UT-101294-CT OM 9-36-10 Regular

2010 JUL 30 AM 9: 3

July 28, 2010

Mr. David Danner, Executive Director & Secretary Washington Utilities and Transportation Commission 1300 South Evergreen Park Drive SW Olympia, WA 98504-7250

Re: Eligible Telecommunications Carrier Certification and Annual Report of Sprint Nextel Corporation ("Sprint") (UT-037015)

Dear Mr. Danner:

Enclosed, please find ten (10) copies each of the "Eligible Telecommunications Carrier Certification and Annual Report on Behalf of Sprint Nextel Corporation" (Docket Number TBD), in original and redacted versions.

Please note that some of the information included therein is confidential network information as provided in RCW 80.04.095, and includes confidential network outage information that is exempt from public disclosure under Exemption 4 of the Freedom of Information Act, 5 U.S.C § 552(b)(4). The aforementioned information is marked as confidential within the filing.

Feel free to contact me at (707) 816-7583 with any questions or concerns you may have regarding this filing.

Sincerely,

Kristin L. Jacobson

Enclosures

BEFORE THE UTILITIES AND TRANSPORTATION COMMISSION OF THE STATE OF WASHINGTON

)	Docket No. UT
)	
)	
)	
)	
)	
)	
)	

ELIGIBLE TELECOMMUNICATIONS CARRIER CERTIFICATION AND ANNUAL REPORT ON BEHALF OF SPRINT NEXTEL CORPORATION

iDEN technology. The areas in which Sprint Nextel is designated are referred to as its "Designated Areas."

Sprint Nextel addresses each of the annual filing requirements in order, and with appropriate references to Attachments, some of which are being filed under seal.

III. SPRINT-NEXTEL'S ANNUAL FILING

Pursuant to WAC 480-123-060(2), the Commission will certify an ETC's use of federal high-cost universal service fund support, pursuant to the Federal Telecommunications Act, only if the ETC complies with the requirements in WAC 480-123-070, and the ETC demonstrates that it will use federal high-cost funds only for the provision, maintenance, and upgrading of facilities and services for which the support is intended through the requirements of WAC 480-123-080. As demonstrated and certified below, Sprint Nextel satisfies the requirements of WAC 480-123-070 and WAC 480-123-080. Sprint Nextel requests that the Commission certify to the Federal Communications Commission ("FCC") and USAC the Company's eligibility to receive federal universal service support in accordance with 47 C.F.R. §§ 54.313 and 54.414.

A. 2009 Report on Use of Funds and Benefits to Customers

WAC 480-123-070(1) requires an ETC to annually provide a report on the use of federal funds and describe the benefits that resulted to customers. The report must substantively describe the investments made and expenses paid with support from the federal high-cost fund. Furthermore, the report must substantively describe the benefits to customers that resulted from the investments and expenses. **Confidential Attachment 1** contains information for the time period January 1, 2009 through December 31, 2009, regarding the amount of high-cost federal universal service funding received, the specific location and cost of network improvements, and the population impacted by those improvements.

Commission ("FCC"), or the Consumer Protection Division of the Office of the Attorney General of the State of Washington during the past calendar year. The report must also describe the nature of the complaints and the outcome of the ETC's efforts to resolve the complaints. This information, for the time period January 1, 2009 through December 31, 2009, is contained within **Confidential Attachment 3**.

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

WAC 480-123-070(5) requires an ETC to certify that it met substantially the applicable service quality standard found in WAC 480-123-030(1)(h). For a wireless ETC, a commitment to comply with the CTIA Consumer Code, as it existed on September 9, 2003, meets this requirement. Sprint Nextel certifies that it met substantially the CTIA Consumer Code, as it existed on September 9, 2003, and commits to continued compliance with those standards. As a signatory to the Consumer Code, Sprint Nextel demonstrates to CTIA its compliance with the Consumer Code on an annual basis in order to be authorized to display the CTIA Seal of Wireless Quality/Consumer Information. A copy of CTIA's most recent certification issued to Sprint Nextel is Attachment 4.

F. <u>Certification Regarding Ability to Function in Emergency Situations</u>

WAC 480-123-070(6) requires an ETC to annually certify that it has the ability to function in emergency situations based on continued adherence to WAC 480-123-030(1)(g). For a wireless carrier, WAC 480-123-030(1)(g) requires information that demonstrates a wireless carrier's ability to remain functional in emergency situations including information that demonstrates it has at least four hours of back up battery power at each cell site, back up

123-070(6) and WAC 480-123-030(1)(g), until December 31, 2011. Between August 2007 and August 2010, Sprint Nextel has continued working toward complying with the minimum four-hour battery back-up requirement at its remaining non-compliant sites (see Confidential **Attachment 8** for the 2009 Status Report).

Based on the above, and subject to the partial exemption currently in effect, Sprint Nextel certifies that it has the ability to function in emergency situations based upon these standards.

G. <u>Certification Regarding Advertising of Telephone Assistance Programs, Including Advertisement on Indian Reservations</u>

WAC 480-123-070(7) requires an ETC to annually certify that it has publicized the availability of its applicable telephone assistance programs in a manner reasonably designed to reach those likely to qualify for service, including residents of federally recognized Indian reservations within the ETC's designated service area. The publicity should include advertisements likely to reach those who are not current customers of the ETC within its designated service areas.

Sprint Nextel advertises its Lifeline and Link Up programs program quarterly in newspapers within its Designated Areas. Sample advertisements are within Attachment 6. Included within Attachment 6 are flyers Sprint Nextel has available to state agencies to be distributed to their offices to try to reach additional potential Lifeline and Link Up customers. Sprint Nextel is also listed on the Universal Service Administrative Company ("USAC") website under the "Find a Provider" option. This can be found under the Low Income Households section of the USAC.ORG website.

Based upon the above, Sprint Nextel certifies that it has publicized the availability of its telephone assistance programs in accordance with WAC 480-123-070(7).

In addition, on November 3, 2008, Sprint Nextel filed a written ex parte communication with the FCC in connection with Sprint-Clearwire transfer proceedings in WT Docket No. 08-94, in which Sprint Nextel committed to reducing by no later than December 31, 2008 its total federal high-cost support funding by 20%, and also by an additional 20% per year for each of the following four years. Accordingly, Sprint Nextel's funding reduction commitment to the FCC in the Clearwire proceedings necessarily impacts the timing and level of capital expenditures both in Washington and in other jurisdictions where Sprint Nextel is designated as an ETC.

Due to this recent change in the method for determining CETC high-cost support and lack of information on the likely value of the Washington cap reduction factor, it is impossible to project with any confidence what Sprint Nextel's actual USF support is likely to be on a going forward basis. However, Sprint Nextel is able to estimate the amount of support it would have received but for the operation of the cap. Based on the most recent per-line support projections of USAC, Sprint currently estimates that, but for the cap, it would receive approximately \$3.8 million in federal high-cost universal service support for the provision of universal service within its Designated Areas. The estimate is based on current information and may vary as federal universal service funding levels and subscribership change over time. In addition, if these anticipated amounts are not received, Sprint Nextel reserves the right to modify its annual plan accordingly.

Sprint Nextel's anticipated investments in the Designated Areas will allow it to add new cell sites which will expand the footprint of its network and maintain the same high level of service by filling in gaps, improving in-building coverage, and increasing capacity.

Confidential Attachment 7 provides detail of the population affected by the improvements, and whether each improvement will increase capacity, coverage and/or signal strength in an area.

BEFORE THE PUBLIC UTILITIES AND TRANSPORTATION COMMISSION

OF THE STATE OF WASHINGTON

)	Docket No. UT
)	
)	
)	
)	
)	

CERTIFICATION

The undersigned, Leonard Barlik, does hereby certify as follows:

I serve as Vice President Wireless and Wireline Services for Sprint Nextel Corporation, and each of its affiliates and subsidiaries.

This certification is submitted in support of the Company's Annual Filing as Required by General Order No. R-534 in Docket No. UT-053021 ("Annual Filing").

On behalf of Sprint Nextel Corporation, I certify that the Company will use federal highcost universal service support only for the provision, maintenance, and upgrading of the facilities and services for which the support is intended.

I have reviewed the Annual Filing and the facts stated therein, of which I have personal knowledge, are true and correct to the best of my present knowledge, information and belief.

I certify under penalty of perjury under the laws of the State of Washington that the foregoing is true and correct:

Subscribed and sworn to before me

ruly, 2010.

this 26 day of C

Notary Public

(NOTARY SEAL)

Michele A. Bohnen

My Appt. Expires 5-19-2012

Report on Use of Funds

Entire Attachment Redacted

THE INFORMATION CONTAINED IN CONFIDENTIAL ATTACHMENT 1 CONTAINS CONFIDENTIAL COST, FINANCIAL, AND NETWORK INFORMATION THAT IS VALUABLE COMMERCIAL INFORMATION AS PROVIDED IN RCW 80.04.095.

Local Service Outages

Entire Attachment Redacted

THE INFORMATION CONTAINED IN CONFIDENTIAL ATTACHMENT 2 CONTAINS CONFIDENTIAL NETWORK INFORMATION THAT IS VALUABLE COMMERCIAL INFORMATION AS PROVIDED IN RCW 80.04.095. IN ADDITION, NETWORK OUTAGE **INFORMATION FILED** WITH THE FEDERAL COMMUNICATIONS COMMISSION IS CONFIDENTIAL AND EXEMPT FROM PUBLIC DISCLOSURE UNDER EXEMPTION 4 OF THE FREEDOM OF INFORMATION ACT, 5 U.S.C. § 552(b)(4). SEE NEW PART 4 OF THE COMMISSIONS RULES CONCERNING DISRUPTIONS TO COMMUNICATIONS, 19 FCC RCD 16830, 16853-55 $\P\P$ 41-44 (2004) ("The record in this proceeding, including the comments of the Department of Homeland Security, demonstrate that the national defense and public safety goals that we seek to achieve by requiring these outage reports would be seriously undermined if we were to permit these reports to fall into the hands of terrorists who seek to cripple the nation's communications infrastructure.") SEE ALSO 47 C.F.R. § 4.2.

Complaints Per 1,000 Handsets or Lines

Entire Attachment Redacted

THE INFORMATION CONTAINED IN CONFIDENTIAL ATTACHMENT 3 CONTAINS VALUABLE COMMERCIAL INFORMATION AS PROVIDED IN RCW 80.04.095.

ATTACHMENT 4

CTIA Certification Letter



Steve Largent President/CEO

June 11, 2010

Mr. Dan Hesse President and Chief Executive Officer Sprint Nextel Corporation 6200 Sprint Parkway, Mailstop: KSOPHF0410-4A421 Overland Park, KS 66251

Dear Dan:

Congratulations! This letter is to notify you that Sprint Nextel Corporation ("Sprint") has completed the recertification process for the CTIA Consumer Code for Wireless Service ("Voluntary Consumer Code") for the period January 1, 2010 - December 31, 2010, and is deemed compliant with the principles, disclosures and practices set forth in the Voluntary Consumer Code. Accordingly, Sprint is authorized to use and display the CTIA Seal of Wireless Quality/Consumer Information, subject to the terms and conditions set forth in the attached License Agreement.

Please ensure that the relevant employees of Sprint review the License Agreement before using the Seal. Use of the Seal constitutes acceptance of these terms and conditions. We will provide two specimens (color and black/white) of the Seal for Sprint's use on its website or collateral materials. If you should have any questions concerning the recertification process or use of the Seal, please contact Andrea Williams, CTIA's Vice President of Law and Assistant General Counsel, at (202) 736-3215 or awilliams@ctia.org.

CTIA commends Sprint for its ongoing leadership and participation in the CTIA Voluntary Consumer Code, and we look forward to continuing to work with Sprint on this important industry initiative.

Sincerely,

Attachment

cc:

Charles McKee Vice President - Government Affairs Federal & State Regulatory



ATTACHMENT 5

Sprint Business Continuity Program Overview

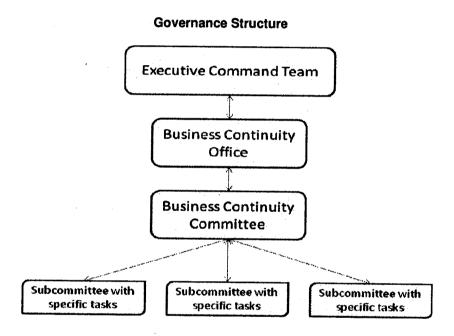


Sprint Business Continuity Planning Program Overview

Sprint

Enterprise Incident Management Team- The Enterprise Incident Management Team (EIMT) convenes quickly to provide the logistical support required to respond to and recover from an incident in an expeditious manner. When an incident has been declared a disaster, the EIMT transitions to an Incident Command System (ICS) structure. Sprint utilizes ICS as the recognized response system for providing restoration of the network and critical business process recovery. The EIMT has the most current status regarding internal response and recovery efforts. This team is intended to be an implementation support organization for all divisions within the company, to provide the necessary resources to assist with the restoration efforts.

Incident Management Team- Sprint has incident management teams in all major divisions. The divisional IMTs are responsible for coordinating disaster response efforts within their respective departments. All IMTs have an IMT chair that will represent their department on the EIMT to provide status updates as well as present any issues that may require corporate guidance, support, and escalation.



5. Corporate Business Continuity Program Implementation

In implementing the Business Continuity Program, Sprint uses practices as defined by the industry common body of knowledge. FEMA, Business Continuity Institute (BCI), Disaster Recovery Institute International (DRII), and the American National Standards Institute (ANSI) have endorsed this methodology. Components of the program include:

Program Initiation & Governance
Risk Identification & Assessment
Risk Reduction
Plan Building
Develop and Conduct Exercises
Training and Awareness
Sustainability and Process Improvement
Program Performance Reporting

5.6 Training and Awareness

To ensure all employees are aware of the program and prepared for a crisis event, Sprint has a formal Business Continuity training and awareness program. Sprint utilizes the internal training organization, Sprint University, to develop a variety of training resources for Sprint associates. Company training and awareness resources include online training, a corporate continuity website, and orientation and educational sessions. These sessions are regularly scheduled discussion seminars that provide information, answer questions, and identify needs and concerns from employees.

5.7 Sustainability and Process Improvement

The Business Continuity Program is considered an ongoing and ever evolving initiative. Company-wide After Action Reviews (AAR) are hosted by professional facilitators from the Sprint University. In addition, individual departments will host AAR sessions. Information from these reviews is used to improve efficiency of business continuity and disaster response processes. Lessons learned, exercise results, or major organizational changes are all examples of triggers that would cause Sprint to re-evaluate existing procedures and modify them for optimal response.

5.8 Performance Reporting

The Business Continuity Office reports to Sprint's Executive Management and the Board of Directors, on an annual basis, regarding the status of the Sprint's Business Continuity Program and Sr. Management's overall assessment of risk to the organization. Sprint has an internal Maturity Model for benchmarking Business Continuity Program success and progress. In addition, 3rd party auditors have been brought in to measure Sprint's Business Continuity and Disaster Response programs.

6. Declaring Company Threat Levels

Sprint has defined four incident severity levels with internal triggers to escalate when an incident escalates. These incident severity levels in increasing order are: Business As Usual, Incident Management Team, Enterprise Incident Management and lastly Company Jeopardy.

7. EIMT Incident Command Center (ICC)

The EIMT ICC serves as a centralized incident management center to manage disaster-related response operations. This center is a central work location for EIMT members to join together to manage response and restoration activities. Alternate redundant EIMT ICCs, are identified as well.

8. Network Resiliency Overview

9.1 Network Incident Management Team

Network Services' implementation of ICS stays true to the core principles of ICS. This enables Sprint to leverage this best practice in wide-scale responses, using common terminology and standard organizational structures, to communicate efficiently internally and with customers such as Public Safety agencies as many of these agencies utilize ICS as well. Teams train on and deploy in standard ICS Sections, branches, units and strike teams, and emphasize span of control, comprehensive resource management, and other ICS principles.

Network teams leverage Sprint tools such as Priority Connect, Direct Talk units, (off-network unit-to-unit communications) GPS hand held units, camera phones, laptop wireless cards, and Blackberry devices to aid in response communication, situation assessment and resource tracking. The teams also maintain a pool of Satellite phones as a contingency plan to use in restoration. Teams continue to create innovative response tools, such as the unique Satellite backhaul SatCOLTs (Cell on Light Truck) that enable restoration of service when a traditional T1 circuit is not available.

maintaining and facilitating the execution of the recovery plans in conjunction with Resource & Priority Management (RPM).

10.2 Information Technology Incident Command Centers

The IT IMT Command Center serves as a centralized arena to manage disaster related operations. Recovery personnel execute defined processes and procedures, communicate and provide resources to effectively assess and manage disaster events. The Incident Command Centers are geographically redundant.

10.3 Data Center and System Resiliency Planning

The IT IMT is a proactive planning group that works in partnership with peer IMT organizations. The collective team is responsible for the accuracy and integrity of current information in their particular area of responsibility, including internal procedures, available systems, resources, call trees and points of contact. The IT IMT provides personnel with the necessary resources to assist with the restoration process. Sprint-Data Centers are held to exceptionally high and stringent industry, but more importantly, self imposed standards of structural design, engineering, technology, redundancy, security, maintenance and 24x7 operations. Data Centers are geographically diverse and have the capability to execute an internally developed disaster recovery methodology of Internal Business Recovery (IBR) where on Data Center functions as the recovery site for another Data Center.

10.4 IT Network Restoration Prioritization

Critical Applications supporting the internal and external client community have been prioritized based on application impact analysis in order to expedite and control the recovery process. Data required for recovery of operating systems, production libraries, and application systems are backed up regularly and placed in off-site storage.

11. Workforce Resiliency Overview

11.1 Pandemic Planning Overview

Sprint has implemented a pandemic plan that targets a safe and productive work environment for all employees and takes into consideration that absenteeism may be excessive for a period of time.

Sprint's plan allows for flexibility and scalability to adjust to changing events. The plan also incorporates a wide range of strategies that may be implemented by business units while ensuring communication and information sharing on status and success.

A separate plan document is available upon request for Sprint's Pandemic Plan.

11.2 Alternate Site and Remote Access Overview

Sprint utilizes information obtained through business impact analysis and risk reduction strategies in order to preserve business functions that are required in the face of a disaster. Depending on the size and scale of the event, Sprint has strategies in place to provide added capacity, alternative work locations and remote access if necessary to retain operations.

Business functions that require alternate sites, geographic redundancy and remote access capabilities are identified proactively and plans are periodically reviewed and revised as necessary in anticipation of any event.

12. Emergency Response Team (ERT)

Sprint's ERT is an experienced, cross-functional group of nine full-time and hundreds of reservists across the country, that provides wireless telecommunications equipment, infrastructure and personnel operations support to federal, state and local public safety, law enforcement, military agencies and private Sector Organizations during declared emergencies, field training exercises, agency-specific events and National Special Security Events.

ATTACHMENT 6

Sample Advertisements for Lifeline and Link Up



Sprint Presents Lifeline and Link Up Service

Lifeline and Link Up are public assistance programs offering wireless telephone discounts to qualified, low-income consumers. Under the Lifeline program, eligible subscribers may receive a discounted monthly charge of \$16.49 per month in most areas. Eligible residents of federally recognized Tribal lands may qualify to receive additional discounts off the monthly charge for Lifeline service. Link Up assistance helps qualified, low-income customers pay the activation fee.

Eligibility requirements vary by state. In many states, you may qualify for Lifeline assistance if you comply with certain income level requirements or you currently participate in certain public assistance programs.

For further information about Lifeline and Link Up assistance or to receive an application form, please call Sprint toll free at 866-827-3290.

NOTICE: Lifeline is only available to Sprint subscribers in limited geographic areas, and for one wireline or wireless phone line per household. You may only receive the Link Up discount once at the same address. Additional restrictions apply. ©2009 Sprint Nextel. All rights reserved. SPRINT, the logo and other trademarks are trademarks of Sprint Nextel.





Programas Lifeline Y Link-Up De Sprint

Lifeline

Lifeline es un programa de asistencia pública que ofrece un descuento en la factura mensual del teléfono móvil a clientes de bajos ingresos que califiquen.

Solicítelo y Ahorre

Bajo el programa Lifeline, los suscriptores que califiquen pagan un cargo mensual descontado de \$16.49 al mes en la mayoría de las áreas. Los residentes de territorios tribales reconocidos a nivel federal que califiquen, podrían recibir descuentos adicionales en su cargo mensual por el servicio Lifeline.

Servicio Lifeline de Sprint

El servicio Lifeline incluye 200 minutos a cualquier hora y minutos ilimitados de noche y fin de semana, los cuales pueden ser usados para llamadas locales o de larga distancia. Los minutos de noche y fin de semana pueden ser usados antes de las 7 a.m. y después de las 9 p.m. de lunes a viernes, y durante todo el día los sábados y domingos. El servicio Lifeline también incluye correo de voz, llamada en espera, identificador de llamadas, mensajería numérica y llamada entre tres personas sin cargo adicional. Aunque el *roaming* está incluido en la mayoría de las áreas del país, no está incluido en los territorios de las Filiales de Sprint.

Cómo calificar para Lifeline

Los requisitos de elegibilidad varían según el estado. En muchos estados, usted podría calificar para recibir asistencia de Lifeline si el Ingreso total de su hogar está por debajo de los lineamientos de los niveles de pobreza establecidos por el estado donde vive o por el FCC, o si actualmente califica para recibir beneficios de alguno de los siguientes programas de asistencia pública:

- > Medicaid
- > Cupones de alimentos (Food Stamps)
- > Ingreso de Seguridad Suplementario (Supplemental Security Income, SSI)
- > Asistencia Federal de Vivienda Pública/sección 8 (Federal Public Housing Assistance/section 8)
- > Asistencia de Energía para Hogares de Bajos Ingresos (Low-Income Home Energy Assistance, LIHEAP)
- > Programa Nacional de Almuerzos Escolares (Nacional School Free Lunch Program)
- > Asistencia Temporal para Familias Necesitadas (Temporary Assistance for Needy Families, TANF)

Si el cliente vive en territorios tribales reconocidos a nivel federal, también podría calificar para recibir asistencia optimizada de Lifeline, si cumple con los requisitos mencionados arriba, o si actualmente el cliente califica para recibir beneficios de alguno de los siguientes programas de asistencia pública:

- > Asistencia general provista por la Dirección de Asuntos Indígenas (Bureau of Indian Affairs general assistance)
- > Asistencia Temporal para Familias Necesitadas Administradas a Nivel Tribai (Tribai Administered Temporary Assistance for Needy Families, Tribal TANF)
- > Head Start (sólo para aquellos que cumplan con las normas de calificación según los ingresos/only those meeting income qualifying standards)

Lifeline & Link-Up Programs from Sprint

Lifeline

Lifeline is a public assistance program that offers qualified, low-income customers a discount on their wireless monthly telephone bill.

Apply And Save

Under the Lifeline program, eligible subscribers pay a discounted monthly charge of \$16.49 per month in most areas. Eligible residents of federally-recognized Tribal lands may qualify to receive additional discounts off the monthly charge for Lifeline service.

Lifeline Service from Sprint

Lifeline service includes 200 Anytime Minutes and Unlimited Night and Weekend Minutes, which may be used for local or long-distance calls. Night and weekend minutes may be used before 7am and after 9pm Monday through Friday, and all day Saturday and Sunday. Lifeline service also includes Voice Mail, Call Waiting, Caller ID, Numeric Paging and Three-Way Calling at no additional charge. While roaming is included in most areas of the country, it is not included in Sprint Affiliate territories.

Qualify For Lifeline

Requirements vary by state. In many states, you may qualify for Lifeline assistance if your total household income is less than the poverty guidelines set by your state or the FCC, or if you are currently eligible to receive benefits from any of the following public assistance programs:

- > Medicaid
- > Food Stamps
- > Supplemental Security Income (SSI)
- > Federal Public Housing Assistance (section 8)
- > Low-Income Home Energy Assistance (LIHEAP)
- > National School Free Lunch Program
- > Temporary Assistance for Needy Families (TANF)

If you live on federally-recognized Tribal lands, you may also qualify for enhanced Lifeline assistance if you satisfy the above requirements or if you are currently eligible to receive benefits from any of the following public assistance programs:

- > Bureau of Indian Affairs general assistance
- > Tribal Administered Temporary Assistance for Needy Families (Tribal TANF)
- > Head Start (only those meeting income qualifying standards)

Annual Service Improvement Plan

Entire Attachment Redacted

THE INFORMATION CONTAINED IN CONFIDENTIAL ATTACHMENT 7 CONTAINS NETWORK PLANNING, COST AND NETWORK DESIGN INFORMATION THAT IS VALUABLE COMMERCIAL INFORMATION AS PROVIDED IN RCW 80.04.095.

Back Up Power Status

Entire Attachment Redacted

THE INFORMATION CONTAINED IN CONFIDENTIAL ATTACHMENT 8 CONTAINS NETWORK PLANNING, COST AND NETWORK DESIGN INFORMATION THAT IS VALUABLE COMMERCIAL INFORMATION AS PROVIDED IN RCW 80.04.095.