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August 31, 2007

Beth O'Donnell  
Executive Director  
Public Service Commission  
211 Sower Blvd.  
Frankfort, KY 40601

RECEIVED

AUG 31 2007

PUBLIC SERVICE  
COMMISSION

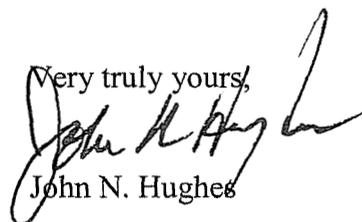
Re: Adm. Case 381

Dear Beth:

Attached is NPCR, Inc.'s annual certification filing in Administrative Case 381, pursuant to the Order of September 25, 2001 and in response to the Order in Case 2003-00143, which designated NPCR, Inc. as the ETC in certain rural areas of the state. The information provided will support the Commission's annual certification to the Federal Communications Commission and the Universal Service Administrative Company that NPCR, Inc. is eligible to receive high cost support in accordance with 47 U.S.C. 254(e).

The exhibits attached to the filing are submitted with a Petition for Confidentiality. If there are any questions about this matter, please contact me.

Very truly yours,



John N. Hughes

Attachments

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

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

NPCR, Inc. (the “Company”) is committed to providing excellent customer service and the highest level of telecommunications services in rural, insular and high-cost areas at rates that are affordable and competitive with those available in non-rural areas. It is critical that Company remain eligible to receive federal high cost support to meet these goals.

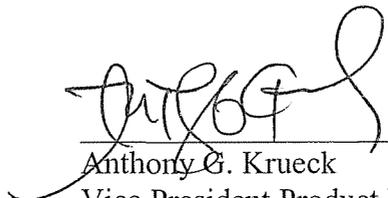
The state certification of eligible telecommunications carriers (“ETCs”) to receive federal high-cost universal service support is an annual process. In order to receive federal support beginning January 1 of each year, the Kentucky Public Service Commission must file its annual certification with the Universal Service Administrative Company (“USAC”) and the Federal Communications Commission (“FCC”) 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 certifying NPCR, Inc. as eligible to receive high cost support in accordance with 47 U.S.C. § 254(e) and 47 C.F.R. §§ 54.313-54.314.

NPCR, Inc. would be happy to meet with staff to discuss any questions they may have regarding the information provided.

Respectfully submitted,

Dated: August 29, 2007

NPCR, INC.

  
\_\_\_\_\_  
Anthony G. Krueck  
Vice President Product Development and  
Management



4. Consistent with the Commission's *ETC Designation Order* and September 24, 2001 Order in Administrative Case No. 381, NPCR, Inc. submits the following information and respectfully requests that the Commission certify the Company's use of federal high-cost universal service support to the FCC and USAC for calendar year 2008. The Company's eligibility to receive certain high-cost universal service support for the 2008 calendar year is dependent upon the Commission certifying NPCR, Inc.'s eligibility to the FCC and USAC on or before October 1, 2007. *See* 47 C.F.R. §§ 54.313(d)(3)(i) and 54.314(d)(1). NPCR, Inc. requests that the Commission transmit a letter to the FCC and USAC to provide for the certification.

5. Based on the Company's historical universal service support disbursements, the Company currently estimates that it will receive approximately \$2,773,742 in federal high-cost universal service support for the provision of service within its designated Kentucky service areas during calendar year 2008. The actual amount of federal high-cost universal service support received by the Company may vary from this estimate as universal service funding and subscribership levels change over time.

6. The federal high-cost universal service support the Company receives during 2008 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 (the "Act"), 47 U.S.C. § 254(e).

7. NPCR, Inc. will utilize the support it receives in calendar year 2008 to provide the following services or functionalities supported by the federal high-cost universal support mechanisms: single-party voice grade access to the public switched network, local usage, dual-tone multi-frequency signaling or its functional equivalent, access to emergency services,

including 911 service or Enhanced 911 service, access to operator service, access to interexchange service, access to directory assistance and toll limitation for qualifying low income customers.

8. As set forth in Section 254 of the Act, Congress articulated its intent that consumers in all regions of the nation, including rural, insular and high-cost areas, have access to telecommunications and information services at rates that are competitive with rates charged for similar services in urban areas.

9. The actual cost to provide service in rural and high-cost areas is influenced by numerous factors, including the costs associated with operating, maintaining and upgrading facilities. To this end, the federal universal service support received by NPCR, Inc. will offset some of the financial burden associated with owning, operating, maintaining and upgrading facilities in rural and high-cost areas and allow these services to be offered at rates that are competitive with rates for similar services in non-rural areas.

10. **Confidential Attachment A** provides a description of the Company's proposed 2007 & 2008 service improvements and the estimated location and cost associated with each project. **Confidential Attachment B** depicts where proposed cell sites will be located. NPCR, Inc.'s proposed service improvements have been selected on the basis of the Company's current judgment of where there is unfulfilled consumer demand and where the Company's network may be expanded or improved to meet this need. **Confidential Attachment B** also illustrates the Company's approved expansion of radio frequency ("RF") coverage within the State. If consumer demands change, the Company may revise proposed service improvement plans accordingly. The Company's proposed service improvement projects may also be modified

depending upon the amount of federal high-cost universal service support it receives and the timing of the receipt of such support.

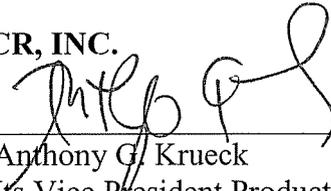
11. Pursuant to the terms of the Commission's *ETC Designation Order* and included with this Certification is documentation detailing NPCR, Inc.'s substantial progress towards meeting its service improvement goals. By the end of 2007, the Company expects to have constructed a total of 102 cell sites in Kentucky since being designated an ETC in the state. NPCR, Inc. anticipates utilizing the federal high-cost universal service support it receives in 2007 to construct 6 cell sites that provide service within the Company's designated service areas. Although NPCR, Inc.'s capital expenditures have greatly exceeded the amount of high-cost universal service support it has received since ETC designation, the Company may in the future allocate high-cost universal service support to the maintenance and operating expense incurred to provide service within its designated service areas. **Confidential Attachment C** provides a summary of the average operational expense associated with the continued operation of a single cell site in Kentucky.

12. From July 1, 2006, through June 30, 2007, NPCR, Inc. received a total of .214508 complaints per 1,000 handsets. No requests for service from potential customers went unfulfilled during this same time period.

Date: August 29, 2007

**NPCR, INC.**

By

  
\_\_\_\_\_  
Anthony G. Krueck

Vice President Product Development  
and Management

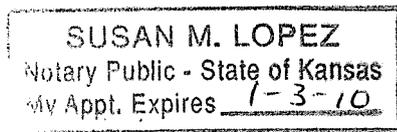
Subscribed and sworn to before me  
this 29 day of August, 2007.

(SEAL)

  
\_\_\_\_\_

Notary Public

My commission expires: 1-3-10



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

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

**NPCR, INC.'S PETITION FOR  
CONFIDENTIAL TREATMENT**

NPCR, Inc., by undersigned counsel, and pursuant to 807 KAR 5:001, Section 7, hereby petitions the Kentucky Public Service Commission ("PSC") for an Order granting confidential treatment to certain exhibits to NPCR, Inc.'s Annual Certification filed pursuant to the Commission's September 25, 2001 Order in this Docket. In support of this petition, NPCR, Inc. states as follows:

1. NPCR, Inc. is requesting confidential treatment for its filing of the following documents: (1) a spreadsheet describing the Company's proposed service improvement projects and the estimated locations and costs associated with such improvements (Confidential Attachment A); (2) a map depicting the estimated location of cell sites proposed to be constructed by NPCR, Inc. and the expansion of the Company's RF coverage within the Commonwealth of Kentucky from 2007 to 2008 (Confidential Attachment B); and (3) a summary description of the operational and maintenance costs associated with operating a single cell site in Kentucky (Confidential Attachment C).

2. These exhibits contain proprietary information that would aid competitors of NPCR, Inc. and such proprietary trade secret information is subject to protection from disclosure pursuant to Kentucky law. See KRS 61.870, et seq.

3. The specific exhibits NPCR, Inc. proposes to file would reveal proprietary information regarding NPCR, Inc.'s network infrastructure and buildout plans. This information constitutes a trade secret because it is commercial information that, if disclosed, could cause substantial competitive harm to NPCR, Inc. 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 form, they could use it to the competitive detriment of NPCR, Inc.

4. Unlike incumbent telephone companies who are typically subject to a high degree of regulation, wireless providers like NPCR, Inc. operate in a highly competitive marketplace where such proprietary information is closely guarded to ensure it is not disclosed to competitors.

5. This information is not generally disclosed to non-management employees of NPCR, Inc., and is protected internally by the Company as proprietary information.

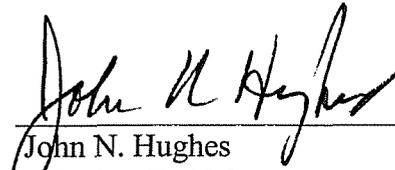
6. The disclosure of this proprietary information would result in significant or irreparable competitive harm to NPCR, Inc. by providing its competitors with non-reciprocal competitive advantage. No public purpose is served by the disclosure of such information, and the Regulations of the PSC contemplate the filing of such information under Confidentiality Order.

7. Additional grounds for the requested relief are stated in the attached affidavit of Karine M. Hellwig as an authorized representative of NPCR, Inc.

8. The three documents for which confidential treatment is sought (Confidential Attachments A through C), are attached to this filing in a sealed envelope for inspection, and

NPCR, Inc., pursuant to the preceding discussion, requests that the documents be deemed confidential by the PSC.

WHEREFORE, NPCR, Inc. respectfully requests that the PSC enter all necessary Orders granting confidential treatment to Confidential Attachments A through C.



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John N. Hughes  
124 West Todd St  
Frankfort, KY 40601  
Attorney for NPCR, INC.

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

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

**AFFIDAVIT OF KARINE M. HELLWIG IN SUPPORT  
OF PETITION FOR CONFIDENTIAL TREATMENT**

STATE OF KANSAS )  
 ) ss.  
COUNTY OF JOHNSON )

I, Karine M. Hellwig, being first duly sworn on oath, state as follows:

1. I am the Manager of Regulatory Reporting for NPCR, Inc. 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 NPCR, Inc.

2. NPCR, Inc. is requesting confidential treatment for its proposed filing of the following documents: (1) a spreadsheet describing the Company's proposed service improvement projects and the estimated locations and costs associated with such improvements (Confidential Attachment A); (2) a map depicting the estimated location of cell sites proposed to be constructed by NPCR, Inc. and the expansion of the Company's RF coverage within the Commonwealth of Kentucky from 2007 to 2008 (Confidential Attachment B); and (3) a summary description of the operational and maintenance costs associated with operating a single cell site in Kentucky (Confidential Attachment C).

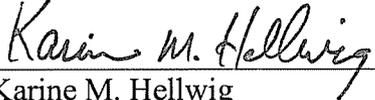
3. These exhibits contain proprietary information that would aid competitors of NPCR, Inc., and such trade secret information is subject to protection from disclosure pursuant to Kentucky law. *See* KRS 61.870, *et seq.*

4. The specific exhibits NPCR, Inc. 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 NPCR, Inc. 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 NPCR, Inc.

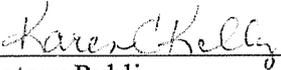
5. Unlike incumbent telephone companies who are typically subject to a high degree of regulation, wireless providers like NPCR, Inc. operate in a highly competitive marketplace where such proprietary information is closely guarded to ensure it is not disclosed to competitors.

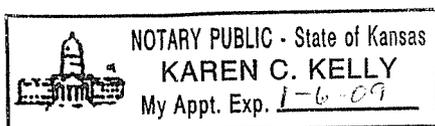
6. This information is not generally disclosed to non-management employees of NPCR, Inc. and is protected internally by the Company as proprietary information.

Respectfully submitted,

  
\_\_\_\_\_  
Karine M. Hellwig  
Manager, Regulatory Reporting  
NPCR, Inc.

Subscribed and sworn to before me  
this 29 day of August, 2007.

  
\_\_\_\_\_  
Notary Public



**NPCR, Inc.**  
**Kentucky Wireless Receipts and Expenditures**  
**Year 1 Forecast, 2007**

<b>FORECASTED RECEIPTS</b>
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Description of Expense	Location of Expense			Population Served	Estimated Start Date	Estimated Completion Date	Estimated Budget
	City	State	Wire Center				

REDACTED

**NPCR, INC.**  
**CONFIDENTIAL ATTACHMENT B**

REDACTED

**NPCR, INC.**  
**CONFIDENTIAL ATTACHMENT C**

Cell Site Operation Costs

REDACTED