on a completely skewed playing field. Any reform that “reserves” support to the largest carriers, or provides “replacement” for existing revenue streams that is not competitively neutral and consistent with the 1996 Act must be rejected.

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

cc: Margaret McCarthy, Esq.
Grant Spellmeyer, Esq.