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August 30, 2007

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AUG 31 2007

PUBLIC SERVICE
COMMISSION

via Federal Express
Hon. Beth O'Donnell
Executive Director
Public Service Commission
211 Sower Blvd.
P. O. Box 615
Frankfort, KY 40601

**Re: *A Certification of the Carriers Receiving Universal Service High Cost Support,
Administrative Case No. 381***

Dear Ms. O'Donnell:

Enclosed for filing with the Public Service Commission of the Commonwealth of Kentucky is one original and eleven (11) copies of Bluegrass Wireless, LLC, Kentucky RSA #3 Cellular General Partnership, Kentucky RSA #4 Cellular General Partnership and Cumberland Cellular Partnership's (collectively "Bluegrass Cellular") Annual Affidavit Regarding Use of Federal Universal Service High-Cost Support in the above-styled case. Please return a file-stamped copy in the self-addressed, postage prepaid envelope furnished herewith.

Thank you, and if you have any questions, please call me.

Very truly yours,

DINSMORE & SHOHL LLP



Holly C. Wallace

HCW/rk
Enclosures
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COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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AUG 31 2007

PUBLIC SERVICE
COMMISSION

In the Matter of:

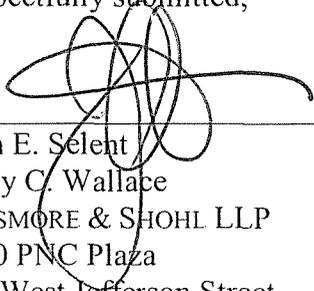
A CERTIFICATION OF THE CARRIERS) ADMINISTRATIVE
RECEIVING UNIVERSAL SERVICE) CASE NO. 381
HIGH COST SUPPORT)

**ANNUAL AFFIDAVIT OF BLUEGRASS WIRELESS, LLC, KENTUCKY RSA #3
CELLULAR GENERAL PARTNERSHIP, KENTUCKY RSA #4 CELLULAR
GENERAL PARTNERSHIP AND CUMBERLAND CELLULAR PARTNERSHIP
(COLLECTIVELY "BLUEGRASS CELLULAR") REGARDING USE OF FEDERAL
UNIVERSAL SERVICE HIGH-COST SUPPORT**

Bluegrass Wireless, LLC, Kentucky RSA #3 Cellular General Partnership, Kentucky RSA #4 Cellular General Partnership and Cumberland Cellular Partnership (collectively "Bluegrass Cellular"), hereby submit the attached affidavit regarding the use of Federal Universal Service High-Cost Support.

In order to receive federal support beginning January 1 of each year, the Kentucky Public Service Commission must file its annual certification on or before October 1 of the previous year. The attached affidavit should be accepted by the Kentucky Public Service Commission for the purpose of notifying the Universal Service Administrative Company ("USAC") and the Federal Communications Commission ("FCC") that Bluegrass Cellular is eligible to receive high-cost support in accordance with 47 U.S.C. § 254(e).

Respectfully submitted,



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**Counsel to Bluegrass Wireless, LLC,
Kentucky RSA #3 Cellular General
Partnership, Kentucky RSA #4
Cellular General Partnership and
Cumberland Cellular Partnership
(collectively "Bluegrass Cellular")**

AFFIDAVIT OF RON SMITH

I, the undersigned Ron Smith, do hereby declare under penalty of perjury as follows.

1. I am the authorized representative of Bluegrass Wireless, LLC, Kentucky RSA #3 Cellular General Partnership, Kentucky RSA #4 Cellular General Partnership and Cumberland Cellular Partnership (collectively "Bluegrass Cellular"). I am personally familiar with the Federal Universal Service High-Cost Support received by Bluegrass Cellular and how these funds are used by Bluegrass Cellular.

2. Bluegrass Wireless, LLC was designated as an eligible telecommunications carrier by the Kentucky Public Service Commission in Case No. 2005-00017 by order dated July 8, 2005.

3. Kentucky RSA #4 Cellular General Partnership was designated as an eligible telecommunications carrier by the Kentucky Public Service Commission in Case No. 2005-00018 by order dated July 8, 2005.

4. Kentucky RSA #3 Cellular General Partnership was designated as an eligible telecommunications carrier by the Kentucky Public Service Commission in Case No. 2005-00019 by order dated July 8, 2005.

5. Cumberland Cellular Partnership was designated as an eligible telecommunications carrier by the Kentucky Public Service Commission in Case No. 2005-00020 by order dated July 8, 2005.

6. Bluegrass Cellular estimates that it will receive a total of \$13,312,188.00 of Federal Universal Service High-Cost Support during the January 1, 2008 to December 31, 2008 time period. As stated above, Bluegrass Cellular consists of four entities (*see* Paragraph 1). The total cost of \$13,312,188 is composed of the following estimates per entity: a) Bluegrass Wireless, LLC will receive \$26,625.00; b) Kentucky RSA #4 Cellular General

Partnership will receive \$1,717,272.00; c) Kentucky RSA #3 Cellular General Partnership will receive \$2,409,506.00; and d) Cumberland Cellular Partnership will receive \$9,158,785.00.

7. The Federal Universal Service Support funds Bluegrass Cellular receives during 2008 will be used for the provision, maintenance and upgrading of facilities and services for which the support is intended, as designated by the Federal Communications Commission consistent with Section 254(e) of the Federal Telecommunications Act of 1996. These funds will be used to provide the following supported services, as outlined in 47 C.F.R. § 54.101(a), which are available to any customer in Bluegrass Cellular's service area: voice grade access to the public switched network, unlimited local usage, dual tone multi-frequency signaling or its functional equivalent, access to emergency services, including 9-1-1 service or enhanced 9-1-1 service, access to operator service, access to interexchange service and access to directory assistance and toll limitation for qualifying low income customers.

8. Bluegrass Cellular follows Federal Communications Commission Part 32 accounting requirements for regulated local exchange carriers and Part 36 separations provisions used to determine high-cost support amounts.

9. While continuing to receive the estimated amount of Federal Universal Service support as described and using this support for the purposes as described, Bluegrass Cellular does not anticipate increasing local rates nor withdrawing any services; therefore, the comparability of rates and service between the rural areas served by Bluegrass Cellular and the urban areas of Kentucky will not be changed because of any action on the part of Bluegrass Cellular.

10. In accordance with the July 8, 2005 order in Case Nos. 2005-00017, 2005-00018, 2005-00019, and 2005-00020, Bluegrass Cellular reports that it received a total of

twenty-three complaints in 2006, and a total of twelve complaints to date in 2007. Bluegrass Cellular also reports that it progressed with its build-out plans. From January 2006 to the present, Bluegrass Cellular placed 61 new sites into service: a) 17 for Kentucky RSA #3 Cellular General Partnership; b) 11 for Kentucky RSA #4 Cellular General Partnership; c) 24 for Cumberland Cellular Partnership; and d) 9 for Bluegrass Wireless, LLC. In addition, Bluegrass Cellular reports that it does not have any documentation of unfulfilled requests for service in its service area within the past year, and it believes that there are none.

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

Ron Smith
Ron Smith
Authorized Representative
Bluegrass Wireless, LLC, Kentucky RSA #3
Cellular General Partnership, Kentucky RSA #4
Cellular General Partnership and Cumberland
Cellular Partnership (collectively "Bluegrass
Cellular")

COUNTY OF Hardin)
)
STATE OF KENTUCKY)

Sworn and subscribed before me, the undersigned authority, on this the 30th day of August, 2007.

[Signature]
Notary Public, State of Kentucky

My Commission expires 11/20/07.

(SEAL)