Kristin L. Jacobson, Counsel 201 Mission Street, Suite 1500 San Francisco, CA 94105

Tel: 707-816-7583 Fax: 415-684-7339 Email: kristin.l.jacobson@sprint.com



December 7, 2011

David S. Danner
Secretary and Executive Director
Washington Utilities and Transportation Commission
1300 S. Evergreen Park Drive, SW
P.O. Box 47250
Olympia, WA 98504-7250

RE: Sprint Nextel Corporation's Final Report Per Order 02 Granting

<u>A Temporary Exemption From the Four-Hour Backup Power Requirement</u>

Dear Mr. Danner:

On behalf of Sprint Nextel enclosed are an original and twelve (12) copies of the abovereferenced document in Commission Docket No. UT-073023. Please note that Exhibits A and B are considered confidential and have been copied onto yellow paper for this purpose.

Should you have any questions regarding this filing, please do not hesitate to contact me.

Very truly yours,

Kristin L. Jacobson

Kristin L Jacobson/km

**Enclosures** 

#### BEFORE THE UTILITIES AND TRANSPORTATION COMMISSION

#### OF THE STATE OF WASHINGTON

n the Matter of the Final Report of	)	
Sprint Nextel Corporation	)	Docket No. UT-073023
For Compliance with Order 2, Condition 1(c)	)	
egarding Temporary Exemption from WAC	)	
180-123-030(1)(g) and WAC 480-123-070(6)	)	

## SPRINT NEXTEL CORPORATION FINAL REPORT PER ORDER 02 GRANTING A TEMPORARY EXEMPTION FROM THE FOUR-HOUR BACKUP POWER REQUIREMENT

Kristin L. Jacobson Counsel, Sprint Nextel Regulatory Affairs West Region 201 Mission Street, Suite 1500 San Francisco, CA 94105-1855

Office: (707) 816-7583 Fax: (415) 684-7339

# SPRINT NEXTEL CORPORATION FINAL REPORT PER ORDER 02, CONDITION 1(C) GRANTING A TEMPORARY EXEMPTION FROM THE FOUR-HOUR BACKUP BATTERY REOUIREMENT

In UT-073023, the Washington Utilities and Transportation Commission (the "Commission") granted Sprint Nextel a temporary exemption from WAC 480-123-030(1)(g) and WAC 480-123-070(6) (the "Temporary Exemption"). In Order 02, Condition 1(c) the Commission set forth the following requirement: "Sprint Nextel must file a final compliance report upon completion of the backup power upgrades or at the expiration of the temporary exemption, whichever occurs first." The information included herein is intended to satisfy this "Final Report" requirement.

#### I. Overview of Final Report

This Final Report seeks to satisfy the summary information sought by the Commission and required pursuant to Order 02, Condition 1(c), which order granted Sprint Nextel a Temporary Exemption for the minimum 4-hour battery backup requirement set forth in WAC 480-123-030(1)(g) and WAC 480-123-070(6).

A spreadsheet detailing information for each wire center was included as Attachment 8 of Sprint Nextel's 2011 ETC annual certification filing in Docket UT-111383. This spreadsheet identifies the list of wire centers where Sprint Nextel received ETC certification, thus subject to the minimum 4-hour battery backup requirement.

In Docket UT-111325, Sprint Nextel filed an application to relinquish its Eligible Telecommunications Carrier ("ETC") status in WA, with a requested effective date of December 31, 2011. Accordingly, Sprint Nextel is not currently seeking an extension of

the Temporary Exemption, which exemption is currently set to expire on the same date for the requested relinquishment: December 31, 2011.

#### II. Battery Backup Status

Absent Sprint Nextel's application to relinquish its ETC designation, prior to December 31, 2011, it would have sought Commission approval for an extension of the existing Temporary Exemption from the minimum 4-hour battery backup requirement. The impending ETC designation relinquishment seems to make such a request moot. Sprint Nextel wishes to clarify, however, that although not all of its sites located within the ETC designated territory have full 4 hours of battery backup, most of its noncompliant sites have close to 4 hours of battery coverage. Of the sites that do not meet the minimum 4 hours of battery coverage, most are Class 3 sites (least integral to the operation of Sprint Nextel's wireless communications network). Additionally, many of Sprint Nextel's sites provide a certain amount of overlapping coverage. Thus, in the event of a lengthy and large-scaled commercial power outage, as the backup battery power depletes and certain sites shut down, neighboring sites with overlapping coverage continue to provide wireless coverage to portions of the geographic area predominantly covered by the neighboring sites, for an extended duration of time. Moreover, the cost of adding additional battery strings required to provide an average of an additional hour of battery power in order to meet the minimum 4 hours of battery coverage, is very high (estimated at \$20,000 per site for an additional battery string including rectifier upgrade, acquisition of necessary entitlements, lease modifications and the associated labor, engineering and legal costs, assuming that structural modifications, site relocation or other extraordinary work is not required, otherwise the estimated cost increases

significantly). Many of the remaining non-compliant sites face additional challenges, such as constraints on the size of the leasehold area, resulting in an inability to increase the number of battery strings without lease and structural modifications. Additional entitlements may also be required. In some cases, there is simply no ability to increase the leasehold area because there is no available additional space, necessitating a relocation of the site. Overall, in light of the high cost associated with the purchase and installation of additional backup battery strings which ultimately provide only an average of 1 to 2 hours of additional backup power for the relatively few Class 2 and Class 3 sites at issue, on a national basis, Sprint Nextel has instead supported investing in an extensive portable backup power generator fleet that are poised to be deployed in the event of a large-scaled commercial power failure. Sprint Nextel has also been actively exploring alternative backup power sources that are more environmentally friendly and provide for longer term backup power alternatives. Although Sprint Nextel is not on target to meet the December 31, 2011 deadline as set forth in the Temporary Exemption for battery backup power at the sites identified in its Request for Eligible Telecommunications Carrier Annual Certification in Docket No. UT-111383 filed on July 28, 2011, it has implemented many other network hardening measures, above and beyond the installation of battery strings, to ensure high service quality and network reliability on a networkwide basis in the event of a large scaled commercial power outage.

A breakdown of the remaining Class 1-3 sites that may not have the full 4 hours of battery backup on site are set forth in **Confidential Exhibit A**, set forth below. Due to a change in inventory tracking systems, as further described in Exhibit A, the information

included therein underestimates, to some extent, the number of sites that meet the minimum 4-hour battery backup requirement.

Confidential Exhibit B includes a spreadsheet depicting the name and location information of the Sprint Nextel sites throughout the State of Washington that received batteries between January 2009 and July 2011, the number of batteries that were installed at each location (as battery replacements and/or upgrades) and the estimated costs incurred to purchase and install the batteries.

#### V. <u>Conclusion</u>

Sprint Nextel respectfully requests the Commission's consideration of the information included in this Final Report.

DATED: This 1th day of December 2011 in San Francisco, California.

Kristin L. Jacobson

Counsel, Sprint Nextel

Regulatory Affairs West Region

201 Mission Street, Suite 1400

San Francisco, CA 94105-1855

Office: (707) 816-7583

Fax: (415) 684-7339

## CONFIDENTIAL EXHIBIT A

### CONFIDENTIAL EXHIBIT B

Battery Count and Cost Information<sup>1</sup>

<sup>&</sup>lt;sup>1</sup> This spreadsheet includes all of the Sprint Nextel sites in Washington that received batteries between January 2009 and July 2011, not just those sites located within the ETC designated exchanges. The number of batteries that were installed at each location (as battery replacements and/or upgrades) may be under-inclusive. The estimated costs incurred to purchase and install the batteries are based on current best-price estimates per Sprint's negotiated rates with local vendors. These estimated costs do not include all other expenses associated with upgrading the battery strings to meet the minimum four-hours of battery backup power (as discussed above).

#### **CERTIFICATE OF SERVICE**

I hereby certify that I have this day of December, 2011, served the true and		
correct original, along with the correct number of copies, of the foregoing document upon		
the WUTC, via the method(s) noted below, properly addressed as follows:		
David S. Danner  Secretary and Executive Director  Washington Utilities & Transportation Commission  1300 S. Evergreen Park Drive, SW P.O. Box 47250  Olympia, WA 98504-7250  Hand Delivered U.S. Mail (first-class, postage prepaid)  x Overnight Mail (FedEx)  Facsimile (360-586-8203)  x Email (records@wutc.wa.gov)		
I hereby certify that I have this 1 day of December, 2011, served a true and		
correct copy of the foregoing document upon the party listed below as follows:		
Simon J. ffitch  Attorney General of Washington  Public Counsel Section  800 Fifth Avenue, Suite 200  Seattle, WA 98104-3188  — Hand Delivered  X U.S. Mail (first-class, postage prepaid)  Overnight Mail (FedEx)  Facsimile (360-586-8203)  X Email (simonf@atg.wa.gov)		
I declare under penalty of perjury under the law of the State of Washington that the foregoing is true and correct.  Dated this 14 day of December, 2011, at San Francisco, California.		
Kotherine M. McMelion		