BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

)

)

In the Matter of the Petition of T-Mobile West Corporation For Certification as an Eligible Telecommunications Carrier Pursuant to 47 U.S.C. § 254(e)(2)

Docket No.)

) T-MOBILE WEST CORPORATION'S) PETITION FOR CERTIFICATION AS AN) ELIGIBLE TELECOMMUNICATIONS CARRIER

T-MOBILE WEST CORPORATION'S PETITION FOR CERTIFICATION PURSUANT TO ORDER NO. 01 IN DOCKET UT-101060, WAC §§ 480-123-060, 480-123-070 AND 480-123-080, AND 47 U.S.C. § 254(e)(2)

T-Mobile West Corporation (hereinafter, "T-Mobile" or the "Company") hereby submits

this petition for certification as an eligible telecommunications carrier ("ETC") pursuant to

Washington Utilities and Transportation Commission ("Commission") Order No. 01 in Docket

UT-101060 ("Designating Order"), Sections 480-123-060 through 480-123-080 of Washington

Administrative Code ("WAC") (hereinafter referred to as the "Washington Certification

Requirements"), and 47 U.S.C. § 254(e)(2).

COMMUNICATIONS REGARDING THIS APPLICATION I.

All correspondence and communications regarding this Application should be addressed

as follows:

Mark P. Trinchero Davis Wright Tremaine LLP 1300 SW Fifth Avenue, Suite 2300 Portland, Oregon 97201 (503) 778-5318

1

Teri Ohta Senior Corporate Counsel T-Mobile USA, Inc. 12920 SE 38th Street Bellevue, Washington 98006 (425) 383-5532

II. BACKGROUND

T-Mobile was designated as an ETC by the Commission on October 14, 2010 in the *Designating Order*. In this filing, T-Mobile addresses each of the annual reporting requirements adopted by the Commission in the *Designating Order*, in the *Washington Certification Requirements*, and in the related certification requirements of the Federal Communications Commission ("FCC"), and incorporates the identified attachments, some of which contain confidential and proprietary information and will be filed under seal.

Subsequent to T-Mobile's designation, Commission Staff initiated discussions with T-Mobile regarding the designated service area list (the "Appendix") attached to and incorporated by reference in the *Designating Order*. Specifically, Commission Staff identified some administrative inconsistencies in the wire center and exchange name listings, and asked T-Mobile to consider revising the Appendix. T-Mobile agreed, and on April 5, 2011 filed an amended list of the local exchange carrier wire centers that comprise T-Mobile's designated service area. The Commission accepted T-Mobile's revised filing, adopting the administrative changes in Order Number 02 in Docket UT-101060 with a revised Appendix, which is incorporated herein as Attachment A and represents the list of local exchange carrier wire centers that comprise T-Mobile's designated service area.

2

III. T-MOBILE'S UNIVERSAL SERVICE SUPPORT

As the Commission is aware, on May 1, 2008, the FCC adopted an order capping the federal high cost universal service fund for competitive ETCs ("CETCs").¹ Pursuant to the *CETC Cap Order*, high cost universal service support to CETCs is capped for each state based on the annualized support received by CETCs in March 2008. Thus, a CETC's high cost support is subject to change as incumbent local exchange carrier ("ILEC") costs and CETC line counts fluctuate (among other possible factors).

Under the state-based interim cap, the Universal Service Administrative Company ("USAC") calculates support using a two-step approach. First, the support that each of the state's CETCs would have received absent the cap under the identical support rule is calculated and the sum for all support is determined. Second, if the sum of uncapped support is greater than the capped support for the state, a state reduction factor is calculated by dividing the state cap support amount by the total state uncapped amount. The resultant state reduction factor is then applied to the uncapped support amount for each CETC in the state, proportionately reducing each CETC's support.

T-Mobile did not receive any federal high cost universal service support for its Washington study area in the calendar year 2010. T-Mobile currently estimates that it will receive approximately \$2.5 million in federal high cost universal service support in Washington in 2011 and approximately \$2 million in federal high cost universal service support in Washington annually thereafter. These estimates are based on current information and may vary as federal universal service funding levels, ILEC costs and subscribership change over time.

¹ High-Cost Universal Service Support, WC Docket No. 05-337; Federal-State Joint Board on Universal Service, CC Docket No. 96-45, Order released May 1, 2008 (FCC 08-122) ("CETC Cap Order").

IV. T-MOBILE'S 2010 ANNUAL CERTIFICATION AND REPORTS

47 U.S.C. § 254(e) requires that an eligible telecommunications carrier receiving federal universal service support "shall use that support only for the provision, maintenance, and upgrading of facilities and services for which the support is intended." The FCC later concluded "that states should be required to file annual certification with the Commission to ensure carriers use universal service support 'only for the provision, maintenance, and upgrading of facilities and services for which the support is intended' consistent with Section 254(e).ⁿ² Accordingly, included in Attachment B is T-Mobile's annual certification based upon the requirements of 47 U.S.C. § 254(e), the *Designating Order* and *Washington Certification Requirements*, including (among other things) a certification by an officer of the Company that T-Mobile will only utilize federal high cost universal service funds for the purposes for which those funds are intended, which will enable the Commission to make the required annual certification requirements as described below.

A. 2010 Report on Use of Federal Funds and Benefits to Consumers

Standard 1 of the *Washington Certification Requirements* requires that an ETC submit a report on the federal high cost universal service support it received from January 1 through December 31 of the previous year including a substantive description of investments made and expenses paid with support from the federal high cost fund and a substantive description of the benefits to consumers that resulted from the investments and expenses included therein.³ Because T-Mobile did not receive any federal high cost universal service funding in 2010 in Washington, no federal high cost universal service funding was available in 2010 and therefore

² Fourteenth Report and Order, Twenty-Second Order on Reconsideration, and Further Notice of Proposed Rulemaking in CC Docket No. 96-45, and Report and Order in CC Docket No. 00-256, para. 187.

³ WAC 480-123-070(1).

there is no information to report regarding T-Mobile's use of federal high cost universal service funding for 2010. In accordance with Standard 1 of the *Washington Certification Requirements*, T-Mobile will track how the Company spends federal high cost universal service support in 2011 and beyond, and will file its first progress report as part of its 2012 annual certification.

B. Local Service Outages

Standard 2 of the *Washington Certification Requirements* requires an ETC to make an annual filing of detailed information on any outage, as that term is defined in 47 C.F.R. § 4.5, of at least thirty (30) minutes in duration for each service area in which an ETC is designated for any facilities it owns, operates, leases, or otherwise utilizes that potentially affects at least ten percent (10%) of the end users' service in a designated service area or a 911 special facility during the previous calendar year.⁴ Specifically, the ETC'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 estimated number of customers affected.

T-Mobile was designated as an ETC on October 14, 2010 and includes as Confidential Attachment C the reportable outages through December 31, 2010. In accordance with Standard 2 of the *Washington Certification Requirements*, T-Mobile will remain vigilant to avoid outages

⁴ WAC 480-123-070(2)

that affect consumers and take any necessary steps to prevent outages from occurring in 2011 and beyond.

C. Failure to Provide Service

Standard 3 of the *Washington Certification Requirements* requires an ETC to identify the number of requests for service from applicants within its designated service areas that were unfulfilled in the prior calendar year and describe in detail how it attempted to provide service to those applicants.⁵ T-Mobile was designated as an ETC on October 14, 2010 and includes as Confidential Attachment D its unfulfilled requests for 2010. In accordance with Standard 3 of the *Washington Certification Requirements*, T-Mobile will take the necessary steps to resolve and track any requests for service (as necessary) in 2011 and beyond.

D. Complaints Per 1,000 Handsets

Standard 4 of the *Washington Certification Requirements* requires an ETC to report the number of complaints, per 1,000 handsets or lines, made to the FCC, or (separately) to the consumer protection division of the Office of the Attorney General of Washington during the previous calendar year.⁶ The report must also generally describe the nature of the complaints and outcome of the carrier's efforts to resolve the complaints. T-Mobile was designated as an ETC on October 14, 2010 and includes as Confidential Attachment E its complaints per 1,000 handsets report for 2010. In accordance with Standard 4 of *the Washington Certification Requirements*, T-Mobile will take the necessary steps to resolve any customer complaints in 2011 and beyond.

⁵ WAC 480-123-070(3)

⁶ WAC 480-123-070(4)

E. Certification of Compliance with Applicable Service Quality Standards

Standard 5 of the *Washington Certification Requirements* 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, compliance with CTIA-The Wireless Association's® Consumer Code for Wireless Service meets this requirement.⁷ Attachment F is a copy of the most recent notice T-Mobile received from CTIA-The Wireless Association® indicating that T-Mobile fulfilled the requirements for certification as a signatory of its Consumer Code for Wireless Service. Included in Attachment B is T-Mobile's certification that it is complying with applicable service quality standards and consumer protection rules.

F. Certification of Ability to Function in Emergency Situations

Standard 6 of the *Washington Certification Requirements* requires an ETC to annually certify that it had the ability to function in emergency situations based on continued adherence to the applicable standards, including that it has (1) at least four hours of back up battery power at each cell site ("Standard 6.1"); (2) back up generators at each microwave hub ("Standard 6.2"); and (3) at least five hours back up battery power and back up generators at each switch ("Standard 6.3").⁸

1. Back Up Power at Cell Sites

Except for a relatively small percentage of cell sites within its Designated Area that were the subject of a temporary exemption, T-Mobile has at least four hours of back up power at each cell site. Any cell sites that do not have at least four (4) hours back up power are located within the signal coverage of nearby cell sites that satisfy the four (4) hour back up requirement, which means T-Mobile customers would still have near complete coverage in the affected areas in the

⁷ WAC 480-123-070(5); WAC 480-123-030(h)

⁸ WAC 480-123-070(6); WAC 480-123-030(g)

event of a loss of power supply to any of the cell sites that do not directly meet the requirement. Nevertheless, in the *Designating Order*, the Commission granted T-Mobile a Temporary Exemption from the Requirement of Four Hours of Back-Up Power at Each Cell Site (the "Exemption") for twenty-two (22) cell sites. The Exemption allows T-Mobile to use reliable power sources other than battery to meet the four-hour back up standard and a period of four (4) years to complete the necessary upgrades to meet the standard. The Exemption also required T-Mobile to (a) provide four (4) hours of back up power at all new cell sites constructed in the Designated Area, subject to its right to seek exemption from the requirement if warranted; (b) include a compliance status report on back up power upgrades in its annual certification filing; and (c) file a final compliance report upon completion of the necessary upgrades or at the expiration of the Exemption, whichever occurs first.

a. New Cell Sites

All new cell sites constructed by T-Mobile meet the four (4) hour back up power requirement.

b. Status Report

For the limited period of time from the date of its designation on October 14, 2010 through December 31, 2010, T-Mobile was not able to complete any upgrades to the 22 cell sites included in the Exemption. T-Mobile is taking steps to reassess the unique circumstances that existed at the time of the installation of the cell sites listed in the Exemption to (i) determine if any barriers remain to meeting the back up power requirements and (ii) assemble a plan to bring the cell sites into compliance, where possible.

c. Final Compliance Report

T-Mobile has not completed upgrades to the 22 cell sites included in the Exemption and the Exemption period has not expired, therefore, no final compliance report is required.

Subject to the Exemption described above, included in Attachment B is T-Mobile's certification that it meets Standard 6.1 of the *Washington Certification Requirements*.

2. Back Up Generators at Microwave Hubs

T-Mobile has back up generators at each microwave hub providing service within its Designated Areas. Included in Attachment B is T-Mobile's certification that it meets Standard 6.2 of the *Washington Certification Requirements*.

3. Back Up Power/Generators at Switches

T-Mobile had in 2010 and has at least five (5) hours back up battery power and back up generators at each switch that provides service within its Designated Areas. Included in Attachment B is T-Mobile's certification that it meets Standard 6.3 of the *Washington Certification Requirements*.

T-Mobile also generally prepares for emergency situations by making capital improvements to the network, undertaking preventative maintenance, training personnel, and continually monitoring its network elements in accordance with 47 C.F.R. § 54.201(a)(2), which sets forth three (3) areas of demonstration with respect to remaining functional in an emergency situation: back-up power to ensure a functioning network; network redundancy for re-routing; and how traffic spikes are addressed.

a. Back-up power

In addition to complying with Standard 6.1 of the *Washington Certification Requirements*, subject to the Exemption, T-Mobile also maintains portable back-up power generators at various network locations that it can deploy in emergency situations.

b. Ability to Reroute Traffic Around Damaged Facilities

T-Mobile has the ability to re-route traffic around damaged out-of-service facilities through the deployment of cell-on-wheels ("COWs"), redundant facilities, and dynamic re-routing of traffic over alternate facilities.

c. Ability to Manage Traffic Spikes During Emergency Periods

T-Mobile has a network control center that monitors network traffic and anticipates traffic spikes, and can: (i) deploy network facilities to accommodate capacity needs; (ii) change call routing translations; and (iii) deploy COWs to temporarily meet traffic needs until more durable solutions, such as additional capacity and antenna towers, can be deployed.

G. Advertising Certification

Standard 7 of the *Washington Certification Requirements* requires an ETC to annually certify that it has publicized the availability of its applicable telephone assistance programs, such as Lifeline, in a manner reasonably designed to reach those likely to qualify for service, including to residents of federally recognized Indian reservations within the ETC's designated service area.⁹ Included in Attachment G are some examples of the advertising that T-Mobile completed in its Designated Area in 2010. Included in Attachment B is T-Mobile's certification that it appropriately advertised the availability of its telephone assistance program in a manner reasonable designated to reach those likely to qualify for service in accordance with Standard 7 of the *Washington Certification Requirements*.

⁹ WAC 480-123-070(7)

H. Annual Plan for Universal Service Support Expenditures

The *Washington Certification Requirements* also require an ETC to report on the planned use of federal support related to Washington state that will be received during the period October of the current year through the following September, including a substantive plan of the investments and expenditures to be made with federal support, and a substantive description of how those investments and expenditures will benefit customers.¹⁰

T-Mobile's report on the use of federal high cost universal service support that it will receive from October 1, 2011 to September 30, 2012 is included in its Service Improvement Plan for Washington and is filed as Confidential Attachment H. T-Mobile's Service Improvement Plan identifies projected network improvements and upgrades that will be funded with universal service funds in 2011 and 2012 improving signal quality, coverage, and/or capacity. All cell site and site modification projects are designed to improve signal quality, coverage, and capacity, and switch upgrades are designed to improve service quality and capacity. The Service Improvement Plan further identifies other expenditures for the provision, maintenance, and upgrading of facilities used to deliver supported services to consumers consistent with 47 U.S.C. § 254(e).

The selection of the projects in the Service Improvement Plan is based on the Company's evaluation of many factors, including, but not limited to, current consumer demand, competitive forces, long term planning, available capital, and others. As these factors change, the Service Improvement Plan may be modified. In addition, forces beyond the Company's control (for example, zoning issues related to cell site placement) may result in modifications to planned projects or timelines. As a result, the content and timing of the projects in the Service Improvement Plan are subject to change. In addition, if the actual amount of federal high cost universal service funding received varies from the amount currently estimated, T-Mobile

11

¹⁰ WAC 480-123-080

reserves the right to modify its Service Improvement Plan accordingly. Any modifications will be reported as required in Standard 1 of the *Washington Certification Requirements* in T-Mobile's 2012 Annual Certification filing.

V. ADDITIONAL T-MOBILE REQUIREMENTS

The Commission granted T-Mobile's request for ETC designation subject to two conditions. Condition 1(a) of the *Designating Order* required T-Mobile to comply with all applicable federal and Washington state statutes and regulations, including E911 tax contributions. T-Mobile confirms its compliance herein.

Condition 1(b) of the *Designating Order*, related to Low Income support and eligibility, required T-Mobile to provide the number of Lifeline customers and its receipt of federal low income support. The Commission also required T-Mobile to submit a copy of its Annual Verification Survey report made to USAC regarding its Lifeline customers' continued eligibility for Lifeline, and based upon a review of that information, the Commission reserved the right to impose more rigorous customer eligibility verification requirements on T-Mobile.

A. Low Income Subscribership and Support

T-Mobile includes, as Confidential Attachment I, its report identifying the total number of Lifeline customers it had as of December 31, 2010 and the total amount of federal low income support it received in 2010, in compliance with condition 1(b) of the *Designating Order*.

B. Annual Verification Survey

T-Mobile is in the process of performing its annual verification survey and has not yet reported the results to USAC. Once submitted, T-Mobile will provide the Commission, through a supplemental filing, a copy of its submitted Annual Verification Survey results, as reported to USAC, for its Designated Area in Washington, in compliance with condition 1(b) of the *Designating Order*.

VI. CONCLUSION

Based on the foregoing information, T-Mobile respectfully requests the Commission approve its petition for annual certification and certify to the FCC and USAC that T-Mobile is eligible to receive federal universal service support in accordance with 47 C.F.R. §§ 54.313 and 54.414.

Dated this 29th day of July, 2011.

Respectfully submitted,

T-Mobile West Corporation

Auto By:

Mark P. Trinchero Davis Wright Tremaine LLP 1300 SW Fifth Avenue, Suite 2300 Portland, Oregon 97201 503-778-5318

Teri Ohta Senior Corporate Counsel T-Mobile USA, Inc. 12920 SE 38th Street Bellevue, Washington 98006 425-378-5532