BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application of Alltel Communications of Nebraska, Inc., for Designation as an Eligible Telecommunications Carrier Pursuant to Section 214(e)(2) of the Communications Act of 1934.	)	Application No. C-3497 GRANTED Entered: March 7, 2006

APPEARANCES:

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Background

By Application filed October 21, 2005, Alltel Communications of Nebraska, Inc., Little Rock, Arkansas ("Alltel Wireless"), seeks designation as a competitive eligible telecommunications carrier ("ETC") pursuant to Section 214(e)(2) of the Telecommunications Act of 1934, as amended (the "Act"), 47 U.S.C. § 214(e)(2), and Section 54.201 of the Federal Communications Commission's ("FCC") rules, 47 C.F.R. § 54.201. Notice of the Application was published in The Daily Record, Omaha, Nebraska, on October 25, 2005. On November 10, 2005, Alltel Wireless filed a correction to its Application to revise Exhibits F and F2 and filed the corrected Exhibits on November 14, 2005. The hearing officer entered a Planning Conference Order on December 8, 2005.

Protests were timely filed by the Rural Telephone Coalition of Nebraska ("RTCN")[1] and the Rural Independent Companies ("RIC")[2] (collectively, "Protestants") on November 28, 2005. A petition of informal intervention was filed by N. E. Colorado Cellular, Inc., d/b/a Viaero Wireless on November 18, 2005.[3]

A Hearing on the Application was held on February 6, 2006, in the Commission Hearing Room, Lincoln, Nebraska, with

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[1] RTCN is comprised of the following companies: Arapahoe Telephone Company, d/b/a ATC Communications, Benkelman Telephone Company, Inc., Cozad Telephone Company, Curtis Telephone Company, Diller Telephone Company, Glenwood Telephone Membership Corporation, Hartman Telephone Exchanges Inc., Keystone-Arthur Telephone Company, Mainstay Communications and Wauneta Telephone Company. *See* Protest of RTCN and RIC (filed Nov. 28, 2005).

[2] RIC is comprised of the following companies: Arlington Telephone Company, Blair Telephone Company, Cambridge Telephone Co, Clarks Telecommunications Co., Consolidated Telco, Inc. Consolidated Telcom, Inc. Consolidated Telephone Company, Eastern Nebraska Telephone Company, Great Plains Communications, Inc., Hamilton Telephone Company, Hartington Telecommunications Co., Inc., Hershey Cooperative Telephone Company, K & M Telephone Company, Nebraska Central Telephone Company, Northeast Nebraska Central Telephone Company, Rock County Telephone Company, Stanton Telephone Co., Inc., and Three River Telco. *See id*.

[3] Viaero Wireless did not present evidence or testimony in this proceeding.

appearances as shown above. In support of its Application, Alltel Wireless presented two witnesses at the hearings in Lincoln. The Protestants presented no testimony or witnesses.

Summary of Testimony and Evidence

Alltel Wireless is a commercial mobile radio services ("CMRS") provider licensed by the FCC to provide wireless telecommunications services in all or a portion of the following Rural Service Areas ("RSAs") in Nebraska: Nebraska 1 – Sioux; Nebraska 2 – Cherry; Nebraska 3 – Knox; Nebraska 4 – Grant; Nebraska 5 – Boone; Nebraska 6 – Keith; Nebraska 7 – Hall; Nebraska 8 – Chase; Nebraska 9 – Adams; Nebraska 10 – Cass; and the Omaha and Lincoln Metropolitan Statistical Areas ("MSAs"). Alltel Wireless' FCC-licensed service area covers nearly the entire state of Nebraska, including the most rural portions of the State. Alltel Wireless seeks ETC designation in the non-rural and rural telephone company service areas identified in Exhibits E and F to the Company's Application, as corrected November 14, 2005. Alltel Wireless' requested service areas are set forth in the attached **Appendix A** to this Order.

In his testimony, Mr. Rohan Ranaraja, Staff Manager – Wireless ETC Matters for Alltel Communications, Inc., described how Alltel Wireless satisfies each of the applicable federal and state prerequisites for designation as a competitive ETC throughout the Company's requested service areas in Nebraska.[4] He noted the regulatory commissions of Arkansas, Kansas, Louisiana, Michigan, Mississippi, Texas, Wisconsin and West Virginia have previously determined that Alltel Wireless satisfies each of the statutory and regulatory prerequisites for ETC designation. Likewise, the FCC has designated Alltel Wireless as a competitive ETC in Alabama, Florida, Georgia, North Carolina and Virginia pursuant to its authority under Section 214(e)(6) of the Act. Mr. Ranaraja also confirmed that Alltel Wireless is not seeking to be deemed eligible to receive support from the Nebraska Universal Service Fund ("NUSF") in this proceeding.

Alltel Wireless' verified Application and testimony state that Alltel Wireless is a common carrier and provides the nine services or functionalities supported by the federal universal

[4] Mr. Ranaraja's pre-filed Direct Testimony, as corrected (hereafter "Ranaraja, p. __"), was admitted as Hearing Exhibit No. 4.

service support mechanisms ("Supported Services"). The Application and testimony further state that Alltel Wireless will offer and advertise the availability of, and charges for, the nine Supported Services throughout its requested ETC service areas using media of general distribution.

Mr. Steve R. Mowery, Director – Wireless ETC Compliance for Alltel Communications, Inc., described how Alltel Wireless' designation as a competitive ETC in Nebraska will promote the public interest.[5] Specifically, Mr. Mowery noted that several other State regulatory commissions have determined that granting Alltel Wireless ETC status would serve the public interest in their jurisdictions. (Mowery, pp. 3-4). He further testified Alltel Wireless' designation as a competitive ETC in Nebraska will enhance consumer choice and competition, including providing eligible, low-income consumers a choice of Lifeline providers. (Mowery, pp. 4-8; Tr. 12-13). Mr. Mowery also specifically identified the unique advantages and customer benefits of the Company's service offerings, including mobility of voice and data services, expanded calling areas, flexible service offerings that include free long distance options, pricing and features comparable to those available in urban areas, faster service activation with the potential avoidance of line extension charges, extended customer service hours, and 24-hour technical support. (Mowery, pp. 7-8; Tr. 14-17). Mr. Mowery further testified that there are important economic, health and safety benefits associated with the availability of wireless service and that designating the Company as a competitive ETC will promote the deployment of reliable wireless service in rural and high-cost areas in Nebraska. (Mowery, pp. 10-11; Tr. 18-21).

The Protestants presented no affirmative evidence or witness testimony contesting Alltel Wireless' satisfaction of the ETC designation requirements or disputing the Company's designation on public interest grounds.

O P I N I O N A N D F I N D I N G S

In 1997, the FCC released its Universal Service Report and Order in CC Docket 96-45, FCC 97-157 (rel. May 8, 1997) ("Universal Service Order"), which implemented several sections of the Act. The FCC's Universal Service Order provides that

[5] Mr. Mowery's pre-filed Direct Testimony (hereafter "Mowery, p. __") was admitted as Hearing Exhibit No. 3.

only eligible telecommunications carriers designated by a State commission shall be eligible to receive federal universal service support. Section 214(e) of the Act delegates to the States the ability to designate a common carrier as an ETC for a service area designated by the State commission. A service area is the geographic area established for the purpose of determining the universal service obligation and support eligibility of the carrier. The FCC also provided that "competitive neutrality" should be an added universal service principle. Section 214(e)(1) provides that an ETC Applicant shall:

[T]hroughout the service area for which such designation is received—

(A) offer the services that are supported by Federal universal service support mechanisms under section 254 . . .; and

(B) advertise the availability of such services and the charges therefore using media of general distribution.

The FCC's Supported Services are found in 47 C.F.R. §54.101(a)(1)-(a)(9) and are as follows:

a. voice grade access to the public switched network;

b. local usage;

c. dual tone multi-frequency signaling or its functional equivalent;

d. single-party service or its functional equivalent;

e. access to emergency services;

f. access to operator services;

g. access to interexchange service;

h. access to directory assistance; and

i. toll limitation for qualifying low-income consumers.

Federal law also requires that before designating a competitive ETC in a rural telephone company service area the Commission finds that the designation is in the public interest. 47 U.S.C. § 214(e)(2). The FCC recently offered additional guidance on the public interest question through its decisions

in *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 96-45, *Memorandum Opinion and Order*, FCC 03-338 (rel. Jan 22, 2004) ("*Virginia Cellular*"); *In the Matter of Federal-State Joint Board on Universal Service*, *Highland Cellular, Inc. Petition for Designation as an Eligible Telecommunications Carrier in the Commonwealth of Virginia*, CC Docket 96-45, *Memorandum Opinion and Order*, FCC 04-37 (rel. April 12, 2004) ("*Highland Cellular*"); and *In the Matter of Federal-State Joint Board on Universal Service*, CC Docket No. 96-45, *Report and Order*, FCC 05-46 (rel. March 17, 2005) ("*March 2005 Order*").

To implement the forgoing federal requirements and FCC guidance, the Commission has adopted regulations governing the application process and ETC designation requirements in the state of Nebraska ("ETC designation rules") by Orders issued June 28, 2005 in Application No. C-3415 and September 21, 2005, in Rule and Regulation No. 165. The Commission's ETC designation rules, once promulgated, will be found at Neb. Admin. Code, Title 291, Chpt. 5, §§ 009.01-009.02C. The Commission also adopted regulations establishing new annual reporting requirements ("ETC reporting rules"). The Commission's annual reporting rules will be codified at Neb. Admin. Code, Title 291, Chpt. 5, §§ 009.03-009.04B. We have also commenced a proceeding to establish guidelines for the purpose of verifying that all federal high-cost support will be used for its intended purpose in compliance with 47 C.F.R. §§ 54.313 and 54.314. *See In the Matter of the Nebraska Public Service Commission, on its own Motion, Seeking to Establish Guidelines for the Purpose of Certifying the use of Federal Universal Service Support*, Application NUSF-25, *Progression Order No. 14* (Nov. 1, 2005).

Common Carrier

Upon review of the Application and testimony presented, the Commission finds that Alltel Wireless is a common carrier for purposes of ETC designation. The Act defines a common carrier as a person engaged as a common carrier on a for-hire basis in interstate communications utilizing either wire or radio technology. 47 U.S.C. § 153(10). The FCC's Rules also specifically provide that CMRS is a common carrier service. 47 C.F.R. § 54.20.9(a). (Ranaraja, p. 5).

Supported Services

We find that Alltel Wireless has demonstrated the ability and commitment to provide the Supported Services listed above using its own network facilities or a combination of its own facilities and the resale of another carrier's services. Alltel Wireless' verified Application states the Company will make service available to consumers using the same antenna, cell sites, towers, trunking, mobile switching, and interconnection facilities it employs to serve its existing subscribers. Mr. Ranaraja similarly testified that with the exception of toll limitation for Lifeline subscribers, Alltel Wireless is currently providing each of the Supported Services to its Nebraska subscribers. (Ranaraja, p. 6; Tr. 82-84). The Company committed to provide toll blocking to Lifeline subscribers at no additional charge once it is designated as a competitive ETC in Nebraska. (Ranaraja, pp. 6, 9; Tr. 82). Although not a condition of ETC designation, the Commission also finds Alltel Wireless' commitment to satisfying requests for E911 deployment persuasive. (Ranaraja, pp. 9-10; Tr. 78).

Advertising

We find that Alltel Wireless has provided sufficient evidence of its commitments to advertise the availability of and charges for the Supported Services using media of general distribution. Mr. Ranaraja testified that Alltel Wireless currently advertises the Supported Services, and will continue to do so once designated, through several different media, including newspaper, television, radio, print, billboard advertising, on the Company's Internet website (www.alltel.com) and at various retail store locations throughout Nebraska. (Ranaraja, p. 10; Tr. 83). The Company also committed to specifically advertise the availability of Lifeline and Link Up assistance in newspapers, on the Company's website, in its retail stores and in local unemployment or Social Security offices. (Ranaraja, p. 11; Tr. 172-73).

Designated Service Areas

We find that Alltel Wireless has properly identified the service areas in which it is requesting ETC designation. Alltel Wireless seeks to be designated as a competitive ETC throughout each of the non-rural and rural telephone company service areas identified in Exhibits E and F (as amended) to its Application. For an area served by a non-rural telephone company, each wire center is deemed a separate service area. For an area served by a rural telephone company, Section 214(e)(5) of the Act and 47

C.F.R. § 54.207(b) provide that the service area is equivalent to the rural telephone company's "study area," unless and until the Commission and FCC cooperatively redefine the service area requirement to something less than the entire study area.

We find that Alltel Wireless is currently licensed by the FCC to provide the Supported Services throughout the entirety of the non-rural telephone company wire centers and rural telephone company service areas identified in Application Exhibits E and F. (Ranaraja, p. 12; Tr. 85; Ex. RR-2). Since Alltel Wireless has not requested designation for only a portion of any rural telephone company service area, redefinition of the service area requirement is not at issue in this proceeding.

The evidence shows a few instances in which the geographic boundary of a wire center in which Alltel Wireless seeks ETC designation extends outside of Nebraska and into a neighboring state. Exhibit RR-6 to Mr. Ranaraja's pre-filed testimony identifies each of the affected wire centers. The FCC has determined that when an incumbent telephone company's service area extends across State lines, the Commission's jurisdiction to designate a competitive ETC extends only to the borders of the state. *In the Matter of Federal-State Board on Universal Service, Western Wireless Corporation 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, ¶¶ 23-24 (rel. Dec. 26, 2000) ("*Wyoming Order*"). The FCC has also determined that the redefinition procedures set forth in 47 C.F.R. § 54.207 are not applicable to any rural telephone company study areas that cross state lines. *Id.*, ¶ 24 n. 71. (Ranaraja, pp. 13-14). Therefore, we find that the Commission can designate Alltel Wireless as a competitive ETC in the portions of a wire center or study area that are located within Nebraska but cross state lines without considering redefinition of the service area requirement.

Provision of Service to Requesting Customers

We next consider Alltel Wireless' commitment to provide service throughout its requested ETC service areas. As demonstrated by Alltel Wireless' signal propagation maps (Confidential Ex. RR-7), the Company is currently able to provide the Supported Services throughout a large portion of its requested service areas. Following designation, if a potential subscriber is within the Company's designated ETC service area, but outside of Alltel Wireless' existing network coverage, the Company is required to follow the graduated service extension process set forth in Section 009.02A5 of the Commission ETC

designation rules. Under this process, Alltel Wireless will evaluate the request and determine whether service can be provided at reasonable cost. If after completing this evaluation process Alltel Wireless determines that it is unable to provide service, it will report the unfulfilled service request to the Commission. Section 009.04A3 of the Commission's ETC annual reporting requirements provides that all ETCs annually report unfulfilled service requests to the Commission.

Mr. Ranaraja testified that Alltel Wireless currently follows these service standards and service extension procedures in other States where it has been designated as a competitive ETC and will do the same in Nebraska. (Ranaraja, pp. 14-15; Tr. 85-86, 168-70). At the hearing, Mr. Ranaraja described the process that Alltel Wireless follows to evaluate service requests, including dispatching a service technician to the requesting customer's home to carry out necessary testing and evaluation of the available options. (Tr. 171-72). We find based on the extent of the Company's current signal coverage, and its implementation of appropriate service standards and processes, that Alltel Wireless has demonstrated an ability and commitment to satisfy its obligation to provide service upon reasonable request throughout the Company's requested service areas.

Service Improvement Plan

Under Section 009.02A6 of the Commission's ETC designation rules, an applicant is required to submit a five-year plan describing its proposed service improvements or upgrades and further describing how such improvements will enhance signal quality, coverage or capacity. Section 009.02A6 also requires that the applicant provide this information on a wire center-by-wire center basis and that the applicant provide an estimate of the cost, starting and completion dates and population that may benefit from the projected improvements. Alltel Wireless filed its proposed service improvement plan as required as Confidential Exhibit D to the Company's Application.

Every ETC is required to use the universal service support it receives only for the "provision, maintenance, and upgrading of facilities and services for which the support is intended." 47 U.S.C. § 254(e). Permissible uses of federal universal service support under Section 254(e) generally include capital expenditures, operating expenses and maintenance/repair expenses associated with providing the supported services to consumers within an ETC's designated service areas. The FCC has further clarified that service quality improvements in a five-year plan

do not necessarily require additional construction of network facilities. *March 2005 Order*, ¶ 23. We also recognize that any proposed use of federal universal service support must remain flexible and may change over time depending on consumer demand, fluctuation in universal service support and other factors beyond a carrier's control. *See, e.g., Virginia Cellular*, ¶ 16; *Highland Cellular*, ¶ 17.

Alltel Wireless' five-year plan contains information concerning the Company's projected uses of universal service support consistent with the permissible uses of support under 47 U.S.C. § 254(e). The five-year plan details the Company's operations and proposed service improvement projections for its requested service areas, including projected capital expenditures, operating and maintenance expenses broken down to the wire center level, estimated construction schedules and estimates reflecting the population that would benefit from the proposed service improvements or upgrades. Mr. Ranaraja testified that Alltel Wireless' five-year plan represents the Company's good faith effort, based on the best available information prior to ETC designation, to estimate both the amount of universal service support it may receive and to project the overall costs of improving and operating its network over a five-year period. (Ranaraja, pp. 16-17; Tr. 100). Mr. Ranaraja further testified that Alltel Wireless has filed the same form of service improvement plan with the FCC in support of the Company's petitions to expand its ETC designations to include rural telephone company service areas in Alabama, Florida, Georgia, North Carolina and Virginia. (Ranaraja, p. 17; Tr. 166). At the hearing, he indicated that there has been no opposition to the form or substance of these filings. (Tr. 174-75).

The Protestants pointed out under cross-examination that Alltel Wireless' five-year plan details construction of towers in higher density areas. The Protestant's questions of Mr. Ranaraja raised concerns that the five-year plan in the current form does not provide enough investment in the under-served rural areas.

In response, Alltel Wireless' witness explained that the Company must substantially invest in switching upgrades and other network capacity enhancements in the first two years to enable its network to support more service expansion in later years. (Tr. 22-23, 35). Mr. Ranaraja explained that Alltel Wireless must enhance the capacity of the core network to support additional expansion in rural areas. (Tr. 146-47).

We are satisfied that access to universal service support will create an incentive for Alltel Wireless to expand service coverage, including coverage in the rural areas. We have previously observed that a competitive ETC will not receive any funds for serving a rural area unless it constructs infrastructure and actually serves customers who have a billing address in that rural area. *In the Matter of the Petition of N.E. Colorado Cellular, Inc., d/b/a Viaero Wireless for designation as an Eligible Telecommunications Carrier*, Application No. C-3324, *Granted*, p. 11 (Oct. 18, 2005) ("*Viaero Wireless*"). Mr. Ranaraja confirmed that consumer demand will influence where and when Alltel Wireless extends coverage over time:

> We have an obligation if we're designated ETC to serve every customer within our area. We want to serve every customer because when we serve the customer, we get more ETC money for that customer. And as part of the evaluation process, we will -- we are committing to serve every reasonable request. If that means building out in these areas at the expense of not doing some of the things we have projected in this, we will do that. And that's how we will serve those customers.

(Tr. 133). The Company also acknowledged its ETC designation will impose an obligation that the Company does not have today; that is, to serve all customers within its designated service area upon reasonable request:

> [W]hat granting this designation will do that's different -- will be different for us than it is without the designation is one of the obligations of becoming an ETC is that when we receive a request for service, we're required to provide service to any reasonable request. That includes going through the evaluation of the processes that the other witness will talk more about.
>
> We don't have an obligation to do that today. But as an ETC, we do have an obligation to respond.
>
> So if there's a request in an area that's unserved, we have a responsibility to evaluate that, which will include going out and saying, okay, how many customers would want this service, can it be done, can it be done at all economically with support.

> And it just creates a whole additional level of analysis that doesn't take place in nondesignated states where things are done just off a business plan, we think we can serve this many customers, we'll pay for the cost of the equipment.
>
> So it does add an obligation to us that we don't have to be more responsive even than we are today.

(Tr. 66-67). The Commission acknowledges that granting ETC designation would give Alltel Wireless an obligation to this Commission to be more responsive to requests for service throughout its designated area. Accordingly, we are satisfied that Alltel Wireless appreciates it will be required to expand the availability of its service to meet service requests. We find that Alltel Wireless' five-year plan satisfies the requirements of Section 009.02A6 of the Commission's ETC designation rules.

Nevertheless, the Commission wants to ensure that Alltel Wireless is evaluating current data and appreciates the Commission's concern for investment in the under-served rural areas. While we acknowledge Alltel's stated need to upgrade its switches and build capacity in the higher density areas of the state in order to build out a strong infrastructure in the rural areas, federal universal service support should be targeted in such a manner as to provide affordable and comparable service to the consumers in the rural areas of the state. Therefore, the Commission will require Alltel Wireless to update its five-year service improvement plan following its designation as a competitive ETC for the requested service areas. As expressed by the Commissioners at the hearing, we would like to see additional focus on the rural under-served areas in its updated five-year plan. While we appreciate the difficulty an ETC applicant will have preparing a five-year plan prior to designation as an ETC, we agree with Alltel Wireless that more specific, short term planning can be accomplished following ETC designation — both because the carrier can now be certain of the receipt of universal service support, and it will have had more time to evaluate its plans based on up-to-date data. (Ranaraja, p. 19). We also believe timely receipt of this updated information will enable the Commission to review Alltel Wireless' proposed use of support in anticipation of the October 1, 2006, certification deadline. Accordingly, we hereby order Alltel Wireless to file its first annual service improvement update on or before April 30, 2006, in accordance with Section 009.04B of the Commission's reporting rules. Alltel Wireless shall include in this report an updated estimate of the amount

of federal universal service support it will receive following ETC designation and how it proposes to utilize that support for the provision, maintenance and upgrading of facilities and services for which the support is intended. Following this initial required update, Alltel Wireless shall file its annual reports on or before April 30 in subsequent years pursuant to Section 009.04B of the Commission's ETC reporting rules.

Ability to Function During Emergencies

Pursuant to Section 009.02A7 of the Commission's ETC designation rules, an applicant must demonstrate an ability to remain functional during emergency situations. We find Alltel Wireless satisfies this requirement. As Mr. Ranaraja testified, the Company's emergency operations were recently put to the test in the Gulf Coast and performed well. (Tr. 86-87). As further detailed in the Company's Application and testimony, Alltel Wireless maintains adequate amounts of back-up power to ensure functionality without an external power source, is able to reroute traffic around damaged facilities and is capable of managing traffic spikes resulting from emergency situations. (Ranaraja, pp. 19-21).

Mr. Ranaraja provided testimony describing Alltel Wireless' contingency plans to address emergency situations. He testified that if a cell site or switch loses commercial power, it immediately begins operating on battery power, which are being continuously recharged during normal operations and provide a minimum of 4-hours back-up power. (Ranaraja, pp. 19-20). Furthermore, key network facilities are equipped with dedicated generators in addition to battery back-up. (Ranaraja, p. 20). Alltel Wireless maintains portable back-up generators at various locations throughout its network that can be deployed in emergency situations. According to Mr. Ranaraja, these back-up generators are capable of keeping a switch or cell site up and running until power is restored to the site, until system changes are made to reroute traffic or until a cell site on wheels ("COWs") is deployed. (Ranaraja, p. 20).

Mr. Ranaraja testified that Alltel Wireless follows a stringent preventative maintenance program and the network is designed with certain redundant capacity to provide for emergency back-up. (Ranaraja, pp. 20-21). All power equipment including batteries, generators, power distribution racks, etc. are tested regularly and the Company has staff on 24-hour stand-by to address after-hours emergencies. Alltel Wireless also employs a 24-hour Network Operations Center that continually monitors and responds to network issues. (Ranaraja, p. 20).

To address temporary spikes in network usage during emergency situation, Mr. Ranaraja testified Alltel Wireless is capable of rerouting traffic around damaged or out-of-service facilities by changing call routing translations as needed. (Ranaraja, p. 20). The Company is able to deploy COWs as temporary cell sites when existing facilities are damaged or out of service for longer periods of time. As a long-term solution for managing increased traffic levels and traffic spikes, Alltel Wireless further committed to utilizing universal service support to increase capacity at its cell sites, switches and transport facilities. (Ranaraja, p. 21; Tr. 87). We find this ability to function during emergencies will benefit consumers by ensuring the reliability of Alltel Wireless' network throughout its requested ETC service areas.

Applicable Consumer Protection and Service Quality Standards

We next examine Alltel Wireless' commitment to service quality. The FCC has determined that a wireless ETC's compliance with the CTIA Consumer Code for Wireless Service ("Consumer Code") demonstrates a sufficient commitment to satisfy applicable consumer protection and service quality standards. (*March 2005 Order*, ¶ 28). Mr. Ranaraja testified that Alltel Wireless is a voluntary signatory to the Consumer Code and has adopted policies to comply with the disclosure and service policies required under the Code. (Ranaraja, pp. 21-22). He further testified that Alltel Wireless is subject to the FCC's Truth-in-Billing requirements (47 C.F.R. § 64.2401) and that the Company has undertaken several customer service initiatives, including offering extended customer service hours, 24-hour technical support and an automatic one-minute credit for any dropped calls. (Ranaraja, pp. 22-23). Alltel Wireless also permits its subscribers to change rate plans at anytime without paying a penalty or extending their current service contracts. (Ranaraja, p. 23). Mr. Ranaraja testified that Alltel Wireless has procedures in place to ensure that customer complaints are investigated and resolved appropriately. (Ranaraja, pp. 23-24).

Accordingly, based on the testimony presented, we find that Alltel Wireless has satisfied the requirement to demonstrate it will comply with applicable consumer protection and service quality standards. If Alltel Wireless' service quality is inadequate, customers will drop the service, and the Company will not receive universal service support for those customers, which gives Alltel Wireless an incentive to provide quality service. We also believe that the annual reporting requirements contained in the ETC annual reporting rules provide the

Commission with sufficient information to evaluate the Company's service quality in the future.

Local Usage Service Offering

We must also determine whether Alltel Wireless will offer a local usage service offering that is comparable to those offered by the incumbent LECs. Mr. Ranaraja testified that all of Alltel Wireless' service offerings will include the nine Supported Services. (Ranaraja, pp. 24-25). To that extent, the Company's service offerings are comparable with the incumbent LECs' service offerings.

Alltel Wireless also argues that unlimited local usage is not necessary to satisfy the requirements of Section 009.02A9 of the Commission's ETC designation rules. The FCC has declined to establish any minimum amount of local usage as a requirement. (*March 2005 Order*, ¶ 32). The FCC recently rejected the argument that a wireless carrier should be denied ETC status because it failed to offer unlimited local usage. *See In the Matter of Federal-State Joint Board on Universal Service, Corr Wireless Communications, LLC, Petition for Designation as an Eligible Telecommunications Carrier in the State of Alabama*, CC Docket 96-45, *Order*, DA 06-286, ¶ 17 (rel. Feb. 3, 2006) ("*Corr Wireless*").

Previously, we concluded the Commission should review an applicant's local usage plans on a case-by-case basis and consider the total package of available services and features. In this case, after review of Alltel Wireless' package of available services and features, we find its currently available service offerings are comparable to the incumbent LECs. Furthermore, if consumers do not find an Alltel Wireless service offering to provide sufficient value, the Company will lose the customer and the corresponding universal service support. Under the federal funding mechanisms, a competitive ETC will only receive support for customers it serves. 47 C.F.R. § 54.307. Granting the Company's Application will therefore provide Alltel Wireless with an additional incentive to provide competitive prices, features and services, all to the benefit of Nebraska consumers. (*Viaero Wireless*, p. 9, 11) As the FCC has noted:

> We also believe that the forces of competition will provide an incentive to maintain affordable rates and quality service to customers. Competitive ETCs will receive universal service support only to the extent that they acquire customers. In order to do so, it is reasonable to assume that competitive ETCs must offer

> a service package comparable in price and quality to the incumbent carrier.

Wyoming Order, ¶ 13.

As detailed in Mr. Ranaraja's testimony, we find Alltel Wireless currently offers a variety of service offerings which include such benefits as mobility and substantially larger local calling areas than the incumbent LECs. The minimum calling area the Company offers includes virtually the entire State of Nebraska. (Ranaraja, pp. 26-28; RR-3). These expanded local calling areas are of great benefit to rural consumers who often have to pay toll charges to reach government offices, health care providers, businesses or family outside of an ILEC local calling area. All but one of the Company's service offerings also include unlimited "nights and weekend" calling and unlimited "mobile-to-mobile" calling between customers on the Alltel Wireless network. (*Id.*). Alltel Wireless' service offering also include several enhanced services at no additional charge, including voice-mail, caller-ID, 3-way calling, call-forward, call-waiting, etc. (*Id.*).

Alltel Wireless argued that when compared to the ILEC service offerings its service offerings were very competitive. As summarized in Mr. Ranaraja's pre-filed testimony, the average cost for a single residential access line in Alltel Wireless' requested service areas is $24, and the cost of a single business line is approximately $27 to $34, exclusive of long distance charges. (Ranaraja, pp. 26-28; Exhs. RR-3 and RR 8). When you add to that even a few of the enhanced service features that come standard with most of Alltel Wireless' service offerings, as well as considering the difference in the size of the local calling areas, Alltel Wireless services are very competitive. Accordingly, we find that Alltel Wireless' Application and testimony describing its currently available service offerings satisfy the requirements of Section 009.02A9 of the Commission's ETC designation rules.

Equal Access

Under 47 C.F.R. § 54.101(a)(7) an ETC must provide access to interexchange service. There is no federal requirement for an ETC to provide equal access to interexchange service, however. Alltel Wireless has acknowledged that as a designated ETC the FCC may require it to provide equal access to interexchange carriers in the event that no other ETC is providing equal access within the Company's designated service areas. (Ranaraja, p. 28; Tr. 88-89). We find Alltel Wireless'

acknowledgment satisfies the requirements of Section 009.02A10 of the Commission's ETC designation rules.

Public Interest

In addition to the information discussed above, Section 009.02B of the Commission's ETC designation rules requires that we consider (1) the benefits of increased consumer choice and (2) the unique advantages and disadvantages of the applicant's service offerings to determine whether designating Alltel Wireless as a competitive ETC would serve the public interest.

Consumer Choice

Alltel Wireless states, in general, designation of competitive ETCs promotes competition and benefits consumers in rural and high-cost areas by increasing customer service options, innovative services and promoting the deployment of new technologies. (Mowery, pp. 2-3). We have previously determined that there are many benefits that will come with competition in rural areas, among them the incentive for the incumbent to implement new operating efficiencies, lower prices, and offer better service to its customers. (*Viaero Wireless*, pp. 11-12; *Wyoming Order*, ¶¶ 17, 22). Mr. Mowery confirmed this cause and effect relationship based on his own experience working for an ILEC. (Tr. 49-51).

Competition also provides consumers with a wider choice of services, features and pricing, making service more affordable for some consumers. As an ETC, Alltel Wireless will be able to use low-income, federal universal service support to offer service to subscribers who are eligible for Lifeline and Link Up assistance. (Mowery, p. 9). We consider wireless service a significant service option for Lifeline consumers. Alltel Wireless' mobile service offerings include much larger local calling areas, which could substantially benefit low-income consumers who may otherwise be required to pay long distance service charges to reach family, employers and social service or medical providers.

Advantages and Disadvantages of Alltel Wireless' Service Offerings

We next consider the unique advantages and disadvantages related to Alltel Wireless' service offerings. As a threshold, Alltel Wireless' service offerings will offer consumers the intrinsic benefits of mobility. (Mowery, p. 7). On that benefit, the FCC has noted:

> [T]he mobility of telecommunications assists consumers in rural areas who often must drive significant distances to places of employment, stores, schools, and other critical community locations. In addition, the availability of a wireless universal service offering provides access to emergency services that can mitigate the unique risks of geographic isolation associated with living in rural communities.

Virginia Cellular, ¶ 29. We agree. As noted in the National Telecommunications Cooperative Association's 2004 Rural Youth Telecommunications Survey attached to Mr. Mowery's testimony as Exhibit SRM-1:

> [S]afety still is a major concern due to the spread-out nature of rural communities, the long distances traveled to go to school or sports activities, and the steady decline of payphones in small communities. When a teen becomes stranded with a flat tire on a rural road at night, a personal, mobile communication device is more than a convenience. It is a safety tool.

While the benefit of mobility in and of itself may not be a sufficient reason to designate a carrier as an ETC, the Commission also considers Alltel Wireless' service offerings, pricing plans, proposed coverage area and other network qualities in its assessment of this Application.

As previously discussed, we find that Alltel Wireless offers consumers a variety of service offerings that include varying amounts of local usage; larger local calling areas; free nationwide long distance; unlimited calls to emergency services; unlimited calls to customer care; unlimited "nights and weekend" calling; unlimited "mobile-to-mobile" calling between customers on the Alltel Wireless network; an automatic one-minute credit for dropped calls; and the ability to change rate plans without penalty or extension of the contract term. We have previously determined that access to these types of services and features will benefit consumers in rural and high-cost portions of Nebraska:

> Western Wireless also offers in its application additional benefits to the public interest, including increased choices, an expanded calling area and the benefits of mobility. These benefits are every bit as valuable, if not more so, to the rural customers as to the urban customer.

In the Matter of the Application of GCC License Corporation seeking designation as an eligible telecommunications carrier (ETC), Application C-1889, *Order Granting ETC Status and Issuing Findings*, ¶ 17 (Nov. 21, 2000); *Viaero Wireless*, pp. 9-10.

In addition, we find that Alltel Wireless offers enhanced services comparable to those provided in more urban areas, including voice-mail, caller-ID, 3-way calling, call-forward, call-waiting, data services, etc. (Mowery, pp. 9-10). The FCC has previously found that such enhanced services tangibly benefit rural consumers. *See In the Matter of Federal-State Joint Board on Universal Service, Advantage Cellular Systems, Inc. Petition for Designation as an Eligible Telecommunications Carrier in the state of Tennessee*, CC Docket 96-45, *Order*, DA 04-3357, ¶ 20 (rel. Oct. 24, 2004). Accordingly, we find that the unique advantages of Alltel Wireless' service offerings will provide a public interest benefit.

As previously noted, no party presented affirmative evidence or testimony of any disadvantages associated with Alltel Wireless' service offerings. We acknowledge that wireless service may be subject to dropped calls and limited coverage in some areas, but we are satisfied that granting Alltel Wireless' Application will enable it to utilize federal universal service support to upgrade and maintain its network, expand capacity and extend coverage over time.

Other Issues

Although we declined to adopt additional public interest requirements in *Rule and Regulation 165*, we will also consider whether Alltel Wireless' designation as a competitive ETC in this proceeding will result in the funding of duplicative networks. Based on our review, we find that it will not. First, we note that Viaero Wireless is currently the only wireless carrier certified as eligible to receive federal universal service support in Nebraska. We further note that Alltel Wireless and Viaero Wireless operate different wireless technologies. (Tr. 41). Accordingly, the services are not duplicative of each other. Furthermore, Mr. Mowery testified some of the same facilities, such as cell towers, could be utilized by both Alltel Wireless and Viaero Wireless, which could facilitate service and capacity expansion by both companies. (Tr. 41). We find that efficient use of such facilities would result in an even greater pubic benefit in those instances.

In addition, we find that the federal universal service support mechanisms will limit the duplication of funding. As Mr. Mowery explained, because competitive ETCs only receive support for customers they serve, it is unlikely that the designation of multiple ETCs will duplicate funding. ((Mowery, p. 12; Tr. 61-63). While a particular consumer may choose to take service from both the incumbent LEC and a competitive wireless ETC, we conclude it is unlikely the consumer would also subscribe to the service of a second or third competitive ETC at the same time. As a result, only one competitive ETC will likely receive universal service support for that subscriber.

The Commission is also satisfied that Alltel Wireless' designation will not have a significant impact on the federal high-cost universal service fund. The FCC has determined that given the total size of the high-cost fund, the impact of any one competitive ETC on the universal service fund is, at best, "inconclusive." *Virginia Cellular*, ¶ 31 n. 96; *Highland Cellular*, ¶ 25 n. 73. In this case, Alltel Wireless estimates it would receive approximately $2.5 million per month in high-cost universal service support. (Mowery, p. 12). This represents less-than 1% of the high-cost fund. The FCC has previously determined that a nearly 2% impact should not preclude designation of a competitive ETC. *In the Matter of Federal-State Joint Board on Universal Service NPCR, Inc. d/b/a Nextel Partners Petition for Designation as an Eligible Telecommunications Carrier*, CC Docket 96-45, *Order*, DA 04-2667, ¶ 21 n. 59 (rel. Aug. 25, 2004). Moreover, federal universal service funding policies are currently being reviewed by the FCC and are not before us in this proceeding. We therefore conclude that granting Alltel Wireless' Application will not cause a significant burden on the federal high-cost universal service fund.

Lastly, we consider whether designating Alltel Wireless as a competitive ETC will harm consumers or the provision of universal service in Nebraska. In evaluating these issues, we have previously determined that the designation of a competitive ETC will benefit consumers and provide market incentives to improve service and operational efficiencies while not impacting the universal service support the incumbent ETC receives. (*Viaero Wireless*, pp. 11-12).

Based on the record before the Commission, we find no reason to believe Alltel Wireless' designation as a competitive ETC will harm consumers. No party submitted any evidence of consumer harm. We also note that Alltel Wireless's Nebraska subscribers pay approximately $6 million a year to the federal

universal service fund. Yet, at the present time, none of those funds are coming back for their benefit. (Tr. 18). Designating Alltel Wireless will return that support to Nebraska for the benefit of consumers in rural and high-cost areas. The overall availability of federal universal service funding for Nebraska resulting from the designation of Alltel Wireless will have a positive effect. (Mowery, p. 13). Thus, we find that designation of Alltel Wireless as a competitive ETC in Nebraska is in the public interest.

Creamskimming

Section 009.02C of the Commission's ETC designation rules requires a creamskimming analysis in instances where an applicant seeks designation below the study area level of a rural telephone company. Rural creamskimming can occur when a competitor seeks to serve only the low-cost, high revenue customers in a rural telephone company's study area. In this case, Alltel Wireless requests ETC designation throughout the entire study area of each rural telephone company identified in its Application. Alltel seeks designation in the areas of Nebraska where it can completely serve the study area, this includes some very rural areas of the state. Upon review of the application and the evidence submitted at the hearing, the Commission finds the Company's designation as a competitive ETC in these study areas does not raise any creamskimming concerns.

Federal ETC Designation

In summary, we find Alltel Wireless has demonstrated that it satisfies each of the requirements set forth in Section 214(e) of the Act and applicable State and federal regulations for designation as a competitive ETC throughout the Company's requested service areas. However, this granting of ETC designation does not trigger qualification for NUSF support. Prior to receiving any NUSF support, Alltel Wireless must apply to specifically seek designation as a Nebraska eligible telecommunications carrier ("NETC").

High-Cost Certification

As previously noted, Alltel Wireless is obligated under Section 254(e) of the Act to use high cost support "only for the provision, maintenance, and upgrading of facilities and services for which support is intended" and is required to annually certify that it is in compliance with this requirement. Alltel Wireless has certified to the Commission that all federal high cost support it receives during 2006 will be used consistent

with the requirements of Section 254(e) of the Act. Accordingly, pursuant to 47 C.F.R. §§ 54.313 and 54.314, we hereby certify Alltel Wireless' use of federal universal service support from the date of this Order through December 31, 2006. Alltel Wireless shall file a copy of this Order with the Universal Service Administrative Company ("USAC") and the FCC to ensure that the Company begins receiving support effective as of the date of this Order.

O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that the Application of Alltel Communications of Nebraska, Inc., should be and it is hereby granted and Alltel Wireless is hereby designated as a competitive eligible telecommunications carrier in the non-rural telephone company wire centers and rural telephone company service areas set forth in the attached **Appendix A** for the purpose of receiving federal universal service support as requested in the Application and consistent with the findings and conclusions made herein.

IT IS FURTHER ORDERED that Alltel Wireless will need to receive a Nebraska Eligible Telecommunications Carrier ("NETC") designation in order to be eligible for Nebraska Universal Service Fund ("NUSF") support.

IT IS FURTHER ORDERED that Alltel Wireless file its updated five-year plan on or before April 30, 2006, with additional focus on the rural under-served areas as provided herein.

IT IS FURTHER ORDERED that Alltel Wireless shall file its annual report required by Section 009.04 of the Commission's ETC reporting rules (Neb. Admin Code, Title 291, Chpt. 5, § 009.04) as provided above on or before April 30, 2006.

IT IS FURTHER ORDERED that Alltel Wireless shall file a copy of this Order with the Universal Service Administrative Company ("USAC") and the FCC to commence its receipt of federal universal service support effective as of the date of this Order.

MADE AND ENTERED at Lincoln, Nebraska, this 7th day of March, 2006.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING: Chairman

ATTEST:

Executive Director

APPENDIX A

NON-RURAL TELEPHONE COMPANY WIRE CENTERS			
SAC	**INCUMBENT TELEPHONE COMPANY**	**WIRE CENTER**	**CLLI**
375143	QWEST CORPORATION	ALLIANCE	ALNCNENW
375143	QWEST CORPORATION	AINSWORTH	ANWONENW
375143	QWEST CORPORATION	ATLANTA	ATLNNENW
375143	QWEST CORPORATION	ATKINSON	ATSNNENW
375143	QWEST CORPORATION	AXTELL	AXTLNENW
375143	QWEST CORPORATION	BENNINGTON	BGTNNECO
375143	QWEST CORPORATION	BROKEN BOW	BRKBNENW
375143	QWEST CORPORATION	BRIDGEPORT	BRPTNENW
375143	QWEST CORPORATION	CAIRO	CAIRNENW
375143	QWEST CORPORATION	CHADRON	CHDRNENW
375143	QWEST CORPORATION	CLARKSON	CKSNNEUW
375143	QWEST CORPORATION	CENTRAL CITY	CNCYNENW
375143	QWEST CORPORATION	CRAWFORD	CRFRNENW
375143	QWEST CORPORATION	ELKHORN	ELKHNENW
375143	QWEST CORPORATION	ELWOOD	ELWDNENW
375143	QWEST CORPORATION	ELM CREEK	EMCKNENW
375143	QWEST CORPORATION	FREMONT	FRMTNENW
375143	QWEST CORPORATION	FARWELL	FRWLNENW
375143	QWEST CORPORATION	FULLERTON	FUTNNENW
375143	QWEST CORPORATION	GRAND IS	GDISNENW
375143	QWEST CORPORATION	GRETNA	GRETNENW
375143	QWEST CORPORATION	GOTHENBURG	GTBGNENW
375143	QWEST CORPORATION	HOLDREGE	HLDGNENW
375143	QWEST CORPORATION	HUMPHREY	HMPHNENW
375143	QWEST CORPORATION	HOWELLS	HWLSNENW
375143	QWEST CORPORATION	LAUREL	LARLNENW
375143	QWEST CORPORATION	LOUP CITY	LPCYNENW
375143	QWEST CORPORATION	LEXINGTON	LXTNNENW
375143	QWEST CORPORATION	LYONS	LYNSNENW
375143	QWEST CORPORATION	MC COOK	MCCKNENW
375143	QWEST CORPORATION	MINDEN	MINDNENW
375143	QWEST CORPORATION	N PLATTE	NPLTNENW
375143	QWEST CORPORATION	NORFOLK	NRFLNENW
375143	QWEST CORPORATION	OGALLALA	OGLLNENW
375143	QWEST CORPORATION	OAKLAND	OKLDNEUW
375143	QWEST CORPORATION	OMAHA	OMAHNE78
375143	QWEST CORPORATION	LA VISTA	OMAHNE84
375143	QWEST CORPORATION	OMAHA	OMAHNE90
375143	QWEST CORPORATION	BELLEVUE	OMAHNEBE
375143	QWEST CORPORATION	OMAHA	OMAHNECE
375143	QWEST CORPORATION	OMAHA	OMAHNEFO
375143	QWEST CORPORATION	OMAHA	OMAHNEFW

APPENDIX A

375143	QWEST CORPORATION	OMAHA	OMAHNEHA
375143	QWEST CORPORATION	OMAHA	OMAHNEIZ
375143	QWEST CORPORATION	OMAHA	OMAHNENW
375143	QWEST CORPORATION	OMAHA	OMAHNEOS
375143	QWEST CORPORATION	OXFORD	OXFRNENW
375143	QWEST CORPORATION	PILGER	PLGRNENW
375143	QWEST CORPORATION	PENDER	PNDRNEUW
375143	QWEST CORPORATION	RANDOLPH	RNDHNENW
375143	QWEST CORPORATION	SCHUYLER	SCHLNENW
375143	QWEST CORPORATION	SIDNEY	SDNYNENW
375143	QWEST CORPORATION	SILVER CRK	SLCKNENW
375143	QWEST CORPORATION	SPRINGFIELD	SPFDNENW
375143	QWEST CORPORATION	ST LIBORY	STLBNENW
375143	QWEST CORPORATION	ST PAUL	STPLNENW
375143	QWEST CORPORATION	TEKAMAH	TKMHNENW
375143	QWEST CORPORATION	VLY	VLLYNENW
375143	QWEST CORPORATION	WAYNE	WAYNNEUW
375143	QWEST CORPORATION	WOOD RIV	WDRVNENW
375143	QWEST CORPORATION	WAKEFIELD	WKFDNENW
375143	QWEST CORPORATION	WPT	WSPNNENW
371568	ALLTEL NEBRASKA, INC.	ADAMS	ADMSNEXL
371568	ALLTEL NEBRASKA, INC.	ALEXANDRIA	ALXNNEXL
371568	ALLTEL NEBRASKA, INC.	ASHLAND	ASLDNEXL
371568	ALLTEL NEBRASKA, INC.	AUBURN	AUBNNEXL
371568	ALLTEL NEBRASKA, INC.	AVOCA	AVOCNEXL
371568	ALLTEL NEBRASKA, INC.	BELLWOOD	BLWDNEXL
371568	ALLTEL NEBRASKA, INC.	BENEDICT	BNDCNEXL
371568	ALLTEL NEBRASKA, INC.	BENNET	BNNTNEXL
371568	ALLTEL NEBRASKA, INC.	BROCK	BOCKNEXL
371568	ALLTEL NEBRASKA, INC.	BURCHARD	BRCHNEXL
371568	ALLTEL NEBRASKA, INC.	BRADSHAW	BRDSNEXL
371568	ALLTEL NEBRASKA, INC.	BRUNING	BRNGNEXL
371568	ALLTEL NEBRASKA, INC.	BRAINARD	BRNRNEXL
371568	ALLTEL NEBRASKA, INC.	BARNESTON	BRTNNEXL
371568	ALLTEL NEBRASKA, INC.	BRUNO	BRUNNEXL
371568	ALLTEL NEBRASKA, INC.	BEATRICE	BTRCNEXL
371568	ALLTEL NEBRASKA, INC.	BURR	BURRNEXL
371568	ALLTEL NEBRASKA, INC.	BEAVER XING	BVRCNEXL
371568	ALLTEL NEBRASKA, INC.	BROWNVILLE	BWVLNEXL
371568	ALLTEL NEBRASKA, INC.	CARLETON	CATNNEXL
371568	ALLTEL NEBRASKA, INC.	CEDAR BLUFFS	CDBLNEXL
371568	ALLTEL NEBRASKA, INC.	CLATONIA	CLATNEXL
371568	ALLTEL NEBRASKA, INC.	CLAY CENTER	CLCTNEXL
371568	ALLTEL NEBRASKA, INC.	COLON	COLNNEXL
371568	ALLTEL NEBRASKA, INC.	COOK	COOKNEXL
371568	ALLTEL NEBRASKA, INC.	CRAB ORCHARD	CRBONEXL

APPENDIX A

371568	ALLTEL NEBRASKA, INC.	CORDOVA	CRDVNEXL
371568	ALLTEL NEBRASKA, INC.	CRETE	CRETNEXL
371568	ALLTEL NEBRASKA, INC.	CORTLAND	CRLDNEXL
371568	ALLTEL NEBRASKA, INC.	CERESCO	CRSCNEXL
371568	ALLTEL NEBRASKA, INC.	DAVEY	DAVYNEXL
371568	ALLTEL NEBRASKA, INC.	DEWEESE	DEWSNEXL
371568	ALLTEL NEBRASKA, INC.	DOUGLAS	DGLSNEXL
371568	ALLTEL NEBRASKA, INC.	DENTON	DNTNNEXL
371568	ALLTEL NEBRASKA, INC.	DORCHESTER	DRCHNEXL
371568	ALLTEL NEBRASKA, INC.	DUBOIS	DUBSNEXL
371568	ALLTEL NEBRASKA, INC.	DUNBAR	DUNBNEXL
371568	ALLTEL NEBRASKA, INC.	DAVID CITY	DVCYNEXL
371568	ALLTEL NEBRASKA, INC.	DAVENPORT	DVPTNEXL
371568	ALLTEL NEBRASKA, INC.	DWIGHT	DWGHNEXL
371568	ALLTEL NEBRASKA, INC.	DAWSON	DWSNNEXL
371568	ALLTEL NEBRASKA, INC.	DE WITT	DWTTNEXL
371568	ALLTEL NEBRASKA, INC.	DAYKIN	DYKNNEXL
371568	ALLTEL NEBRASKA, INC.	EAGLE	EAGLNEXL
371568	ALLTEL NEBRASKA, INC.	EDGAR	EDGRNEXL
371568	ALLTEL NEBRASKA, INC.	ELK CRK	EKCKNEXL
371568	ALLTEL NEBRASKA, INC.	AVOCA	EMWDNEXL
371568	ALLTEL NEBRASKA, INC.	EXETER	EXTRNEXL
371568	ALLTEL NEBRASKA, INC.	FAIRMONT	FAMTNEXL
371568	ALLTEL NEBRASKA, INC.	FILLEY	FLLYNEXL
371568	ALLTEL NEBRASKA, INC.	FAIRBURY	FRBRNEXL
371568	ALLTEL NEBRASKA, INC.	FAIRFIELD	FRFDNEXL
371568	ALLTEL NEBRASKA, INC.	FRIEND	FRNDNEXL
371568	ALLTEL NEBRASKA, INC.	FIRTH	FRTHNEXL
371568	ALLTEL NEBRASKA, INC.	GUIDE ROCK	GDRKNEXL
371568	ALLTEL NEBRASKA, INC.	GENEVA	GENVNEXL
371568	ALLTEL NEBRASKA, INC.	GRAFTON	GFTNNEXL
371568	ALLTEL NEBRASKA, INC.	GLENVIL	GLNVNEXL
371568	ALLTEL NEBRASKA, INC.	GREENWOOD	GNWDNEXL
371568	ALLTEL NEBRASKA, INC.	GRESHAM	GRHMNEXL
371568	ALLTEL NEBRASKA, INC.	GARLAND	GRLDNEXL
371568	ALLTEL NEBRASKA, INC.	HANSEN	HANSNEXL
371568	ALLTEL NEBRASKA, INC.	HEBRON	HBRNNEXL
371568	ALLTEL NEBRASKA, INC.	HICKMAN	HCMNNEXL
371568	ALLTEL NEBRASKA, INC.	HALLAM	HLLMNEXL
371568	ALLTEL NEBRASKA, INC.	HUMBOLDT	HMBLNEXL
371568	ALLTEL NEBRASKA, INC.	HARDY	HRDYNEXL
371568	ALLTEL NEBRASKA, INC.	HARVARD	HRVRNEXL
371568	ALLTEL NEBRASKA, INC.	HASTINGS	HSNGNEXL
371568	ALLTEL NEBRASKA, INC.	ITHACA	ITHCNEXL
371568	ALLTEL NEBRASKA, INC.	JOHNSON	JHSNNEXL
371568	ALLTEL NEBRASKA, INC.	JANSEN	JNSNNEXL

APPENDIX A

371568	ALLTEL NEBRASKA, INC.	JULIAN	JULNNEXL
371568	ALLTEL NEBRASKA, INC.	JUNIATA	JUNTNEXL
371568	ALLTEL NEBRASKA, INC.	KENESAW	KNSWNEXL
371568	ALLTEL NEBRASKA, INC.	LIBERTY	LBRTNEXL
371568	ALLTEL NEBRASKA, INC.	LINCOLN	LNCLNEXA
371568	ALLTEL NEBRASKA, INC.	LINCOLN	LNCLNEXB
371568	ALLTEL NEBRASKA, INC.	LINCOLN	LNCLNEXD
371568	ALLTEL NEBRASKA, INC.	LINCOLN	LNCLNEXL
371568	ALLTEL NEBRASKA, INC.	LINCOLN	LNCLNEXS
371568	ALLTEL NEBRASKA, INC.	LOUISVILLE	LSVLNEXL
371568	ALLTEL NEBRASKA, INC.	MCCOOL JUNCTION	MCJTNEXL
371568	ALLTEL NEBRASKA, INC.	MEAD	MEADNEXL
371568	ALLTEL NEBRASKA, INC.	MALCOLM	MLCLNEXL
371568	ALLTEL NEBRASKA, INC.	MILFORD	MLFRNEXL
371568	ALLTEL NEBRASKA, INC.	MILLIGAN	MLGNNEXL
371568	ALLTEL NEBRASKA, INC.	MURDOCK	MRDCNEXL
371568	ALLTEL NEBRASKA, INC.	MURRAY	MRRYNEXL
371568	ALLTEL NEBRASKA, INC.	MARTELL	MRTLNEXL
371568	ALLTEL NEBRASKA, INC.	NE CITY	NBCYNEXL
371568	ALLTEL NEBRASKA, INC.	NEMAHA	NEMHNEXL
371568	ALLTEL NEBRASKA, INC.	NEHAWKA	NHWKNEXL
371568	ALLTEL NEBRASKA, INC.	NELSON	NLSNNEXL
371568	ALLTEL NEBRASKA, INC.	DAVID CITY	OCTVNEXL
371568	ALLTEL NEBRASKA, INC.	OHIOWA	OHIWNEXL
371568	ALLTEL NEBRASKA, INC.	ONG	ONG NEXL
371568	ALLTEL NEBRASKA, INC.	OSCEOLA	OSCLNEXL
371568	ALLTEL NEBRASKA, INC.	OTOE	OTOENEXL
371568	ALLTEL NEBRASKA, INC.	BENNET	PANMNEXL
371568	ALLTEL NEBRASKA, INC.	PICKRELL	PCKRNEXL
371568	ALLTEL NEBRASKA, INC.	PERU	PERUNEXL
371568	ALLTEL NEBRASKA, INC.	PLEASANT DALE	PLDLNEXL
371568	ALLTEL NEBRASKA, INC.	PLYMOUTH	PLMONEXL
371568	ALLTEL NEBRASKA, INC.	PALMYRA	PLMYNEXL
371568	ALLTEL NEBRASKA, INC.	PLATTSMOUTH	PLTSNEXL
371568	ALLTEL NEBRASKA, INC.	POLK	POLKNEXL
371568	ALLTEL NEBRASKA, INC.	PAWNEE CITY	PWCYNEXL
371568	ALLTEL NEBRASKA, INC.	RISING CITY	RSCYNEXL
371568	ALLTEL NEBRASKA, INC.	RUSKIN	RSKNNEXL
371568	ALLTEL NEBRASKA, INC.	RAYMOND	RYMNNEXL
371568	ALLTEL NEBRASKA, INC.	SHICKLEY	SHCKNEXL
371568	ALLTEL NEBRASKA, INC.	SHELBY	SHLBNEXL
371568	ALLTEL NEBRASKA, INC.	SUPERIOR	SPRRNEXL
371568	ALLTEL NEBRASKA, INC.	SURPRISE	SRPSNEXL
371568	ALLTEL NEBRASKA, INC.	STROMSBURG	STBGNEXL
371568	ALLTEL NEBRASKA, INC.	STEELE CITY	STCYNEXL
371568	ALLTEL NEBRASKA, INC.	STERLING	STNGNEXL

APPENDIX A

371568	ALLTEL NEBRASKA, INC.	STEINAUER	STNRNEXL
371568	ALLTEL NEBRASKA, INC.	SUTTON	STTNNEXL
371568	ALLTEL NEBRASKA, INC.	SEWARD	SWRDNEXL
371568	ALLTEL NEBRASKA, INC.	SWANTON	SWTNNEXL
371568	ALLTEL NEBRASKA, INC.	SYRACUSE	SYRCNEXL
371568	ALLTEL NEBRASKA, INC.	TAMORA	TAMRNEXL
371568	ALLTEL NEBRASKA, INC.	TABLE ROCK	TBRKNEXL
371568	ALLTEL NEBRASKA, INC.	TECUMSEH	TCMSNEXL
371568	ALLTEL NEBRASKA, INC.	TALMAGE	TLMGNEXL
371568	ALLTEL NEBRASKA, INC.	TOBIAS	TOBSNEXL
371568	ALLTEL NEBRASKA, INC.	UNADILLA	UNADNEXL
371568	ALLTEL NEBRASKA, INC.	UNION	UNINNEXL
371568	ALLTEL NEBRASKA, INC.	UTICA	UTICNEXL
371568	ALLTEL NEBRASKA, INC.	VALPARAISO	VLPRNEXL
371568	ALLTEL NEBRASKA, INC.	WACO	WACONEXL
371568	ALLTEL NEBRASKA, INC.	WAHOO	WAHONEXL
371568	ALLTEL NEBRASKA, INC.	WILBER	WLBRNEXL
371568	ALLTEL NEBRASKA, INC.	WEEPING WATER	WPWRNEXL
371568	ALLTEL NEBRASKA, INC.	WESTERN	WSTRNEXL
371568	ALLTEL NEBRASKA, INC.	WAVERLY	WVRLNEXL
371568	ALLTEL NEBRASKA, INC.	WYMORE	WYMRNEXL
371568	ALLTEL NEBRASKA, INC.	YORK	YORKNEXL
371568	ALLTEL NEBRASKA, INC.	YUTAN	YUTNNEXL

APPENDIX A

RURAL TELEPHONE COMPANY STUDY AREAS			
SAC	**INCUMBENT TELEPHONE COMPANY**	**WIRE CENTER**	**CLLI**
371517	ARLINGTON TELEPHONE CO.	ARLINGTON	ARTNNEXH
372455	BENKELMAN TELEPHONE CO. INC.	BENKELMAN	BNMNNEXS
371524	BLAIR TELEPHONE CO.	BLAIR	BLARNEXH
371524	BLAIR TELEPHONE CO.	FT CALHOUN	FTCLNEXH
371524	BLAIR TELEPHONE CO.	KENNARD	KNRDNEXH
371526	CAMBRIDGE TELEPHONE CO.	BARTLEY	BTLYNEXS
371526	CAMBRIDGE TELEPHONE CO.	CAMBRIDGE	CMBRNEXS
371531	CLARKS TELEPHONE CO.	CLARKS	CLRKNEXS
371531	CLARKS TELEPHONE CO.	STAPLEHURST	STPHNEXM
371531	CLARKS TELEPHONE CO.	ULYSSES	ULYSNEXM
371562	CONSOLIDATED TELECOM INC.	BRADY	BRDYNEXS
371562	CONSOLIDATED TELECOM INC.	EUSTIS	ESTSNEXS
371562	CONSOLIDATED TELECOM INC.	MAXWELL	MXWLNEXS
371530	CONSOLIDATED TELCO. INC.	MADRID	MDRDNEXS
371530	CONSOLIDATED TELCO. INC.	MAYWOOD	MYWDNEXS
371530	CONSOLIDATED TELCO. INC.	PAXTON	PXTNNEXS
371530	CONSOLIDATED TELCO. INC.	WALLACE	WLLCNEXS
371530	CONSOLIDATED TELCO. INC.	WELLFLEET	WLLFNEXS
371534	COZAD TELEPHONE CO.	COZAD	COZDNEXS
371536	CURTIS TELEPHONE CO.	CURTIS	CRTSNEXS
371540	DILLER TELEPHONE CO.	DILLER	DLLRNEXM
371540	DILLER TELEPHONE CO.	DILLER	HRBNNEXM
371540	DILLER TELEPHONE CO.	DILLER	ODLLNEXM
371540	DILLER TELEPHONE CO.	VA	VRGNNEXM
371518	ELSIE COMMUNICATIONS INC.	ELSIE	ELSINEXS
371553	GLENWOOD TELEPHONE MEMBERSHIP	BLUE HILL	BLHLNEXM
371553	GLENWOOD TELEPHONE MEMBERSHIP	FUNK	FUNKNEXS
371555	HAMILTON TELEPHONE CO.	AURORA	AURRNEXM
371555	HAMILTON TELEPHONE CO.	DONIPHAN	DNPHNEXM
371555	HAMILTON TELEPHONE CO.	GILTNER	GLTNNEXM
371555	HAMILTON TELEPHONE CO.	HAMPTON	HMPNNEXM
371555	HAMILTON TELEPHONE CO.	HORDVILLE	HRVLNEXM
371555	HAMILTON TELEPHONE CO.	MARQUETTE	MRQTNEXM
371555	HAMILTON TELEPHONE CO.	PHILLIPS	PHLPNEXM
371555	HAMILTON TELEPHONE CO.	STOCKHAM	STHMNEXM
371555	HAMILTON TELEPHONE CO.	TRUMBULL	TMBLNEXM
371556	HARTINGTON TELCO	HARTINGTON	HTNTNEXS
371558	HEMINGFORD COOPERATIVE TELEPHONE	HEMINGFORD	HMFRNEXS
371559	HENDERSON COOPERATIVE TELEPHONE	HENDERSON	HNSNNEXM
371561	HERSHEY COOPERATIVE TELEPHONE	HERSHEY	HRSHNEXS
371565	K & M TELEPHONE CO.	CHAMBERS	CHMBNEXS
371565	K & M TELEPHONE CO.	INMAN	INMNNEXS
371567	KEYSTONE - ARTHUR TELEPHONE CO.	LEMOYNE	KYSTNEXS

APPENDIX A

371567	KEYSTONE - ARTHUR TELEPHONE CO.	LEMOYNE	LMYNNEXS
371574	NEBRASKA CENTRAL TELEPHONE CO.	ANSLEY	ANSLNEXS
371574	NEBRASKA CENTRAL TELEPHONE CO.	ARCADIA	ARCDNEXS
371574	NEBRASKA CENTRAL TELEPHONE CO.	ASHTON	ASTNNERB
371574	NEBRASKA CENTRAL TELEPHONE CO.	BOELUS	BOLSNERB
371574	NEBRASKA CENTRAL TELEPHONE CO.	NO BURWELL	BRWLNEXB
371574	NEBRASKA CENTRAL TELEPHONE CO.	BURWELL	BRWLNEXS
371574	NEBRASKA CENTRAL TELEPHONE CO.	COMSTOCK	CMSTNEXS
371574	NEBRASKA CENTRAL TELEPHONE CO.	DANNEBROG	DBRGNERC
371574	NEBRASKA CENTRAL TELEPHONE CO.	ELBA	ELBANERB
371574	NEBRASKA CENTRAL TELEPHONE CO.	ERICSON	ERSNNEXS
371574	NEBRASKA CENTRAL TELEPHONE CO.	GIBBON	GBBNNEXS
371574	NEBRASKA CENTRAL TELEPHONE CO.	LITCHFIELD	LTFDNERB
371574	NEBRASKA CENTRAL TELEPHONE CO.	MASON CITY	MSCYNERC
371574	NEBRASKA CENTRAL TELEPHONE CO.	NORTH LOUP	NLOPNEXS
371574	NEBRASKA CENTRAL TELEPHONE CO.	ROCKVILLE	RKVLNERC
371574	NEBRASKA CENTRAL TELEPHONE CO.	RAVENNA	RVNNNERE
371574	NEBRASKA CENTRAL TELEPHONE CO.	SCOTIA	SCOTNEXS
371574	NEBRASKA CENTRAL TELEPHONE CO.	SHELTON	SHTNNEXS
371574	NEBRASKA CENTRAL TELEPHONE CO.	SARGENT	SRGNNEXS
371574	NEBRASKA CENTRAL TELEPHONE CO.	TAYLOR	TAYLNEXS
371581	PIERCE TELEPHONE CO.	HOSKINS	HSKNNEXS
371581	PIERCE TELEPHONE CO.	PIERCE	PIRCNEXS
371582	PLAINVIEW TELEPHONE CO. INC.	PLAINVIEW	PLVWNEXS
371586	ROCK COUNTY TELEPHONE CO.	BASSETT	BSSTNEXH
371586	ROCK COUNTY TELEPHONE CO.	NEWPORT	NWPTNEXH
371590	SODTOWN TELEPHONE CO.	SODTOWN	SDTNNEXS
371592	STANTON TELECOM INC.	STANTON	SNTNNEXS
371597	WAUNETA TELEPHONE CO.	WAUNETA	WANTNEXS
371563	HOOPER TELEPHONE COMPANY	HOOPER	HOPRNEXS
371563	HOOPER TELEPHONE COMPANY	UEHLING	UHNGNEXS