

**BEFORE THE WASHINGTON STATE
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Petition of)	DOCKET UT-043011
)	
NEW CINGULAR WIRELESS PCS,)	ORDER 03
LLC; BELLINGHAM CELLULAR)	
PARTNERSHIP; BREMERTON)	
CELLULAR TELEPHONE COMPANY;)	
HOOD RIVER CELLULAR)	
TELEPHONE COMPANY; and)	
OLYMPIA CELLULAR TELEPHONE)	ORDER GRANTING AMENDMENT
COMPANY INC. d/b/a AT&T)	OF DESIGNATION AS AN
MOBILITY)	ELIGIBLE
)	TELECOMMUNICATIONS
For Amendment of its Designation as an)	CARRIER TO INCLUDE WIRE
Eligible Telecommunications Carrier to)	CENTERS IN WASHINGTON
Include Additional Wire Centers)	RURAL SERVICE AREAS 2 AND 3
.....)	

INTRODUCTION AND BACKGROUND

- 1 On July 31, 2009, New Cingular Wireless PCS, LLC; Bellingham Cellular Partnership; Bremerton Cellular Telephone Company; Hood River Cellular Telephone Company; and Olympia Cellular Telephone Company Inc., subsidiaries of AT&T Mobility LLC d/b/a AT&T Mobility (AT&T Mobility or Company) filed a petition with the Washington Utilities and Transportation Commission (UTC or commission) to amend the eligible telecommunications carrier (ETC) designation to reflect the Company’s acquisition of Rural Cellular Corporation of Minnesota’s (RCC) assets in Washington Rural Service Areas (RSAs) 2 and 3. AT&T Mobility seeks to include additional 42 wire centers in Washington RSAs 2 and 3 in its ETC designation for the purpose of receiving federal universal service funds (USF) for the acquired areas, including both high-cost support and low-income support. The Appendix to this Order lists the wire centers for the proposed designation.
- 2 On September 30, 2009, the Company amended its petition. The amendment included updated information and an electronic map of the proposed service area.
- 3 AT&T Mobility is a commercial mobile radio service provider licensed by the Federal Communications Commission (FCC). The Commission designated the Company’s

predecessor, AT&T Wireless as an ETC in Washington on April 13, 2004 in this docket.¹ The Company later became a wholly owned subsidiary of Cingular Wireless LLC. The Commission designated Cingular Wireless LLC as an ETC on April 29, 2005.² On January 8, 2007, Cingular Wireless LLC changed its name to AT&T Mobility LLC.

4 The Commission designated RCC as an ETC on August 14, 2002.³ The original designated area included Washington RSA 2 - Okanogan, RSA 3 - Ferry, and RSA 8 - Whitman. After its merger with Verizon in 2008, RCC divested RSAs 2 and 3 and transferred the licenses, network assets and subscribers to AT&T Mobility. RCC concurrently relinquished its ETC designation in RSAs 2 and 3 and stopped receiving federal USF, effective December 22, 2008.⁴ It later relinquished its ETC designation in RSA 8 on May 14, 2009.⁵

5 AT&T Mobility's petition for ETC designation amendment was brought before the Commission at its regularly scheduled meeting on October 15, 2009.

DISCUSSION

6 To qualify for ETC designation, a common carrier must meet two requirements by federal law: (1) it must offer the services that are supported by federal universal service support mechanisms under 47 C.F.R. § 54.101(a) and section 254(c) of the Communications Act of 1934, as amended (Act), either using its own facilities or a combination of its own facilities and resale of another carrier's services; and (2) it must advertise the availability of such services and the charges using media of general distribution. *47 U.S. C. § 214(e)(1) and 47 C.F.R. § 54.201(d)*.

7 AT&T Mobility meets the two requirements. It is a wireless carrier with its own network facilities. It has the licenses to cover the entire proposed service area. The Company asserts in its petition that it can provide all the services supported by federal universal service mechanisms, including (1) voice grade access to the public switched network; (2) local usage; (3) digital signaling and in-band multi-frequency signaling, which is functionally equivalent to dual tone multi-frequency signaling; (4) single-party service; (5) access to emergency services; (6) access to operator services; (7) access to

¹ UT-043011 Order 01.

² UT-043011 Order 02.

³ UT-023033 Order 01.

⁴ UT-023033 Order 04.

⁵ UT-023033 Order 05.

interexchange service; (8) access to directory assistance; and (9) toll limitation for qualifying low-income customers. The Company states that it will advertise the availability of these services by media of general distribution.

- 8 The Act delegates state commissions with the authority to designate competitive ETCs (CETCs). Upon request and consistent with the public interest, convenience, and necessity, a state commission may, in the case of an area served by a rural incumbent local exchange carrier (ILEC), and shall in the case of all other areas, designate more than one common carrier as an ETC, so long as each additional requesting carrier meets the two requirements for ETC designation mentioned above. *47 U.S. C. § 214(e)(2) and 47 C.F.R. § 54.201(c)*. AT&T Mobility seeks designation as a CETC in wire centers served by both rural and non-rural ILECs. Staff considers that so designating AT&T in Washington RSAs 2 and 3 is consistent with the public interest.
- 9 Compared to the traditional wireline service, AT&T Mobility's wireless service has a number of additional benefits for customers. An increasing number of customers who value mobility have migrated from the wireline to wireless communication platform. AT&T Mobility's service plans offer a more expansive local calling area. In some calling plans, the Company does not charge additional roaming or long distance charges in the U.S. The calling plans also include advanced features with no additional charges such as voicemail, caller ID, call forwarding, call waiting, and three-way calling.
- 10 The area for which AT&T Mobility seeks designation for in this petition consists of mostly high-cost wire centers. Twenty nine (29) wire centers within the proposed service area are served by non-rural carriers, Qwest Corporation (Qwest) and Verizon Northwest, Inc. (Verizon). Among them, most wire centers are relatively high-cost areas.⁶ The other 13 wire centers are served by rural carriers, CenturyTel of Washington, Inc., Pend Oreille Telephone Company and M & L Enterprises. Generally, those are considered to be high-cost areas by the rural classification of ILECs.
- 11 Currently, ILECs in the 42 wire centers are designated ETCs. However, only six wire centers have a designated wireless ETC. Granting AT&T Mobility's petition to become a CETC will facilitate wireless network investment in the rural and high-cost wire centers

⁶ Qwest and Verizon classify their wire centers into five zones for the purpose of determining the costs for unbundled network elements (UNE), Zone 1 being the least costly area and Zone 5 being the most costly area. Out of the 29 wire centers for proposed designation in Qwest and Verizon service territory, 3 belong to UNE Zone 1-2; 8 belong to UNE Zone 3; 18 belong to UNE Zone 4-5.

and promote the availability as well as the service quality of wireless service in these rural service areas. The designation is consistent with the goal of advancing universal service in Washington.

- 12 In addition, there are three federally recognized Indian tribal areas in the proposed service area. Staff concludes that the federal high-cost fund will improve wireless coverage in these areas over time and the federal Lifeline and Link Up support will provide wireless bill discounts to more eligible households residing in the tribal areas.
- 13 AT&T Mobility also provided information to comply with the Washington rule on ETC designation petitions contained in WAC 480-123-030. Specifically, it certifies that it will use all federal high-cost funds it receives only for the provision, maintenance, and upgrading of facilities and services for which the support is intended pursuant to 47 U.S.C. § 254(c). The company also commits to advertise the Lifeline and Link Up programs to reach low-income customers not already receiving discounts, including eligible customers of federally recognized Indian tribal areas within the ETC's designated service areas. The company describes how it will provide each supported service. It provides a substantive plan of the investments to be made with the federal high-cost funds and how the expenditures will benefit customers. AT&T Mobility also affirms that it meets the emergency power back up requirements; and it complies with the Cellular Telecommunications and Internet Association's (CITA) *Consumer Code for Wireless Service*. An electronic map is supplied by the company showing proposed service areas indicating existing and planned locations of cell sites and their signal coverage.
- 14 The amendment of AT&T Mobility's ETC designation will not impose additional burden on the federal USF. The FCC capped the total annual CETC support for each state at the support level of March 2008. The designation will increase AT&T Mobility's eligible claim from the high-cost support due to its subscriber line increase. However, when the total CETC support exceeds the cap, a state cap factor will apply to all CETCs. As a result of the cap factor, all CETCs will get proportionately less high-cost support.
- 15 AT&T Mobility has the experience of fulfilling universal service obligations. As an existing ETC in Washington, the Company complies with federal and state rules and meets all ETC requirements. In addition, since its acquisition of this portion of RCC's network, it has been providing Lifeline credits to previous RCC's Lifeline customers without reimbursement from the federal Lifeline and Link Up programs. Granting this

designation will allow the company to access federal low-income support so that it can continue to provide discounted services to these customers as well as sign up new Lifeline customers.

- 16 Designating the Company in RSAs 2 and 3 is also consistent with the prior Commission decisions on CETC designations. In the past, the Commission designated qualified wireless carriers CETCs to receive federal high-cost funds based on several public interest considerations: to promote the availability of advanced services to rural customers; to ensure competitive neutrality and facilitate competition; and to preserve and advance universal service in Washington. The same rationale applies to this petition. Staff therefore recommends granting the Company's request for ETC designation in additional wire centers in this case.

FINDINGS AND CONCLUSIONS

- 17 (1) The Commission has jurisdiction over eligible telecommunications carriers in Washington and the subject matter of this Order pursuant to 47 U.S. C. § 214(e)(2), 47 C.F.R. §§ 54.201(b)-(c) and WAC 480-123-040.
- 18 (2) AT&T Mobility is an ETC designated by the Commission.
- 19 (3) AT&T Mobility currently provides service in the wire centers listed in the Appendix to this Order. The Company offers all services that are to be supported by the federal universal service support mechanisms set forth in 47 U.S.C. § 254(c) and 47 C.F.R. § 54.101(a).
- 20 (4) AT&T Mobility meets the requirements for ETC designation under 47 U.S. C. § 214(e)(1), 47 C.F.R. § 54.201(d) and WAC 480-123-030.
- 21 (5) The Commission finds that granting the Company's petition for amending ETC designation to include wire centers in Washington RSAs 2 and 3 will advance the purpose of universal service found in 47 U.S.C. § 254. The amendment is in the public interest and should be granted.

ORDER

THE COMMISSION ORDERS:

- 22 (1) The Commission grants the petition of New Cingular Wireless PCS, LLC;
Bellingham Cellular Partnership; Bremerton Cellular Telephone Company; Hood
River Cellular Telephone Company; and Olympia Cellular Telephone Company
Inc., subsidiaries of AT&T Mobility LLC d/b/a AT&T Mobility (AT&T
Mobility) to amend its eligible telecommunications carrier designation to include
wire centers in Washington Rural Service Areas 2 and 3, as listed in the
Appendix.
- 23 (2) AT&T Mobility must comply with applicable federal laws and regulations on
ETC obligations and requirements.
- 24 (3) AT&T Mobility must comply with Washington state rules on ETC obligations and
requirements set forth in WAC 480-123.
- 25 (4) The Commission has authority to modify, suspend, or revoke AT&T Mobility's
ETC designation granted in this Order at a future date.

DATED at Olympia, Washington, and effective October 15, 2009.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

JEFFREY D. GOLTZ, Chairman

PATRICK J. OSHIE, Commissioner

Appendix

Wire Centers for ETC Designation Amendment

SAC	Incumbent Local Exchange Carrier	Wire Center	CLLI Code
522408	CenturyTel of Washington, Inc.	Chewelah	CHWLWAXX
522408	CenturyTel of Washington, Inc.	Coulee City	CLCYWAXA
522408	CenturyTel of Washington, Inc.	Davenport	DVPTWAXX
522408	CenturyTel of Washington, Inc.	Inchelium	ICHLWAXA
522408	CenturyTel of Washington, Inc.	Kettle Falls	KTFLWAXA
522408	CenturyTel of Washington, Inc.	Nespelem	NSPLWAXA
522408	CenturyTel of Washington, Inc.	Twisp	TWISWAXA
522408	CenturyTel of Washington, Inc.	Valley	VLLYWAXX
522408	CenturyTel of Washington, Inc.	Winthrop	WNTHWAXA
521402	M & L Enterprises, Inc. – WA	Mt Hull	ORVLWA02
522418	Pend Oreille Telephone Company	Cusick	CUSKWAXX
522418	Pend Oreille Telephone Company	Ione	IONEWAXX
522418	Pend Oreille Telephone Company	Metaline Falls	MTFLWAXX
525161	Qwest Corporation	Colville	CLVLWA01
525161	Qwest Corporation	Coulee Dam	CLDMWA01
525161	Qwest Corporation	Deer Park	DRPKWA01
525161	Qwest Corporation	Elk	ELK WA01
525161	Qwest Corporation	Loon Lake	LNLKWA01
525161	Qwest Corporation	Northport	NPRTWA01
525161	Qwest Corporation	Omak	OMAKWA01
525161	Qwest Corporation	Oroville	ORVLWA01
525161	Qwest Corporation	Pateros	PTRSWA01
525161	Qwest Corporation	Springdale	SPDLWA01
522449	Verizon Northwest Inc. - WA	Curlew	CRLWWAXA
522449	Verizon Northwest Inc. - WA	Loomis	LOMSWAXA
522449	Verizon Northwest Inc. - WA	Molson	MLSNWAXA
522449	Verizon Northwest Inc. - WA	Republic	RPBLWAXA
522449	Verizon Northwest Inc. - WA	Stevens Pass	STPSWAXA
522449	Verizon Northwest Inc. - WA	Tonasket	TNSKWAXA
522416	Verizon Northwest Inc. - WA	Brewster	BRWSWAXA
522416	Verizon Northwest Inc. - WA	Bridgeport	BRPTWAXX
522416	Verizon Northwest Inc. - WA	Cashmere	CSHRWAXX
522416	Verizon Northwest Inc. - WA	Chelan	CHLNWAXX
522416	Verizon Northwest Inc. - WA	East Wenatchee	EWNCWAXA
522416	Verizon Northwest Inc. - WA	Entiat	ENTTWAXX
522416	Verizon Northwest Inc. - WA	Lake	LKWNWAXA

SAC	Incumbent Local Exchange Carrier	Wire Center	CLLI Code
		Wenatchee	
522416	Verizon Northwest Inc. - WA	Leavenworth	LVWOWAXX
522416	Verizon Northwest Inc. - WA	Mansfield	MNFDWAXX
522416	Verizon Northwest Inc. - WA	Manson	MNSNWAXA
522416	Verizon Northwest Inc. - WA	Newport	NWPTWAXX
522416	Verizon Northwest Inc. - WA	Waterville	WTVLWAXA
522416	Verizon Northwest Inc. - WA	Wenatchee	WNTCWAXX