### COMMONWEALTH OF KENTUCKY BEFORE THE KENTUCKY PUBLIC SERVICE COMMISSION

#### IN THE MATTER OF:

A CERTIFICATION OF THE CARRIERS RECEIVING FEDERAL UNIVERSAL SERVICE HIGH-COST SUPPORT ADMINISTRATIVE CASE NO. 381

# AFFIDAVIT OF PHILLIP J. GIACHINO IN SUPPORT OF PETITION OF AMERICAN CELLULAR CORPORATION FOR CONFIDENTIAL TREATMENT

Phillip J. Giachino being first duly sworn on oath, states as follows:

- 1. I currently serve as a Vice President for Dobson Communications Corporation and its subsidiary American Cellular Corporation ("ACC"). In this capacity I have personal knowledge of the matters set forth in this affidavit and am authorized to make this affidavit on behalf of ACC.
- 2. ACC is requesting confidential treatment for its proposed filing of a spreadsheet describing the location of the Company's cell sites, proposed service improvement projects and the estimated locations and costs associated with such improvements (Confidential Attachment A-1).
- 3. This exhibit contains proprietary information that would aid competitors of ACC and such trade secret information is subject to protection from disclosure pursuant to Kentucky law. See KRS 61.870, *et seq*.
- 4. The specific exhibit ACC proposes to file would reveal proprietary information regarding the Company's network infrastructure, buildout plans and operating costs. This information constitutes a trade secret because it is commercial information that, if disclosed,

could cause substantial competitive harm to ACC. This information is either not publicly available or not generally available in this format. It would be difficult (or impossible) for someone to discover this information from other sources. If this information were available to competitors in this format, they could use it to the competitive detriment of ACC.

- 5. Unlike incumbent telephone companies who are typically subject to a high degree of regulation, wireless providers like ACC operate in a highly competitive marketplace where such proprietary information is closely guarded to ensure it is not disclosed to competitors.
- 6. This information is not generally disclosed to non-management employees of ACC and is protected internally by the Company as proprietary information.

Phillip J. Giachino, Vice President

STATE OF OKLAHOMA
COUNTY OF OKLAHOMA

Subscribed and sworn to before me by Phillip J. Giachino as Vice President for Dobson Communications Corporation and its subsidiary American Cellular Corporation this August 2007.

My commission expires:

Notary Public

# COMMONWEALTH OF KENTUCKY BEFORE THE KENTUCKY PUBLIC SERVICE COMMISSION

A CERTIFICAT	TION OF TH	E CARRIERS	)	ADMINISTRATIVE CASE NO. 381
RECEIVING	FEDERAL	UNIVERSAL	)	
SERVICE HIGH-COST SUPPORT			)	

ELIGIBLE TELECOMMUNICATIONS CARRIER CERTIFICATION AND REPORT OF AMERICAN CELLULAR CORPORATION (SAC 269905)

#### CERTIFICATION OF AMERICAN CELLULAR CORPORATION (SAC 269905)

#### **ADMINISTRATIVE CASE NO. 381**

STATE OF OKLAHOMA	)	
	) s	
COUNTY OF OKLAHOMA	)	

The undersigned, being duly sworn, states as follows:

- 1. I currently serve as a Vice President for Dobson Communications Corporation and its subsidiary American Cellular Corporation ("ACC"). I am personally familiar with the high-cost federal universal service support received by ACC and the use of these funds by the Company in Kentucky.
- 2. On August 15, 2005, the Public Service Commission of Kentucky ("Commission") issued an Order in Case No. 2005-00130 designating ACC as an eligible telecommunications carrier ("ETC") throughout portions of the State ("ETC Designation Order").
- 3. To enable ACC to receive federal high-cost universal service support in calendar year 2008, the Commission is required to certify ACC's use of support to the Federal Communications Commission ("FCC") and the Universal Service Administrative Company ("USAC") on or before October 1, 2007. On September 24, 2001, the Commission issued an order in Administrative Case No. 381 requiring all ETCs to file with the Commission their plans for the use of any high-cost federal universal service support they receive on or before September 1 of each calendar year.
- 4. As set forth in the Commission's *ETC Designation Order*, on or before September 1 of each year, ACC is further required to file the following additional information with the Commission: (a) records and documentation detailing the Company's progress towards

meeting its build-out plans; (b) the number of complaints per 1,000 handsets; and (c) information detailing the number of unfulfilled requests for service for the past year.

- 5. Based on USAC's most recent projections, ACC currently estimates that it will receive approximately \$3.9 million in federal high-cost universal service support in 2008. The actual amount of support distributed to ACC may vary from this estimate as universal service support levels change over time. Consistent with the Company's 2007 expenditures to date, ACC expects that its capital investments, maintenance and operating expenses will far exceed the amount of federal high-cost universal service support the Company receives in 2008.
- 6. Accordingly, ACC hereby certifies that all federal high-cost universal service support the Company receives during the 2008 calendar year will be used only for the provision, maintenance and upgrading of facilities and services for which the support is intended pursuant to Section 254(e) of the Federal Telecommunications Act, 47 U.S.C. § 254(e).

#### A. Service Improvement Progress Report

- 7. Since its designation as an ETC, ACC has continued to identify facility construction projects intended to expand network coverage within its designated service areas. Attached as **Confidential Attachment A-1** is a summary of the types of facilities, locations, estimated budget and deployment dates for each of these service improvements.
- 8. ACC has also identified several new signal quality or capacity projects that will improve service within the Company's designated service areas. These signal quality or capacity projects are described in **Confidential Attachment A-1**, including the locations, estimated budgets and deployment dates for each of the improvements.
- 9. Since it began providing service in Kentucky, ACC has developed a robust network and currently provides service to a substantial number of subscribers within its designated service areas. Pursuant to 47 U.S.C. § 254(e), ACC will continue utilize the federal

high-cost universal service support it receives to maintain, upgrade and operate these network facilities consistent with the universal service objective of providing quality telecommunications services.

10. The value of mobile telecommunications services, particularly the availability of access to emergency services, can mitigate the unique risks of geographic isolation associated with living in rural communities. While ACC has already implemented a comprehensive emergency preparedness program, it will continue to utilize high-cost universal service support to purchase or lease facilities and other resources to improve its emergency capacities for purposes of improving service in the proposed service areas.

#### B. Requests for Service

11. The Commission's ETC Designation Order provides that ACC is to annually report the number of requests for service from potential customers within its designated ETC service are that were unfulfilled. The Commission's ETC Designation Order does not establish the time period to be covered by a report of unfulfilled requests for service. ACC has adopted the calendar year as an appropriate time period for purposes of meeting the September 1 filing deadline. Accordingly, for the time period January 1, 2006 through December 31, 2006, ACC experienced one request for service that the Company was unable to satisfy. After following its six-step process for evaluating requests for service, ACC determined that the only way to provide service to the requesting customer was by constructing a new cell site. The Company further determined that such a cell site could not be put in service at a reasonable cost and within a reasonable time.

#### C. Complaints Per 1,000 Handsets

12. ACC is also required to annually report the number of complaints per 1,000 handsets. The Commission's ETC Designation Order does not establish the time period to be

covered by a report of complaints received. ACC has adopted the calendar year as an appropriate time period for purposes of meeting a September 1 filing deadline. For the time period January 1, 2006 through December 31, 2006, ACC received .75 complaints per 1,000 handsets within its designated ETC service areas from the Commission, the Office of the Kentucky Attorney General or the Better Business Bureau.

The matters addressed above are within my personal knowledge and are true and correct.

AMERICAN CELLULAR CORPORATION

Phillip J. Giachino

Subscribed and sworn to before me this day of August, 2007.

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#### **CONFIDENTIAL ATTACHMENT A-1**

### NOTICE: CONFIDENTIAL DATA FILED PURSUANT TO ACC'S PETITION FOR CONFIDENTIAL TREATMENT