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May 28, 2010

E FILING

Patricia Van Gerpen Executive Director South Dakota Public Utilities Commission 500 East Capitol Avenue Pierre, SD 57501

RE:

WWC LICENSE LLC d/b/a Alltel Communications, LLC - In the Matter of Annual Eligible Telecommunications Carriers Certification and Annual Report GPNA File No. 05925.0029

Dear Ms. Van Gerpen:

Enclosed you will find Alltel Communications, LLC's annual filing requesting certification by the South Dakota Public Utilities Commission for use of Federal Universal Service support. The Request for Certification shows that all support received will be used "only for the provision, maintenance and upgrading of facilities and services for which such support is intended." I request that the above matter be filed and Alltel Communications, LLC be certified. In support of the filing are several exhibits.

The list of the exhibits is attached to Request for Certification. The pleadings and the table of contents of exhibits are not confidential. All exhibits are confidential. The information contained in the exhibits is confidential under A.R.S.D. 20:10:1:39(4) and (5). Because of this, Alltel Communications, LLC requests confidential treatment of all exhibits pursuant to A.R.S.D. 20:10:01:41 and that the material be held confidential for ten years and then destroyed. This information is confidential as the information is internal and proprietary, can be used adversely by competitors, and the development and financial planning constitutes trade secrets as recognized by law. If there are any inquiries as to the confidential treatment, I may be contacted at the above address.

GUNDERSON, PALMER, NELSON & ASHMORE, LLP

May 28, 2010 Page - 2 -

Finally, Alltel's 2010 Annual Report on Lifeline and Link-Up outreach, required pursuant to ARSD 20:10:32:55, is being provided to the Commission as a separate report. If the Commission needs anything else to certify Alltel or if you have any questions, please let me know.

Sincerely,

Talbot J. Wieczorek

TJW:klw Enclosures c: Client

BEFORE THE SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

In the Matter of Annual Eligible Telecommunications Carriers (ETCs) Use of Federal Universal Service Support

ELIGIBLE TELECOMMUNICATIONS CARRIER CERTIFICATION AND ANNUAL REPORT ON BEHALF OF WWC LICENSE LLC, D/B/A ALLTEL COMMUNICATIONS, LLC

I. <u>INTRODUCTION</u>

In accordance with the standards and requirements established by the South Dakota Public Utilities Commission ("Commission"), ¹ WWC License LLC, d/b/a Alltel Communications, LLC² ("Company" or "Alltel") submits its ETC Certification and Annual Report, based on the Commission's Order designating Alltel as an eligible telecommunications carrier ("ETC")³, as well as Commission-adopted rules regarding the annual ETC certification process.⁴ Alltel respectfully requests that the Commission certify Alltel's eligibility for high-cost support from the Federal Universal Service Fund for calendar year 2011. In the *Annual Certification Rules*, the Commission adopted the annual reporting and certification requirements as established by the Federal Communications Commission ("FCC") and codified at 47 C.F.R. §§ 54.202 and 54.209, with modifications to allow for a two-year service improvement plan to be filed on a wire center basis.⁵ Alltel's demonstrated compliance with the Commission's annual reporting and certification standards will reference the FCC's regulations.

II. BACKGROUND

The Commission designated Alltel as a competitive ETC in certain non-rural wire centers served by Qwest Corporation, and the full study areas of several rural telephone

¹ RM06-001 - In the Matter of the Adoption of Rules Regarding Eligibility, Certification and Reporting Requirements for Eligible Telecommunications Carriers. Adopted July 3, 2006. ("Annual Certification Order" or "ETC Rules").

² As of January 9, 2009 Cellco Partnership d/b/a Verizon Wireless acquired Alltel Corporation and its subsidiaries including Alltel Communications, LLC. In connection with the approval, the Department of Justice and the FCC have required Verizon Wireless to divest certain markets including South Dakota. Until the divestiture occurs, a Trustee was appointed to manage the divested markets. This filing is by Alltel Communications, LLC with respect to the Alltel markets that will be divested.

In the Matter of the Filing By WWC License LLC d/b/a CellularOne for Designation as an Eligible Telecommunications Carrier in Other Rural Areas, Docket No. TC03-191 (January 3, 2005) ("Amended Order")

⁴ ETC Rule 20:10:32:54 ("Annual Certification Rules")

⁵ ETC Rule 20:10:32:52, p. 16.

companies.⁶ As an ETC, Alltel provides the nine supported services, including:

- Voice grade access to the Public Switched Telephone Network;
- Local Usage:
- Dual tone multi-frequency signaling or its functional equivalent;
- Single party service or its functional equivalent;
- Access to 911 or E911:
- Access to operator services;
- Access to interexchange services;
- Access to directory assistance; and
- Toll limitation for qualifying low-income customers.

III. ALLTEL'S ANNUAL ETC CERTIFICATION AND ANNUAL REPORT

In the *Annual Certification Rules*, the Commission adopted FCC Rule 54.209(a) and required carriers previously designated ETC status to annually report the information identified in Rule 20:10:32:54 no later than June 1 of each calendar year ("Annual ETC Certification").⁷ The Commission, through its January 3, 2005 Order in Docket No. TC03-191 ("January 3 Order"), required Alltel to submit similar information annually ("Annual Report"). By Order issued April 24, 2007 in Docket No. TC 03-191, the Commission granted Alltel's request to file the Annual ETC Certification and the Annual Report concurrently. Therefore, Alltel respectfully submits the following information in satisfaction of the above requirements.

A. Progress Report On Alltel's Service Improvement Plan

In the Annual Certification Order, the Commission adopted FCC Rule 54.209(a)(1) requiring an ETC to file a progress report on its Service Improvement Plan. In its January 3,

In the Matter of the Filing by GCC License Corporation for Designation as an Eligible Telecommunications Carrier, Docket No. TC98-146 (October 18, 2001) ("Rural ETC" Order); In the Matter of the Filing by GCC License Corporation for Designation as an Eligible Telecommunications Carrier, Docket No. TC98-146 (October 18, 2001) ("Non-Rural ETC" Order); In the Matter of the Filing By WWC License LLC d/b/a CellularOne for Designation as an Eligible Telecommunications Carrier in Other Rural Areas, Docket No. TC03-191 (January 3, 2005) ("Amended Order")

⁷ Rule 20:10:32:52

2005 Order, the Commission required Alltel to submit information relating to its capital expenditures during the preceding year and its proposed capital budget for the ensuing year. In compliance with the above requirements, Alltel has incorporated the following documents: (a) Alltel's total 2009 High Cost Universal Service Receipts (Confidential Exhibit A-1); (b) a comprehensive Progress Report that identifies Alltel's capital investments and operating expenditures incurred in the Designated Area during calendar year 2009 (Confidential Exhibit A-2); and (c) the most current and detailed Two-Year Service Improvement Plan that identifies the projected investments and operating expenses in the Designated Area for the period from January 1, 2010 through December 31, 2011 (Confidential Exhibit A-3). The projected investments for 2010, identified in Confidential Exhibit A-3, are Alltel's current plans, but those plans will likely change upon the completion of the anticipated sale of these properties this year. Because of the anticipated sale of these properties in 2010, Alltel does not currently have detailed investment plans for 2011.

B. Network Outages In South Dakota Designated Area

The Commission adopted FCC Rule 54.209(a)(2), which requires an ETC to annually report network outages within its Designated Area. FCC Rule 54.209(a)(2) specifically requires:

... detailed information on any outage, as that term is defined in 47 C.F.R. § 4.5, of at least 30 minutes in duration for each service area in which an eligible telecommunications carrier is designated for any facilities it owns, operates, leases, or otherwise utilizes that potentially affect (a) at least ten percent of the end users served in a designated service area; or (b) a 911 special facility, as defined in 47 C.F.R. § 4.5(e). Specifically, the eligible telecommunications carrier's annual report must include information detailing: (a) the date and time of onset of the outage; (b) a brief description of the outage and its resolution; (c) the particular services affected; (d) the geographic areas affected by the outage; (e) steps taken to prevent a similar situation in the future; and (f) the number of customers affected.

This information, for the time period January 1, 2009 through December 31, 2009, 8 is contained within Confidential Exhibit B. Alltel has compiled and reported information for all outages, as defined in 47 C.F.R. § 54.209(a)(2) its Designated Area – Study Area Code 399002. Such information includes any outage of 30 minutes or longer that potentially affects at least ten percent (10%) of its customers served in the ETC designated service area or a 911 facility outage. The information relating to the number of customers affected by an outage is estimated based on the number of customers with a billing address in each affected ETC designated wire center(s) as of December 31, 2009.

Each network outage is examined on a case-by-case basis. Each outage is analyzed to determine the particular cause of the outage. When an outage is due to, for example, equipment failure, the equipment is replaced or repaired and tested for proper performance. Additionally, the manufacturer or vendor of the equipment is notified if the failure appears to be in the design or manufacture of the equipment. If the vendor or manufacturer fails or refuses to remedy the deficiency then a replacement source is determined. When the outage is due to, for example, weather or other natural occurrence, the probability of a repeat occurrence is considered and evaluated in planning the repair, replacement or reconstruction of the equipment or location. Outages due to human error or a faulty process or practice result in appropriate reevaluation of the source of error and the need to either correct, discipline or revise the person or practice, as applicable. The outages reported above were not determined to require extraordinary measures other than application of the above.

Neither the Commission's Annual Certification Order nor FCC Rule 54.209(a)(2) establishes the time period to be covered by an outage report filing. Alltel has adopted January 1 through December 31 as an appropriate time period for the report.

C. Unfulfilled Requests For Service

The Commission adopted FCC Rule 54.209(a)(3), which requires an ETC to annually report the number of requests for service from potential customers within the ETC's designated service area that were unfulfilled during the past year. The filing must also detail how the ETC attempted to provide service to those potential customers as set forth in FCC Rule 54.202(a)(1)(i). The Commission required Alltel to submit the same information in its January 3, 2005 Order. The required information concerning Alltel's unfulfilled requests for service within its Designated Area from January 1, 2009 through December 31, 2009 is contained in Confidential Exhibit C.

D. Complaints Per 1,000 Handsets Or Lines

The Commission adopted FCC Rule 54.209(a)(4), which requires an ETC to make an annual report of the number of complaints per 1,000 handsets or lines. The number of written complaints per 1,000 handsets that Alltel received from its customers, in the ETC designated service area, to its Executive Complaint Department, the Commission, the FCC, the South Dakota Attorney General, the Better Business Bureau or a similar third party consumer agency between January 1, 2009 and December 31, 2009 is provided in Confidential Exhibit D-1. The percentage of complaints is calculated based on the number of subscribers served by Alltel in the ETC designated service area as of December 31, 2009. In its January 3, 2005 Order, the Commission also required Alltel to provide an annual report detailing the consumer complaints that it received during the previous year. Accordingly, attached hereto are the Formal Complaints Report (Confidential Exhibit D-2) and the Network Service Quality Report (Confidential Exhibit D-3).

E. <u>Certification Regarding Applicable Service Quality Standards And Consumer Protection Rules</u>

The Commission adopted FCC Rule 54.209(a)(5), which requires an ETC to certify that it is complying with applicable service quality standards and consumer protection rules. In its January 5, 2005 Order, the Commission required Alltel to continue to abide by the terms of the CTIA Consumer Code for Wireless Service ("CTIA Consumer Code") as it is amended from time to time. Alltel's compliance with the current terms of the CTIA Consumer Code satisfies these requirements. During 2009, Alltel was a compliant signatory to the CTIA Consumer Code. Further, in compliance with requirements in the January 3, 2005 Order, Alltel provides consumer protection and service quality standards in its customer service agreements. Therefore, Alltel certifies that it is in compliance with applicable consumer protection and service quality standards.

F. Certification Regarding Ability to Function in Emergency Situations

The Commission requires an ETC to certify its ability to function in emergency situation as set forth in Rule 20:10:32:43:03. Accordingly, Alltel submits the following information to demonstrate its ability to remain functional in emergency situations. Alltel's network is designed to be able to remain functional in emergency situations. Alltel has reasonable amounts of back-up power to provide functionality without an external power source, and, in many areas, has the ability to reroute traffic around damaged facilities and manage traffic spikes resulting from emergency situations. Alltel has deployed fixed and portable back-up power generators at various locations throughout its network that can be deployed in emergency situations. These back-up power generators are capable of keeping a cell site up and running until power is restored to the cell site, a portable generator is moved to the site, system changes are made to reroute traffic or a cell on wheels ("COW") is deployed. Alltel tests its back-up power generators regularly to ensure functionality. Alltel is also capable of rerouting traffic

around damaged or out-of-service facilities by changing call routing translations as needed.

Alltel is generally able to deploy COWs as temporary cell sites when existing facilities are damaged or out-of-service for longer periods of time. Further, by changing call routing translations or deploying COWs, Alltel is generally able to manage traffic spikes throughout its network. As a long-term solution for managing increased traffic levels and traffic spikes, Alltel may increase capacity at its cell sites, switches and transport facilities.

G. <u>Certification Regarding Alltel's Provision Of A Comparable Local Usage</u> <u>Plan</u>

The Commission adopted FCC Rule 54.209(a)(7), which requires an ETC to certify that it is offering a local usage plan comparable to the incumbent local exchange carrier in the relevant service areas. Alltel makes available its BUS offering, a comparable local usage plan, as well as other comparable service offerings in its Designated Area. Alltel certifies that it is offering at least one comparable local usage plan as required by Section 54.209(a)(7).

H. <u>Certification Regarding The FCC's Ability To Require Alltel To Provide</u> Equal Access

Alltel certifies that the FCC may require it to provide equal access to long distance carriers within its Designated Area in the event that no other ETC is providing equal access.

IV. CONCLUSION

Based on the foregoing information, WWC License LLC, d/b/a Alltel Communications, LLC respectfully requests that the Commission certify to the FCC and USAC Alltel's eligibility to receive federal universal service support for calendar year 2011 in accordance with 47 C.F.R. §§ 54.313 and 54.314.

WWC License LLC, d/b/a Alltel Communications, LLC

By RA-Raz---:
Rohan Ranaraja

Associate Director - Compliance

Alltel Communications, LLC

Barbara Bonds

Trust Counsel

Alltel Communications, LLC by Management Trust

BEFORE THE SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

In the Matter of Annual Eligible Telecommunications Carriers (ETCs) Use of Federal Universal Service Support

CERTIFICATION

The undersigned, Barbara Bonds, does hereby certify as follows:

- 1. I serve as Trust Counsel for Alltel Communications, LLC by Management Trust ("Alltel").
- 2. Alltel has been assigned Study Area Code 399002 by the Universal Service Administrative Company in the State of South Dakota.
- 3. This certification is submitted in support of Alltel's ETC Certification and Annual Report pursuant to SD PUC Rule 20:10:32:54.
- 4. I have reviewed the ETC Certification and Annual Report.
- 5. Consistent with 49 U.S.C. § 254(e) and FCC Rules 54.313 and 54.314, Alltel certifies that all federal high-cost universal service support received will be used only for the provision, maintenance and upgrading of facilities and services for which the support is intended.
- 6. The facts stated in Alltel's ETC Certification and Annual Report are true and correct to the best of my present knowledge, information and belief.

Barbara Bands

(NOTARY SEAL)

Subscribed and sworn to before me this <u>27</u> day of May 2010.

Alexels X. Benz Nothry Public GLENDA L. BENZ
MY COMMISSION # 12376125
EXPIRES: May 11, 2020
Pulaski County

SUMMARY OF EXHIBITS

Confidential Exhibit A-1- WWC License LLC, d/b/a Alltel Communications, LLC's 2009 High Cost receipts from Federal Universal Service Fund

Confidential Exhibit A-2 – WWC License LLC, d/b/a Alltel Communications, LLC's Progress Report for Calendar Year 2009.

Confidential Exhibit A-3 – WWC License LLC, d/b/a Alltel Communications, LLC's Most Current Two-Year Service Improvement Plan

Confidential Exhibit B – 2009 Network Outage Report

Confidential Exhibit C- Unfulfilled Service Report

Confidential Exhibit D-1 – Complaints per 1,000 handsets

Confidential Exhibit D-2 – WWC License LLC, d/b/a Alltel Communications, LLC's Formal Customer Complaints Report

Confidential Exhibit D-3 – WWC License LLC, d/b/a Alltel Communications, LLC's Network Quality Report