

NEW APPLICATION



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BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS:

MARC SPITZER, CHAIRMAN
JIM IRVIN
WILLIAM A. MUNDELL
JEFF HATCH-MILLER
MIKE GLEASON

Arizona Corporation Commission

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IN THE MATTER OF THE APPLICATION OF
ALLTEL COMMUNICATIONS, INC. FOR
DESIGNATION AS AN ELIGIBLE
TELECOMMUNICATIONS CARRIER
PURSUANT TO SECTION 214(e)(2) OF THE
COMMUNICATIONS ACT OF 1934

Docket N.T-03887A-03-0316

**APPLICATION OF ALLTEL COMMUNICATIONS, INC.
FOR DESIGNATION AS AN
ELIGIBLE TELECOMMUNICATIONS CARRIER**

ALLTEL Communications, Inc., ("ALLTEL" or "Company"), by and through its counsel and pursuant to Section 214(e)(2) of the Communications Act of 1934, as amended, 47 U.S.C. §214(e)(2), hereby petitions the Arizona Corporation Commission ("ACC" or "Commission") for designation as an Eligible Telecommunications Carrier ("ETC") for federal universal service funding throughout ALLTEL's licensed service area in the State of Arizona. As demonstrated below, ALLTEL meets all the statutory and regulatory prerequisites for ETC designation, and designating ALLTEL will serve the public interest.

I. ALLTEL's Universal Service Offering.

ALLTEL is authorized to provide cellular mobile radio telephone service in the following Arizona Cellular Market Areas: #26 Phoenix MSA, #77 Tucson MSA, #319 AZ RSA 2 and #322 AZ RSA 5. As an ETC, ALLTEL will offer a basic universal service package to subscribers who are eligible for Lifeline support. ALLTEL expects that its service offering will be competitive with those of the incumbent wireline carriers.

1 ALLTEL currently provides all the services and functionalities supported by the federal
2 universal service program, enumerated in Section 54.101(a) of the Federal Communications
3 Commission's ("FCC") Rules (47 C.F.R. §54.101(a)), throughout its licensed service area in the
4 State of Arizona. Upon designation as an ETC, ALLTEL will make available to consumers a
5 universal service offering over its cellular network infrastructure, using the same antenna, cell-site,
6 tower, trunking, mobile switching, and interconnection facilities used by the company to serve its
7 existing conventional mobile cellular service customers. ALLTEL will provide service to any
8 customer requesting this service within the designated service area.

9 **II. ALLTEL Offers All the Services Supported by the Federal High-Cost Universal**
10 **Service Program.**

11 Pursuant to 47 U.S.C. §214(e)(1), in order to be designated as an ETC, a carrier must be a
12 common carrier and offer and advertise the supported services throughout the designated service
13 area. The FCC has identified the following services and functionalities as the core services to be
14 offered by an ETC and supported by the federal universal service support mechanisms:

- 15 1. Voice-grade access to the public switched telephone network;
- 16 2. Local Usage;
- 17 3. Dual-tone, multi-frequency ("DTMF") signaling, or its
18 functional equivalent;
- 19 4. Single-party service or its functional equivalent;
- 20 5. Access to emergency services;
- 21 6. Access to operator services;
- 22 7. Access to interexchange service;
- 23 8. Access to directory assistance; and
- 24 9. Toll limitation for qualifying low-income consumers.¹

25 According to the Section 214(e)(6) Public Notice, a certification that the carrier provides
26 each of the supported services is required.² As shown below and in the Affidavit of Steve R.

27 ¹ 47 C.F.R §54.101(a).

² Section 214(e)(6) Public Notice at 22948.

1 Mowery, Vice President, State Government Affairs of ALLTEL, attesting that all representations in
2 this Application are true and correct to the best of his knowledge (attached hereto as *Exhibit A*),
3 ALLTEL provides or will provide, upon designation, the required services.

4 **1. Voice-grade access to the public switched telephone network:**

5 The FCC concluded that voice-grade access means the ability to make and receive phone
6 calls, within a bandwidth of approximately 300 to 3000 Hertz frequency range.³ ALLTEL meets
7 this requirement by providing voice-grade access to the public switched telephone network.
8 Through its interconnection arrangements with Local Exchange Carriers ("LECs"), all customers of
9 ALLTEL are able to make and receive calls on the public switched telephone network within the
10 specified bandwidth.

11 **2. Local Usage:**

12 Beyond providing access to the public switched network, an ETC must include local usage
13 as part of a universal service offering. To date, the FCC has not quantified a minimum amount of
14 local usage required to be included in a universal service offering, but has initiated a separate
15 proceeding to address this issue.⁴ As it relates to local usage, the NPRM sought comments on a
16 definition of the public service package that must be offered by all ETCs. Specifically, the FCC
17 sought comments on how much, *if any*, local usage should be required to be provided to customers
18 as part of a universal service offering.⁵ In the First Report and Order, the FCC deferred a
19 determination on the amount of local usage that a carrier would be required to provide.⁶ Any
20 minimum local usage requirement established by the FCC as a result of the October 1998 NPRM
21 will be applicable to all designated ETCs, not simply wireless service providers. ALLTEL will
22 comply with any and all minimum local usage requirements adopted by the FCC. ALLTEL will
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24 ³ 47 C.F.R. §54.101(a)(1).

25 ⁴ See Federal and State Joint Board on Universal Service, Memorandum Opinion and Order and Further
26 Notice of Proposed Rulemaking, 13 FCC Rcd 21252 (1998) ("October 1998 NPRM").

27 ⁵ October 1998 NPRM at 21277-21281.

⁶ First Report and Order at 8812. See also Western Wireless Corporation, 16 FCC Rcd 48, 52-53 (2000),
aff'd, FCC 01-311 (October 19, 2001); Cellco Partnership, 16 FCC Rcd 29, 42 (2000).

1 meet the local usage requirements by including local usage plans as part of a universal service
2 offering.

3 **3. Dual-tone, multi-frequency ("DTMF") signaling, or its functional equivalent:**

4 DTMF is a method of signaling that facilitates the transportation of call set-up and call
5 detail information. Consistent with the principles of competitive and technological neutrality, the
6 FCC permits carriers to provide signaling that is functionally equivalent to DTMF in satisfaction of
7 this service requirement.⁷ ALLTEL currently uses out-of-band digital signaling. ALLTEL
8 therefore meets the requirement to provide DTMF signaling or its functional equivalent.

9 **4. Single-party service or its functional equivalent:**

10 "Single-party service" means that only one party will be served by a subscriber loop or
11 access line in contrast to a multi-party line.⁸ The FCC concluded that a wireless provider offers the
12 equivalent of single-party service when it offers a dedicated message path for the length of a user's
13 particular transmission.⁹ ALLTEL meets the requirement of single-party service by providing a
14 dedicated message path for the length of all customer calls.

15 **5. Access to emergency services:**

16 The ability to reach a public emergency service provider by dialing 911 is a required service
17 in any universal service offering. Phase I E911, which includes the capability of providing both
18 automatic numbering information ("ANI") and automatic location information ("ALI"), is only
19 required if a public emergency service provider makes arrangements with the local provider for the
20 delivery of such information.¹⁰ ALLTEL currently provides all of its customers with access to
21 emergency service by dialing 911 in satisfaction of the basic 911 requirement, and either provides,
22 or will provide subscribers with Phase I and Phase II E-911 services in accord with the deployment
23 schedules agreed to by ALLTEL and local or other governmental emergency service provider
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25 ⁷ 47 C.F.R. §54.101(a)(3).

26 ⁸ First Report and Order, 12 FCC Rcd at 8810.

27 ⁹ Id.

¹⁰ See id. at 8815-17.

1 agencies.

2 **6. Access to operator services:**

3 Access to operator services is defined as any automatic or live assistance provided to a
4 consumer to arrange for the billing or completion, or both, of a telephone call.¹¹ ALLTEL meets
5 this requirement by providing all of its customers with access to operator services provided by
6 either the Company or other entities (*e.g.*, LECs, IXC, etc.).

7 **7. Access to interexchange service:**

8 A universal service provider must offer consumers access to interexchange service to make
9 and receive toll or interexchange calls. Equal access, however, is not required. “The FCC do[es]
10 not include equal access to interexchange service among the services supported by universal service
11 mechanisms.”¹² ALLTEL presently meets this requirement by providing all of its customers with
12 the ability to make and receive interexchange or toll calls through direct interconnection
13 arrangements the Company has with several IXCs.

14 **8. Access to directory assistance:**

15 The ability to place a call to directory assistance is a required service offering.¹³ ALLTEL
16 meets this requirement by providing all of its customers with access to directory assistance by
17 dialing “411” or “555-1212.”

18 **9. Toll limitation for qualifying low-income consumers:**

19 An ETC must offer either “toll control” or “toll blocking” services to qualifying Lifeline
20 customers at no charge. The FCC no longer requires an ETC to provide both services as part of the
21 toll limitation service required under 47 C.F.R §54.101(a)(9). In particular, all ETCs must provide
22 toll blocking, which allows customers to block the completion of outgoing toll calls.¹⁴ ALLTEL
23 currently has no Lifeline customers because only carriers designated as an ETC can participate in
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25 ¹¹ Id. at 8817-18.

26 ¹² Id. at 8819.

27 ¹³ Id. at 8821.

¹⁴ First Report and Order at 8821-22.

1 Lifeline.¹⁵ Once designated as an ETC, ALLTEL will participate in Lifeline as required, and will
2 provide toll blocking capability in satisfaction of the FCC's requirement. ALLTEL currently has
3 the technology to provide toll blocking and will use this technology to provide the service to its
4 Lifeline customers, at no charge, as part of its universal service offerings.

5 **III. ALLTEL Will Offer Supported Services Through its Own Facilities.**

6 The FCC's Section 214(e)(6) Public Notice established that a carrier requesting designation
7 must certify that it offers the supported services "either using its own facilities or a combination of
8 its own facilities and resale of another carrier's services."¹⁶ ALLTEL will provide the supported
9 services using its existing network infrastructure, which includes the same antenna, cell-site, tower,
10 trunking, mobile switching, and interconnection facilities used by the company to serve its existing
11 conventional mobile cellular service customers.

12 **IV. ALLTEL Will Advertise its Universal Service Offering.**

13 ALLTEL will advertise the availability of the supported services and the corresponding
14 charges in a manner that fully informs the general public of the services and charges.¹⁷ ALLTEL
15 currently advertises its wireless services through several different media. ALLTEL will use media
16 of general distribution that it currently employs to advertise its universal service offerings through-
17 out its service area in the State of Arizona. ALLTEL will comply with all form and content
18 requirements, if any, promulgated by the FCC in the future and required of all designated ETCs.

19 **V. ALLTEL Requests ETC Designation Throughout Its Licensed Service Area in the
20 State of Arizona.**

21 ALLTEL, for its wireless operations, is not a "rural telephone company" as that term is
22 defined by 47 U.S.C. §153(37). Accordingly, ALLTEL is required to describe the geographic area
23 in which it requests designation.¹⁸ ALLTEL requests ETC designation for its entire licensed
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25 ¹⁵ See 47 C.F.R. §§54.400 to -415.

26 ¹⁶ Section 214 Public Notice at 22949.

27 ¹⁷ See Section 214(e)(6) Public Notice, 12 FCC Rcd at 22949.

¹⁸ Id.

1 service area in Arizona. A map of ALLTEL's proposed ETC service area is attached hereto as
2 *Exhibit B*.

3 Under FCC Rule Section 54.207, a "service area" is a "geographic area established by a
4 state commission for the purpose of determining universal service obligations and support
5 mechanisms."¹⁹ For non-rural service areas, there are no restrictions on how a state commission
6 defines the "service area" for purposes of designating a competitive ETC. Therefore, the Commis-
7 sion may designate ALLTEL as an ETC in the non-rural wire centers set forth at *Exhibit C*. To the
8 extent ALLTEL serves only a portion of the wire center listed in Exhibit C, ALLTEL requests ETC
9 designation in that portion of the wire center where it provides service.²⁰

10 In an area served by a rural telephone company, the FCC's rules define "service area" to
11 mean the LEC study area unless a different definition of service area is established for such
12 company.²¹ The rural LEC study areas where ALLTEL serves the entire study area are set forth in
13 *Exhibit D* hereto. The Commission may designate ALLTEL as an ETC in those areas upon finding
14 that such designation would be in the public interest pursuant to 47 U.S.C. §214(e)(2).

15 **VI. ALLTEL Requests that Affected Rural LEC Service Areas be Redefined.**

16 Pursuant to 47 C.F.R. §54.207(c)(1), a petition to redefine a rural LEC service area must
17 contain, "an analysis that takes into account the recommendations of any Federal-State Joint Board
18 convened to provide recommendations with respect to the definition of a service area served by a
19 rural telephone company." ALLTEL requests that the Commission redefine the service areas for
20 the Arizona Telephone Co., CenturyTel of the Southwest, Inc., Midvale Telephone Exchange, Inc.,
21 Navajo Communications Co. - AZ, South Central Utah Telephone Assoc. and Table Top Tele-
22 phone Co., Inc. wire centers listed in Exhibit E. ALLTEL serves only a portion of the service area
23 of these six companies. Accordingly, the Commission may prefer to define the wire centers that
24 ALLTEL serves of each ILEC as one service area and the wire centers of each ILEC that ALLTEL

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¹⁹ 47 C.F.R. §54.207(a).

²⁰ Those wire centers that ALLTEL partially serves are indicated on Exhibit C with the word "partial."

²¹ See 47 C.F.R. §54.207(b).

1 does not serve as a separate service area. The wire centers that ALLTEL does serve are set forth in
2 *Exhibit E*.

3 The FCC recently adopted a plan for disaggregation of rural LEC study areas in its
4 Fourteenth Report and Order, noting that such action “achieves a reasonable balance between rural
5 carriers’ needs for flexibility and the Commission’s goal of encouraging competitive entry.”²² In
6 the instant case, reclassifying rural LEC service areas for ETC purposes is necessary in order to
7 facilitate competitive entry.

8 In the Recommended Decision that laid the foundation for the FCC’s First Report and
9 Order, the Federal-State Joint Board enumerated three factors to be considered when redefining a
10 rural service area.²³ First, the Joint Board advised the state commission to consider whether the
11 competitive carrier is attempting to “cream skin” by only proposing to serve the lowest cost
12 exchanges.²⁴ As a wireless carrier, ALLTEL is restricted to providing service in those areas where
13 it is licensed by the FCC. ALLTEL is not picking and choosing the lowest cost exchanges.
14 ALLTEL has based its requested ETC area solely on its licensed service area and proposes to serve
15 its entire service area.

16 Second, the Joint Board urged the Commission to consider the rural carrier’s special status
17 under the Telecommunications Act of 1996.²⁵ In deciding whether to award ETC status to
18 ALLTEL, the Commission will weigh numerous factors and will consider how the public interest is
19 affected by an award of ETC status pursuant to 47 C.F.R. §214(e)(2). Congress mandated this
20 public interest analysis in order to protect the special status of rural carriers in the same way it
21 established special considerations for rural carriers with regard to interconnection, unbundling, and
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24 ²² Federal-State Joint Board on Universal Service, Multi-Association Group (MAG) Plan for Regulation of
25 Interstate Services of Non-Price Cap Incumbent Local Exchange Carriers and Interexchange Carriers, Fourteenth
26 Report and Order, FCC 01-157, Docket 96-45, 23 CR 1338, 1381 (May 23, 2001) (“Fourteenth Report and Order”) at
27 ¶144.

²³ Federal-State Joint Board on Universal Service, Recommended Decision, 12 FCC Rcd 87 (1996).

²⁴ Recommended Decision, 12 FCC Rcd 97 at ¶172.

²⁵ Id. at ¶173.

1 resale requirements.²⁶ Accordingly, if the Commission finds that ALLTEL's ETC designation is in
2 the public interest, it has duly recognized the special status of the rural carrier for purposes of
3 determining whether ALLTEL's service area designation should be adopted for federal universal
4 service funding purposes. No action in this proceeding will affect or prejudice any future action this
5 Commission may take with respect to the LEC's status as a rural telephone company.

6 Finally, the Federal-State Joint Board recommended that the FCC consider the
7 administrative burden a rural LEC would face by calculating its costs on a basis other than its entire
8 study area.²⁷ In the instant case, ALLTEL is proposing to redefine rural LEC service areas solely
9 for ETC designation purposes. Redefining service areas for ETC purposes will in no way impact
10 the way the affected rural LECs calculate their costs, but it is solely to determine the LEC area in
11 which ALLTEL is to be designated as an ETC. LECs may disaggregate their study areas to
12 reallocate high cost loop support payments pursuant to the FCC's Fourteenth Report and Order.²⁸
13 Accordingly, redefining rural LEC service areas as proposed in this Application will not impose
14 any additional burdens on rural LECs. Indeed, the Commission has previously determined that
15 there should be no administrative burden imposed on rural LECs by disaggregating and redefining
16 the proposed service area at the wire center level. See In the Matter of Application of Smith
17 Bagley, Inc., for Designation as an Eligible Telecommunications Carrier Under 47 U.S.C.
18 §214(e)(2) and A.A.C. R14-2-1203, Decision No. 63269 at 11.

19 **VII. Granting This Application Will Serve the Public Interest.**

20 Because ALLTEL is seeking designation in areas served by rural LECs, the Commission
21 must consider public interest factors prior to designating ALLTEL as an ETC.²⁹ Designating
22 ALLTEL as an ETC in the State of Arizona would further the public interest by bringing the
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24 ²⁶ Id. at ¶173.

25 ²⁷ Id. at ¶174.

26 ²⁸ Fourteenth Report and Order, Multi-Association Group (MAG) Plan for Regulation of Interstate Services
27 of Non-Price Cap Incumbent Local Exchange Carriers and Interexchange Carriers Federal-State Joint Board on
Universal Service, Second Report and Order and Further Notice of Proposed Rulemaking, 25 CR 1 (November 8,
2001).

²⁹ 47 U.S.C. §214(e)(2).

1 benefits of competition to an underserved marketplace.

2 The FCC has recognized the advantages wireless carriers can bring to the universal service
3 program. In particular, the FCC has found that "imposing additional burdens on wireless entrants
4 would be particularly harmful to competition in rural areas, where wireless carriers could
5 potentially offer service at much lower costs than traditional wireline service."³⁰ One of the
6 principal goals of the Telecommunications Act of 1996 was to "promote competition and reduce
7 regulation in order to secure lower prices and higher quality services for American telecom-
8 munications consumers and encourage the rapid deployment of new telecommunications
9 technologies."³¹ Competition drives down prices and promotes the development of advanced
10 communications as carriers vie for a consumer's business. The FCC has determined that wireless
11 providers such as ALLTEL may be designated as ETCs.³²

12 This Commission has already determined that designation of a wireless provider as an
13 eligible telecommunications carrier is in the public interest. See In the Matter of Application of
14 Smith Bagley, Inc., for Designation as an Eligible Telecommunications Carrier Under 47 U.S.C.
15 §214(e)(2) and A.A.C. R14-2-1203, Decision No. 65054 at 12; In the Matter of Application of
16 Smith Bagley, Inc., for Designation as an Eligible Telecommunications Carrier Under 47 U.S.C.
17 §214(e)(2) and A.A.C. R14-2-1203, Decision No. 63421 at 2; In the Matter of Application of Smith
18 Bagley, Inc., for Designation as an Eligible Telecommunications Carrier Under 47 U.S.C.
19 §214(e)(2) and A.A.C. R14-2-1203, Decision No. 63269 at 12. Designating ALLTEL as an ETC
20 would give those in rural areas in Arizona advanced telecommunications options.

21 Designating ALLTEL as an ETC will bring to consumers the benefits of competition,
22 including increased choices, higher quality service, and lower rates. In a competitive market, rural
23 consumers will be able to choose the services that best meet their communications needs. With a
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25 _____
26 ³⁰ First Report and Order, 12 FCC Rcd. at 8776, 8882-8883.

27 ³¹ Telecommunications Act of 1996, Public Law, 104-104, 100 Stat. 56 (1996).

³² Federal State Board on Universal Service, CC Docket No. 96-45, Report and Order, 12 FCC Rcd at 8776,
8858-59, ¶¶ 145-147.

1 choice of service providers, the consumer is able to select a provider based on service quality,
2 service availability, and rates. Without competition, the incumbent provider has little or no
3 incentive to introduce new, innovative, or advanced service offerings.

4 The public interest standard under Section 214(e)(2) for designating ETCs in territories
5 served by rural telephone companies emphasizes competition and consumer benefit, not incumbent
6 protection. In considering the impact that Western Wireless' ETC designation would have on rural
7 telephone companies, the FCC said, "[W]e believe that competition may provide incentives to the
8 incumbent to implement new operating efficiencies, lower prices, and offer better service to its
9 customers."³³ Further, Congress has mandated that universal service provisions be "competitively
10 neutral" and "necessary to preserve and advance universal service."³⁴ Designating ALLTEL as an
11 ETC would give those in rural areas in the State of Arizona advanced telecommunications options.

12 ALLTEL will implement service offerings and rate plans that will be competitive with
13 incumbent service offerings and affordable to consumers in the State of Arizona. ALLTEL
14 commits that its local calling area will be at least as large as the incumbent LEC, and ALLTEL
15 believes that in all cases its local calling area will be substantially larger, which will reduce intra-
16 LATA toll charges typically associated with wireline service. ALLTEL will provide access to
17 emergency services in compliance with all state and federal requirements, which will improve
18 service to Arizona citizens.

19 ALLTEL commits to use available federal high cost support for its intended purposes – the
20 construction, maintenance and upgrading of facilities serving the rural areas for which support is
21 intended. As of this date, ALLTEL can conceive of no business plan for remote rural areas that
22 supports deploying the type of robust wireless network required to compete on a level playing field
23 with incumbent carriers. Wireless telephone service is today a convenience, but in most rural areas
24 it cannot be counted on as a potential replacement for wireline service unless high cost loop support
25 is made available to drive infrastructure investment. Indeed, without the high cost program it is
26

27 ³³ Guam Cellular and Paging, Inc., DA 02-174 (released January 25, 2002) at ¶22.

³⁴ See 47 U.S.C. §253(b).

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1 doubtful that many rural areas would have wireline telephone service even today.

2 **REQUEST FOR RELIEF**

3 ALLTEL respectfully requests the Commission to expeditiously issue an Order designating
4 ALLTEL as an eligible telecommunications carrier for universal service purposes for its entire
5 service area in Arizona as requested in this application.

6
7 RESPECTFULLY SUBMITTED May 19, 2003.

8 **ALLTEL COMMUNICATIONS, INC.**

9
10 By 

11 Raymond S. Heyman
12 Michael W. Patten
13 ROSHKA HEYMAN & DEWULF, PLC
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18 **ORIGINAL + 13 COPIES** of the foregoing
19 filed May 19, 2003, with:

20 Docket Control
21 ARIZONA CORPORATION COMMISSION
22 1200 West Washington
23 Phoenix, Arizona 85007

24 
25
26
27

EXHIBIT A

AFFIDAVIT OF STEVE MOWERY

I, Steve Mowery, do hereby declare as follows:

1. I am the authorized representative of ALLTEL Communications, Inc. ("ALLTEL") in charge of ALLTEL's Petition for Designation as an Eligible Telecommunications Carrier ("ETC") in the state of Arizona. This affidavit is submitted in support of ALLTEL's Petition for Designation as an ETC in the state of Arizona.

2. ALLTEL is the licensee authorized to provide cellular radio telephone service in Arizona and is authorized to provide service in the requested ETC area described in its Application.

3. ALLTEL meets the criteria for ETC designation as explained herein.

4. ALLTEL is a "common carrier" for purposes of obtaining ETC designation pursuant to 47 U.S.C. §214(e)(1). A "common carrier" is generally defined in 47 U.S.C. §153(10) as a person engaged as a common carrier on a for-hire basis in interstate communications by wire or radio. Section 20.9(1)7 of the Commission's Rules provides that cellular service is a common carrier service. See 47 C.F.R. §20.9(a)(7).

5. ALLTEL currently offers and is able to provide the services and functionalities identified in 47 C.F.R. §54.101(a). Each of these services and functionalities is discussed more fully below.

a. Voice-grade access to the public switched telephone network. The FCC concluded that voice-grade access means the ability to make and receive phone calls, within a bandwidth of approximately 300 to 3000 Hertz frequency range. See 47 C.F.R. §54.101(a)(1). ALLTEL meets this requirement by providing voice-grade access to the public switched telephone network. Through its interconnection arrangements with local telephone companies, all customers of ALLTEL are able to make and receive calls on the public switched telephone network within the specified bandwidth.

b. Local Usage. Beyond providing access to the public switched network, an ETC must include local usage as part of a universal service offering. To date, the FCC has not quantified a minimum amount of local usage required to be included in a universal service offering, but has initiated a separate proceeding to address this issue. See *Federal-State Joint Board on Universal Service, Memorandum Opinion and Order and Further Notice of Proposed Rulemaking*, 13 FCC Rcd 21252 (1998) ("October 1998 NPRM"). As it relates to local usage, the NPRM sought comments on a definition of the public service package that must be offered by all ETCs. Specifically, the FCC sought comments on how much, if any, local usage should be required to be provided to customers as part of a universal service offering. October 1998 NPRM at 21277-21281. In the *Universal Service Order*, the FCC deferred a determination on the amount of local usage that a carrier would be required to provide. *Universal Service Order* at 8813. Any minimum local usage requirement established by the FCC as a result of the October 1998 NPRM will be applicable to all designated ETCs, not simply wireless service providers. ALLTEL will comply with any and all minimum local usage requirements adopted by the FCC. ALLTEL will meet the local usage requirements by including local usage as part of a universal service offering.

c. 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. Consistent with the principles of competitive and technological neutrality, the FCC permits carriers to provide signaling that is functionally equivalent to DTMF in satisfaction of this service requirement. 47 C.F.R. §54.101(a)(3). ALLTEL currently uses out-of-band digital signaling and in-band multi-frequency ("MF")

signaling that is functionally equivalent to DTMF signaling. ALLTEL therefore meets the requirement to provide DTMF signaling or its functional equivalent.

d. Single-party service or its functional equivalent. "Single-party service" means that only one party will be served by a subscriber loop or access line in contrast to a multi-party line. *Universal Service Order* at 8810. The FCC concluded that a wireless provider offers the equivalent of single-party service when it offers a dedicated message path for the length of a user's particular transmission. *Universal Service Order* at 8810. ALLTEL meets the requirement of single-party service by providing a dedicated message path for the length of all customer calls.

e. 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. Phase I E-911, which includes the capability of providing both automatic numbering information ("ANI") and automatic location information ("ALI"), is only required if a public emergency service provider makes arrangements with the local provider for the delivery of such information. ALLTEL currently provides all of its customers with access to emergency service by dialing 911 in satisfaction of the basic 911 requirement, and either provides, or will provide subscribers with Phase I and Phase II E-911 services in accord with the deployment schedules agreed to by ALLTEL and local or other governmental emergency service provider agencies.

f. 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. *Universal Service Order*, 8817-18. ALLTEL meets this requirement by providing all of its customers with access to operator services provided by either the Company or other entities (e.g., LECs, IXCs, etc.).

g. Access to interexchange services. A universal service provider must offer consumers access to interexchange service to make and receive toll or interexchange calls. Equal access, however, is not required. "The FCC do[es] not include equal access to interexchange service among the services supported by universal service mechanisms." *Universal Service Order* at 8819. ALLTEL presently meets this requirement by providing all of its customers with the ability to make and receive interexchange or toll calls through direct interconnection arrangements the Company has with IXCs.

h. Access to directory assistance. The ability to place a call to directory assistance is a required service offering. *Universal Service Order* at 8821. ALLTEL meets this requirement by providing all of its customers with access to directory assistance by dialing "411" or "555-1212."

i. Toll limitation for qualifying low-income consumers. An ETC must offer either "toll control" or "toll blocking" services to qualifying Lifeline customers at no charge. The FCC no longer requires an ETC to provide both services as part of the toll limitation service required under 47 C.F.R. §54.101(a)(9). See *Universal Service Fourth Order on Reconsideration*, FCC 97-420 (Dec. 30, 1997). In particular, all ETCs must provide toll blocking, which allows customers to block the completion of outgoing toll calls. *Universal Service Order*, at 8821-22. ALLTEL currently has no Lifeline customers because only carriers designated as an ETC can participate in Lifeline. See 47 C.F.R. §54.400-415. Once designated as an ETC, ALLTEL will participate in Lifeline as required, and will provide toll blocking capability in satisfaction of the FCC's requirement. ALLTEL currently has the technology to provide toll blocking and will use this technology to provide the service to its Lifeline customers, at no charge, as part of its universal service offerings.

6. ALLTEL will provide the supported services using its existing network infrastructure, which includes the same antenna, cell-site, tower, trunking, mobile switching, and interconnection facilities used by the company to serve its existing conventional mobile cellular service customers.

7. I declare under penalty of perjury that the foregoing is true and correct. Executed on May 16, 2003.

Steve Mancey
Its Authorized Representative

Subscribed and sworn before me this 16th day of May, 2003.

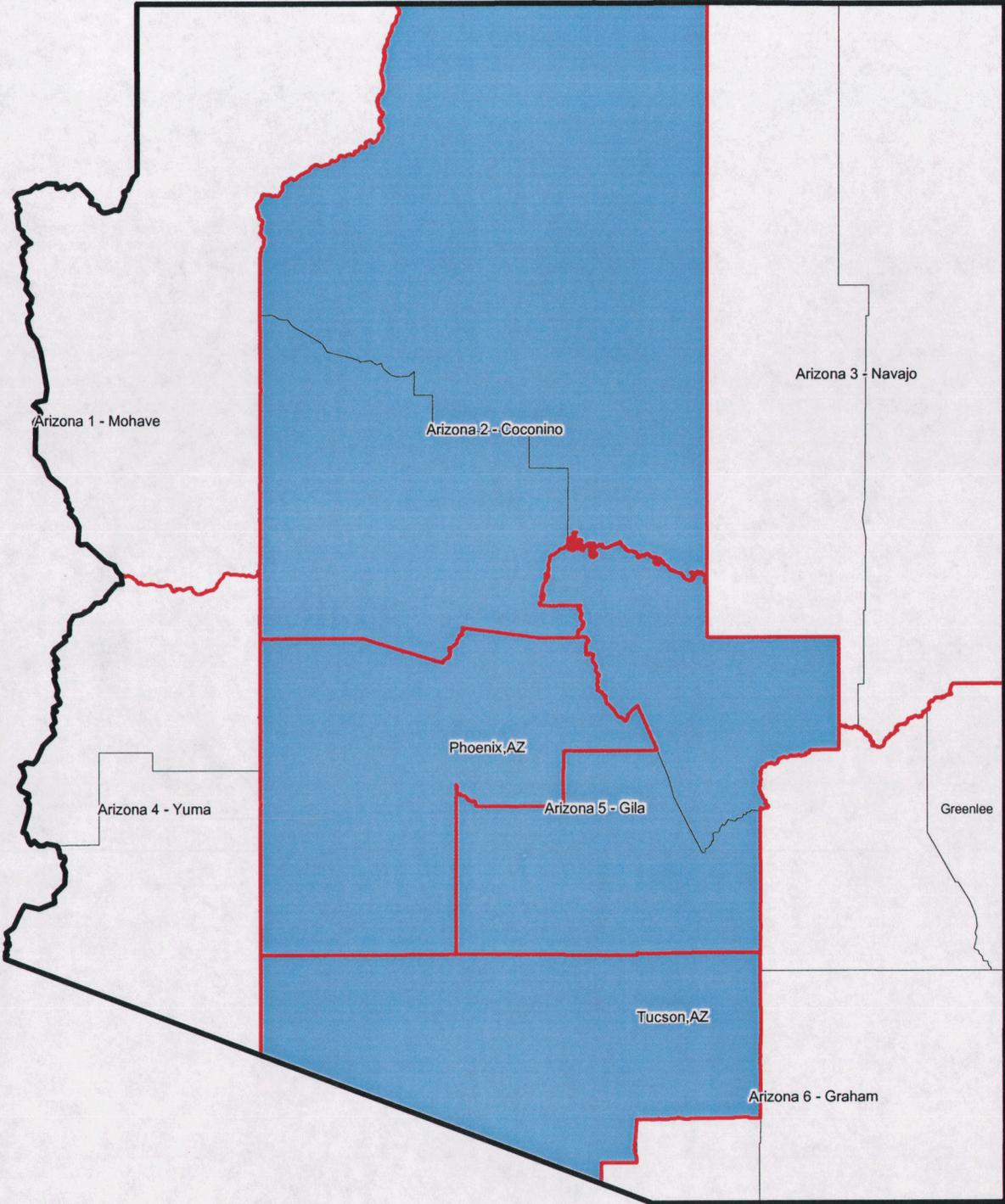
Sandra Jean Wood
Notary Public

Representative



EXHIBIT B

Arizona



 ALLTEL Wireless Coverage

EXHIBIT C

ALLTEL
NON-RURAL WIRE CENTERS SERVED IN THE STATE OF ARIZONA

COUNTY	INCUMBENT LEC	WIRE CENTER NAME	CILLI CODE
Maricopa County	QWEST CORPORATION	AVONDALE	GDYRAZCW
Maricopa County	QWEST CORPORATION	BUCKEYE	BCKYAZMA
Maricopa County	QWEST CORPORATION	CAVE CRK	CVCKAZMA
Maricopa County	QWEST CORPORATION	CHANDLER	CHNDAZSO
Maricopa County	QWEST CORPORATION	CHANDLER	CHNDAZWE
Maricopa County	QWEST CORPORATION	CHANDLER	CHNDAZMA
Maricopa County	QWEST CORPORATION	FOUNTAIN HLS	FTMDAZMA
Maricopa County	QWEST CORPORATION	GILA BEND	GLBNAZMA
Maricopa County	QWEST CORPORATION	GILBERT	MESAAZGI
Maricopa County	QWEST CORPORATION	GLENDALE	GLDLAZMA
Maricopa County	QWEST CORPORATION	HIGLEY	HGLYAZMA
Maricopa County	QWEST CORPORATION	LITCHFIELD PK	WHTKAZMA
Maricopa County	QWEST CORPORATION	LITCHFIELD PK	LTPKAZMA
Maricopa County	QWEST CORPORATION	MESA	MESAAZMA
Maricopa County	QWEST CORPORATION	MESA	SPRSAZWE
Maricopa County	QWEST CORPORATION	MESA	SPRSAZMA
Maricopa County	QWEST CORPORATION	MORRISTOWN	CRCYAZNM
Maricopa County	QWEST CORPORATION	NEW RIV	PHNXAZBW
Maricopa County	QWEST CORPORATION	NEW RIV	NWRVAZMA
Maricopa County	QWEST CORPORATION	PARADISE VLY	SCDLAZTH
Maricopa County	QWEST CORPORATION	PEORIA	PHNXAZPR
Maricopa County	QWEST CORPORATION	PEORIA	AGFIAZSR
Maricopa County	QWEST CORPORATION	PHOENIX	PHNXAZGR
Maricopa County	QWEST CORPORATION	PHOENIX	DRVYAZNO
Maricopa County	QWEST CORPORATION	PHOENIX	PHNXAZSY
Maricopa County	QWEST CORPORATION	PHOENIX	PHNXAZE
Maricopa County	QWEST CORPORATION	PHOENIX	PHNXAZMA
Maricopa County	QWEST CORPORATION	PHOENIX	PHNXAZLV
Maricopa County	QWEST CORPORATION	PHOENIX	PHNXAZ81
Maricopa County	QWEST CORPORATION	PHOENIX	PHNXAZPP
Maricopa County	QWEST CORPORATION	PHOENIX	PHNXAZSO
Maricopa County	QWEST CORPORATION	PHOENIX	PHNXAZSE
Maricopa County	QWEST CORPORATION	PHOENIX	PHNXAZWE
Maricopa County	QWEST CORPORATION	PHOENIX	PHNXAZ93
Maricopa County	QWEST CORPORATION	PHOENIX	PHNXAZMY
Maricopa County	QWEST CORPORATION	PHOENIX	PHNXAZNO
Maricopa County	QWEST CORPORATION	PHOENIX	PHNXAZNE
Maricopa County	QWEST CORPORATION	PHOENIX	PHNXAZNW
Maricopa County	QWEST CORPORATION	PHOENIX	PHNXAZCA
Maricopa County	QWEST CORPORATION	QUEEN CREEK	HGLYAZQC
Maricopa County	QWEST CORPORATION	RIO VERDE	FTMDAZNO
Maricopa County	QWEST CORPORATION	SCOTTSDALE	SCDLAZMA
Maricopa County	QWEST CORPORATION	SCOTTSDALE	SCDLAZSH
Maricopa County	QWEST CORPORATION	SCOTTSDALE	PRVYAZPP
Maricopa County	QWEST CORPORATION	SUN CITY	BRDSAZMA
Maricopa County	QWEST CORPORATION	TEMPE	TEMPAZMA
Maricopa County	QWEST CORPORATION	TEMPE	TEMPAZMC
Maricopa County	QWEST CORPORATION	TOLLESON	TLSSNAZMA
Maricopa County	QWEST CORPORATION	TONOPAH	WNBGAZ01
Maricopa County	QWEST CORPORATION	WICKENBURG	WCBGAZMA
Maricopa County	QWEST CORPORATION	YOUNGTOWN	PHNXAZMR
Pima County	QWEST CORPORATION	GRN VLY	GNVYAZMA
Pima County	QWEST CORPORATION	MARANA	MARNAZMA
Pima County	QWEST CORPORATION	MARANA	MARNAZ02
Pima County	QWEST CORPORATION	TUBAC	TUBCAZMA
Pima County	QWEST CORPORATION	TUCSON	TCSNAZSE
Pima County	QWEST CORPORATION	TUCSON	TCSNAZSO
Pima County	QWEST CORPORATION	TUCSON	TCSNAZSW
Pima County	QWEST CORPORATION	TUCSON	TCSNAZCR

ALLTEL
NON-RURAL WIRE CENTERS SERVED IN THE STATE OF ARIZONA

COUNTY	INCUMBENT LEC	WIRE CENTER NAME	CILLI CODE
Pima County	QWEST CORPORATION	TUCSON	TCSNAZMA
Pima County	QWEST CORPORATION	TUCSON	TCSNAZEA
Pima County	QWEST CORPORATION	TUCSON	TCSNAZWE
Pima County	QWEST CORPORATION	TUCSON	TCSNAZRN
Pima County	QWEST CORPORATION	TUCSON	TCSNAZFW
Pima County	QWEST CORPORATION	TUCSON	TCSNAZTV
Pima County	QWEST CORPORATION	TUCSON	TCSNAZCA
Pima County	QWEST CORPORATION	TUCSON	TCSNAZCO
Pima County	QWEST CORPORATION	TUCSON	TCSNAZNO
Pima County	QWEST CORPORATION	TUCSON	TCSNAZML
Pima County	QWEST CORPORATION	TUCSON	CRNDAZSO
Pima County	QWEST CORPORATION	VAIL	VAILAZSO
Pima County	QWEST CORPORATION	VAIL	VAILAZNO
Yavapai County	QWEST CORPORATION	ASH FORK	ASFKAZMA
Yavapai County	QWEST CORPORATION	BLACK CANYON	BLCNAZMA
Yavapai County	QWEST CORPORATION	CAMP VERDE	CMVRAZMA
Yavapai County	QWEST CORPORATION	CAMP VERDE	CMVRAZRR
Yavapai County	QWEST CORPORATION	CHINO VALLEY	CHVYAZMA
Yavapai County	QWEST CORPORATION	COTTONWOOD	CTWDAZMA
Yavapai County	QWEST CORPORATION	COTTONWOOD	CTWDAZSO
Coconino County	QWEST CORPORATION	FLAGSTAFF	FLGSAZSO
Coconino County	QWEST CORPORATION	FLAGSTAFF	FLGSAZMA
Coconino County	QWEST CORPORATION	FLAGSTAFF	FLGSAZEA
Coconino County	QWEST CORPORATION	GRAND CANYON	GRCNAZMA
Coconino County	QWEST CORPORATION	PAGE	PAGEAZMA
Yavapai County	QWEST CORPORATION	PRESCOTT	PRSCAZMA
Yavapai County	QWEST CORPORATION	PRESCOTT	HMBLAZMA
Yavapai County	QWEST CORPORATION	PRESCOTT	MAYRAZMA
Yavapai County	QWEST CORPORATION	PRESCOTT	PRSCAZEA
Yavapai County	QWEST CORPORATION	SEDONA	SEDNAZSO
Yavapai County	QWEST CORPORATION	SEDONA	SEDNAZMA
Coconino County	QWEST CORPORATION	SEDONA	MSPKAZMA
Coconino County	QWEST CORPORATION	WILLIAMS	WLMSAZMA
Yavapai County	QWEST CORPORATION	YARNELL	YRNLAZMA
Pinal County	QWEST CORPORATION	APACHE JCT	SPRSAZEA
Pinal County	QWEST CORPORATION	ARIZONA CITY	AZCYAZ03
Pinal County	QWEST CORPORATION	CASA GRANDE	CSGRAZMA
Pinal County	QWEST CORPORATION	COOLIDGE	CLDGAZMA
Pinal County	QWEST CORPORATION	DUDDLEYVILLE	DDVLAZNM
Pinal County	QWEST CORPORATION	ELOY	ELOYAZ01
Pinal County	QWEST CORPORATION	FLORENCE	FLRNAZMA
Gila County	QWEST CORPORATION	GLOBE	GLOBAZMA
Gila County	QWEST CORPORATION	HAYDEN	HYDNAZMA
Pinal County	QWEST CORPORATION	KEARNY	KRNYAZMA
Pinal County	QWEST CORPORATION	MAMMOTH	MMTHAZMA
Pinal County	QWEST CORPORATION	MARICOPA	MRCPAZMA
Gila County	QWEST CORPORATION	MIAMI	MIAMAZMA
Pinal County	QWEST CORPORATION	ORACLE	ORCLAZMA
Gila County	QWEST CORPORATION	PAYSON	PYSNAZMA
Gila County	QWEST CORPORATION	PINE	PINEAZMA
Pinal County	QWEST CORPORATION	SAN MANUEL	SNMNAZMA
Pinal County	QWEST CORPORATION	STANFIELD	STFDAZMA
Pinal County	QWEST CORPORATION	SUPERIOR	SPRRAZMA
Gila County	QWEST CORPORATION	TONTO CREEK	TNCKAZMA
Pinal County	QWEST CORPORATION	WHITLOW	WHTLAZMA
Navajo County	QWEST CORPORATION	WINSLOW - partial	WNSLAZMA

EXHIBIT D

ALLTEL

RURAL INCUMBENT LECS ENTIRE STUDY AREA SERVED BY ALLTEL

**ACCIPITER COMMUNICATIONS, INC
GILA RIVER TELECOMM INC.
SAN CARLOS APACHE TELECOMMUNICATIONS
TOHONO O ODHAM UTILITY AUTHORITY**

EXHIBIT E

ALLTEL
RURAL ILEC STUDY AREAS PARTIALLY SERVED IN THE STATE OF ARIZONA
AND WHICH ALLTEL REQUESTS THE STUDY AREAS BE REDEFINED
TO INCLUDE THE FOLLOWING WIRE CENTERS

COUNTY	INCUMBENT LEC	WIRE CENTER NAME	CILLI CODE
Maricopa County	ARIZONA TELEPHONE CO.	TONOPAH	HRVYAZXC
Pima County	ARIZONA TELEPHONE CO.	TUCSON	SASBAZXC
Coconino County	ARIZONA TELEPHONE CO.	BLUE RIDGE	BLRGAZXC
Coconino County	ARIZONA TELEPHONE CO.	MARBLE CANYON	MRCNAZXC
Coconino County	ARIZONA TELEPHONE CO.	MARBLE CANYON	MRCNAZXE
Coconino County	ARIZONA TELEPHONE CO.	MORMON LAKE	MMLKAZXC
Coconino County	ARIZONA TELEPHONE CO.	SUPAI	SUPAAZXC
Gila County	ARIZONA TELEPHONE CO.	ROOSEVELT	RSVTAZXC
Gila County	ARIZONA TELEPHONE CO.	TONTO BASIN	TNBSAZXC
Yuma County	ARIZONA TELEPHONE CO.	DATELAND - partial	DTLDAZ01
Navajo County	CENTURYTEL OF THE SOUTHWEST INC	KYKOTSMOVI VILLAGE - partial	KIVGAZXC
Navajo County	CITIZENS TELECOMMS CO OF WHITE M	CIBICUE - partial	CIBCAZXC
Navajo County	CITIZENS TELECOMMS CO OF WHITE M	HEBER - partial	HEBRAZXC
Navajo County	CITIZENS TELECOMMS CO OF WHITE M	WHITERIVER - partial	WHRVAZXB
Gila County	MIDVALE TELEPHONE EXCHANGE INC.	YOUNG	YONGAZXC
Cochise County	MIDVALE TELEPHONE EXCHANGE INC.	CASCABEL - partial	CSELAZXC
Coconino County	NAVAJO COMMUNICATIONS CO. - AZ	KAIBITO	KABTAZXC
Coconino County	NAVAJO COMMUNICATIONS CO. - AZ	LECHEE	LCHEAZXC
Coconino County	NAVAJO COMMUNICATIONS CO. - AZ	LEUPP	LEPPAZXC
Coconino County	NAVAJO COMMUNICATIONS CO. - AZ	TUBA CITY	TBCYAZXC
Coconino County	SOUTH CENTRAL UTAH TELEPHONE ASS	FREDONIA	FRDNAZAC
Maricopa County	TABLE TOP TELEPHONE CO. INC.	AGUILA	AGULAZXC
Pima County	TABLE TOP TELEPHONE CO. INC.	AJO	AJO AZXC
Yavapai County	TABLE TOP TELEPHONE CO. INC.	BAGDAD	BGDDAZXC
Yavapai County	TABLE TOP TELEPHONE CO. INC.	SELIGMAN	SGMNAZXC