



**STOLL  
KEENON  
OGDEN**

2000 PNC PLAZA  
500 WEST JEFFERSON STREET  
LOUISVILLE, KY 40202-2828  
MAIN: (502) 333-6000  
FAX: (502) 333-6099  
www.skofirm.com

**DOUGLAS F. BRENT**  
DIRECT DIAL: 502-568-5734  
DIRECT FAX: 502-333-6099  
douglas.brent@skofirm.com

April 17, 2012

RECEIVED

APR 17 2012

PUBLIC SERVICE  
COMMISSION

Jeffrey DeRouen  
Executive Director  
Kentucky Public Service Commission  
211 Sower Boulevard  
P.O. Box 615  
Frankfort, KY 40601

*RE: The Petition of SI Wireless for Designation  
As an Eligible Telecommunications Carrier in the Commonwealth of Kentucky*

Dear Mr. DeRouen:

Enclosed please find the original and ten copies of the Petition of SI Wireless for Designation as an Eligible Telecommunications Carrier in the Commonwealth of Kentucky. Among other things, SI Wireless seeks designation for the purpose of participating in an upcoming FCC Mobility Fund Auction that requires bidders to first be designated as ETCs. Accordingly, we respectfully request that the Commission expedite its review of this petition.

Please indicate receipt of this filing by placing your file stamp on the extra copy and returning to me via our runner.

Sincerely yours,

Douglas F. Brent

DFB: jms  
Enclosures

115688.142764/804215.1

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

In the Matter of )  
 )  
SI Wireless, LLC ) Case No. 2012-00 \_\_\_\_\_  
 )  
Petition for Designation as an )  
Eligible Telecommunications Carrier )

**PETITION OF SI WIRELESS, LLC FOR DESIGNATION AS AN  
ELIGIBLE TELECOMMUNICATIONS CARRIER**

RECEIVED

APR 17 2012

PUBLIC SERVICE  
COMMISSION

Douglas F. Brent  
STOLL KEENON OGDEN PLLC  
2000 PNC Plaza  
500 West Jefferson Street  
Louisville, KY 40202  
(502) 333-6000

Todd B. Lantor  
LUKAS, NACE, GUTIERREZ & SACHS, LLP  
8300 Greensboro Drive  
Suite 1200  
McLean, Virginia 22102  
(703) 584-8678

April 17, 2012

## TABLE OF CONTENTS

I.	BACKGROUND.....	5
A.	SI Wireless, LLC.....	5
B.	Designation of Eligible Telecommunications Carriers .....	7
C.	Description of the SI Wireless' Proposed ETC Designation Area.....	8
II.	SI WIRELESS SATISFIES ALL OF THE STATUTORY AND REGULATORY PREREQUISITES FOR DESIGNATION AS AN ETC .....	9
A.	SI Wireless Is a Common Carrier .....	9
B.	SI Wireless Will Provide the Supported Services Through a Combination of Facilities-Based Service and Resale .....	10
C.	SI Wireless Will Offer All of the Services and Functionalities Supported by the Federal Universal Service Program.....	10
1.	Voice-Grade Access to the Public Switched Telephone Network.....	11
2.	Minutes of Use for Local Service at No Additional Charge .....	11
3.	Access to Emergency Services.....	12
4.	Toll Limitation .....	12
D.	SI Wireless Will Advertise the Availability of and Charges for Its Universal Service Qualifying Offerings.....	13
E.	SI Wireless Will Satisfy Its Additional Obligations as an ETC and Will Make Certain Voluntary Commitments .....	13
1.	Compliance with Service Requirements and Public Interest Tests Applied by the Commission.....	13
2.	Ability to Remain Functional in Emergency Situations. ....	15
3.	Consumer Protection.....	17
4.	Consumer Eligibility and Enrollment .....	18
a.	Subscriber Eligibility Determination and Certification .....	18
b.	Annual Eligibility Recertification .....	19
c.	De-Enrollment.....	19
d.	Annual Reporting Requirements.....	20
III.	DESIGNATING SI WIRELESS AS AN ETC WILL SERVE THE PUBLIC INTEREST .....	20
A.	SI Wireless' Designation Will Bring Improved Coverage and Service Quality.....	22
B.	SI Wireless' Investment of USF Support in Its Proposed ETC Service Area Will Lead to Significant Health and Safety Benefits .....	23
C.	Benefits of Competition. ....	24

D.	Designating SI Wireless as an ETC Will Not Result in “Cream-Skimming” .....	27
IV.	HIGH-COST CERTIFICATION .....	27
V.	CONCLUSION .....	28
Exhibit A	Map of SI Wireless Proposed ETC Service Areas .....	30
Exhibit B	List of Rural and Non-Rural Study Areas/Wire Centers to be served by SI Wireless in its Proposed ETC Designated Area.....	31
Exhibit C	SI Wireless Certification.....	32
Exhibit D	SI Wireless Lifeline Offering .....	33

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

In the Matter of )  
 )  
SI Wireless, LLC ) Case No. 2012-00 \_\_\_\_\_  
 )  
Petition for Designation as an )  
Eligible Telecommunications Carrier )

**PETITION OF SI WIRELESS, LLC FOR DESIGNATION AS AN  
ELIGIBLE TELECOMMUNICATIONS CARRIER**

SI Wireless, LLC ("SI Wireless" or "the Company"), pursuant to Section 214(e) of the Communications Act of 1934 (the "Act")<sup>1</sup> and Section 54.201 *et seq.* of the FCC's Rules, hereby submits this Petition to the Kentucky Public Service Commission ("Commission") for designation as an Eligible Telecommunications Carrier ("ETC") in the state of Kentucky for the purpose of participating in the High-Cost and Low-Income Universal Service Fund ("USF") support mechanisms, including the newly established Mobility Fund.<sup>2</sup> As set forth in the FCC's recent order and public notice, designation as an ETC is a requirement prior to participating in the upcoming Mobility Fund Phase I auction.<sup>3</sup> As demonstrated in this Petition, SI Wireless meets all of the statutory and

---

<sup>1</sup>47 U.S.C. § 214(e).

<sup>2</sup>*Connect America Fund et al.*, Report and Order, 26 FCC Rcd 17663, ¶¶ 389-92 (rel. Nov. 18, 2011) ("Connect America Fund Order"). The FCC also recently modified its rules for the Lifeline and Link Up programs. See *In the Matter of Lifeline and Link Up Reform and Modernization*, WC Docket No. 11-42, Report and Order and Further Notice of Proposed Rulemaking, FCC 12-11 (rel. Feb. 6, 2012) ("*Lifeline Reform Order*"). References in this Petition to the FCC's rules refer to the FCC's rules as modified by the *Connect America Fund Order* and the *Lifeline Reform Order*. SI Wireless intends to participate in Kentucky's Low-Income reimbursement program, and acknowledges its obligation to collect the Kentucky USF surcharge prescribed by the Commission.

<sup>3</sup>*Id.* at ¶ 389. See also *Eligible Telecommunications Carrier Designation for Participation in Mobility Fund Phase I*, Public Notice, DA 12-271 (rel. Feb. 24, 2012) (setting forth the requirements for ETC designation to participate in Auction 901 for Mobility Fund Phase I support) ("*Mobility Fund Phase I Public Notice*").

regulatory prerequisites for ETC designation, and designation of the Company as an ETC in the areas requested in Kentucky will serve the public interest.

SI Wireless respectfully requests that the Commission grant this Petition expeditiously so that the company may participate in the High-Cost and Low-Income USF support mechanisms, including the upcoming Mobility Fund Phase I auction, and more qualified Kentucky residents can benefit from the high-quality and high-value services that the Company offers in the state.<sup>4</sup> The Mobility Fund Auction is scheduled for September 27, 2012. However, the deadline for participating could be as early as June, and SI Wireless requests the Commission to complete its review of this Petition as soon as possible.

## **I. BACKGROUND**

### **A. SI Wireless, LLC**

SI Wireless is a commercial mobile radio services (“CMRS”) carrier licensed by the FCC to provide wireless communication services throughout portions of Western Kentucky. Formed in late 2009 by a partnership of Illinois-based rural independent telephone companies, SI Wireless is focused on providing CDMA-based 3G wireless services within its licensed service area that includes portions of rural Western Kentucky, which is the focus of this application, and Tennessee. Using the latest in IP backhaul and the most advanced CDMA technologies, SI Wireless seeks to efficiently deliver wireless voice and EVDO broadband to promote consumer choice throughout rural, underserved markets. As rural America seeks faster broadband speeds, SI Wireless seeks to position itself, through participation in USF support mechanisms, including the Mobility Fund

---

<sup>4</sup> SI Wireless also seeks ETC designation in this application so that it may participate in any auction and/or proceeding regarding the future Mobility Fund Phase II.

Phase I auction, to deliver 3G and, eventually 4G data services, throughout rural, underserved markets.<sup>5</sup>

SI Wireless holds long term de facto transfer leases<sup>6</sup> for the following personal communications service (PCS) license areas in Basic Trading Areas (“BTA”) that include portions of Kentucky: certain partial county in BTA120 – Dyersburg-Union City, TN, certain counties and partial county in BTA339 - Paducah, Murray, Mayfield KY, certain partial county in BTA83 – Clarksville TN, Hopkinsville KY, certain partial counties in BTA135 - Evansville, IN, and certain partial county in BTA273 - Madisonville, KY. SI Wireless currently operates a number of cell sites in Kentucky and it anticipates additional sites will be added in order to further develop its network consistent with the use of support from the Mobility Fund and other Universal Service support. It is also anticipated that within the next few years many of the company's cell sites will have a 4G LTE solution deployed to enhance service speeds and product choice in Kentucky.

While SI Wireless currently has distribution outlets in Tennessee, the company's distribution within Western Kentucky will begin in May 2012, with the opening of a new company-owned retail store location in the city of Paducah, Kentucky, as a well as a new agent location in Mayfield. Together, these locations will serve the northern portion of the company's coverage area. In addition, SI Wireless will be opening a new store location in Union City, Tennessee, which is along the border of Kentucky and will serve the southern part of the company's Kentucky territory. Distribution in Kentucky will be

---

<sup>5</sup>See *Connect America Fund Order* at ¶ 322 (“The goal of the Mobility Fund Phase I is to extend the availability of mobile voice service on networks that provide 3G or better performance and to accelerate the deployment of 4G wireless networks in areas where it is cost effective to do so with one-time support.”).

<sup>6</sup>See 47 C.F.R. § 1.9030.

enhanced further by the company's current plans to add several more agent locations within the next couple of years in order to better serve citizens in Kentucky.

SI Wireless' principal place of business is 1275 N. Reed Station Road, Carbondale, Illinois 62902-7307. Pleadings, orders, notices and other papers filed or served in this matter should be served upon:

SI Wireless, LLC  
ATTN: Terry Addington, CEO  
1275 N. Reed Station Road  
Carbondale, IL 62902-7307

Douglas F. Brent  
STOLL KEENON OGDEN PLLC  
2000 PNC Plaza  
500 West Jefferson Street  
Louisville, KY 40202

Todd B. Lantor  
LUKAS, NACE, GUTIERREZ & SACHS, LLP  
8300 Greensboro Drive  
Suite 1200  
McLean, Virginia 22102

**B. Designation of Eligible Telecommunications Carriers**

The Commission has the requisite authority to perform the limited ETC designation requested herein. Section 214(e)(2) of the Communications Act provides state public utility commissions with the "primary responsibility" for the designation of ETCs.<sup>7</sup> Pursuant to this authority, the Commission has historically participated in determining whether to grant ETC status to an applying carrier, including a requesting wireless carrier.<sup>8</sup> Under the Act, a state public utility commission with jurisdictional authority over ETC designations must designate a common carrier as an ETC if the carrier satisfies the requirements of Section 214(e)(1). By proposing to offer all of the services supported by the federal USF and advertising the availability of such services, SI

---

<sup>7</sup> 47 U.S.C. § 214(e)(2).

<sup>8</sup> See, e.g., *Petition of T-Mobile Central LLC and Powertel/Memphis for Designation as Eligible Telecommunications Carriers*, Case No. 2010-00050 (July 14, 2010) ("*T-Mobile Designation Order*").

Wireless will meet all of the requirements of Section 214 of the Communications Act, warranting its designation as an ETC by the Commission.

**C. Description of the SI Wireless' Proposed ETC Designation Area**

SI Wireless, in its capacity as a provider of cellular services, is not a "rural telephone company" as that term is defined in Section 3(37) of the Communications Act.<sup>9</sup> Accordingly, SI Wireless is required to describe the geographic area in which it requests designation.<sup>10</sup> In this Petition, SI Wireless requests ETC designation in "rural" study areas of certain incumbent local exchange carriers ("LECs") in Kentucky identified in Exhibits A and B.<sup>11</sup>

Pursuant to Section 54.207 of the FCC's Rules,<sup>12</sup> a "service area" is a "geographic area established by a state commission for the purpose of determining universal service obligations and support mechanisms."<sup>13</sup> In an area served by a rural telephone company, the FCC's rules define "service area" to mean the LEC study area unless a different definition of service area is established for such company.<sup>14</sup> The Commission may designate SI Wireless as an ETC in those areas upon a finding that such designation is in the public interest, as set forth below.

---

<sup>9</sup>47 U.S.C. § 153(37).

<sup>10</sup>See 47 U.S.C. § 214(e). See also *Mobility Fund Phase I Public Notice* at ¶ 6.

<sup>11</sup>See Exhibit A (Maps of SI Wireless' Proposed ETC Service Area) and Exhibit B (List of Rural and Non-Rural Study Areas/Wire Centers to Be Served by SI Wireless in its Proposed ETC Service Area). To the extent that any wire centers have been inadvertently excluded from Exhibit B, the Applicant intends to serve the entire study areas of the following rural incumbent local exchange carriers: Ballard Rural Telephone Corporation, Inc., Salem Telephone, Inc., and West Kentucky Rural Telephone Cooperative Corporation, Inc.

<sup>12</sup>47 C.F.R. § 54.207.

<sup>13</sup>47 C.F.R. § 54.207(a).

<sup>14</sup>See 47 C.F.R. § 54.207(b); see also *Multi-Association Group (MAG) Plan for Regulation of Interstate Services of Non-Price Cap Incumbent Local Exchange Carriers and Interexchange Carriers*, CC Docket Nos. 96-45, 00-256, Fourteenth Report and Order, Twenty-Second Order on Reconsideration, Further Notice of Proposed Rulemaking, Report and Order, 16 FCC Rcd 11244 (2001).

SI Wireless intends to serve every wire center for each of the rural incumbent local exchange carriers within the boundary of its proposed ETC service area. That will include the entire study areas of Ballard Rural Telephone Cooperative Corporation, Salem Telephone, Inc., and West Kentucky Rural Telephone Cooperative Corporation, Inc. SI Wireless also intends to serve 100% of the Windstream wire centers existing within the two discontinuous Western Kentucky areas that are part of the study area for Windstream Kentucky East—London (“Windstream East London”). With respect to Windstream East London, SI Wireless seeks to include the wire centers identified in Exhibit B, which are within SI Wireless' service area. As the Commission is aware, the highly geographically dispersed study area of Windstream East London (formerly Kentucky Alltel Inc. - London) has already been redefined on multiple occasions.<sup>15</sup>

SI Wireless commits to provide the supported services throughout its designated services area, consistent with all applicable requirements.

## **II. SI WIRELESS SATISFIES ALL OF THE STATUTORY AND REGULATORY PREREQUISITES FOR DESIGNATION AS AN ETC**

SI Wireless satisfies each of the statutory and regulatory prerequisites set forth in the Communications Act and the FCC's rules:

### **A. SI Wireless Is a Common Carrier**

Section 3(10) of the Communications Act, 47 U.S.C. § 153(10), defines a common carrier as “any person engaged as a common carrier for hire, in interstate or foreign communications by wire or radio...” SI Wireless meets the definition of a person, offers interstate communications by radio, and is a common carrier for hire.

---

<sup>15</sup> See, e.g., *East Kentucky Network, LLC d/b/a Appalachian Wireless*, Case No. 2005-00045, Order (Aug. 11, 2005)(granting redefinition of the Kentucky Alltel, Inc. London study area); *Petition of Bluegrass Wireless LLC et al.*, Case No. 2005-00017 et al., Order (July 8, 2005) (granting redefinition of the Kentucky Alltel, Inc. London study area).

**B. SI Wireless Will Provide the Supported Services Through a Combination of Facilities-Based Service and Resale**

SI Wireless will provide the supported services under Section 254(c) of the Act<sup>16</sup> and Section 54.101(a) of the FCC's Rules<sup>17</sup>(1) by using SI Wireless' existing cellular network infrastructure, which consists of switching, trunking, cell sites, and network equipment, together with any expansions and enhancements to that network; and (2) where necessary, through the resale of another ETC's service under a roaming arrangement.<sup>18</sup> Therefore, SI Wireless meets the requirement that it provide the supported services using its own facilities.<sup>19</sup> Upon designation as an ETC, SI Wireless will report annually any expansions and enhancements to its network within its proposed ETC designation area at the same time it submits its reports required under the FCC's Rules.<sup>20</sup>

**C. SI Wireless Will Offer All of the Services and Functionalities Supported by the Federal Universal Service Program**

To be designated an ETC, the Communications Act requires carriers to certify that they provide each of the supported services.<sup>21</sup> Attached as Exhibit C is a sworn declaration that SI Wireless offers, "or will be able to offer, all of the services designated for support by the Federal Communications Commission."<sup>22</sup> SI Wireless will offer upon

---

<sup>16</sup> 47 U.S.C. § 254(c); see also 47 U.S.C. § 214(e)(1)(A).

<sup>17</sup> 47 C.F.R. § 54.101(a).

<sup>18</sup> SI Wireless has an existing relationship with another CDMA EVDO licensee that will enable customers to use supported services throughout the designated service area.

<sup>19</sup> 47 U.S.C. § 214(e)(1)(A). See also *Mobility Fund Phase I Public Notice* at ¶ 5. See also *Federal-State Joint Board on Universal Service, Report and Order*, 12 FCC Rcd 8776, 8870-71 (1997) ("We conclude, therefore, that, if a carrier uses its own facilities to provide at least one of the designated services, and the carrier otherwise meets the definition of 'facilities' adopted above, then the facilities requirement of section 214(e) is satisfied."); *id.* at 8871 ("[S]ection 214(e) does not mandate the use of any particular level of a carrier's own facilities.").

<sup>20</sup> 47 C.F.R. § 54.313.

<sup>21</sup> See, e.g., 47 U.S.C. § 254(c). See also 47 C.F.R. § 54.201(d)(1); *Mobility Fund Phase I Public Notice* at ¶ 5.

<sup>22</sup> *Designation of Fort Mojave Telecommunications, Inc., at al., as Eligible Telecommunications Carriers Pursuant to Section 214(e)(6) of the Communications Act*, AAD/USB File No. 98-28, Memorandum Opinion and Order, 13 FCC Rcd 4547, 4552 (para. 11) (1998) ("*Fort Mojave*"). In *Fort Mojave*, the FCC

designation as an ETC, all of the supported services as set forth in the recently modified FCC Rules, throughout the areas in which SI Wireless is requesting designation as an ETC.<sup>23</sup> SI Wireless is committed to providing high quality universal service offerings in Kentucky and will ensure that the supported services are available throughout the designated service area to all customers who make a reasonable request for service.

**1. Voice-Grade Access to the Public Switched Telephone Network.**

SI Wireless offers customers voice grade access to the Public Switched Telephone Network service as required by 47 C.F.R. §54.101(a)(1). "Voice grade access" permits a telecommunications user to transmit voice communications, including signaling the network that the caller wishes to place a call, and to receive voice communications, including receiving a signal that there is an incoming call. SI Wireless will provide its customers with "voice grade access" by enabling such customers to make and receive calls on the public switched telephone network.

**2. Minutes of Use for Local Service at No Additional Charge**

SI Wireless' service in Kentucky includes local usage that allows customers to originate and terminate calls within a local calling area without incurring toll charges. SI Wireless will continue to offer service plans that include varying amounts of local usage. SI Wireless will comply with any and all minimum local usage requirements the FCC

---

made it clear that it will designate carriers as ETCs, pursuant to Section 214(e)(6) of the Act, upon finding that they "offer or will be able to offer" the supported services throughout the service area.

<sup>23</sup>See 47 C.F.R. §54.101(a). As recently modified, the FCC has identified the following services and functionalities as the core services to be offered by an ETC and supported by federal universal service support mechanisms: "Eligible voice telephony services must provide voice grade access to the public switched network or its functional equivalent; minutes of use for local service provided at no additional charge to end users; access to the emergency services provided by local government or other public safety organizations, such as 911 and enhanced 911 systems ...; and toll limitation services to qualifying low-income consumers as described in subpart E of this part." 47 C.F.R. § 54.101(a) (as modified by the *Lifeline Reform Order*).

may adopt with respect to universal service offerings. Therefore, SI Wireless satisfies the local usage criterion for ETC designation.

### **3. Access to Emergency Services**

SI Wireless will provide access to emergency services in conformance with the FCC's requirements. All of the phones that SI Wireless will distribute to subscribers will be capable of delivering automatic numbering information ("ANI") and automatic location information ("ALI"), and otherwise satisfy applicable enhanced-911 requirements.<sup>24</sup>

### **4. Toll Limitation**

Certain low-income consumers in Kentucky will be eligible to pay reduced monthly fees under the Federal Lifeline program in which SI Wireless will participate. A general summary of SI Wireless' Lifeline offering to be provided in Kentucky is attached.<sup>25</sup> SI Wireless will offer toll limitation services, which can be in the form of "toll control" or "toll blocking" services to qualifying Lifeline customers.<sup>26</sup> Toll blocking allows customers to block the completion of outgoing toll calls. Toll control allows the customer to limit the toll charges a subscriber can incur during a billing period. Upon designation as an ETC, SI Wireless will offer toll limitation services to Lifeline customers, at no charge. Therefore, SI Wireless meets the ETC requirement of offering toll limitation services to Lifeline customers.

---

<sup>24</sup> SI Wireless is familiar with its obligations under KRS 65.7635 to act as a collection agent for the Kentucky CMRS fund. Once service is initiated SI Wireless will report and remit the Kentucky wireless 911 fee for active CMRS connections according to 202 KAR 6:080.

<sup>25</sup> See Exhibit D.

<sup>26</sup> 47 C.F.R. §54.101(a). See *Federal-State Joint Board on Universal Service*, CC Docket Nos. 96-45, 96-262, 94-1, 91-213, 95-72, Fourth Order on Reconsideration, Report and Order, 13 FCC Rcd 5318 (1997).

**D. SI Wireless Will Advertise the Availability of and Charges for Its Universal Service Qualifying Offerings**

In accordance with Section 54.201(d)(2) of the Commission's Rules, SI Wireless will advertise the availability of the supported services detailed above, and the corresponding rates and charges, in a manner designed to inform the general public within Kentucky.<sup>27</sup> This advertising may occur through a combination of media channels, such as television and radio, newspaper, magazine and other print advertisements, outdoor advertising, direct marketing, and the Internet.<sup>28</sup> This advertising will include advertisements about the availability of Lifeline service and done in a manner reasonably designed to reach those likely to qualify for Lifeline service.

SI Wireless intends to use the brand name "MobileNation" in connection with its service offerings.

**E. SI Wireless Will Satisfy Its Additional Obligations as an ETC and Will Make Certain Voluntary Commitments**

In addition to those requirements set forth in Section 54.201 of the FCC's Rules, SI Wireless will satisfy other ETC requirements adopted by the Commission and the FCC.

**1. Compliance with Service Requirements and Public Interest Tests Applied by the Commission.**

Section 54.202(a)(1) of the FCC's Rules<sup>29</sup> requires an ETC applicant to certify that it will comply with the service requirements applicable to the support it receives. SI Wireless certifies that it will comply with the service requirements applicable to the

---

<sup>27</sup>See 47 C.F.R. § 54.201(d)(2). See also 47 U.S.C. § 214(e)(1)(B); *Mobility Fund Phase I Public Notice* at ¶ 5.

<sup>28</sup>Exhibit D includes a representative sample of advertising in the form of a newspaper or direct mail insert to be used in Western Kentucky in the near future, in connection with SI Wireless opening a store in Paducah. Once certified as an ETC, SI Wireless will use similar materials to describe its Lifeline offering.

<sup>29</sup>47 C.F.R. § 54.202(a)(1) (as modified by the *Lifeline Reform Order*).

support it receives. It will provide service throughout the proposed designated ETC area using its standard customer equipment and service offerings where available.

Applicants to a state commission must also meet public interest tests applied by the state commission. On March 17, 2005, the FCC amended its rules on universal service and adopted new guidelines for evaluating ETC applications filed at the FCC.<sup>30</sup> The FCC's 2005 guidelines in its *ETC Designation Order* did not replace existing public interest tests applied by the Kentucky Commission before the FCC amended its own rules. The FCC was clear in its explanation that the guidelines in the *ETC Designation Order* were to be permissive for state ETC proceedings.<sup>31</sup> The Kentucky Commission has chosen not to promulgate its own rules incorporating the FCC guidelines. Instead, consistent with what the FCC suggested in the *ETC Designation Order*,<sup>32</sup> the Commission conformed the guidelines with similar conditions imposed on ETCs previously designated in Kentucky. For example, the Commission required Nextel Partners, which the Commission designated as an ETC in 2004, to "submit records and documentation on an annual basis" detailing progress in meeting build-out plans, customer complaint statistics, and any unfulfilled requests for service.<sup>33</sup> The Commission has imposed identical conditions when granting ETC designation to wireless carriers after the FCC's *ETC Designation Order*.<sup>34</sup> Upon designation as an ETC, SI Wireless is prepared to make similar compliance filings.

---

<sup>30</sup>*In the Matter of Federal-State Joint Board on Universal Service*, Report and Order, CC Docket No. 96-45, FCC 05-46, 20 FCC Rcd 6371 (2005) ("*ETC Designation Order*").

<sup>31</sup>*Id.* at ¶58.

<sup>32</sup>*Id.* ("[W]e encourage states to conform these guidelines with any similar conditions imposed on previously designated ETCs in order to avoid duplicative or inappropriate eligibility criteria and reporting requirements.")

<sup>33</sup> Petition of NPCR, Inc. dba *Nextel Partners for Designation as an Eligible Telecommunications Carrier*, Case No. 2003-00143 (December 16, 2004) at 9-10.

<sup>34</sup>*E.g.*, *Petition of American Cellular Corp. for Designation as an Eligible Telecommunications Carrier*,

SI Wireless' plan for service improvements ("Plan") is contingent upon receiving support from Universal Service Fund ("USF") support mechanisms, including funding through the Mobility Fund. Further, the Plan must be flexible in order to respond to general consumer demand, changes in technology, and other appropriate factors, and thus, the Plan, including the priority of construction of each cell site, is subject to change for these reasons.

The Plan satisfies the ETC designation requirements and constitutes a good faith estimate of the universal service benefits, including expanded coverage and improved signal and service quality, which citizens of the State of Kentucky will enjoy if the Commission designates SI Wireless as an ETC in the requested areas and SI Wireless is successful in obtaining USF support, including support from the Mobility Fund.

## **2. Ability to Remain Functional in Emergency Situations.**

SI Wireless has the technical capability to maintain its facilities in emergencies. Accordingly, SI Wireless will be able to remain functional in emergency situations.<sup>35</sup> Specifically, SI Wireless (1) will have adequate amounts of back-up power to ensure functionality without an external power source; (2) will be able to reroute traffic between switch and hub locations; and (3) will be capable of managing traffic spikes resulting from emergency situations.<sup>36</sup>

SI Wireless' system will be reinforced by the availability of emergency power sources capable of running for extended periods in the event of a major electrical outage. These include back-up batteries that provide at least four hours of back-up power and

---

Case No. 2005-00130 (August 15, 2005); *see also* *Petition of West Virginia PCS Alliance dba NTELOS*, Case No. 2006-00132 (October 24, 2006) at 4; *T-Mobile Designation Order* at 9.

<sup>35</sup>*See* 47 C.F.R. § 54.202(a)(2). *See also* *Mobility Fund Phase I Public Notice* at ¶ 6.

<sup>36</sup>*See* 47 C.F.R. § 54.202(a)(2).

portable generators can be moved to individual cell sites, as needed. In the event of power or other types of failure, the cell sites are equipped with alarms that will alert the Company's technicians. Additionally, the sites are monitored remotely by the Company's 24/7 Network Operations Center ("NOC"), should there be a total communications failure at the site.

SI Wireless' main switch connectivity to the public switched voice network will be based on a ring topology and is redundant – if the ring is cut, call traffic can be re-routed. Backbone traffic lines are designed with sufficient capacity to manage extraordinary spikes. SI Wireless has multiple agreements with long distance providers to absorb excess calling if needed.

A typical cell site installation consists of an 8' x 10' concrete pad, on which outdoor equipment cabinets or a prefabricated shelter containing the equipment will be placed. Antennas are typically mounted on an adjacent tower, either new or existing, or other suitable structure. Most cell sites consist of two or three cabinets or equipment racks; one or two of the cabinets for radio communications equipment, and the other for power rectification and battery backup. The radio equipment cabinets are configured and equipped with voice and data equipment necessary to carry the projected busy hour traffic. This equipment can be increased as required to accommodate increases in call traffic.

All cell sites will be remotely monitored by the Company's NOC to ensure continuous operation. Operational measurement data is also routinely collected and reviewed to identify off normal conditions. In the event of a failure, the NOC will take action to restore service, reroute traffic around damaged facilities and/or dispatch

appropriate personnel to remedy the trouble. Response time to an outage report is normally less than 60 minutes. In addition, all cell sites will be periodically visited by field operations personnel to conduct preventative maintenance and routine testing of the cell site components.

In accordance with Section 54.313(a)(6) of the FCC's Rules,<sup>37</sup> SI Wireless will annually certify that it is able to function in emergency situations. The Company will also fulfill the annual outage reporting requirement described in Section 54.313(a)(2), which requires an ETC applicant to submit detailed information on any outage of at least thirty (30) minutes in duration that potentially affects (1) at least 10 percent of the end users served in a designated area; or (2) a 911 special facility, as defined in Section 4.5(e) of the FCC's Rules.<sup>38</sup>

As required by the FCC's Rules, the outage report will include information detailing: (1) the date and time of onset of the outage; (2) a brief description of the outage and its resolution; (3) the particular services affected; (4) the geographic areas affected by the outage; (5) steps taken by SI Wireless to prevent a similar situation in the future; and (6) the number of customers affected.<sup>39</sup> Therefore, SI Wireless meets the requirement that it will remain functional in emergency situations.

### **3. Consumer Protection.**

Section 54.202(a)(3) of the FCC's Rules states that an ETC applicant must "demonstrate that it will satisfy applicable consumer protection and service quality standards."<sup>40</sup> A commitment by wireless applicants to comply with the Consumer Code

---

<sup>37</sup> 47 C.F.R. § 54.313(a)(6).

<sup>38</sup> *Id.*; 47 C.F.R. § 4.5(e).

<sup>39</sup> 47 C.F.R. § 54.313(a)(6).

<sup>40</sup> 47 C.F.R. § 54.202(a)(3). See *Mobility Fund Phase I Public Notice* at ¶ 6.

for Wireless Service adopted by CTIA–The Wireless Association® (“CTIA Consumer Code”) satisfies this requirement.<sup>41</sup> SI Wireless is committed to abide by the CTIA Consumer Code, as it may be amended from time to time, throughout its service area.

Moreover, if designated as an ETC, SI Wireless will abide by the requirements of Sections 54.313(a)(4) and 54.313(a)(5) of the FCC's rules.<sup>42</sup> Specifically, the Company will, on an annual basis, certify its compliance with the CTIA Consumer Code and report the number of customer complaints per thousand handsets. Accordingly, SI Wireless meets the consumer protection requirements.

#### **4. Consumer Eligibility and Enrollment**

With respect to its provision of Lifeline service in Kentucky, SI Wireless will have policies and procedures in place to verify eligibility of prospective customers in compliance with the Commission's and FCC's Rules.<sup>43</sup>

##### **a. Subscriber Eligibility Determination and Certification**

Under the Company's policies and procedures, a prospective customer will be required to provide documentation verifying eligibility to participate in a qualifying program or documentation of income based qualification to support his/her application. Further, SI Wireless' forms will comply with the requirements set forth in 47 C.F.R. §54.410, as recently modified by the FCC in its *Lifeline Reform Order*.<sup>44</sup>

Among other things, the Company's Lifeline Application will require a potential customer to verify, under penalty of perjury, that neither the applicant nor any other person in the applicant's household currently receives Lifeline service, and that the

---

<sup>41</sup>*Id.* The CTIA Consumer Code can be viewed on the Web at <http://files.ctia.org/pdf/ConsumerCode.pdf>.

<sup>42</sup> 47 C.F.R. §§ 54.313(a)(4), 54.313(a)(5) (as modified by the *Connect America Fund Order*).

<sup>43</sup> 47 C.F.R. § 54.409.

<sup>44</sup> See 47 C.F.R. § 54.410; *In the Matter of Lifeline and Link Up Reform and Modernization*, WC Docket No. 11-42, Report and Order and Further Notice of Proposed Rulemaking, FCC 12-11, rel. Feb. 6, 2012 (“*Lifeline Reform Order*”).

applicant will notify SI Wireless within 30 days if, for any reason, the applicant is no longer eligible for Lifeline service.<sup>45</sup> SI Wireless commits to only provide Lifeline service to customers that qualify for such service under Section 54.409 of the FCC Rules, as recently modified by the FCC in its *Lifeline Reform Order*.<sup>46</sup>

**b. Annual Eligibility Recertification**

SI Wireless commits to annually re-certify all subscribers in accordance with 47 C.F.R. § 54.410(f) of the FCC Rules, as recently modified by the FCC in its *Lifeline Reform Order*. SI Wireless will provide the results of its annual re-certification efforts pursuant to the Commission's Rules. The Company may undertake this re-certification on a rolling basis throughout the year. Furthermore, SI Wireless commits to submit an annual certification confirming the existence of policies and procedures to confirm consumer eligibility and the Company's compliance with such policies and procedures.<sup>47</sup>

**c. De-Enrollment**

Consistent with the requirements in Section 54.405(e) of the FCC Rules, as recently modified by the FCC in its *Lifeline Reform Order*, SI Wireless will terminate Lifeline benefits to any customer that does not demonstrate continued eligibility within 30 days following the date of an impending termination letter.<sup>48</sup> SI Wireless will provide impending termination letters to: (a) any customer that fails to demonstrate their continued eligibility as part of the Company's annual recertification efforts; (b) any customer the Company believes, on a reasonable basis, no longer qualifies for the service

---

<sup>45</sup>See 47 C.F.R. § 54.410(d).

<sup>46</sup>47 C.F.R. § 54.409.

<sup>47</sup>See 47 C.F.R. § 54.416.

<sup>48</sup>See 47 C.F.R. § 54.405(e).

under the eligibility criteria identified in the FCC Rules; or (c) any customer that has no usage for 60 consecutive days.<sup>49</sup>

SI Wireless will also terminate (within five business days) Lifeline benefits to any customer or household the Company has been notified to be receiving Lifeline benefits from more than one carrier.<sup>50</sup>

**d. Annual Reporting Requirements**

SI Wireless commits to comply with the annual reporting requirements identified in Section 54.422 of the FCC Rules, 47 C.F.R. § 54.422, as recently modified by the FCC in its *Lifeline Reform Order*.

**III. DESIGNATING SI WIRELESS AS AN ETC WILL SERVE THE PUBLIC INTEREST**

For SI Wireless to be designated as an ETC in a rural service area, the Commission must find that the grant of ETC status to SI Wireless in the rural service area would serve the public interest.<sup>51</sup> In cases decided by the FCC,<sup>52</sup> the question of whether it is in the public interest to designate a wireless carrier in areas served by rural incumbent LECs has been decided in the affirmative.

---

<sup>49</sup>*Id.*

<sup>50</sup>*Id.*

<sup>51</sup>See 47 U.S.C. § 214(e)(2). No public interest finding is required where a carrier is seeking ETC designation in a non-rural service area. *Id.*

<sup>52</sup>See, e.g., *North Carolina RSA 3 Cellular Tel. Co.*, CC Docket No. 96-45, Order, 21 FCC Rcd 9151 (Wireline Comp. Bur. 2006) (“*Carolina West Order*”); *Corr Wireless Communications, LLC*, CC Docket No. 96-45, Order, 21 FCC Rcd 1217 (Wireline Comp. Bur. 2006); *RCC Minnesota, Inc. and RCC Atlantic, Inc.*, CC Docket No. 96-45, Order, 20 FCC Rcd 15833 (Wireline Comp. Bur. 2005); *Virginia Cellular LLC*, CC Docket No. 96-45, Memorandum Opinion and Order, 19 FCC Rcd 1563 (2004) (“*Virginia Cellular Order*”); *NPCR, Inc., d/b/a Nextel Partners*, 19 FCC Rcd 16530 (2004) (“*Nextel Partners Order*”); *Highland Cellular, Inc.*, CC Docket No. 96-45, Memorandum Opinion and Order, 19 FCC Rcd 6422 (2004).

The 1996 Act and the FCC in its enabling orders provide guidance for determining the public interest.<sup>53</sup> The overarching principles embodied in the 1996 Act are to “promote competition and reduce regulation[,] . . . secure lower prices and higher quality services[,] . . . and encourage the rapid deployment of new telecommunications technologies.”<sup>54</sup> In its implementing orders, the FCC has ruled that the pro-competitive and deregulatory directives from Congress required USF support mechanisms to be competitively neutral and portable among eligible carriers.<sup>55</sup>

In conformity with the Act and the FCC’s rules, the FCC has repeatedly found that wireless carriers satisfy the federal requirements for ETC designation, and has cautioned state commissions against imposing artificial barriers to competitive entry by wireless carriers, particularly in rural areas where wireless carriers are best positioned to compete with wireline carriers.<sup>56</sup> Through its own orders the Commission itself has repeatedly acknowledged the public benefits of wireless ETCs.<sup>57</sup>

Although the Commission’s rules do not provide specific public interest criteria, the FCC has previously enunciated a framework of five factors for consideration in ETC designations. In determining the public interest, the FCC has indicated that the following should be considered:

---

<sup>53</sup>See, e.g., *Universal Service First Report and Order*, 12 FCC Rcd at 8801 (para. 47); *Federal-State Joint Board on Universal Service*, CC Docket No. 96-45, Ninth Report and Order and Eighteenth Order on Reconsideration, 14 FCC Rcd 20432, 20480 (para. 90) (1999) (*Universal Service Ninth Report and Order*”).

<sup>54</sup>1996 Act (preamble).

<sup>55</sup>*Universal Service First Report and Order*, 12 FCC Rcd at 8801, 8861-62 (para. 152); *Universal Service Ninth Report and Order*, 14 FCC Rcd at 20480 (para. 90).

<sup>56</sup>See *Federal-State Joint Board on Universal Service*, CC Docket Nos. 96-45, 96-262, Seventh Report and Order, 14 FCC Rcd 8078 (1999).

<sup>57</sup>E.g., *Application of Easy Telephone Service Co. dba Easy Wireless for Designation as an Eligible Telecommunications Carrier*, Case No. 2011-00137 (November 29, 2011) (“*Easy Wireless Designation Order*”) at 8-9 (mobility of wireless may mitigate the unique risks of geographic isolation associated with living in rural communities).

- The benefits of increased competitive choice;
- The impact of designation on the federal USF;
- The unique advantages and disadvantages of the competitor's service offering;
- Any commitments made regarding the quality of telephone service; and
- The likelihood that cream-skimming will result from the designation.<sup>58</sup>

SI Wireless sets forth below specific facts demonstrating how its designation will advance the public interest in the service areas requested in this Application.

**A. SI Wireless' Designation Will Bring Improved Coverage and Service Quality**

Through anticipated participation in USF support mechanisms, such as the Mobility Fund and Lifeline program, SI Wireless will operate, maintain, and expand its communications infrastructure in Kentucky to improve signal coverage, enhance wireless call quality, and provide more advanced services to Kentucky consumers. These investments will be above and beyond other investments SI Wireless undertakes with internally generated capital. If it is granted ETC status in the proposed ETC service areas and participates in the Mobility fund, SI Wireless intends to bring and expand third generation ("3G") wireless services to the area, and eventually 4G services.

SI Wireless states on information and belief that there are areas within its proposed ETC service areas that are underserved by wireless telephone facilities.<sup>59</sup> As set forth above, SI Wireless commits to provide service to consumers upon reasonable request, and to use USF support to upgrade and expand its network to provide improved

---

<sup>58</sup>*ETC Criteria Order*, 20 FCC Rcd at 6390-96 (paras. 44-57).

<sup>59</sup>SI Wireless is using the term "underserved" to mean that wireless service is not provided in the area, or that the wireless signal provided in the area is poor, resulting in poor reception and a significant amount of dropped calls.

coverage and capacity. The mobility of the Company's wireless service will assist “consumers in rural areas who often must drive significant distances to places of employment, stores, schools, and other critical community locations.”<sup>60</sup>

SI Wireless employs an experienced engineering and technical support team that will monitor service quality and service outages across the Company’s planned network, providing on-call emergency support 24 hours a day, seven days a week. SI Wireless' response time to an outage report will normally be less than one hour.

In parts of the designated service area where signal strength is weak and where no business plan supports construction of new facilities, SI Wireless intends to use federal USF support (if provided to the Company) to construct facilities to improve signal strength and serve consumers with the same top quality mobile service that urban consumers enjoy today.

**B. SI Wireless' Investment of USF Support in Its Proposed ETC Service Area Will Lead to Significant Health and Safety Benefits**

People in rural areas depend on mobile phones more and more to provide critical communications needs. Designating SI Wireless as an ETC in the areas requested in this Application will provide additional consumer choice and a potential solution to health and safety risks associated with the rural nature of these areas.<sup>61</sup> It is self-evident that

---

<sup>60</sup>*Virginia Cellular Order*, 19 FCC Rcd at 1576 (para. 29).

<sup>61</sup>*See, e.g., Corr Wireless Communications, LLC, Petition for Designation as an Eligible Telecommunications Carrier in the State of Alabama*, CC Docket No. 96-45, Order, 21 FCC Rcd 1217, 1226 (2006) (“The mobility of telecommunications assists consumers in rural areas who often must drive significant distances to places of employment, stores, schools, and other locations. The availability of a wireless universal service offering also provides access to emergency services that can mitigate the unique risks of geographic isolation associated with living in rural communities.”); *U.S. Cellular Missouri Order* at 12 (“Clearly, expansion of cell phone service would benefit consumers by giving them an additional option for phone service, by allowing them additional mobility, and by affording them increased safety while on the road or otherwise away from the end of a telephone wire.”); *Alltel Nebraska Order* at 16-17; *RCC Mississippi Order* at 9 (“[The mobility of telecommunications] is ... invaluable in summoning emergency services in rural areas where public access telephones are few and far between.”) *see Easy Wireless Designation Order* at 8-9.

every time SI Wireless adds a cell site or increases channel capacity with USF support, such as from the Mobility Fund, the number of completed calls, including important health and safety calls, will increase. Thus, for every cell site that SI Wireless constructs, the reliability and performance of SI Wireless' E911 service will improve.

It is difficult to overstate the important public safety benefit that will be realized should the Commission designate SI Wireless an ETC in its proposed service area, particularly if the Company is successful in obtaining USF support from mechanisms such as the upcoming Mobility Fund Phase I auction. Federal high-cost support would significantly bolster SI Wireless' ability to more quickly expand its coverage throughout portions of Kentucky and build a 3G network that can offer state-of-the-art services.

Wireline service is only available at the end of the provider's wires. By contrast, mobile service can extend important health and safety benefits so that people in need are not required to travel long distances to find a telephone in an emergency or other important health or safety situation.<sup>62</sup>

### **C. Benefits of Competition.**

One of the principal goals of the 1996 Communications Act is, again, to "promote competition and reduce regulation in order to secure lower prices and high-quality services for American telecommunications consumers and encourage the rapid deployment of new telecommunications technologies."<sup>63</sup> Designation of a competitive ETC in rural areas increases facilities and spurs development of advanced

---

<sup>62</sup>*Easterbrooke Rural Order* at 61 ("Reliable mobile communications have a high level of importance for people who live in rural areas. The highest quality wireline service is no substitute for mobile services with broad geographic coverage, simply because the wireline service physically may not be there when it is needed, in a rural area.").

<sup>63</sup> See 1996 Act (preamble).

communications as carriers vie for a consumer's business.<sup>64</sup> Further, as the FCC has stated, the " goal of the Mobility Fund Phase I is to extend the availability of mobile voice service on networks that provide 3G or better performance and to accelerate the deployment of 4G wireless networks in areas where it is cost effective to do so with one-time support."<sup>65</sup> SI Wireless' plans directly support this goal. Finally, additional market entry by ETCs increases the opportunities for eligible low-income Kentuckians to avail themselves of Lifeline benefits. As Chairman Armstrong noted in a March 26, 2012 statement announcing the end of the Link-Up program, while 250,000 Kentucky households participate in the Lifeline program, that is a lower proportion than in many neighboring states, indicating that many eligible Kentuckians do not participate. Likewise, as Governor Beshear and the Commission emphasized when proclaiming September 12-18, 2011 as "Lifeline Awareness Week", statistics suggest there are many eligible customers who are *not yet aware* of the programs. SI Wireless believes that its advertising and outreach efforts will result in increased participation in the Lifeline program in Western Kentucky.

Designation of SI Wireless as an ETC will promote competition and facilitate the provision of high-quality communications services to those living and working within the Company's proposed service area.<sup>66</sup> Residents in many rural areas have long trailed urban areas in receiving competitive local exchange service and advanced telecommunications services, and in some rural areas no meaningful choice of local

---

<sup>64</sup>See, e.g., *Alltel Michigan Order* at 11; *N.E. Colorado Cellular, Inc. d/b/a Viaero Wireless*, Application No. C-3324 (Neb. PSC, Oct. 18, 2005) at 11-12.

<sup>65</sup>See *Connect America Fund Order* at ¶ 322.

<sup>66</sup>See *Carolina West Order*, 21 FCC Rcd at 9156 (para. 17) ("We find CarolinaWest's universal service offering will provide a variety of benefits to customers including consumer choice and advantageous service offerings. For instance, universal service support will enable CarolinaWest to construct facilities to improve quality of service and extend telephone service to people who have no choice of telephone provider.").

exchange carrier exists. It is also evident that the deployment of high-quality wireless telecommunications infrastructure is essential to economic development in rural areas.

SI Wireless will have every incentive to meet its commitments made in this proceeding, including the use of federal USF support to improve its network and reliability. If designated an ETC by the Commission in the proposed ETC service area and successful in obtaining USF support, SI Wireless will be able to better compete for customers, service quality and customer service will improve, and 3G services (and, ultimately, 4G services) will be deployed more quickly to more Kentucky residents. Wider local-calling areas and lower prices overall may also be introduced by Kentucky to retain and attract customers.<sup>67</sup>

Moreover, designation of SI Wireless as an ETC in the requested areas of Kentucky would enable the Company to offer more appealing and affordable service offerings to low-income customers to ensure that they are able to afford wireless services on a consistent and uninterrupted basis. Without question, wireless services have become essential for lower-income citizens, providing them with value for their money, access to

---

<sup>67</sup>See *Implementation of Section 6002(b) of the Omnibus Budget Reconciliation Act of 1993, Annual Report and Analysis of Competitive Market Conditions With Respect to Commercial Mobile Service*, WT Docket No. 06-17, Eleventh Report, 21 FCC Rcd 10947, 10984-85 (para. 92) (2006) (describing how consumers have benefited from proliferation of service offerings including free mobile-to-mobile, nationwide toll-free and/or roaming-free calling, family plans, and unlimited calling to a list of designated numbers.); *Applications of AT&T Wireless Services, Inc. and Cingular Wireless Corp.*, WT Docket Nos. 04-70, 04-254, 04-323, Memorandum Opinion and Order, 19 FCC Rcd 21522, 21554 (para. 63) (2004) (“By fostering continuing experimentation with a variety of different pricing options, service packages, and policies on handset subsidies, competition to attract and retain customers has resulted in complicated and ever-changing pricing and feature structures. Today all of the nationwide operators offer some version of a national rate pricing plan in which customers can purchase variously sized buckets of minutes to use on a nationwide or nearly nationwide network without incurring roaming or long-distance charges. Other significant trends in mobile telephony pricing have been the offering of free night and weekend minutes, and the expansion of free calling among a particular company’s customers, known as ‘in-network’ or ‘mobile-to-mobile’ calling. Moreover, although most U.S. mobile telephony subscribers pay their mobile phone bills after they have incurred charges (known as postpaid service), all the nationwide operators offer some version of a prepaid service either directly to their retail customers or through third-party resellers.”) (footnotes omitted).

emergency services on wireless devices, and a reliable means of contact for prospective employers, social service agencies or dependents. Providing SI Wireless with the authority necessary to offer discounted Lifeline services to those most in danger of losing wireless service altogether undoubtedly promotes the public interest.

**D. Designating SI Wireless as an ETC Will Not Result in “Cream-Skimming”**

As part of its public interest analysis, the FCC determines whether SI Wireless’ designation will enable it to “cream-skim,” that is, target low-cost portions of a rural incumbent LEC’s service area in which uneconomically high levels of support are available.

There is no possibility for cream-skimming in this application. SI Wireless is not targeting particular areas based on the possibility of receiving uneconomic levels of support. On the contrary, SI Wireless is only seeking ETC designation in this application in areas that cover the entirety of the rural incumbent LECs’ service areas that fall within the boundary of its licensed wireless service territory.

**IV. HIGH-COST CERTIFICATION**

SI Wireless commits to use available federal USF support for its intended purposes—the provision, maintenance, and upgrading of facilities and services for which support is intended.<sup>68</sup> Therefore, SI Wireless respectfully requests that the Commission issue a finding that the Company has met the high-cost certification requirement and that SI Wireless is therefore entitled to receive federal USF high-cost support.

---

<sup>68</sup> 47 U.S.C. § 254(e). See Exhibit C.

**V. CONCLUSION**

For the reasons discussed in this Petition, SI Wireless respectfully requests the Commission to designate it as an ETC for the requested designated rural and non-rural areas in Kentucky, and for the purpose of participating in the upcoming Mobility Fund auction.

Respectfully submitted,



---

Douglas F. Brent  
STOLL KEENON OGDEN PLLC  
2000 PNC Plaza  
500 West Jefferson Street  
Louisville, KY 40202  
(502) 333-6000

Todd B. Lantor\*  
(to be admitted per SCR 3.030)  
LUKAS, NACE, GUTIERREZ & SACHS, LLP  
8300 Greensboro Drive  
Suite 1200  
McLean, Virginia 22102  
(703) 584-8678

\* Not admitted in Virginia

April 17, 2012

**CERTIFICATE OF SERVICE**

The undersigned hereby certifies that a copy of the foregoing petition has been served by first class mail on those persons whose names appear below this 17<sup>th</sup> day of April, 2012.

Mary K. Keyer  
General Counsel  
AT&T-KY  
601 W. Chestnut  
Fourth Floor East  
Louisville, KY 40203

Jeanne Shearer  
VP – State Government Affairs  
Windstream KY East – London  
130 New Circle Road, Suite 170  
Lexington, KY 40505

Harlon E. Parker  
CEO & General Manager  
Ballard Rural  
159 West 2<sup>nd</sup> Street  
P.O. Box 209  
La Center, KY 42056

Michael Ebaugh  
Senior Accountant  
Salem Telephone Co.  
TDS Telecom  
10025 Investment Drive, Suite 200  
Knoxville, TN 37392

Trevor R. Bonnstetter  
General Manager  
West KY Rural Telephone  
237 North Eighth Street  
P.O. Box 649  
Mayfield, KY 42066-0649

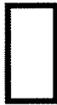
  
\_\_\_\_\_  
Douglas F. Brent

**Exhibit A**

**Map of SI Wireless Proposed ETC Service Areas**



**LEGEND**



State Boundary

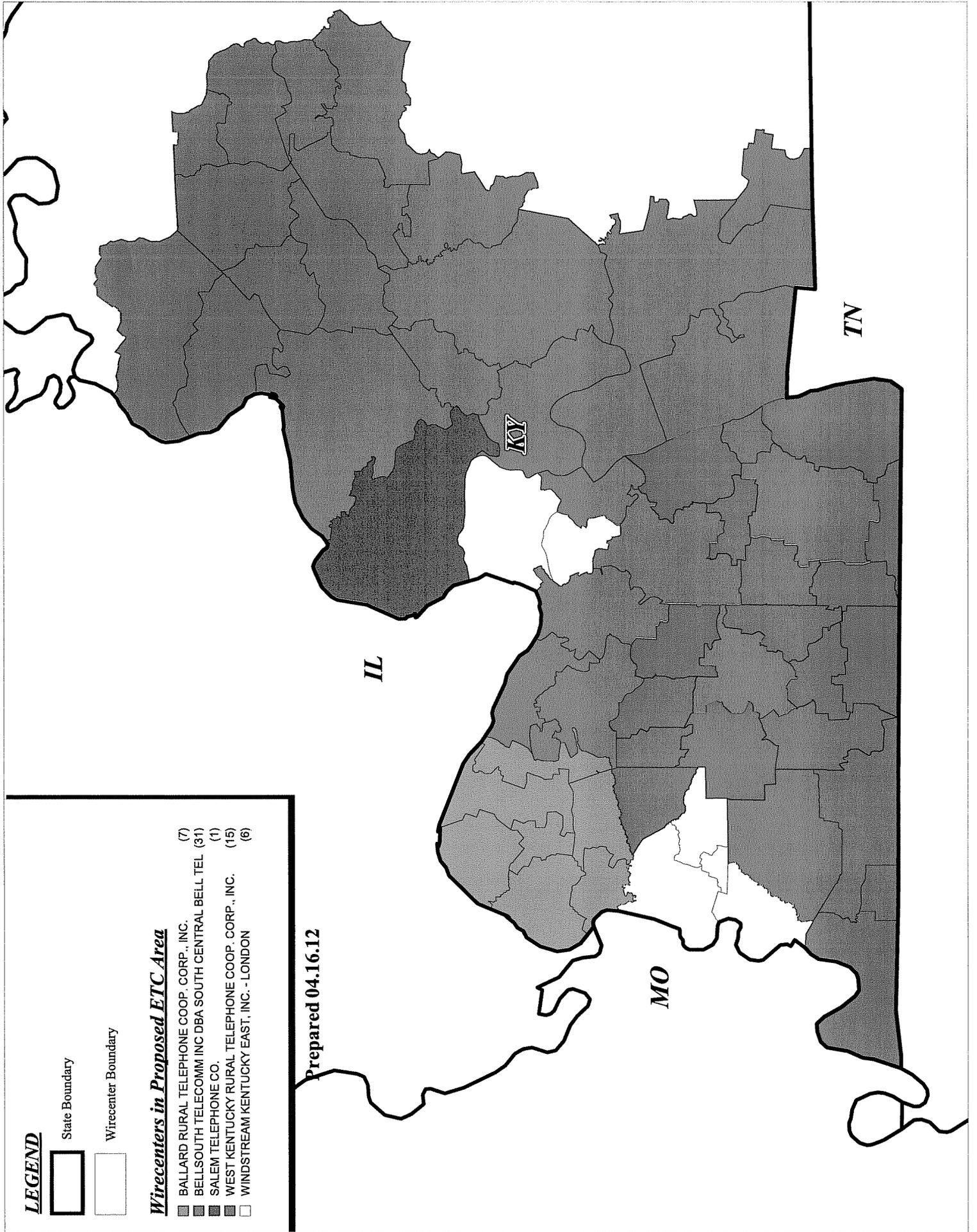


Wirecenter Boundary

***Wirecenters in Proposed ETC Area***

-  BALLARD RURAL TELEPHONE COOP. CORP., INC. (7)
-  BELLSOUTH TELECOMM INC DBA SOUTH CENTRAL BELL TEL (31)
-  SALEM TELEPHONE CO. (1)
-  WEST KENTUCKY RURAL TELEPHONE COOP. CORP., INC. (15)
-  WINDSTREAM KENTUCKY EAST, INC. - LONDON (6)

Prepared 04.16.12



**Exhibit B**

**List of Rural and Non-Rural Study Areas/Wire Centers to be served by SI  
Wireless in its Proposed ETC Designated Area**



**Exhibit B**

**List of Rural and Non-Rural Wire Centers  
Within SI Wireless Proposed  
ETC Service Area**

**Rural Wire Centers**

<b><u>Company</u></b>	<b><u>Wire Center</u></b>
BALLARD RURAL TELEPHONE COOP. CORP., INC.	BNDNKYXA
BALLARD RURAL TELEPHONE COOP. CORP., INC.	BRLWKYXA
BALLARD RURAL TELEPHONE COOP. CORP., INC.	GAGEKYXA
BALLARD RURAL TELEPHONE COOP. CORP., INC.	HETHKYXA
BALLARD RURAL TELEPHONE COOP. CORP., INC.	KEVLKYXA
BALLARD RURAL TELEPHONE COOP. CORP., INC.	LACTKYXA
BALLARD RURAL TELEPHONE COOP. CORP., INC.	WCKLKYXA
SALEM TELEPHONE CO.	SALMKYXA
WEST KENTUCKY RURAL TELEPHONE COOP. CORP., INC.	CNHMKYXA
WEST KENTUCKY RURAL TELEPHONE COOP. CORP., INC.	CTGVTNXA
WEST KENTUCKY RURAL TELEPHONE COOP. CORP., INC.	CYPRTNXA
WEST KENTUCKY RURAL TELEPHONE COOP. CORP., INC.	FLDLKY01
WEST KENTUCKY RURAL TELEPHONE COOP. CORP., INC.	FNFMKYXA
WEST KENTUCKY RURAL TELEPHONE COOP. CORP., INC.	FRNGKYXA
WEST KENTUCKY RURAL TELEPHONE COOP. CORP., INC.	FRTNKYXA
WEST KENTUCKY RURAL TELEPHONE COOP. CORP., INC.	HAZLKYXA
WEST KENTUCKY RURAL TELEPHONE COOP. CORP., INC.	HRDNKYXA
WEST KENTUCKY RURAL TELEPHONE COOP. CORP., INC.	KRKSXYXA
WEST KENTUCKY RURAL TELEPHONE COOP. CORP., INC.	LOWSKYXA
WEST KENTUCKY RURAL TELEPHONE COOP. CORP., INC.	LYGVKYXA
WEST KENTUCKY RURAL TELEPHONE COOP. CORP., INC.	LYVLKYXA
WEST KENTUCKY RURAL TELEPHONE COOP. CORP., INC.	NWCNKYXA
WEST KENTUCKY RURAL TELEPHONE COOP. CORP., INC.	PRYRTNXA
WEST KENTUCKY RURAL TELEPHONE COOP. CORP., INC.	SDLIKYXA
WEST KENTUCKY RURAL TELEPHONE COOP. CORP., INC.	WINGKYXA
WEST KENTUCKY RURAL TELEPHONE COOP. CORP., INC.	WPLNKYXA
WINDSTREAM KENTUCKY EAST, INC. – LONDON	ARTNKYXA
WINDSTREAM KENTUCKY EAST, INC. – LONDON	BRWLKYXA
WINDSTREAM KENTUCKY EAST, INC. – LONDON	CLCTKYXA
WINDSTREAM KENTUCKY EAST, INC. – LONDON	CLMBKYXA
WINDSTREAM KENTUCKY EAST, INC. – LONDON	MLBKYXA
WINDSTREAM KENTUCKY EAST, INC. – LONDON	SMLDKYXA

Note: To the extent that any wire centers have been inadvertently excluded from this Exhibit, SI Wireless intends to serve the entirety of the rural incumbent local exchange carrier study areas identified (except, as explained in the application, SI Wireless only intends to serve the Windstream Kentucky East, Inc. - London wire centers identified above).

**Non-Rural Wire Centers**

<b><u>Company</u></b>	<b><u>Wire Center</u></b>
BELLSOUTH TELECOMM INC DBA SOUTH CENTRAL BELL TEL	FLTNKYMA
BELLSOUTH TELECOMM INC DBA SOUTH CENTRAL BELL TEL	FRDNKYMA
BELLSOUTH TELECOMM INC DBA SOUTH CENTRAL BELL TEL	SEBRKYMA
BELLSOUTH TELECOMM INC DBA SOUTH CENTRAL BELL TEL	SLGHKYMA
BELLSOUTH TELECOMM INC DBA SOUTH CENTRAL BELL TEL	STRGKYMA
BELLSOUTH TELECOMM INC DBA SOUTH CENTRAL BELL TEL	GBVLKYMA
BELLSOUTH TELECOMM INC DBA SOUTH CENTRAL BELL TEL	HANSKYMA
BELLSOUTH TELECOMM INC DBA SOUTH CENTRAL BELL TEL	HCMNKYMA
BELLSOUTH TELECOMM INC DBA SOUTH CENTRAL BELL TEL	LFYTKYMA
BELLSOUTH TELECOMM INC DBA SOUTH CENTRAL BELL TEL	MARNKYMA
BELLSOUTH TELECOMM INC DBA SOUTH CENTRAL BELL TEL	MDVIKYMA
BELLSOUTH TELECOMM INC DBA SOUTH CENTRAL BELL TEL	MGFDKYMA
BELLSOUTH TELECOMM INC DBA SOUTH CENTRAL BELL TEL	MRRYKYMA
BELLSOUTH TELECOMM INC DBA SOUTH CENTRAL BELL TEL	MYFDKYMA
BELLSOUTH TELECOMM INC DBA SOUTH CENTRAL BELL TEL	NEBOKYMA
BELLSOUTH TELECOMM INC DBA SOUTH CENTRAL BELL TEL	PDCHKYIP
BELLSOUTH TELECOMM INC DBA SOUTH CENTRAL BELL TEL	PDCHKYLO
BELLSOUTH TELECOMM INC DBA SOUTH CENTRAL BELL TEL	PDCHKYMA
BELLSOUTH TELECOMM INC DBA SOUTH CENTRAL BELL TEL	PDCHKYRL
BELLSOUTH TELECOMM INC DBA SOUTH CENTRAL BELL TEL	AURRKYMA
BELLSOUTH TELECOMM INC DBA SOUTH CENTRAL BELL TEL	BNTNKYMA
BELLSOUTH TELECOMM INC DBA SOUTH CENTRAL BELL TEL	PRTNKYES
BELLSOUTH TELECOMM INC DBA SOUTH CENTRAL BELL TEL	PRVDKYMA
BELLSOUTH TELECOMM INC DBA SOUTH CENTRAL BELL TEL	CADZKYMA
BELLSOUTH TELECOMM INC DBA SOUTH CENTRAL BELL TEL	CLAYKYMA
BELLSOUTH TELECOMM INC DBA SOUTH CENTRAL BELL TEL	CLTNKYES
BELLSOUTH TELECOMM INC DBA SOUTH CENTRAL BELL TEL	CNTNKYMA
BELLSOUTH TELECOMM INC DBA SOUTH CENTRAL BELL TEL	DIXNKYMA
BELLSOUTH TELECOMM INC DBA SOUTH CENTRAL BELL TEL	DWSPKYES
BELLSOUTH TELECOMM INC DBA SOUTH CENTRAL BELL TEL	EDVLKYMA
BELLSOUTH TELECOMM INC DBA SOUTH CENTRAL BELL TEL	UNCYTNMA

Note: To the extent that any wire centers have been inadvertently excluded from this Exhibit, SI Wireless intends to serve the entirety of the rural incumbent local exchange carrier study areas identified (except, as explained in the application, SI Wireless only intends to serve the Windstream Kentucky East, Inc. - London wire centers identified above).

**Exhibit C**  
**SI Wireless Certification**



**CERTIFICATION**

State of Oklahoma

County of Canadian

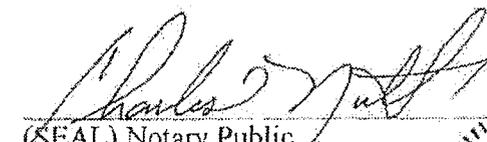
Jason Narrell being duly sworn, states that he files this Application as Chief Financial Officer of SI Wireless, LLC ("SI Wireless"); that in such capacity, he is qualified and authorized to file and verify such Application; that he has carefully examined all the statements and matters contained in the Application; and that all such statements made and matters set forth therein are true and correct to the best of his knowledge, information and belief

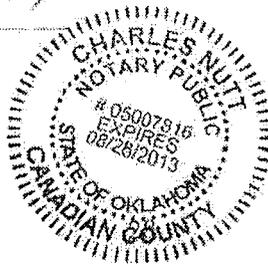
Jason Narrell further states that SI Wireless offers or will be able to offer, all of the services designated for support by the Federal Communications Commission throughout the areas in which SI Wireless is requesting designation as an ETC, that the Application is made in good faith, with the intention of presenting evidence in support thereof in every particular.

Jason Narrell further certifies that in his capacity as CFO of SI Wireless, that if SI Wireless is designated an Eligible Telecommunications Carrier by the Commission, SI Wireless will use any Universal Service Fund ("USF") support received only for the provision, maintenance and upgrading of facilities and services for which the support is intended and that he is authorized to make this certification on behalf of SI Wireless, LLC.

  
Jason Narrell  
CFO  
SI Wireless, LLC

Subscribed and sworn to before me, a Notary Public in and for the State and County named above, this 6<sup>th</sup> day of April, 2012.

  
(SEAL) Notary Public



**Exhibit D**

**SI Wireless Lifeline Offering and Sample Newspaper Insert for Kentucky**



### SI Wireless Lifeline Offering

SI Wireless, LLC (d/b/a MobileNation) will allow the Lifeline discount to be applied against all plans being offered.

<b>CALLING PLAN FEATURES</b>	<b>\$29.99/mo</b>	<b>\$39.99/mo</b>	<b>\$59.99/mo</b>	<b>\$69.99/mo</b>	<b>\$79.99/mo</b>
UNLIMITED Mobile to Mobile minutes (any carrier)	✓	✓	✓	✓	✓
UNLIMITED night and weekend minutes	✓	✓	✓	✓	✓
UNLIMITED text messaging	✓	✓	✓	✓	✓
UNLIMITED picture messaging	✓	✓	✓	✓	✓
Daytime Weekday Mobile to Landline Minutes	<b>75</b>	<b>450</b>	<b>900</b>	<b>1200</b>	<b>1600</b>
CARRYOVER unused anytime minutes to next month	✓	✓	✓	✓	✓
Voice mail	✓	✓	✓	✓	✓
Caller ID	✓	✓	✓	✓	✓
Call waiting	✓	✓	✓	✓	✓
Call forwarding	✓	✓	✓	✓	✓
Three - way calling	✓	✓	✓	✓	✓
Toll Blocking Options (free)	✓	✓	✓	✓	✓
Activation Fee	<b>\$35.00</b>	<b>\$35.00</b>	<b>\$35.00</b>	<b>\$35.00</b>	<b>\$35.00</b>
Additional anytime minutes	<b>25¢/min</b>	<b>25¢/min</b>	<b>25¢/min</b>	<b>25¢/min</b>	<b>25¢/min</b>
Lifeline Discount (if qualified)	<b>\$9.25</b>	<b>\$9.25</b>	<b>\$9.25</b>	<b>\$9.25</b>	<b>\$9.25</b>

**All pricing and plans are subject to change.**

# Verizon and AT&T Customers

**SAVE  
UP TO  
40%**

**on your wireless phone  
bill every month.**

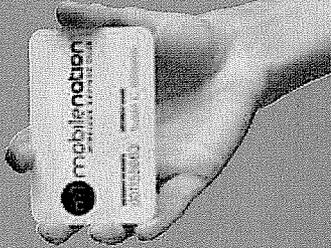
**It's Simple.  
Switch to  
MobileNation.**



**SEE INSIDE FOR DETAILS**

The time to switch wireless phone carriers is here.

**MobileNation** is a revolutionary new concept—the first-ever wireless savings club. That means you'll receive high-quality wireless phone service at a very affordable price. MobileNation members also receive money-saving discounts on hotel stays, car rentals, concerts and more for free.



JOIN the only  
**WIRELESS  
SAVINGS  
CLUB**

**ALL MobileNation plans include the following features at no additional charge**

- ✓ **UNLIMITED CALLING TO ANY U.S. MOBILE** ✓ **UNLIMITED TEXT/PICTURE MESSAGING**
- ✓ **Carryover unused anytime minutes** ✓ **Free coverage protection alerts** ✓ **Free voicemail**
- ✓ **Unlimited night and weekend minutes** ✓ **Free call waiting/caller ID/2-way calling** ✓ **Free call forwarding**

Individual Savings Nationwide Plans	\$29 <sup>99</sup> <sub>month</sub>	\$39 <sup>99</sup> <sub>month</sub>	\$59 <sup>99</sup> <sub>month</sub>	\$69 <sup>99</sup> <sub>month</sub>	\$79 <sup>99</sup> <sub>month</sub>
Nationwide anytime minutes	75	450	900	1200	1600
Affordable Data plans that Carryover unused data to the next month.	1GB Package \$15/month	4GB Package \$25/month			

Family Savings Nationwide Plans	\$99 <sup>99</sup> <sub>month</sub>	\$119 <sup>99</sup> <sub>month</sub>	\$139 <sup>99</sup> <sub>month</sub>	\$159 <sup>99</sup> <sub>month</sub>
Number of lines	2 lines	3 lines	4 lines	5 lines
Nationwide anytime minutes	900	900	900	900
Included Shared Data Packs	4GB	6GB	8GB	10GB

COMPARE your plan at  
[youwillswitch.com](http://youwillswitch.com)

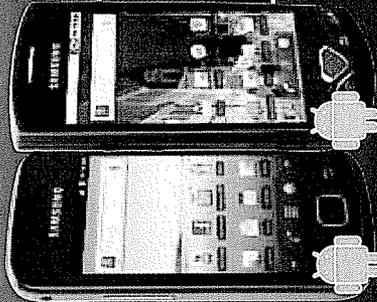


**Verizon  
and AT&T  
Customers,  
COMPARE  
YOUR BILL & SAVE**

Three LINES	MobileNation™ (3 lines)	Verizon™ (3 lines)	AT&T™ (3 lines)
Nationwide Anytime Minutes	900	700	700
Unlimited Calling to Any US Mobile	✓	n/a	✓
Carryover Unused Minutes & Data	✓	n/a	Minutes Only
Unlimited Messaging	✓	✓	✓
Data For Each Line	6GB Shared	4GB Per Line	3GB Per Line
Cost per Month for 3 Lines w/Data	\$199 <sup>99</sup> *	\$199 <sup>97</sup> *	\$199 <sup>98</sup> *

**Switch** SAVE **40%**  
& GET MORE FOR LESS! A MONTHLY SAVINGS

**FREE  
ANDROID  
PHONES**



**SAVINGS CLUB  
SPECIAL PURCHASE  
LIMITED  
QUANTITIES**

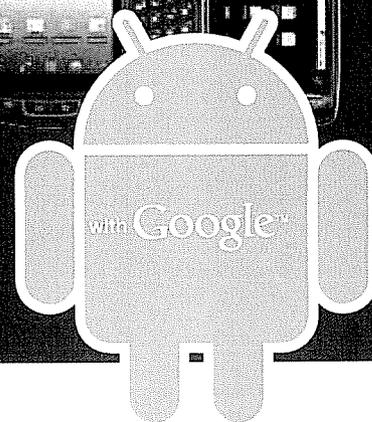
Android™ is a trademark of Google, Inc. The Android Robot is reproduced or modified from work created and shared by Google for use according to terms described in the Creative Commons 3.0 Attribution License.

## All MobileNation calling plans include features that other wireless carriers charge extra for.

- **Unlimited calling to and from any U.S. Mobile Number**  
(Other wireless carriers charge up to \$30 in addition to the calling plan price)
- **Unlimited Text and Picture Messaging**  
(Other wireless carriers charge up to \$30 in addition to the calling plan price)
- **Carryover unused Data and Anytime Minutes to the next month**  
(Carryover Data not available with any other wireless carrier)
- **Family Plans that share all your features - including data**  
(Other wireless carriers charge per line for each feature which really adds up)



Choose from a  
**GREAT SELECTION** of  
low cost phones, from simple to stylish!



### MobileNation Full Service Centers

#### KENTUCKY - COMING SOON

2780 New Holt Rd Ste B Paducah, KY

#### TENNESSEE

Dyersburg - Phone: 731-256-7090

Humboldt - Phone: 731-256-7094

North Jackson - Phone: 731-256-7082

South Jackson - Phone: 731-256-7084

Milan - Phone: 731-256-7088

### MobileNation Authorized Agents

#### KENTUCKY - NOW OPEN

Mayfield - Precision Audio Video Security - Phone: 270-247-8838

Paducah - Precision Audio Video Security - Phone: 270-442-3455

#### TENNESSEE

Bolivar - Boyles Business Networks - Phone: 731-658-4941

Dover - Cheatham TV & Furniture/RadioShack - Phone: 931-232-7086

Henderson - Henderson Trophy & Gift - Phone: 731-989-4400

Huntingdon - C&H Screen Graphics - Phone: 731-986-0604

Lexington - Playback Video - Phone: 731-968-0778

Linden - The Video Corner - Phone: 931-589-5401

McKenzie - McKenzie Auto Parts/RadioShack - Phone: 731-352-5333

Paris - Beasley Antenna & Satellite - Phone: 731-642-4077

Savannah - Printers Express - Phone: 731-926-1472

Sparta - The Computer Doctors - Phone: 931-837-4357

Waverly - Klein Enterprise - Phone: 931-296-5678



JOIN ONLINE - FREE SHIPPING ON ALL ORDERS

**YouWillSwitch.com**

Plan comparison information was taken on 3/28/2012, from the following Web sites: www.wireless.att.com, www.verizonwireless.com. Verizon plans include 4GB data per line. AT&T plans include 3GB data per line. MobileNation plan includes 6GB shared data. This information is not intended to include or encompass all plan variations, promotional pricing or any subsequent plan modifications. All prices listed are monthly and are based on comparable smartphone plans. Free offers require credit check and 2 year contract. Taxes, surcharges, E911, & MobileNation imposed regulatory recover fees. MobileNation offers both Contract & No Contract Membership Plans. Please see the terms and conditions located within the support section on mymobilenation.com for complete service details.