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December 11, 2013

Via Federal Express

Hon. Jeff Derouen, 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 Mr. Derouen:

We are legal counsel to Bluegrass Wireless, LLC, Kentucky RSA #3 Cellular General Partnership, Kentucky RSA #4 Cellular General Partnership and Cumberland Cellular 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 eleven (11) copies of Bluegrass Cellular's Annual Affidavit Regarding Use of Federal Universal Service Support to be filed in Administrative Case No. 381.

This affidavit was previously submitted to Jim Stevens, via e-mail, on Thursday, December 5, 2013.

Please file-stamp the additional copy and return it to me in the enclosed, self-addressed, postage pre-paid envelope.

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

Very Truly Yours,

DINSMORE & SHOHL LLP

John El Selent

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Enclosure

cc: Ron Smith

1110755v1

AFFIDAVIT OF RON SMITH

RECEIVED

I, the undersigned Ron Smith, do hereby declare under penalty of perjury as follows 2 2013

- 1. I am the authorized representative of Bluegrass Wireless, LLC, Kentucky SAFA 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 \$11,721,541 of Federal Universal Service High-Cost Support during the January 1, 2014 to December 31, 2014 time period. As stated above, Bluegrass Cellular consists of four entities (see Paragraph 1). The total amount of \$11,721,541 is composed of the following estimates per entity: a) Bluegrass Wireless, LLC will receive \$115,303; b) Kentucky RSA #4 Cellular General Partnership will receive

\$1,517,155; c) Kentucky RSA #3 Cellular General Partnership will receive \$2,306,076; and d) Cumberland Cellular Partnership will receive \$7,783,007.

- 7. The Federal Universal Service Support funds Bluegrass Cellular received in the preceding calendar year were 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 were 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. The Federal Universal Service Support funds Bluegrass Cellular receives during 2013 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.
- 9. 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.

- 10. 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.
- 11. Bluegrass Cellular placed zero (0) new cell sites into service in 2012: a) zero (0) for Kentucky RSA #3 Cellular General Partnership; b) zero (0) for Kentucky RSA #4 Cellular General Partnership; c) zero (0) for Cumberland Cellular Partnership; and d) zero (0) for Bluegrass Wireless, LLC. Bluegrass Cellular received 0.066 "trouble reports" per 1,000 handsets in 2012, and did not receive any unfulfilled requests for service in its service area.
- 12. The matters addressed above are within my personal knowledge and are true and correct.

Ron Smith
Authorized Representative
Bluegrass Wireless, LLC, Kentucky RSA #3
Cellular General Partnership, Kentucky RSA
#4 Cellular General Partnership and

#4 Cellular General Partnership and Cumberland Cellular Partnership

COUNTY OF <u>HOLDUN</u> STATE OF KENTUCKY)
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Sworn and subscribed before me, the undersigned authority, on this the \mathcal{L}^{μ} day of November, 2013.

Clinabeth Love # 454188

Notate Public, State of Kentucky

My Commission expires 11-21-15 (SEAL)