

**BEFORE THE WASHINGTON UTILITIES
AND TRANSPORTATION COMMISSION**

In the Matter of the Petition of
RCC MINNESOTA, INC.
For Designation as an Eligible
Telecommunications Carrier

DOCKET NO. UT-023033

STATE OF WASHINGTON
UTILITIES AND TRANSPORTATION
COMMISSION

2009 JAN 14 AM 9:36

**NOTICE OF PARTIAL RELINQUISHMENT OF
ELIGIBLE TELECOMMUNICATIONS CARRIER DESIGNATION**

RCC Minnesota, Inc. (RCC), by and through its undersigned counsel, and pursuant to 47 U.S.C. § 214(e)(4) and 47 C.F.R. § 54.205, respectfully notifies the Washington Utilities and Transportation Commission (Commission) of the partial relinquishment of RCC's eligible telecommunications carrier (ETC) designation in Washington effective December 22, 2008. The specific incumbent local exchange company (ILEC) wire centers where RCC's ETC designation is relinquished are set forth on **Exhibit A**. The wire centers where RCC will remain designated as an ETC are set forth on **Exhibit B**.

In support of its notice of relinquishment, RCC states as follows:

A. RCC's ETC Designation

- 1 RCC is licensed by the Federal Communications Commission (FCC) to provide commercial mobile radio service (CMRS) in portions of Washington.
- 2 By Order dated August 14, 2002, the Commission granted RCC's request for designation as a competitive ETC in certain ILEC wire centers within Washington.¹

¹ *In the Matter of the Petition of RCC Minnesota Inc., d/b/a Cellular One for Designation as an Eligible Telecommunications Carrier, Docket UT-023033, Order Granting Petition for Designation as an Eligible Telecommunications Carrier (Aug. 14, 2002).*

B. The RCC/Verizon Wireless Divestiture Conditions

3 On August 7, 2008, Cellco Partnership d/b/a Verizon Wireless (Verizon Wireless) acquired indirect ownership and control of RCC. Aspects of the transaction were subject to the regulatory jurisdiction, review and approval of the U.S. Department of Justice (DOJ) and the FCC.

4 As a result of its analysis, the DOJ concluded Verizon Wireless' proposed acquisition of RCC was likely to result in competitive harm in certain cellular market areas. The DOJ subsequently entered into a settlement agreement with Verizon Wireless and RCC designed to address its competitive concerns. Under the terms of the settlement agreement, and as a condition of obtaining DOJ approval, Verizon Wireless and RCC agreed to divest and transfer control of RCC's mobile wireless telecommunications services business, including the cellular licenses and related operational and network assets, certain employees, retail sites and subscribers, in the Washington cellular market areas known as Washington RSA 2 – Okanogan (RSA 2) and Washington RSA 3 – Ferry (RSA 3).²

5 The FCC approved the transfer of control of licenses, authorizations, and spectrum manager leases from RCC to Verizon Wireless, but similarly required RCC and Verizon Wireless to “divest all licenses, leases, and authorizations and related operational and network assets, which shall include certain employees, retail sites, subscribers, customers, all fixed assets, goodwill, and all spectrum assets associated therewith...” of RCC in Washington RSA 2 & 3.³

² Washington RSA 2 includes the geographic area within Chelan, Douglas and Okanogan counties. Washington RSA 3 includes Ferry, Pend Oreille and Stevens counties.

³ *In the Matter of Applications of Cellco Partnership d/b/a Verizon Wireless and Rural Cellular Corporation For Consent to Transfer Control of Licenses, Authorizations, and Spectrum Manager Leases and Petition for Declaratory Ruling that the Transaction is Consistent with Section 310(b)(4) of the Communications Act*, WT Docket No. 07-208 et al., *Memorandum Opinion and Order and Declaratory Ruling*, FCC 08-181 (rel. August 1, 2008), ¶ 113 (*FCC Merger Order*).

6 RCC was not required to divest its operations in the Washington RSA 8 – Whitman (RSA 8) cellular market area.⁴ RCC continues to provide service in Washington RSA 8.

7 Pending divestiture of Washington RSA 2 & 3, the *FCC Merger Order* required RCC’s operations in those markets to be managed and operated by a “Management Trustee” and/or “Divestiture Trustee.”⁵ Accordingly, RCC’s Washington RSA 2 & 3 operations have been under the control of the required Trustee since August 7, 2008.

C. The Divestiture of Washington RSA 2 & 3 to AT&T

8 On December 22, 2008, Verizon Wireless and RCC successfully completed the divestiture of RCC’s Washington RSA 2 & 3 operations to AT&T Mobility, LLC and certain of its subsidiaries (AT&T). AT&T now has complete ownership of the licenses, leases, and authorizations and related operational and network assets, including certain owned or leased real property, cell sites, employees, retail facilities and retail operations, subscriber contracts, customers, fixed assets, and spectrum assets, that had previously constituted RCC’s Washington RSA 2 & 3 operations. Since RCC’s ETC designation was not considered to be an asset subject to purchase or sale, RCC’s ETC designation within Washington RSA 2 & 3 was not transferred to AT&T.

9 As a result of the FCC-mandated divestiture of its wireless telecommunications operations or customers in Washington RSA 2 & 3, RCC no longer owns or operates a network to provide the supported services to any customers within Washington RSA 2 & 3 and no longer will receive any universal service support for these areas.

⁴ Washington RSA 8 includes Asotin, Columbia, Garfield, Walla Walla and Whitman counties.

⁵ *FCC Merger Order* at ¶¶ 115-118.

NOTICE OF PARTIAL RELINQUISHMENT

10 In accordance with the foregoing, RCC provides the following notice of partial relinquishment of its ETC designation in Washington effective December 22, 2008. Specifically, RCC hereby relinquishes its ETC designation in the ILEC wire centers located within the Washington RSA 2 & 3 cellular market areas as set forth on **Exhibit A**.

11 Nothing in RCC's notice of partial relinquishment is intended to affect, and RCC shall fully retain, its ETC designation in the ILEC wire centers located within the Washington RSA 8 cellular market area set forth on **Exhibit B**. RCC continues to provide CMRS service within Washington RSA 8, and all customers currently served by RCC within Washington RSA 8 will continue to be served by the Company. RCC will continue to meet all applicable requirements of its ETC status within its designated wire centers set forth on **Exhibit B**.

12 As set forth in the federal Telecommunication Act of 1996 (the Act), 47 U.S.C. § 151, *et seq.*, and the FCC's universal service rules, approval of a competitive ETC's notice of relinquishment is mandatory provided the customers served by the relinquishing carrier will continue to be served. Section 214(e)(4) of the Act provides as follows:

A State commission (or the [FCC] in the case of a common carrier designated under paragraph (6)) shall permit an eligible telecommunications carrier to relinquish its designation as such a carrier in any area served by more than one eligible telecommunications carrier.

47 U.S.C. § 214(e)(4) (emphasis added); *see also* 47 C.F.R. § 54.205(a) and (b).

13 In accordance with the FCC-mandated divestiture of its operations in Washington RSA 2 & 3, each of RCC's former customers within those cellular market areas is now served by, and will be able to receive service from, AT&T.

14 Following relinquishment of RCC's ETC designation in Washington 2 & 3, customers within each of the ILEC wire centers identified on **Exhibit A** will continue to be

served by, and will be able to receive service from, an incumbent ETC. To the best of RCC's knowledge, each of the ILECs within the wire centers listed on **Exhibit A**, has been designated an ETC.

15 To the best of RCC's knowledge, none of the remaining ETCs will be required to purchase or construct additional facilities to continue providing service within the wire centers set forth on **Exhibit A**.

16 Accordingly, because each of the wire centers set forth on **Exhibit A** will continue to be served by a designated ETC, the Commission should accept and approve RCC's partial relinquishment effective as of December 22, 2008.

17 Upon receipt of the Commission's order approving RCC's partial relinquishment, RCC will immediately inform the Universal Service Administrative Company (USAC) that its designation has been relinquished for the Exhibit A wire centers to ensure that it does not receive universal support funding for these areas.

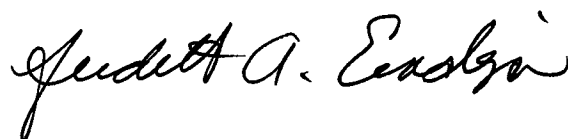
CONCLUSION

For the foregoing reasons, RCC respectfully requests that the Commission approve the partial relinquishment of its ETC designation in Washington effective December 22, 2008.

Respectfully submitted,

Dated: January 13, 2009

GRAHAM & DUNN, PC



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Counsel for RCC Minnesota, Inc.

CERTIFICATE OF SERVICE

I hereby certify that I have placed in the United States mail, first-class postage prepaid, a copy of the foregoing NOTICE OF PARTIAL RELINQUISHMENT OF ELIGIBLE TELECOMMUNICATIONS CARRIER DESIGNATION which was sent to the following:

Asotin Telephone Company
TDS Telecom
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Roslyn, WA 98941

Pioneer Telephone Company
Dennis Mackleit
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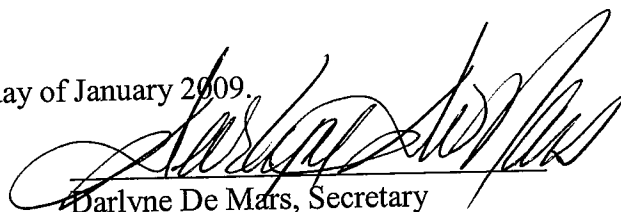
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1600 - 7th Avenue, Room 3206
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Verizon Northwest Inc.
David Valdez
Vice President of Public Policy and
External Affairs
1800 41st Street
Everett, WA 98201

Dated at Seattle, Washington this 13th day of January 2009.


Darlyne De Mars, Secretary
Judith A. Endejan - WSBA# 11016