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PUBLIC SERVICE  
COMMISSION

August 27, 2008

**Via Federal Express**

Hon. Stephanie L. Stumbo  
Executive Director  
Public Service Commission  
211 Sower Blvd.  
P. O. Box 615  
Frankfort, KY 40601

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

Dear Ms. Stumbo:

We are legal counsel to Bluegrass Wireless, LLC, Kentucky RSA #3 Cellular General Partnership, Kentucky RSA #4 Cellular General Partnership and Cumberland Cellular General Partnership (collectively "Bluegrass Cellular"). In that capacity, and pursuant to the Kentucky Public Service Commission's July 8, 2005 orders in Case Nos. 2005-00017, 2005-00018, 2005-00019, and 2005-00020, enclosed please find one original and ten (10) copies of Bluegrass Cellular's Annual Affidavit Regarding Use of Federal Universal Service Support to be filed in Administrative Case No. 381.

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

Very truly yours,

DINSMORE & SHOHL LLP

Holly C. Wallace

Enclosure

cc: Ron Smith  
Mark Freeman  
John E. Selent, Esq.

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COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

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AUG 28 2008

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 \$15,512,172.00 of Federal Universal Service Support during the January 1, 2009 to December 31, 2009 time period. As stated above, Bluegrass Cellular consists of four entities (*see* Paragraph 1). The total cost of \$15,512,172 is composed of the following estimates per entity: a) Bluegrass Wireless, LLC will receive \$155,121.72; b) Kentucky RSA #4 Cellular General Partnership

Partnership will receive \$2,016,582.36; c) Kentucky RSA #3 Cellular General Partnership will receive \$3,412,677.84; and d) Cumberland Cellular Partnership will receive \$9,927,790.08.

7. The Federal Universal Service Support funds Bluegrass Cellular receives during 2009 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

