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February 19, 2004

VIA FEDERAL EXPRESS

Washington Utilities and Transportation Commission
1300 S. Evergreen Park Drive S.W.
Olympia, WA 98504-7250

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STATE OF WASHINGTON
UTIL. AND TRANSPT.
COMMISSION

**Re: In the Matter of the Petition of AT&T Wireless PCS of Cleveland, et al.
For Designation as an Eligible Telecommunications Carrier under
47 U.S.C. § 214(e)(2)**

Dear Sir/Madam:

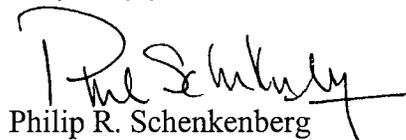
Enclosed for filing in connection with the above-referenced matter please find an original and 12 copies of the Petition for Designation as an Eligible Telecommunications Carrier.

Please enter both Cindy Manheim and myself to the Service List for this matter:

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Very truly yours,


Philip R. Schenkenberg

PRS/smo
Enclosures
cc: Cathy Massey
David Li

I. Name and Address of Petitioner

1. The names of the Petitioners are: AT&T Wireless PCS, LLC; AT&T Wireless PCS of Cleveland, LLC; AT&T Wireless Services of Washington, LLC; Spokane Cellular Telephone Company; Yakima Cellular Telephone Company; Bremerton Cellular Telephone Company; Olympia Cellular Telephone Company, Inc.; Bellingham Cellular Partnership and Hood River Cellular Telephone Company, Inc. The Petitioners are subsidiary licensees of AT&T Wireless Services, Inc. The address of the Petitioners is 7277 164th Avenue N.E., Building 1, Redmond, Washington 98052.

II. Applicable Statutes and Rules

2. The statutes and rules implicated by the instant Petition are as follows: 47 U.S.C. §§ 153(27), 153(44), 214(e), 253(b) and 254(d); 47 C.F.R. §§ 51.5, 54.5, 54.101, 54.201, 54.207, 54.307, 54.313, and 54.314.

III. Authorization, Service Area and Company Background

3. AWS offers wireless services throughout the United States and provides services to more than 20,000,000 subscribers nationwide. AWS is headquartered in Redmond, Washington, and employs more than 6,000 people in the state.

4. AWS is authorized by the FCC to provide commercial mobile radio services ("CMRS") throughout 31 of 39 counties in the state of Washington. AWS has been designated as an ETC in Puerto Rico and has applications pending in the states of Alabama and Mississippi.

5. To be designated as an ETC, an applicant must be a "common carrier." A common carrier is defined as "any person engaged as a common carrier for hire, in interstate or foreign communications by wire or radio" 47 U.S.C. § 153(10). The FCC has determined that CMRS constitutes a "common carrier" service. *See* 47 C.F.R. § 20.9. As a CMRS provider, AWS therefore meets the federal definition of common carrier for purposes of ETC designation.

6. AWS is authorized by the FCC as the A, B, C, D, E and/or F Block licensee through all or part of the following license areas:

<u>Major Trading Areas ("MTAs")</u>	<u>Market Name</u>
MTA 24	Seattle, WA
MTA 42	Spokane-Billings
<u>Basic Trading Areas ("BTAs")</u>	<u>Market Name</u>
BTA 2	Aberdeen, WA
BTA 36	Bellingham, WA
BTA 55	Bremerton, WA
BTA 228	Kennewick-Pasco-Richland, WA
BTA 261	Longview, WA
BTA 331	Olympia-Centralia, WA
BTA 356	Port Angeles, WA
BTA 413	Seattle-Tacoma, WA
BTA 425	Spokane, WA
BTA 468	Wenatchee, WA
BTA 482	Yakima, WA

<u>Metropolitan Service Areas ("MSAs")</u>	<u>Market Name</u>
MSA 20	WA-06
MSA 30	Bellingham, WA
MSA 82	Bremerton, WA
MSA 109	Richland Kennewick, WA
MSA 191	Richland Kennewick, WA
MSA 212	WA-08
MSA 214	WA-08
MSA 242	WA-06
MSA 270	WA-06

<u>Rural Service Areas ("RSAs")</u>	<u>Market Name</u>
RSA 693	WA-01
RSA 696	WA-1, Seattle
RSA 697	WA-05
RSA 698	Spokane, WA
RSA 700	WA-05, Yakima

A map showing the scope of these licensed areas is attached as Exhibit A.

7. AWS currently provides wireless voice and data services over two separate, overlapping networks. One network uses time division multiple access ("TDMA") as its signal transmission technology. AWS also provides voice and enhanced data services over a separate network that uses the signal transmission technology known as global system for mobile communications ("GSM") and general packet radio service ("GPRS"). As of September 30, 2003, these two networks covered an aggregate population of approximately 224 million, or 77% of the U.S. population. With the implementation of its new EDGE technology, AWS has more than tripled the speed of its GPRS wireless data network, making it nearly twice the speed of any other national wireless network. AWS also provides voice service over its analog network and its data service over a network utilizing packet switched data technology (CDPD). AWS is currently phasing out its CDPD network as it converts to GSM/EDGE service.

8. AWS supplements its own networks with roaming agreements that allow its subscribers to use other providers' wireless services in regions where AWS does not have

existing network coverage. AWS also offers multi-mode handset devices which allow its subscribers to access analog, TDMA and GSM/GPRS networks providing them access to wireless service across the United States.

9. A telecommunications carrier may be designated as an ETC and receive universal service support throughout its designated service area if it agrees to: (i) offer services that are supported by federal universal service support mechanisms, and (ii) advertise the availability of such services.¹ In its *Universal Service Order* implementing Sections 214(e) and 254, the FCC set forth the services a carrier must provide to be designated as an ETC in order to receive federal universal service support.²

10. Section 214(e)(2) of the Act provides that ETC designations shall be made for a "service area" designated by the state commission. In areas served by a non-rural company, the state commission may establish an ETC service area for a competitor without federal concurrence.³ Accordingly, AWS requests designation for its service area in the non-rural wire exchanges listed in Exhibit B, attached hereto.

11. In areas served by a rural telephone company, "service area" means the local exchange carrier ("LEC") study area unless and until the FCC and the states, taking into account recommendations of a Federal-State Joint Board on Universal Service, establish a different definition of service area for such company.⁴ On August 17, 1998, the Washington Utilities and Transportation Commission ("WUTC" or "Commission") and 20 rural LECs filed a petition requesting the FCC's agreement with the WUTC's designation of the individual exchanges of 15

¹ See 47 U.S.C. § 214(e)(1).

² *In the Matter of Federal-State Joint Board on Universal Service*, CC Docket 96-45, *Report and Order*, FCC 97-157 ¶¶ 63- 82 (rel. May 8, 1997) ("*Universal Service Order*").

³ See 47 U.S.C. § 214(e)(5).

⁴ See 47 C.F.R. § 54.207(b).

rural LECs as their "service areas" for universal service purposes. The petition also requested a waiver of 47 C.F.R. § 54.307, to permit the disaggregation of high-cost support to Washington's rural carriers. In a Memorandum Opinion and Order released September 9, 1999,⁵ the FCC agreed with the WUTC's proposed service area designation, stating that redefinition along exchange-area boundaries was "warranted in order to promote competition."⁶

12. The FCC also granted the proposed waiver of Section 54.307, permitting the disaggregation of high-cost support on an interim basis pending the development of a new mechanism for the calculation and distribution of support.⁷ In fact, pursuant to the *Fourteenth Report and Order* released in May 2001, several LECs in Washington submitted filings to the WUTC to select among the three enumerated paths defining the manner in which support is to be calculated and distributed on a going-forward basis.⁸ The computation and distribution of high-cost support resulting from those filings will supersede the portions of the *Designation Order* that pertain to disaggregation.⁹

13. Accordingly, the non-rural telephone company exchanges for which AWS seeks designation are listed in Exhibit C, attached hereto.

⁵ See *Petition for Agreement with Designation of Rural Company Eligible Telecommunications Carrier Service Areas and for Approval of the Use of Disaggregation of Study Areas for the Purpose of Distributing Portable Federal Universal Service Support, Memorandum Opinion and Order*, CC Docket No. 96-45, Memorandum Opinion and Order, DA 99-1844, ¶ 8 (rel. Sept. 9, 1999) ("*Designation Order*").

⁶ *Id.*

⁷ *Id.*

⁸ See 47 C.F.R. § 54.315; *Multi-Association Group (MAG) Plan for Regulation of Interstate Services of Non-Price Cap Incumbent Local Exchange Carriers and Interexchange Carriers, Fourteenth Report and Order, Twenty Second Order on Reconsideration, and Further Notice of Proposed Rulemaking*, CC Docket No. 00-256, Fourteenth Report and Order, FCC 01-157, ¶¶ 144-164 (rel. May 23, 2001).

⁹ See *Designation Order*, ¶ 8.

14. Exhibit D demonstrates that the exchanges on Exhibits B and D are within AWS' license areas.

IV. AWS Offers the Supported Services to Qualify for Federal USF Support

15. Section 214(e)(1) of the Act and Section 54.201(d) of the FCC's rules provide that carriers designated as ETCs shall, throughout their service area, (1) offer the services that are supported by federal universal service support mechanisms either using their own facilities or a combination of their own facilities and resale of another carrier's services, and (2) advertise the availability of such services and the charges therefore using media of general distribution.¹⁰ The services which are supported by the federal USF are:

- 1) voice grade access to the public switched network;
- 2) local usage;
- 3) dual tone multi-frequency signaling or its functional equivalent;
- 4) single-party service or its functional equivalent;
- 5) access to emergency services;
- 6) access to operator services;
- 7) access to interexchange service;
- 8) access to directory assistance; and
- 9) toll limitation for qualifying low-income consumers.¹¹

AWS provides all of the nine supported services in satisfaction of the requirements of Section 214(e)(1) of the Act. AWS accepts the obligation to offer these services throughout the state upon reasonable request in full compliance with the obligation of an ETC.

16. Voice Grade Access. "Voice grade access" permits a telecommunications user to transmit voice communications, including signaling the network that the caller wishes to place a call, and to receive voice communications, including receiving a signal that there is an incoming call. The FCC has determined that voice grade access to the public switched telephone network

¹⁰ 47 U.S.C. § 214(e)(1); 47 C.F.R. § 54.201(d).

¹¹ 47 C.F.R. § 54.101(a).

means the ability to make and receive calls with a minimum bandwidth of 300 to 3000 Hertz.¹² Through its interconnection agreement with local exchange carriers (LECs) in Washington, all of AWS' customers are currently able to make and receive calls on the public switched telephone network within the specified bandwidth.

17. Local Usage. "Local usage" is defined as an amount of minutes of use of exchange service, as prescribed by the FCC, provided free of charge to end users. 47 C.F.R. § 54.101(2). To date, the FCC has not prescribed any minimum amount of local usage required to be provided by any ETC, and has confirmed that unlimited local usage is not required by any ETC.¹³ AWS will include local usage in all of its universal service offerings within AWS' defined local service areas as part of its monthly service packages. In addition, AWS will comply with any specific local usage requirements adopted by the FCC and required of federal ETCs in the future.

18. DTMF Signaling. "Dual Tone Multi-Frequency" (DTMF) is a method of signaling that facilitates the transportation of call set-up and call detail information. DTMF makes "touchtone" dialing possible by facilitating the transportation of signaling through the network. The FCC has recognized that "wireless carriers use out-of-band signaling mechanisms [It] is appropriate to support out-of-band signaling mechanisms as an alternative to DTMF signaling." *Universal Service Order*, ¶ 71. AWS currently uses out-of-band digital signaling and in-band multi-frequency signaling that is the functional equivalent to DTMF signaling, in accordance with the FCC's requirements.

¹² *Universal Service Order*, ¶¶ 63-64.

¹³ *In the Matter of Federal-State Board on Universal Service*, CC Docket 96-45, *Order and Order on Reconsideration*, FCC 03-170, ¶ 15 (rel. July 14, 2003) ("*July 14 Order*").

19. Single Party Service. "Single-party service" permits the exclusive use of a particular subscriber loop or access line by a single subscriber. The FCC has determined that a CMRS provider meets the requirement of offering single party service when it offers a dedicated message path for the length of a user's particular transmission.¹⁴ AWS meets the requirement of single-party service by providing a dedicated message path for the length of a user's wireless transmission in all of its service offerings.

20. Access to Emergency Services. "Access to emergency service" means the ability to reach a public service answering point ("PSAP") by dialing "911." The FCC requires that a carrier must provide access to enhanced 911 or "E911," which includes the capability of providing both automatic numbering information ("ANI") and automatic location information ("ALI"), when the PSAP is capable of receiving such information and the service is requested from the carrier.¹⁵ AWS currently provides all of its customers in Washington with the ability to access emergency services by dialing "911." AWS is also capable of delivering ANI and ALI information over its existing network and is in compliance with all applicable federal E911 requirements. AWS will continue to work with local PSAPs within its ETC service areas to make E911 service available according to the FCC's requirements.

21. Access to Operator Services. "Access to operator services" means any automatic or live assistance provided to a customer to arrange for the billing or completion, or both, of a telephone call.¹⁶ AWS meets this requirement by providing all of its customers with access to operator services provided either by AWS or other entities.

¹⁴ 47 C.F.R. § 54.101(a)(4); *Universal Service Order*, ¶ 62.

¹⁵ 47 C.F.R. § 20.18(j); *Universal Service Order*, ¶ 73.

¹⁶ 47 C.F.R. § 54.101(a)(6); *Universal Service Order*, ¶ 75.

22. Access to Interexchange Services. "Access to interexchange service" means offering a service to customers to make and receive toll or interexchange calls. Equal access to interexchange service – *i.e.*, the ability of a customer to access a presubscribed long distance carrier by dialing 1+number – is not a required service or functionality.¹⁷ AWS currently meets this requirement by providing all of its subscribers in with the ability to make and receive interexchange or toll calls.

23. Access to Directory Assistance. "Access to directory assistance" means the ability to provide access to a service that makes directory listings available.¹⁸ AWS currently meets this requirement by providing all of its customers with access to directory assistance by dialing "411" or "555-1212."

24. Toll Limitation. "Toll limitation" includes the offering of either "toll control" or "toll blocking" to qualifying low-income customers, as a means of limiting or blocking the completion of outgoing toll calls.¹⁹ An ETC is not required to provide both services if the carrier is incapable of providing both. 47 C.F.R. § 54.400(d). AWS cannot provide toll control, but can provide toll blocking. AWS will thus meet the toll limitation requirement by providing toll blocking. Once designated an ETC, AWS will participate in Lifeline and Link Up programs for low-income consumers, and will offer toll blocking to its Lifeline customers at no additional charge.

25. Pursuant to Section 54.201 of the FCC's rules, AWS will advertise the availability of each of the supported services detailed above, throughout its licensed service area, by media of general distribution. AWS currently advertises its services through many different media,

¹⁷ *Universal Service Order*, ¶ 78; *see also July 14 Order*, ¶¶ 33-34. CMRS providers are not required to provide equal access under 47 U.S.C. § 332(c)(8).

¹⁸ 47 C.F.R. § 54.101(a)(8).

¹⁹ 47 C.F.R. § 54.400(b)-(d); *Universal Service Order*, ¶ 82.

including television and radio, newspaper, magazine and other print advertisements, as well as outdoor advertising, retail stores, direct marketing and the Internet. AWS will continue to use media of general distribution to advertise its universal service qualifying offerings throughout its designated ETC service areas. AWS will comply with all form and content requirements, if any, promulgated in the future and required of all designated ETCs.

V. Participation in Low Income Programs

26. All ETCs must participate in the federal Lifeline and Link Up programs. Lifeline is a discount off the monthly charge for a company's lowest-cost offering. 47 C.F.R. § 54.401. Link Up is a discount off of a one-time activation charge. 47 C.F.R. § 54.411.

27. AWS can and will participate in the FCC's Lifeline and Link Up programs. AWS anticipates a Lifeline offering that will be priced at \$19.99 per month (before the discount), and provide customers with 145 anytime minutes. Free night and weekend calling can be purchased for an additional \$5 per month. As required, toll blocking will be provided to those who request, and customers who choose toll blocking will be relieved of any deposit requirement.

28. AWS will also participate as required in providing additional discounts through the Washington Telephone Assistance Program as set forth in RCW 80.36.410 through 80.36.475 and WAC 480-122. AWS will work with the Department of Social and Health Services to ensure proper implementation of this program.

VI. Statement of Need

29. Many residents of Washington live in rural areas where it is cost-prohibitive for a competitive telecommunications company to offer service. As a result, consumers do not have the choices of service providers available in urban areas. AWS will use federal high-cost funding to expand in underserved areas, bringing needed infrastructure and economic development to those areas of the state.

30. By granting ETC status to AWS, this Commission will bring economic development, expedite the provision of competitive telephone service to the people living in remote areas, and provide more choice for subscribers in high-cost areas.

VII. Ability to Serve

31. As set forth on Exhibit A, AWS is licensed to serve in every exchange where it seeks designation. AWS either has built out, or is building out, those licenses in compliance with FCC guidelines.²⁰ AWS accepts the obligation to serve those who request services consistent with the obligations of an ETC.

32. As set forth on Exhibit D, AWS has not requested designation in every exchange where it is licensed. Instead, it has excluded exchanges outside of AWS' existing signal coverage based as its current network facilities and contemplated 2004 build out plans. As AWS expands into these exchanges in the future, it expects to seek to amend its designation to add these new areas.

33. Accordingly, the Commission should find that based on its licenses and existing coverage, AWS has the intent and ability to provide service throughout the exchanges set forth on Exhibits B and C hereto.

VIII. Granting AWS' Application Would Serve the Public Interest

34. In areas served by non-rural LECs, the Commission can designate AWS as an ETC upon finding that the company meets the nine-point checklist and that it agrees to advertise the supported services.²¹ In areas served by a rural telephone company, the Commission must

²⁰ Unlike other providers designated as ETCs in Washington, the range of AWS' licensed boundaries is based on county lines rather than cellular geographic service area, or "CGSA." PCS licenses follow county boundaries. AWS neither files nor generates CGSA for these PCS license areas.

²¹ 47 U.S.C. § 214(e)(2).

also determine whether granting ETC status to a competitor would serve the public interest.²² Consistent with this Commission's prior decisions, and decisions of the FCC and state commissions, designating AWS as an ETC will save the public interest.²³

35. As this Commission has recognized, the FCC's established public interest analysis under Section 214(e)(6) seeks to balance the benefits of increased competition and consumer choice against any demonstrated adverse impacts to the consumer that might be caused by the designation.²⁴ The FCC has also recognized the advantages wireless carriers can bring to the universal service program. In particular, the FCC has found that "imposing additional burdens on wireless entrants would be particularly harmful to competition in rural areas, where wireless carriers could potentially offer service at much lower costs than traditional wireline service."²⁵ One of the principal goals of the Telecommunications Act of 1996 was to "promote competition and reduce regulation in order to secure lower prices and higher quality services for American telecommunications consumers and encourage the rapid deployment of new telecommunications technologies."²⁶ The FCC has thus observed that "[d]esignation of qualified ETCs promotes

²² *Id.*

²³ See, e.g., *In the Matter of the Federal-State Joint Board on Universal Service, Western Wireless Corp. Petition for Designation as an Eligible Telecommunications Carrier in the State of Wyoming*, CC Docket No. 96-45, *Memorandum Opinion and Order*, DA 00-2896, ¶ 11 (rel. Dec. 26, 2000) (emphasis added) ("*Wyoming Order*"); *Smith Bagley, Inc., Final Order*, Utility Case No. 3026 (Feb. 19, 2002) (New Mexico).

²⁴ *RCC Minnesota, Inc., d/b/a Cellular One, Order Granting Petition for Designation as an Eligible Telecommunications Carrier*, Docket No. UT-023033, ¶¶ 23-25 (Aug. 14, 2002) ("*RCC Order*"); see *In the Matter of Federal-State Joint Board on Universal Service, Virginia Cellular, LLC Petition for Designation as an Eligible Telecommunications Carrier in the Commonwealth of Virginia*, CC Docket No. 96-45, *Memorandum Opinion and Order*, FCC 03-338 (rel. January 22, 2004) ("*Virginia Cellular Order*").

²⁵ *Universal Service Order*, ¶ 190.

²⁶ Telecommunications Act of 1996, Public Law, 104-104, 100 Stat. 56 (1996).

competition and benefits consumers in rural and high-cost areas by increasing customer choice, innovative services, and new technologies."²⁷

36. The WUTC has emphasized the public interest benefits that flow from competitive entry by wireless carriers in rural areas. For example, in its order granting the amended petition for ETC designation by United States Cellular ("USC"), the Commission stated:

The Commission believes it is in the public interest to grant USC's petition because rural customers will benefit from the increased availability of wireless service. These benefits include increased mobility and increased level of service.²⁸

The WUTC reached a similar conclusion in designating RCC Minnesota in 2002:

Granting ETC designation to RCC is in the public interest. It will facilitate the telecommunications choices available to rural citizens, support the growth of new technologies and services, preserve and advance universal service, and promote competition and the benefits it brings.²⁹

37. The FCC recognized this fact in its initial decision designating Western Wireless as an ETC in the State of Wyoming, observing: "Designation of competitive ETCs promotes competition and benefits consumers in rural and high-cost areas by increasing customer choice, innovative services, and new technologies."³⁰ By designating a wireless carrier as an ETC, the WUTC will foster competition and provide a meaningful choice of services and service providers to the residents of Washington.

²⁷ See *In the Matter of Federal-State Joint Board on Universal Service Western Wireless Corporation Petition for Designation as an Eligible Telecommunications Carrier for the Pine Ridge Reservation in South Dakota*, CC Docket No. 96-45, *Memorandum Opinion and Order*, FCC 01-283, ¶ 12 (rel. Oct. 5, 2001).

²⁸ *United States Cellular Corporation, et al., Third Supplemental Order Granting Petition for Designation as Eligible Telecommunications Carrier*, Docket No. UT-970345, ¶ 41 (Jan. 26, 2000) ("*Third Supplemental Order*").

²⁹ *RCC Order*, ¶ 68.

³⁰ *Wyoming Order*, ¶ 17.

38. The public interest standard under Section 214(e)(2) for designating ETCs in territories served by rural telephone companies emphasizes competition and consumer benefits, not incumbent protection. In considering the impact that Western Wireless' ETC designation in Wyoming would have on rural telephone companies, the FCC said:

We do not believe that it is self-evident that rural telephone companies cannot survive competition from wireless providers. Specifically, we find no merit to the contention that designation of an additional ETC in areas served by rural telephone companies will necessarily create incentives to reduce investment in infrastructure, raise rates, or reduce service quality to consumers in rural areas. To the contrary, we believe that competition may provide incentives to the incumbent to implement new operating efficiencies, lower prices, and offer better service to its customers.³¹

Further, Congress has mandated that universal service provisions be "competitively neutral" and "necessary to preserve and advance universal service."³² AWS will provide consumers with wider local calling areas, mobile communications, a variety of service offerings, high-quality service, and competitive rates. By offering customers new choices, the incumbent LECs will have an incentive to introduce new, innovative, or advanced service offerings.

39. Wireless telephone service will not emerge as a successful alternative to wireline service unless high-cost loop support is made available to drive infrastructure investment. Indeed, without the high-cost program it is doubtful that many rural areas would have wireline telephone service even today. Provision of high-cost support to AWS will begin to level the playing field with the incumbent LECs and make available for the first time a potential competitor for primary telephone service in remote areas of Washington.³³

³¹ *Wyoming Order*, ¶ 22.

³² *See* 47 U.S.C. § 253(b).

³³ *See Third Supplemental Order*, ¶ 43 ("The fact that its competitors receive universal service support puts USC at a disadvantage in its ability to make cellular technology more widely available at competitive prices. Allowing USC to receive universal service support increases the

40. The FCC has recently considered the effect on the universal service fund as additional ETCs are designated.³⁴ The FCC recognized that the effect of designating any one carrier is *de minimus*, and that the Joint Board is currently considering how funding mechanisms will be adjusted beginning in 2006.³⁵ This Commission should find that by designating competitive ETCs, it will enhance competition and increase network build out. By leveling the playing field the Commission will allow more efficient carriers to thrive. In the long run, pressures on state and federal universal service funds can be relieved only if efficient carriers are incented to build out and serve high cost areas.

41. Consistent with the FCC's established standards, designating AWS as an ETC will serve the public interest. First, AWS' designation will provide consumers in those areas with a broader choice of service offerings that can be tailored to fit their individual needs. Among other things, AWS is able to offer its subscribers a larger local calling area when compared to landline telephone companies, reduced long distance rates, competitive pricing and the benefits of mobility. AWS currently provides more wireless coverage in North America than any other carrier. AWS also offers the broadest coverage worldwide, enabling its subscribers to roam in 115 countries for voice service with a single phone and single number.

42. Second, AWS is able to offer its subscribers advanced services and technologies over its state-of-the-art network facilities which are used to provide the supported services. In the past two years alone, AWS has invested more than \$10 billion to optimize its wireless network, including the development of network infrastructure for the provision of next generation voice and data services. And with the implementation its new EDGE technology,

likelihood that cellular technology will become available to more rural consumers at an affordable price.").

³⁴ *Virginia Cellular*, ¶ 31.

³⁵ *Id.*

AWS has more than tripled the speed of its GPRS wireless data network, making it nearly twice the speed of any other national wireless network.

43. As AWS continues to develop and upgrade its wireless network, it has been able to offer consumers in rural and high-cost areas the same advanced features (*e.g.*, voice-mail, caller-ID, call-waiting and call-forwarding) provided in urban areas. AWS has also worked consistently to expand the availability of such state-of-the-art technical innovations as wireless Internet, e-mail, paging service, text-messaging, digital photography and hand-held computing. Thus, an expanding number of AWS' Washington customers will be able to combine basic universal service and functionalities with these advanced services if they so desire.

44. Wireless technology and networks have been rapidly deployed over the past 15 years. This network expansion must continue if Washington consumers are to have full access to this technology in the future. The use of federal universal service support to provide universal services and extend wireless networks in rural and high-cost areas clearly benefits the public interest by ensuring these networks will be available to deliver basic and advanced services to all telecommunications consumers.

45. More importantly, designating AWS as an additional ETC will provide the incumbent companies with a competitive incentive to improve their own networks, offer advanced services at competitive prices and improve customer service in order to remain competitive. As noted above, the Commission and the FCC have both concluded that increased competition can be expected to lead to better service and the provision of new, innovative services for the benefit of consumers.³⁶

³⁶ *RCC Order*, ¶ 59; *Wyoming Order*, ¶¶ 16-22.

46. Finally, AWS' designation as an additional ETC will not threaten the provision of universal services by rural telephone companies. Under the current funding mechanisms, rural telephone companies will continue to receive funding based on an embedded cost methodology until 2006, and will not lose support if they lose lines to AWS as a competitor.³⁷ This extended transition period – as well as their continued receipt of implicit subsidies within intrastate access rates – ensures that rural telephone companies can move successfully to competitive markets.

IX. High-Cost Certification

47. Under FCC Rule Sections 54.313 and 54.314, carriers wishing to obtain high-cost support must either be certified by the appropriate state commission or, where the state commission does not exercise jurisdiction, self-certify with the FCC and the Universal Service Administrative Corporation ("USAC") their compliance with Section 254(e) of the Federal Telecommunications Act of 1996.³⁸ AWS certifies that it will use all support received for the purposes for which it is intended in compliance with law. AWS will comply with the Commission's certification requirement set forth in WAC 480-120-311(2).

X. Affidavit in Support of Application

48. Exhibit E hereto is an Affidavit of Karl Korsmo, Vice President of External Affairs, verifying the accuracy of the facts contained herein.

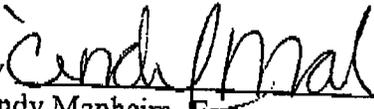
WHEREFORE, pursuant to Section 214(e)(2) of the Act, AWS respectfully requests that the Commission enter an Order designating AWS as an ETC for its requested ETC service area as shown on Exhibits B and C hereto.

³⁷ See *Fourteenth Report and Order*, ¶¶ 165-177.

³⁸ 47 C.F.R. §§ 54.313, 54.314.

Respectfully submitted,

February 19, 2004

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 Company, Inc.; Bellingham Cellular
 Partnership and Hood River Cellular
 Telephone Company, Inc.

EXHIBIT A

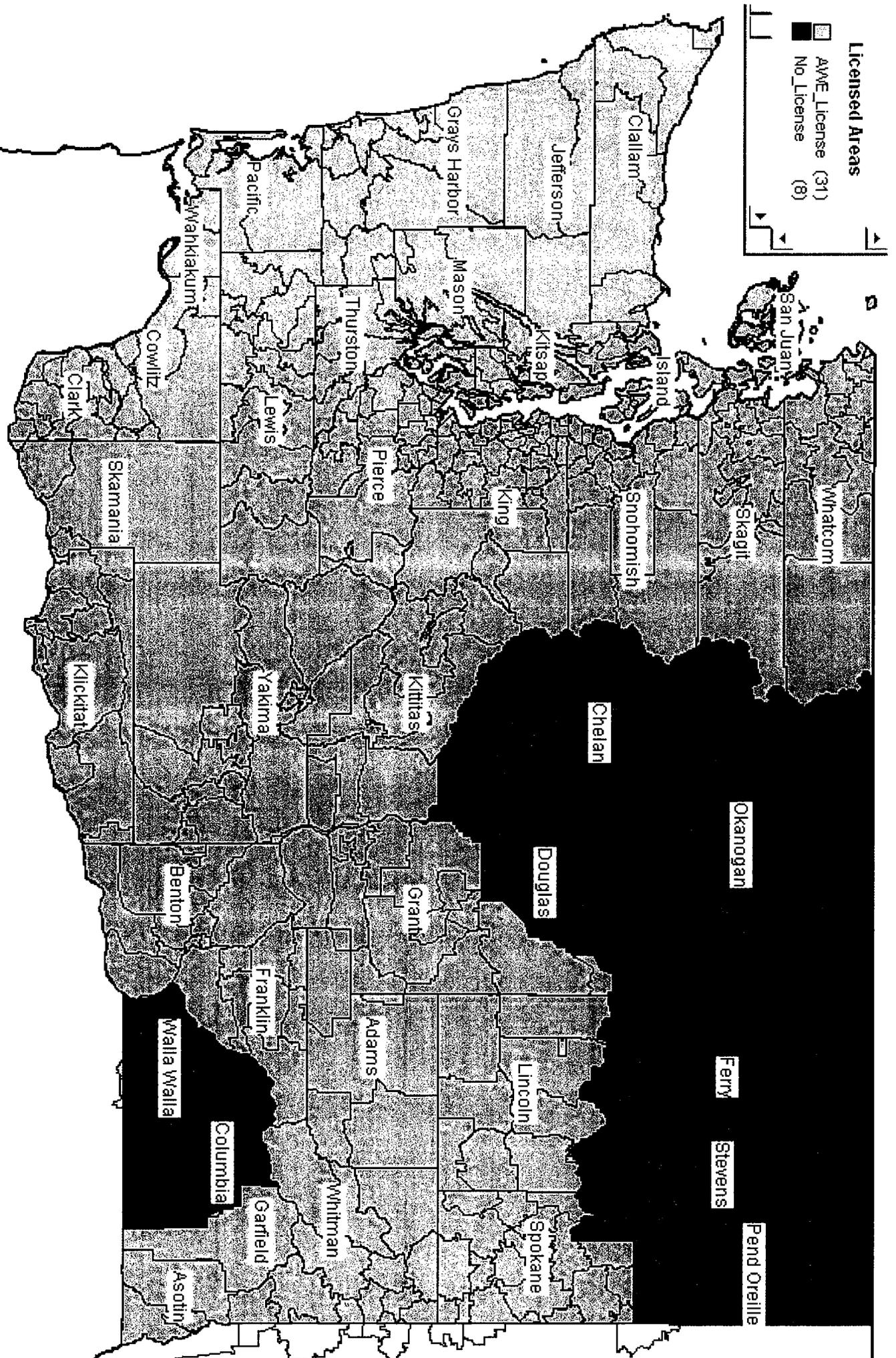


Exhibit B

NON-RURAL TELEPHONE COMPANY EXCHANGES

<u>SAC</u>	<u>RURAL TELEPHONE COMPANY</u>	<u>WIRE CENTER EXCHANGE</u>
522416	Verizon Northwest Inc. – WA	ANCRWAXX ANACORTES
		ARTNWAXX ARLINGTON
		BNCYWAXX BENTON CITY
		BOTHWAXB BOTHELL
		BURLWAXA BURLINGTON
		CMISWAXA CAMANO ISLAND
		CAMSWAXX CAMAS
		CLVWWAXA CLEARVIEW
		CPVLWAXX COUPEVILLE
		DRTNWAXX DARRINGTON
		DVLLWAXX DUVALL EAST
		EVRTWAXC EVERETT CASINO
		EVRTWAXF EVERETT MAIN
		EVRTWAXA EVERETT PRIMARY CNTR
		FRFDWAXA FAIRFIELD
		FRTNWAXX FARMINGTON
		GRFDWAXX GARFIELD
		MSCWIDXX GARRISON
		GERGWAXX GEORGE
		GRFLWAXX GRANITE FALLS
		HLLKWAXX HALLS LAKE
		JUNTWAXA JUANITA
		KNWCWAXB KENNEWICK MAIN
		KNWCWAXA KENNEWICK-HIGHLANDS
		KNWCWAXC KENNEWICK-MEADOW SPRINGS
		KRLDWAXX KIRKLAND
		LKGWWAXA LAKE GOODWIN
		LKSTWAXA LAKE STEVENS
		MRWYWAXA MANOR WAY
		MYVIWAXX MARYSVILLE
		MONRWAXX MONROE
		MTRVWAXX MOUNT VERNON
		RCLDWAXA NORTH RICHLAND
		OKHRWAXX OAK HARBOR
		PALSWAXX PALOUSE
		PLMNWAXX PULLMAN
		QNCYWAXX QUINCY
		RDMDWAXA REDMOND
		RCLDWAXB RICHLAND
		RCBHWAXX RICHMOND BEACH
		RCFRWAXB ROCKFORD
		ROSLWAXA ROSALIA

SMSHWAXA	SAMMAMISH
SWLYWAXA	SEDRO WOOLLEY
SLLKWAXA	SILVER LAKE
SKYKWAXX	SKYKOMISH
SNHSWAXX	SNOHOMISH
SOLKWAXX	SOAP LAKE
STWDWAXX	STANWOOD
SULTWAXX	SULTAN
TEKOWAXX	TEKOA
WSHGWAXA	WASHOUGAL
WSRVWAXA	WASHOUGAL RIVER
WRLDWAXA	WEST RICHLAND
WDLDWAXA	WOODLAND

522449 Verizon Northwest Inc. – WA

ACMEWAXA	ACME
ALGRWAXX	ALGER
BGLKWAXX	BIG LAKE
BRBAWAXA	BIRCH BAY
BLANWAXB	BLAINE
BURLWAXX	BURLINGTON
CNCRWAXX	CONCRETE
CNWWAXX	CONWAY
CSTRWAXA	CUSTER
DMNGWAXA	DEMING
EDSNWAXX	EDISON
EVSNWAXX	EVERSON
FNDLWAXA	FERNDALE
LACNWAXX	LA CONNER
LARLWAXX	LAUREL
HMTNWAXA	LYMAN
LYNDWAXX	LYNDEN
MRBLWAXX	MARBLEMOUNT
MTVRWAXX	MOUNT VERNON-CONTEL
NCHSWAXX	NACHES
NILEWAXX	NILE
SWLYWAXX	SEDRO WOOLLEY
SUMSWAXX	SUMAS

525161 Qwest Corp. – WA

AUBNWA01	AUBURN
BNISWA01	BAINBRIDGE ISLAND
BTLGWA01	BATTLEGROUND
BLFRWA01	BELFAIR
BLLVWAGL	BELLEVUE GLENCOURT
BLLVWASH	BELLEVUE SHERWOOD
BLHMWALU	BELLINGHAM LUMMI
BLHMWA01	BELLINGHAM REGENT
BDMDWA01	BLACK DIAMOND
BYLKWA01	BONNEY LAKE
BMTNWA01	BREMERTON ESSEX
BCKLWA01	BUCKLEY
CSRKWA01	CASTLE ROCK
CENLWA01	CENTRALIA
CHHLWA01	CHEHALIS
LSTNIDSH	CLARKSTON
CLELWA01	CLE ELUM
COLBWA01	COLBY
CRSBWA01	CROSBY
CRMTWA01	CRYSTAL MOUNTAIN
FDWYWA01	DES MOINES FED. WAY
DESMWA01	DES MOINES TAYLOR
ESTNWA01	EASTON
ENMCWA01	ENUMCLAW
EPHRWA01	EPHRATA
GRHMWAGR	GRAHAM
GRBLWA01	GREEN BLUFF
HDPTWA01	HOODSPORT
ISQHWAEX	ISSAQUAH
JOYCWA01	JOYCE
KENTWAME	KENT MERIDIAN
KENTWAOB	KENT O BRIEN
KENTWA01	KENT ULRICK
LACYWA01	LACEY
LBLKWA01	LIBERTY LAKE
LGVWWA02	LONGVIEW
MPVYWAMV	MAPLE VALLEY
MRISWA01	MERCER ISLAND
MSLKWAAB	MOSES LAKE AFB
MSLKWA01	MOSES LAKE ALDER
NPVNWA01	NAPAVINE
NWLKWA01	NEWMAN LAKE
OLYMWAEV	OLYMPIA EVERGREEN
OLYMWA02	OLYMPIA WHITEHALL
ORCHWA01	ORCHARDS
OTHEWA01	OTHELLO
PTANWA01	PORT ANGELES
PTLWWA01	PORT LUDLOW
PTORWAFE	PORT ORCHARD

PTTWWA01	PORT TOWNSEND
PYLPWA01	PUYALLUP
RNTNWA01	RENTON
RDFDWA01	RIDGEFIELD
ROCHWA01	ROCHESTER
ROY_WA01	ROY
STTLWA05	SEATTLE ATWATER
STTLWACA	SEATTLE CAMPUS
STTLWACH	SEATTLE CHERRY
STTLWADU	SEATTLE DUMWAMISH
STTLWA03	SEATTLE EAST
STTLWAEL	SEATTLE ELLIOTT
STTLWA04	SEATTLE EMERSON
STTLWALA	SEATTLE LAKEVIEW
STTLWA06	SEATTLE MAIN
STTLWAPA	SEATTLE PARKWAY
STTLWASU	SEATTLE SUNSET
STTLWAVE	SEATTLE WEST
SEQMWA01	SEQUIM
SHTNWA01	SHELTON
SLDLWASI	SILVERDALE
SPKNWACH	SPOKANE CHESTNUT
SPKNWAFWA	SPOKANE FAIRFAX
SPKNWAHD	SPOKANE HUDSON
SPKNWAKY	SPOKANE KEYSTONE
SPKNWAMO	SPOKANE MORAN
SPKNWA01	SPOKANE RIVERSIDE
SPKNWAWA	SPOKANE WALNUT
SMNRWA01	SUMNER
SNYSWA01	SUNNYSLOPE
TACMWAFWA	TACOMA FAWCETT
TACMWAFWA	TACOMA FORT LEWIS
TACMWAGF	TACOMA GREENFIELD
TACMWAJU	TACOMA JUNIPER
TACMWALE	TACOMA LENOX
TACMWALO	TACOMA LOGAN
TACMWASY	TACOMA SKYLINE
TACMWAWA	TACOMA WAVERLY 2
TACMWAWV	TACOMA WAVERLY 7
VANCWA01	VANCOUVER
VANCWANO	VANCOUVER NORTH
WRDNWA01	WARDEN
WNLCWA01	WINLOCK
YAKMWA02	YAKIMA CHESTNUT
YAKMWAVE	YAKIMA WEST

Exhibit C

RURAL TELEPHONE COMPANY EXCHANGES

<u>SAC</u>	<u>RURAL TELEPHONE COMPANY</u>	<u>WIRE CENTER</u>	<u>EXCHANGE</u>
522400	Sprint/United Tel. NW – WA	BCTNWAXX	BICKLETON
		BRNNWAXX	BRINNON
		CNTRWAXX	CHIMACMCTR
		CLMAWAXA	COLUMBIA
		DLPTWAXA	DALLESFORT
		GRNRWAXX	GARDINER
		GLWDWAXA	GLENWOOD
		GLDLWAXA	GOLDENDALE
		GDVWWAXA	GRANDVIEW
		GRNGWAXA	GRANGER
		HRRHWAXA	HARRAH
		LYLEWAXA	LYLE
		MBTNWAXX	MABTON
		MTWAWAXA	MATTAWA
		PASNWAXA	PATERSON
		PLSBWAXX	POULSBO
		PRSRWAXA	PROSSER
		QLCNWAXA	QUILCENE
		RSVTWAXA	ROOSEVELT
		STSNWAXA	STEVENSON
		SNSDWAXX	SUNNYSIDE
		TPNSWAXX	TOPPENISH
		TRLKWAXX	TROUT LAKE
		WPATWAXX	WAPATO
		WHSLWAXX	WH SALMON
		WHSWWAXX	WHITE SWAN
		WHTSWAXA	WHITSTRAN
		WLRDWAXX	WILLARD
		WSHRWAXA	WISHRAM
		ZLLHWAXA	ZILLAH
522404	Asotin Tel. – WA	ANATWAXX	ANATONE
		ASOTWAXA	ASOTIN

522408 Century Tel. of Washington, Inc.

ALMRWAXA	ALMIRA
ASLKWAXA	AMES LAKE
ARLTWAXX	ARLETTA
ASFDWAXA	ASHFORD
BSCTWAXX	BASIN CITY
BLKIWAXX	BLAKELY ISLAND
CRNTWAXX	CARNATION
CTHLWAXA	CATHLAMET
CHNYWAXC	CHENEY
CLWRWAXA	CLEARWATER
CNNLWAXA	CONNELL
CETNWAXX	CRESTON
ESNDWAXA	EAST SOUND
EDWLWAXA	EDWALL-TYLER
ELMAWAXA	ELMA
ELTPWAXX	ELTOPIA
FLCYWAXX	FALL CITY
FRKSWAXA	FORKS
FRHRWAXA	FRIDAY HARBOR
GGHRWAXA	GIG HARBOR
HRTNWAXA	HARRINGTON
KHLTWAXA	KAHLOTUS
KGTNWAXA	KINGSTON
LKBYWAXA	LAKEBAY
LINDWAXA	LIND
LNBHWAXA	LONG BEACH
LOPZWAXX	LOPEZ
	MATHEWS
MTCOWAXX	CORNER
MCCLWAXA	MCCLEARY
MDLKWAXX	MEDICAL LAKE
MESAWAXX	MESA
MRTNWAXX	MORTON
NBNDWAXA	NORTH BEND
VSHNWAXB	NORTH VASHON
OCPKWAXX	OCEAN PARK
ODSSWAXA	ODESSA
ORNGWAXA	ORTING
RYCYWAXA	OTHELLO
PGISWAXX	PUGET ISLAND
RRDNWAXX	REARDAN
RTVLWAXA	RITZVILLE
SNPSWAXA	SNOSQUALNIE
	PASS
SPRRWAXX	SOUTH PRAIRIE
SPNGWAXA	SPANGLE
SPRGWAXA	SPRAGUE
VADRWAXA	VADER
VSHNWAXA	VASHON

		WSHTWAXA WLBRWAXA WSCKWAXA YCLTWAXA	WASHTUCNA WILBUR WILSON CREEK YACOLT
522410	Century Tel. of Cowiche, Inc	CWCHWAXX RMRKWAXA TITNWAXX	COWICHE RIMROCK TIETON
522412	Ellensburg Tel. Co.	ELBGWAXA KTTSWAXX LDDLWAXA SELHWAXX THRPWAXA VNTGWAXX	ELLENSBURG KITTITAS LAUDERDALE SELAH THORPE VANTAGE
522417	Hat Island Tel. Co.	SWHDWAXX	HAT ISLAND
522419	Hood Canal Tel. Col, Inc.	UNINWAXB	UNION
522423	Inland Tel. Co. – WA	RSLNWAXX UNTWAXA	ROSLYN UNIONTOWN
522426	Kalama Tel. Co.	KALMWAXB	KALAMA
522427	Lewis River Telephone Co., d/b/a TDS Telecom	AMBYWAXA LACTWAXA YALEWAXX	AMBOY LA CENTER YALE
522430	McDaniel Tel. Co. dba TDS Telecom	MSRKWAXX ONLSWAXA SLKMWAXB	MOSSY ROCK ONALASKA SALKUM
522431	Mashell Telecome, Inc.	ETVLWAXA	EATONVILLE

522442	St. John Telephone and Telegraph	STJHWAXA	ST JOHN
522446	Tenino Tel. Co.	TENNWAXA	TENINO
522447	Toledo Te. Co. Inc.	TOLDWAXA	TOLEDO
522451	Western Wahkiakum County Tel. Co.	GRRWAXA NASLWAXX	GRAYS RIVER NASELLE
522452	Whidbey Tel. Co.	PNRBWAXA CLTNWAXA FELDWAXA LNGLWAXA SWHDWAXX	POINT ROBERTS SOUTH WHIDBEY
522453	Yelm Tel. Co.	RANRWAXA YELMWAXA YELMWAXB	RAINIER YELM

EXHIBIT D

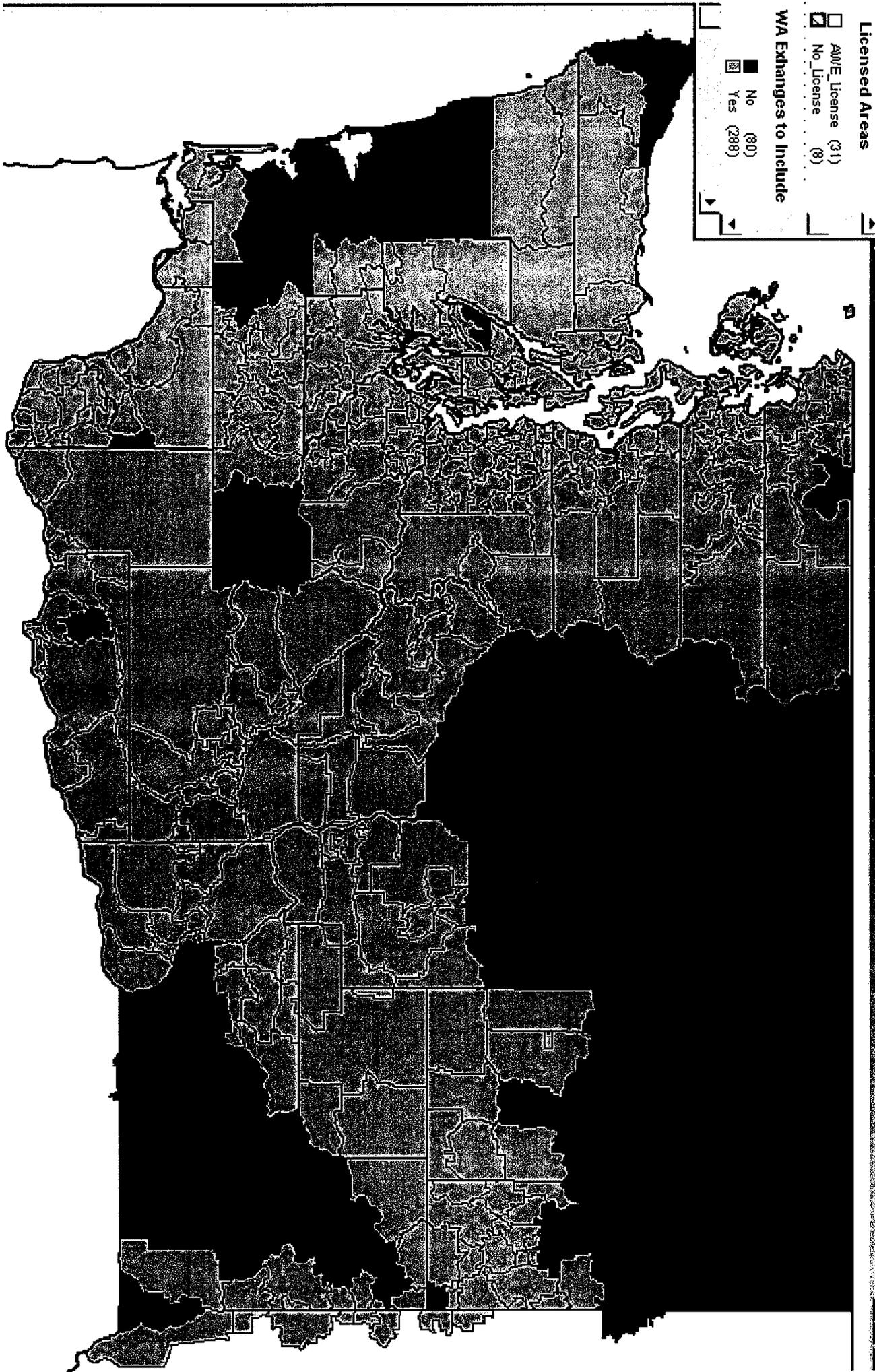


Exhibit E

AFFIDAVIT OF KARL KORSMO

Karl Korsmo, being first duly sworn upon oath, deposes and states as follows:

1. My name is Karl Korsmo, and I serve as Vice President, External Affairs, AT&T Wireless Services, Inc. My business address is P.O. Box 97061, Redmond, Washington 98073-9761. I am an authorized representative of subsidiary licensees of AT&T Wireless Services, Inc., including AT&T Wireless PCS of Cleveland, LLC; AT&T Wireless Services of Washington, LLC; Spokane Cellular Telephone Company; Yakima Cellular Telephone Company; Bremerton Cellular Telephone Company; Olympia Cellular Telephone Company, Inc.; Bellingham Cellular Partnership and Hood River Cellular Telephone Company, Inc (collectively, AWS). I have read the foregoing Petition for Designation as an Eligible Telecommunications Carrier and all information therein is true and correct to the best of my knowledge, information and belief.

2. AWS is authorized to provide commercial mobile radio service ("CMRS") in Washington pursuant to the FCC's rules. AWS is a common carrier consistent with the definition in 47 U.S.C. § 153(10) and the requirements of 47 U.S.C. § 214(e).

3. AWS seeks to obtain universal service support available in certain areas by rural and non-rural incumbent local exchange carriers in Washington. As required, this funding will be used only to support the provision, upgrading, and maintenance of AWS' wireless network in Washington. As set forth in the Petition, this support will assist AWS in providing basic telecommunications services to low income consumers, and to consumers in high-cost areas, and will allow AWS to continue to upgrade and expand its state-of-the-art wireless network in Washington.

4. AWS offers all the services and functionalities supported by the federal universal service program, as set forth in Section 214(e) of the Act and Section 54.101(a) of the FCC's rules, throughout the service areas for which it seeks ETC designation in Washington.

5. Voice-grade access to the public switched network. The FCC has concluded that voice-grade access means the ability to make and receive phone calls, within a specified bandwidth and frequency range. AWS meets this requirement by providing voice-grade access to the public switched telephone network. Through its interconnection arrangements with local exchange carriers, all customers of AWS are able to make and receive calls on the public switched telephone network within the specified bandwidth.

6. Local usage. ETCs must include an amount of local usage free of charge to end users. AWS will include local usage in all of its universal service offerings.

7. Dual-tone multi-frequency ("DTMF") signaling, or its functional equivalent. DTMF is a method of signaling that facilitates the transportation of call set-up and call detail information. AWS provides out-of-band digital signaling, which is functionally equivalent to DTMF.

8. Single-party service or its functional equivalent. AWS meets the requirement of single-party service by providing a dedicated message path for the length of all customer calls.

9. Access to emergency services. The ability to reach a public emergency service provider by dialing 911 is a required service in any universal service offering. AWS currently provides its subscribers with access to 911 emergency services in accord with this requirement, and consistent with FCC regulations throughout the service area for which designation is sought. AWS also provides Enhanced 911 services, including Phase I and Phase II E-911 services, where requested by local public safety authorities who are able to receive the information.

10. Access to operator services. Access to operator services is defined as any automatic or live assistance provided to a consumer to arrange for the billing or completion, or both, of a telephone call. AWS meets this requirement by providing all of its customers with access to operator services.

11. Access to interexchange service. AWS meets the requirement of access to interexchange service by providing all of its customers with the ability to make and receive interexchange calls.

12. Access to directory assistance. AWS provides all of its customers with access to directory assistance by dialing "411."

13. Toll limitation for qualifying low-income consumers. Toll limitation is either "toll control" or "toll blocking." 47 C.F.R. § 54.101(a)(9). An ETC is not required to provide both services if it is incapable of providing both. AWS cannot provide toll control, but can provide toll blocking. Once designated as an ETC, AWS will participate in Lifeline as required, and will provide toll blocking capability at no additional charge to Lifeline customers.

14. An ETC offers the supported services "either using its own facilities or a combination of its own facilities and resale of another carrier's services." AWS provides the supported services using primarily its own network infrastructure, which includes the antennas, cell-sites, towers, trunking, mobile switching, and interconnection facilities owned or leased by the Company.

15. AWS advertises the availability of the supported services and the corresponding charges in a manner that informs the general public within the designated service area of both the services available and the corresponding charges. As an ETC, AWS will advertise its services

through many media of general distribution throughout the service areas for which designation is requested.

16. Telecommunications carriers in Washington are required to participate in Lifeline and Link Up and WTAP Programs. AWS will participate in the programs in accordance with 47 C.F.R. §§ 54.400 through 54.415, RCW 80.36.410 through 80.36.475, and Chapter 480-122 WAC.

17. AWS requests ETC designation for the service areas in Washington identified as Exhibits B and C and shown on the map attached as Exhibit D.

18. Designating AWS as an ETC will serve the public interest by promoting additional deployment of wireless facilities and services to the high-cost areas in Washington, and bringing consumers in those areas the benefits of additional competitive universal service offerings. Additional discussion of the public interest is contained in paragraphs 34 through 46 of the Petition.

19. Granting AWS' Application is consistent with RCW 80.36.300, which provides it is the policy of the state to: (1) Preserve affordable universal telecommunications service; (2) maintain and advance the efficiency and availability of telecommunications service; (3) ensure that customers pay only reasonable charges for telecommunications service; (4) ensure that rates for noncompetitive telecommunications services do not subsidize the competitive ventures of regulated telecommunications companies; (5) promote diversity in the supply of telecommunications services and products in telecommunications markets throughout the state; and (6) permit flexible regulation of competitive telecommunications companies and services.

20. High-Cost Certification. AWS certifies that all high-cost universal service support received in Washington will be used only for the provision, maintenance and upgrading of services and facilities for which the support is intended.

21. This concludes my affidavit.

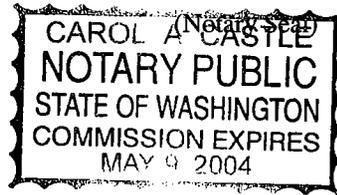
I hereby declare under penalty of perjury under the law of the State of Washington that the foregoing is true and correct.

Executed on Feb. 18, 2004.

Karl Korsmo
By: Karl Korsmo
Title: Vice President, External Affairs

Subscribed and sworn to before me
this 18th day of February, 2004.

Carol A. Castle
Notary Public



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