

**EAST KENTUCKY NETWORK, LLC**

**d/b/a APPALACHIAN WIRELESS**

**MANCHESTER NORTH  
CELLULAR TOWER  
APPLICATION**

**Clay County, Kentucky**

**P.S.C. CASE # 2009-00384**

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

RECEIVED

OCT 21 2009

PUBLIC SERVICE  
COMMISSION

In the matter of:

THE APPLICATION OF EAST KENTUCKY NETWORK )  
LIMITED LIABILITY COMPANY FOR THE ISSUANCE )  
OF A CERTIFICATE OF PUBLIC CONVENIENCE AND ) CASE No 2009-00384  
NECESSITY TO CONSTRUCT A TOWER IN CLAY )  
COUNTY, KENTUCKY.)

East Kentucky Network, LLC, d/b/a Appalachian Wireless, was granted authorization to provide Personal Communications Service ("PCS") in the Corbin, KY Basic Trading Area (BTA098) by the Federal Communications Commission (FCC). FCC license is included as Exhibit 1. East Kentucky Network, LLC merger documents were filed with the Commission on February 2, 2001 in Case # 2001-022.

In an effort to improve service in Clay County, East Kentucky Network, LLC pursuant to KRS 278.020 Subsection 1 and 807 KAR 5:001 Section 9 is seeking the Commission's approval to construct a 170 foot self-supporting tower on a tract of land approximately 2.7 miles north of Manchester in Clay County, Kentucky (37°11'22.92"N 83°46'30.96"W). A map and detailed directions to the site can be found in Exhibit 8.

Exhibit 2 is a list of all Property owners or residents according to the property valuation administrator's record who reside or own property within 500 feet of the proposed tower in accordance with the Public Valuation Administrator. No other properties are contiguous with East Kentucky Network's property.

Pursuant to 807 KAR 5:063 Section 1 (1)(L) and Section 1(1)(n)(1) all affected property owners according to the property valuation administrator's record who reside or own property within 500 feet of the proposed Tower were notified by certified mail return receipt requested of East Kentucky Network, LLC's proposed construction and informed of their right to intervene.

They were given the docket number under which this application is filed. Enclosed in Exhibit 2 is a copy of that notification.

Clay County has no formal local planning unit. In absence of this unit the Clay County Judge Executive's office was notified by certified mail, return receipt requested of East Kentucky Network Limited Liability Company's proposal and informed of their right to intervene. They were given the docket number under which this application is filed. Enclosed in Exhibit 3 is a copy of that notification.

Notice of the location of the proposed construction was published in the Manchester Enterprise's October 22<sup>nd</sup> & 29<sup>th</sup> weekly editions. Enclosed is a copy of that notice in Exhibit 3. The Manchester Enterprise is the newspaper with the largest circulation in Clay County.

A geologist was employed to determine soil and rock types and to ascertain the distance to solid bedrock. The geotechnical report is enclosed as Exhibit 4.

A copy of the tower design information is enclosed as Exhibit 5. The proposed tower has been designed by engineers at Allstate Tower, Inc. and will be constructed under their supervision. Their qualifications are evidenced in Exhibit 5 by the seal and signature of the registered professional engineer responsible for this project.

The tower will be erected by S & S Tower Services of St. Albans, West Virginia. S & S Tower Services has vast experience in the erection of communications towers.

FAA approval and Kentucky Airport Zoning Commission concurrence that no permit is required are included as Exhibit 6.

No Federal Communications Commission approval is required prior to construction of this facility. Once service is established from this tower we must immediately notify the Federal Communications Commission of its operation. Prior approval is needed only if the proposed

facility increases the size of the cellular geographic service area. This cell site will not expand the cellular geographic service area.

East Kentucky Network, LLC will finance the subject Construction with earned surplus in its General Fund.

Estimated Cost of Construction	\$ 350,000.00
Annual Operation Expense of Tower	\$ 12,500.00

Two notice signs meeting the requirements prescribed by 807 KAR 5:063, Section 1(2), measuring at least two (2) feet in height and four (4) feet in width and containing all required language in letters of required height, have been posted, one at a visible location on the proposed site and one on the nearest public road. The two signs were posted on October 19, 2009 and will remain posted for at least two weeks after filing of this application as specified.

Enclosed in Exhibit 9 is a copy of East Kentucky Network LLC's lease agreement with deed description to the site.

The proposed construction site is on a very rugged mountaintop some feet from the nearest structure. Prior to construction the site was wooded.

Due to the steep hillside surrounding the proposed site, the property in close proximity is unsuitable for any type of development. East Kentucky Network LLC's operation will not affect the use of nearby land nor its value. No more suitable site exists in the area. A copy of the search area map is enclosed in Exhibit 8. No other tower capable of supporting East Kentucky Network LLC's load exists in the general area; therefore, there is no opportunity for co-location of our facilities with anyone else.

Enclosed, and filed as Exhibit 10 is a survey of the proposed tower site signed by a Kentucky registered professional engineer.

Exhibit 12 contains a vertical sketch of the tower supplied by Coleman Engineering.

**WHEREFORE**, Applicant respectfully requests that the PSC accept the foregoing Application for filing, and having met the requirements of KRS [278.020(1), 278.650, and 278.665] and all applicable rules and regulations of the PSC, grant a Certificate of Public Convenience and Necessity to construct and operate the proposed tower.

The foregoing document was prepared by the Accounting Department of East Kentucky Network, LLC d/b/a Appalachian Wireless. All related questions or correspondence concerning this filing should be mailed to the attention of Gerald Robinette at East Kentucky Network, LLC d/b/a/ Appalachian Wireless, 101 Technology Trail, Ivel, KY 41642.

SUBMITTED BY:  DATE: 10/19/09  
Lynn Haney, Staff Accountant

APPROVED BY:  DATE: 10-19-09  
Gerald Robinette, General Manager

**CONTACT INFORMATION:**

Gerald Robinette, General Manager  
Phone: (606) 791-2375, Ext. 110  
Email: grobinette110@ekn.com

Lynn Haney, Staff Accountant  
Phone: (606) 791-2375, Ext. 1007  
Email: lhaney@ekn.com

**Mailing Address:**

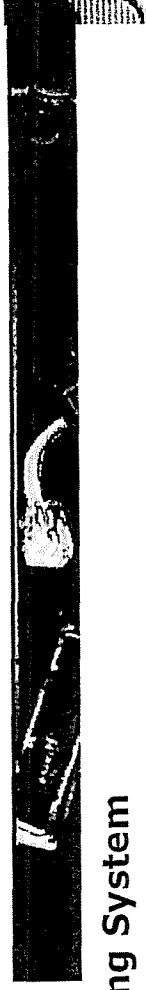
East Kentucky Network, LLC  
d/b/a Appalachian Wireless  
101 Technology Trail  
Ivel, KY 41642

1	FCC License
2	Copies of Cell Site Notices to Land Owners
3	Notification of County Judge Executive and Newspaper Advertisement
4	Universal Soil Bearing Analysis
5	Tower Design
6	FAA Approval & Kentucky Airport Zoning Commission Concurrence/Notice of Proposed Construction
7	Audited Financial Statements
8	Driving Directions from County Court House and Map to Suitable Scale
9	Deed for Proposed Site
10	Survey of Site Signed/Sealed by Professional Engineer Registered in State of Kentucky
11	Site Survey Map with Property Owners identified in Accordance with PVA of County
12	Vertical Profile Sketch of Proposed Tower





FCC Home | Search | Updates | E-Filing | Initiatives | For Consumers | Find People



[FCC > WTB > ULS > Online Systems > License Search](#)

[FCC Site Map](#)

## Universal Licensing System

ULS License

### PCS Broadband License - WQHG464 - East Kentucky Network, LLC d/b/a Appalachian Wireless

[? HELP](#)

[New Search](#) [Refine Search](#) [Return to Results](#) [Printable Page](#) [Reference Copy](#) [Map](#)

**MAIN** **ADMIN** **MARKET**

Call Sign WQHG464 Radio Service CW - PCS Broadband  
 Status Active Auth Type Regular  
**Market** BTA098 - Corbin, KY Channel Block F  
 Market Associated 001890.00000000-001895.00000000  
 Submarket 0 Frequencies 001970.00000000-001975.00000000 (MHz)

**Dates**

Grant 07/23/2007 Expiration 07/23/2017  
 Effective 11/27/2007 Cancellation

**Buildout Deadlines**

1st 07/23/2012 2nd 07/23/2017

**Notification Dates**

1st 2nd

**Licensee**

FRN 0001786607 Type Limited Liability Company  
 (View Ownership Filing)

**Licensee**

East Kentucky Network, LLC d/b/a Appalachian Wireless  
 101 Technology Trail  
 Ivel, KY 41642  
 ATTN Gerald Robinette, Manager  
 P: (606)477-2355  
 F: (606)874-7551

**Contact**

Lukas, Nace, Gutierrez & Sachs, Chtd.  
 David L Nace Esq  
 1650 Tysons Blvd., Suite 1500  
 McLean, VA 22102  
 P: (703)584-8661  
 E: dnace@fcclaw.com



### Ownership and Qualifications

Radio Service Type Fixed, Mobile  
Regulatory Status Common Carrier, Interconnected Yes  
Non-Common Carrier

### Alien Ownership

The Applicant answered "No" to each of the [Alien Ownership](#) questions.

### Basic Qualifications

The Applicant answered "No" to each of the [Basic Qualification](#) questions.

### Tribal Land Bidding Credits

This license did not have tribal land bidding credits.

### Demographics

Race  
Ethnicity  
Gender

### ULS Help

[ULS Glossary](#) - [FAQ](#) - [Online Help](#) - [Technical Support](#) - [Licensing Support](#)

### ULS Online Systems

[CORES](#) - [ULS Online Filing](#) - [License Search](#) - [Application Search](#) - [Archive License Search](#)

### About ULS

[Privacy Statement](#) - [About ULS](#) - [ULS Home](#)

### Basic Search

By Call Sign  =

[FCC](#) | [Wireless](#) | [ULS](#) | [CORES](#)

Federal Communications Commission  
445 12th Street SW  
Washington, DC 20554

[Help](#) | [Tech Support](#)

Phone: 1-877-480-3201  
TTY: 1-717-338-2824  
[Submit Help Request](#)



**EXHIBIT II: LIST OF PROPERTY OWNERS:**

**Statement Pursuant to Section 1 (1) (I) 807 KAR 5:063**

**Section 1 (1)(I) 1.** The following is a list of every property owner who according to property valuation administrator's records, owns property within 500 feet of the proposed tower and each have been: notified by certified mail, return receipt requested, of the proposed construction,

**Section 1 (1)(I) 2.** Every person listed below who, according to the property valuation administrator's records, owns property within 500 feet of the proposed tower has been: Given the Commission docket number under which the application will be processed: and

**Section 1 (1)(I) 3.** Every person listed below who, according to property valuation administrator's records, owns property within 500 feet of the proposed tower has been: Informed of his right to request intervention.

**LIST OF PROPERTY OWNERS**

Jerry & Deanna Shepherd  
126 Jerry Shepherd Rd.  
Manchester, KY 40962

Gary & Fonda Harris  
P.O. Box 1015  
Manchester, KY 40962

Lewis & Carol Jean Abner Heirs  
P.O. Box 571  
Manchester, KY 40962

Manchester Rentals, LLC  
305 Main Street  
Manchester, KY 40962

Stevie D. & Danielle Collins  
464 Circle Drive  
Manchester, KY 40962

John Henry Hubbard  
305 Overlook Lane  
Manchester, KY 40962

Paul Burns  
P.O. Box 284  
Manchester, KY 40962

**EXHIBIT II: LIST OF PROPERTY OWNERS: (cont.)**

Shannon Jones  
P.O. Box 118  
Manchester, KY 40962

Glinda Marcum  
2913 North Hwy 421  
Manchester, KY 40962

Bobby & Glenda Marcum  
199 Pine Hill Rd.  
Manchester, KY 40962

EAST KENTUCKY NETWORK  
101 TECHNOLOGY TRAIL  
IVEL, KY 41642  
PHONE: (606) 874-7550  
(606) 874-7551  
E-MAIL: INFO@EKN.COM  
WEBSITE: WWW.EKN.COM



VIA: U.S. CERTIFIED MAIL

PUBLIC NOTICE

October 19, 2009

Jerry & Deanna Shepherd  
126 Jerry Shepherd Rd.  
Manchester, KY 40962

RE: Public Notice--Public Service Commission of Kentucky (Case No. 2009-00384)

East Kentucky Network, LLC d/b/a Appalachian Wireless has applied to the Public Service Commission of Kentucky for a Certificate of Public Convenience and Necessity to construct and operate a new facility to provide cellular telecommunications service in Clay County. The facility will include a 170 foot self-supporting tower with attached antennas extending upwards, and an equipment shelter located on a tract of land approximately 2.7 miles north of Manchester in Clay County, Kentucky. A map showing the location of the proposed new facility is enclosed. This notice is being sent to you because you may own property or reside within a 500' radius of the proposed tower.

The Commission invites your comments regarding the proposed construction. You also have the right to intervene in this matter. The Commission must receive your initial communication within 20 days of the date of this letter as shown above.

Your comments and request for intervention should be addressed to: Executive Director's Office, Public Service Commission of Kentucky, P.O. Box 615, Frankfort, KY 40602. Please refer to Case No. 2009-00384 in your correspondence.

Sincerely,

A handwritten signature in cursive script that reads "Lynn Haney".

Lynn Haney  
Staff Accountant

Enclosure 1

EAST KENTUCKY NETWORK  
101 TECHNOLOGY TRAIL  
IVEL, KY 41642  
PHONE: (606) 874-7550  
FAX: (606) 874-7551  
EMAIL: INFO@EKN.COM  
WEBSITE: WWW.EKN.COM



VIA: U.S. CERTIFIED MAIL

PUBLIC NOTICE

October 19, 2009

Gary & Fonda Harris  
P.O. Box 1015  
Manchester, KY 40962

RE: Public Notice-Public Service Commission of Kentucky (Case No. 2009-00384)

East Kentucky Network, LLC d/b/a Appalachian Wireless has applied to the Public Service Commission of Kentucky for a Certificate of Public Convenience and Necessity to construct and operate a new facility to provide cellular telecommunications service in Clay County. The facility will include a 170 foot self-supporting tower with attached antennas extending upwards, and an equipment shelter located on a tract of land approximately 2.7 miles north of Manchester in Clay County, Kentucky. A map showing the location of the proposed new facility is enclosed. This notice is being sent to you because you may own property or reside within a 500' radius of the proposed tower.

The Commission invites your comments regarding the proposed construction. You also have the right to intervene in this matter. The Commission must receive your initial communication within 20 days of the date of this letter as shown above.

Your comments and request for intervention should be addressed to: Executive Director's Office, Public Service Commission of Kentucky, P.O. Box 615, Frankfort, KY 40602. Please refer to Case No. 2009-00384 in your correspondence.

Sincerely,

A handwritten signature in cursive script that reads "Lynn Haney".

Lynn Haney  
Staff Accountant

Enclosure 1

EAST KENTUCKY NETWORK  
101 TECHNOLOGY TRAIL  
MADISON, KY 41642  
PHONE: (606) 874-7550  
FAX: (606) 874-7551  
EMAIL: INFO@EKN.COM  
WEBSITE: WWW.EKN.COM



VIA: U.S. CERTIFIED MAIL

PUBLIC NOTICE

October 19, 2009

Lewis & Carol Jean Abner Heirs  
P.O. Box 571  
Manchester, KY 40962

RE: Public Notice-Public Service Commission of Kentucky (Case No. 2009-00384)

East Kentucky Network, LLC d/b/a Appalachian Wireless has applied to the Public Service Commission of Kentucky for a Certificate of Public Convenience and Necessity to construct and operate a new facility to provide cellular telecommunications service in Clay County. The facility will include a 170 foot self-supporting tower with attached antennas extending upwards, and an equipment shelter located on a tract of land approximately 2.7 miles north of Manchester in Clay County, Kentucky. A map showing the location of the proposed new facility is enclosed. This notice is being sent to you because you may own property or reside within a 500' radius of the proposed tower.

The Commission invites your comments regarding the proposed construction. You also have the right to intervene in this matter. The Commission must receive your initial communication within 20 days of the date of this letter as shown above.

Your comments and request for intervention should be addressed to: Executive Director's Office, Public Service Commission of Kentucky, P.O. Box 615, Frankfort, KY 40602. Please refer to Case No. 2009-00384 in your correspondence.

Sincerely,

Lynn Haney  
Staff Accountant

Enclosure 1

EAST KENTUCKY NETWORK  
101 TECHNOLOGY TRAIL  
IVEL, KY 41642  
PHONE: (606) 874-7550  
(606) 874-7551  
EMAIL: INFO@EKN.COM  
WEBSITE: WWW.EKN.COM



VIA: U.S. CERTIFIED MAIL

PUBLIC NOTICE

October 19, 2009

Manchester Rentals, LLC  
305 Main Street  
Manchester, KY 40962

RE: Public Notice-Public Service Commission of Kentucky (Case No. 2009-00384)

East Kentucky Network, LLC d/b/a Appalachian Wireless has applied to the Public Service Commission of Kentucky for a Certificate of Public Convenience and Necessity to construct and operate a new facility to provide cellular telecommunications service in Clay County. The facility will include a 170 foot self-supporting tower with attached antennas extending upwards, and an equipment shelter located on a tract of land approximately 2.7 miles north of Manchester in Clay County, Kentucky. A map showing the location of the proposed new facility is enclosed. This notice is being sent to you because you may own property or reside within a 500' radius of the proposed tower.

The Commission invites your comments regarding the proposed construction. You also have the right to intervene in this matter. The Commission must receive your initial communication within 20 days of the date of this letter as shown above.

Your comments and request for intervention should be addressed to: Executive Director's Office, Public Service Commission of Kentucky, P.O. Box 615, Frankfort, KY 40602. Please refer to Case No. 2009-00384 in your correspondence.

Sincerely,

Lynn Haney  
Staff Accountant

Enclosure 1



EAST KENTUCKY NETWORK  
101 TECHNOLOGY TRAIL  
IVEL, KY 41642  
PHONE: (606) 874-7550  
(606) 874-7551  
EMAIL: INFO@EKN.COM  
WEBSITE: WWW.EKN.COM



VIA: U.S. CERTIFIED MAIL

PUBLIC NOTICE

October 19, 2009

Stevie D. & Danielle Collins  
464 Circle Drive  
Manchester, KY 40962

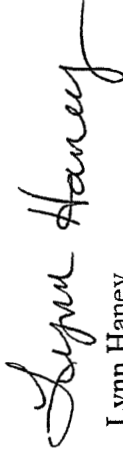
RE: Public Notice-Public Service Commission of Kentucky (Case No. 2009-00384)

East Kentucky Network, LLC d/b/a Appalachian Wireless has applied to the Public Service Commission of Kentucky for a Certificate of Public Convenience and Necessity to construct and operate a new facility to provide cellular telecommunications service in Clay County. The facility will include a 170 foot self-supporting tower with attached antennas extending upwards, and an equipment shelter located on a tract of land approximately 2.7 miles north of Manchester in Clay County, Kentucky. A map showing the location of the proposed new facility is enclosed. This notice is being sent to you because you may own property or reside within a 500' radius of the proposed tower.

The Commission invites your comments regarding the proposed construction. You also have the right to intervene in this matter. The Commission must receive your initial communication within 20 days of the date of this letter as shown above.

Your comments and request for intervention should be addressed to: Executive Director's Office, Public Service Commission of Kentucky, P.O. Box 615, Frankfort, KY 40602. Please refer to Case No. 2009-00384 in your correspondence.

Sincerely,



Lynn Haney  
Staff Accountant

Enclosure 1

EAST KENTUCKY NETWORK  
101 TECHNOLOGY TRAIL  
IVEL, KY 41642  
PHONE: (606) 8747550  
FAX: (606) 8747551  
EMAIL: INFO@EKN.COM  
WEBSITE: WWW.EKN.COM



VIA: U.S. CERTIFIED MAIL

PUBLIC NOTICE

October 19, 2009

John Henry Hubbard  
305 Overlook Lane  
Manchester, KY 40962

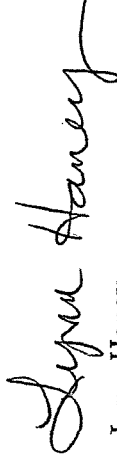
RE: Public Notice-Public Service Commission of Kentucky (Case No. 2009-00384)

East Kentucky Network, LLC d/b/a Appalachian Wireless has applied to the Public Service Commission of Kentucky for a Certificate of Public Convenience and Necessity to construct and operate a new facility to provide cellular telecommunications service in Clay County. The facility will include a 170 foot self-supporting tower with attached antennas extending upwards, and an equipment shelter located on a tract of land approximately 2.7 miles north of Manchester in Clay County, Kentucky. A map showing the location of the proposed new facility is enclosed. This notice is being sent to you because you may own property or reside within a 500' radius of the proposed tower.

The Commission invites your comments regarding the proposed construction. You also have the right to intervene in this matter. The Commission must receive your initial communication within 20 days of the date of this letter as shown above.

Your comments and request for intervention should be addressed to: Executive Director's Office, Public Service Commission of Kentucky, P.O. Box 615, Frankfort, KY 40602. Please refer to Case No. 2009-00384 in your correspondence.

Sincerely,



Lynn Haney  
Staff Accountant

Enclosure 1

EAST KENTUCKY NETWORK  
101 TECHNOLOGY TRAIL  
MIDWAY, KY 41642  
PHONE: (606) 874-7550  
(606) 874-7551  
EMAIL: INFO@EKN.COM  
WEBSITE: WWW.EKN.COM



VIA: U.S. CERTIFIED MAIL

PUBLIC NOTICE

October 19, 2009

Paul Burns  
P.O. Box 284  
Manchester, KY 40962

RE: Public Notice-Public Service Commission of Kentucky (Case No. 2009-00384)

East Kentucky Network, LLC d/b/a Appalachian Wireless has applied to the Public Service Commission of Kentucky for a Certificate of Public Convenience and Necessity to construct and operate a new facility to provide cellular telecommunications service in Clay County. The facility will include a 170 foot self-supporting tower with attached antennas extending upwards, and an equipment shelter located on a tract of land approximately 2.7 miles north of Manchester in Clay County, Kentucky. A map showing the location of the proposed new facility is enclosed. This notice is being sent to you because you may own property or reside within a 500' radius of the proposed tower.

The Commission invites your comments regarding the proposed construction. You also have the right to intervene in this matter. The Commission must receive your initial communication within 20 days of the date of this letter as shown above.

Your comments and request for intervention should be addressed to: Executive Director's Office, Public Service Commission of Kentucky, P.O. Box 615, Frankfort, KY 40602. Please refer to Case No. 2009-00384 in your correspondence.

Sincerely,

Lynn Haney  
Staff Accountant

Enclosure 1

EAST KENTUCKY NETWORK  
101 TECHNOLOGY TRAIL  
MADISON, KY 41642  
PHONE: (606) 874-7550  
FAX: (606) 874-7551  
EMAIL: INFO@EKN.COM  
WEBSITE: WWW.EKN.COM



VIA: U.S. CERTIFIED MAIL

PUBLIC NOTICE

October 19, 2009

Shannon Jones  
P.O. Box 118  
Manchester, KY 40962

RE: Public Notice-Public Service Commission of Kentucky (Case No. 2009-00384)

East Kentucky Network, LLC d/b/a Appalachian Wireless has applied to the Public Service Commission of Kentucky for a Certificate of Public Convenience and Necessity to construct and operate a new facility to provide cellular telecommunications service in Clay County. The facility will include a 170 foot self-supporting tower with attached antennas extending upwards, and an equipment shelter located on a tract of land approximately 2.7 miles north of Manchester in Clay County, Kentucky. A map showing the location of the proposed new facility is enclosed. This notice is being sent to you because you may own property or reside within a 500' radius of the proposed tower.

The Commission invites your comments regarding the proposed construction. You also have the right to intervene in this matter. The Commission must receive your initial communication within 20 days of the date of this letter as shown above.

Your comments and request for intervention should be addressed to: Executive Director's Office, Public Service Commission of Kentucky, P.O. Box 615, Frankfort, KY 40602. Please refer to Case No. 2009-00384 in your correspondence.

Sincerely,

Lynn Haney  
Staff Accountant

Enclosure 1

EAST KENTUCKY NETWORK  
101 TECHNOLOGY TRAIL  
IVEL, KY 41642  
PHONE: (606) 874-7550  
606) 874-7551  
: INFO@EKN.COM  
WEBSITE: WWW.EKN.COM



VIA: U.S. CERTIFIED MAIL

PUBLIC NOTICE

October 19, 2009

Glinda Marcum  
2913 North Hwy 421  
Manchester, KY 40962

RE: Public Notice-Public Service Commission of Kentucky (Case No. 2009-003884)

East Kentucky Network, LLC d/b/a Appalachian Wireless has applied to the Public Service Commission of Kentucky for a Certificate of Public Convenience and Necessity to construct and operate a new facility to provide cellular telecommunications service in Clay County. The facility will include a 170 foot self-supporting tower with attached antennas extending upwards, and an equipment shelter located on a tract of land approximately 2.7 miles north of Manchester in Clay County, Kentucky. A map showing the location of the proposed new facility is enclosed. This notice is being sent to you because you may own property or reside within a 500' radius of the proposed tower.

The Commission invites your comments regarding the proposed construction. You also have the right to intervene in this matter. The Commission must receive your initial communication within 20 days of the date of this letter as shown above.

Your comments and request for intervention should be addressed to: Executive Director's Office, Public Service Commission of Kentucky, P.O. Box 615, Frankfort, KY 40602. Please refer to Case No. 2009-00384 in your correspondence.

Sincerely,

A handwritten signature in cursive script that reads "Lynn Haney".

Lynn Haney  
Staff Accountant

Enclosure I

EAST KENTUCKY NETWORK  
101 TECHNOLOGY TRAIL  
IVEL, KY 41642  
PHONE: (606) 874-7550  
(606) 874-7551  
EMAIL: INFO@EKN.COM  
WEBSITE: WWW.EKN.COM



VIA: U.S. CERTIFIED MAIL

PUBLIC NOTICE

October 19, 2009

Bobby & Glenda Marcum  
199 Pine Hill Rd  
Manchester, KY 40962

RE: Public Notice-Public Service Commission of Kentucky (Case No. 2009-00384)

East Kentucky Network, LLC d/b/a Appalachian Wireless has applied to the Public Service Commission of Kentucky for a Certificate of Public Convenience and Necessity to construct and operate a new facility to provide cellular telecommunications service in Clay County. The facility will include a 170 foot self-supporting tower with attached antennas extending upwards, and an equipment shelter located on a tract of land approximately 2.7 miles north of Manchester in Clay County, Kentucky. A map showing the location of the proposed new facility is enclosed. This notice is being sent to you because you may own property or reside within a 500' radius of the proposed tower.

The Commission invites your comments regarding the proposed construction. You also have the right to intervene in this matter. The Commission must receive your initial communication within 20 days of the date of this letter as shown above.

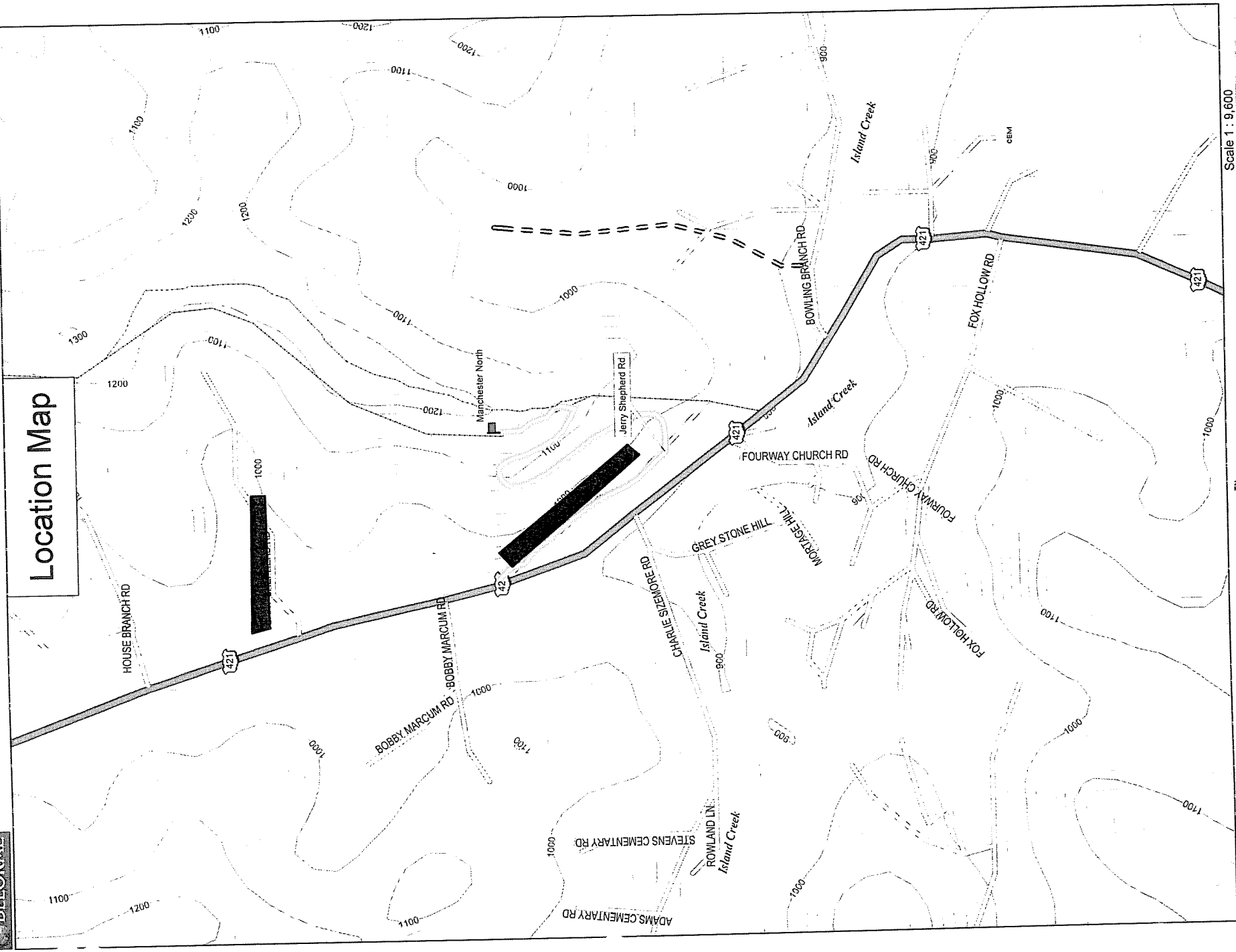
Your comments and request for intervention should be addressed to: Executive Director's Office, Public Service Commission of Kentucky, P.O. Box 615, Frankfort, KY 40602. Please refer to Case No. 2009-00384 in your correspondence.

Sincerely,

Lynn Haney  
Staff Accountant

Enclosure 1

# Location Map



Scale 1 : 9,600







EAST KENTUCKY NETWORK  
101 TECHNOLOGY TRAIL  
LEVEL, KY 41642  
PHONE: (606) 874-7550  
FAX: (606) 874-7551  
EMAIL: INFO@EKN.COM  
WEBSITE: WWW.EKN.COM



VIA: U.S. CERTIFIED MAIL

October 19, 2009

Carl Sizemore, Judge Executive  
102 Richmond Road, Suite 201  
Manchester, KY 40962

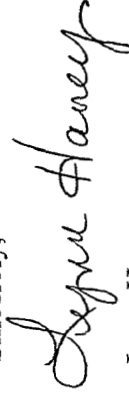
RE: Public Notice-Public Service Commission of Kentucky (Case No. 2009-00384)

East Kentucky Network, LLC d/b/a Appalachian Wireless has applied to the Public Service Commission of Kentucky for a Certificate of Public Convenience and Necessity to construct and operate a new facility to provide cellular telecommunications service in Clay County. The facility will include a 170 foot self-supporting tower with attached antennas extending upwards, and an equipment shelter located on a tract of land approximately 2.7 miles north of Manchester in Clay County, Kentucky. A map showing the location of the proposed new facility is enclosed. This notice is being sent to you because you are the County Judge Executive of Clay County.

The Commission invites your comments regarding the proposed construction. You also have the right to intervene in this matter. The Commission must receive your initial communication within 20 days of the date of this letter as shown above.

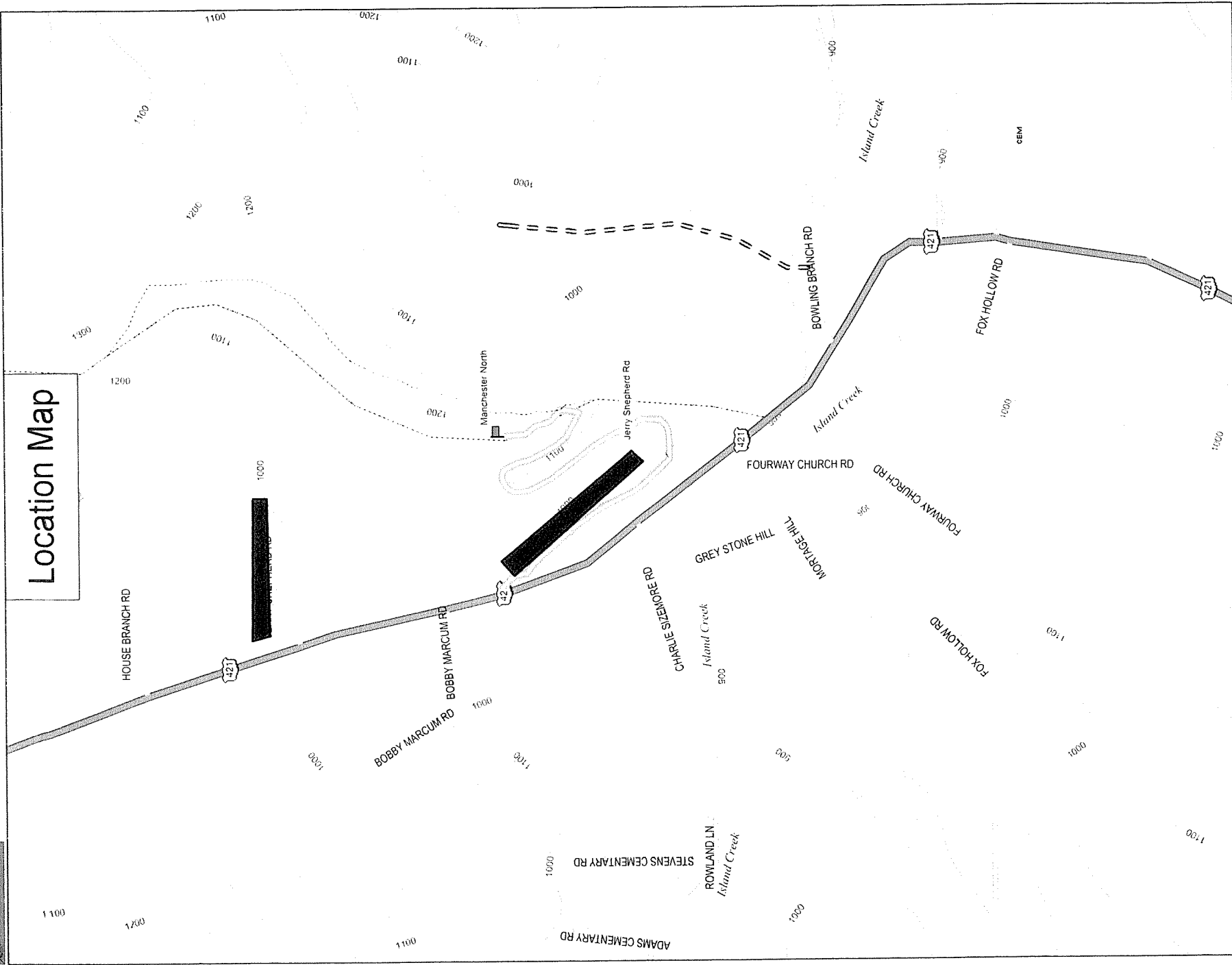
Your comments and request for intervention should be addressed to: Executive Director's Office, Public Service Commission of Kentucky, P.O. Box 615, Frankfort, KY 40602. Please refer to Case No. 2009-00384 in your correspondence.

Sincerely,



Lynn Haney  
Staff Accountant

Enclosure



# Location Map

Scale 1 : 9,600  
 1" = 800.0 ft  
 Data Zoom 14-4

**Please place the following Public Notice Advertisement in the Manchester Enterprise for the next two weeks.**

**PUBLIC NOTICE:**

RE: Public Service Commission of Kentucky (CASE NO. 2009-00384)

Public Notice is hereby given that East Kentucky Network, LLC, dba Appalachian Wireless has applied to the Kentucky Public Service Commission to construct a cellular telecommunications tower on a tract of land located approximately 2.7 miles North of Manchester in Clay County, Kentucky. The proposed tower will be a 170 foot self-supporting tower with attached antennas. If you would like to respond to this notice, please contact the Executive Director, Public Service Commission, 211 Sower Boulevard, PO Box 615, Frankfort, Kentucky 40602. Please refer to Case No. 2009-00384.

If you have any questions about the placement of the above mentioned notice, please call me at 606-791-2375, ext. 1007.

Thank you,

Lynn Haney  
Staff Accountant – Fixed Assets

---

## Lynn Haney

**From:** Rodney Miller [rmiller@themanchesterenterprise.com]  
**Sent:** Monday, October 19, 2009 2:33 PM  
**To:** Lynn Haney  
**Subject:** Re: Public Notice Advertisement

Thanks, Lynn got the ad and will run in the 10/22 and the 10/29 editions. The size will be 3 Columns wide ( 5.6 inches ) x 3 inches tall @ a cost of \$63.00 each run. Rodney

On Fri, Oct 16, 2009 at 1:45 PM, Lynn Haney <[lhaney@ekn.com](mailto:lhaney@ekn.com)> wrote:

Rodney,

Please place the attached public notice advertisement in the Manchester Enterprises's October 22 & 29 editions.

Please email confirmation. If you have any questions, feel free to contact me.

Thank you,

Lynn Haney  
Staff Accountant-Fixed Assets  
East Kentucky Network, LLC  
dba Appalachian Wireless

(606) 791-2375 ext. 1007

(606) 791-2225 (fax)



**WENDELL R. HOLMES, P.G.**  
120 Church Street  
Whitesburg, KY 41858  
(606) 633-1511

July 21, 2009

**Manchester North Tower Site**

**Purpose:**

A site assessment was conducted for Appalachian Wireless on a tract of land located in Clay County near Manchester, Kentucky. The site of the proposed tower is now forestland. The purpose of this investigation was to determine the depth to bedrock and of what type of rock the bedrock consists.

**Site Investigation:**

The trenching method was used to determine at what depth and what type of bedrock material at the proposed tower site. A trench was dug with a Caterpillar 315 Excavator to expose the bedrock material. It is approximately three feet to the sandstone bedrock. (See attachments for location and descriptions of materials encountered.) The terrain in Clay County is slightly to moderately steep. The tower site is located on a point north of Island Creek, a tributary of Goose Creek of the South Fork of the Kentucky River. The location is approximately three quarters of a mile northwest of confluence of Island Creek and Goose Creek in Clay County. The sandstone formation below the tower site is approximately five feet thick, based on the information obtained from the site investigation and geological maps of the area.

**Conclusions:**

The proposed tower site is located on a point in the area. The sandstone bedrock on the proposed tower site is part of the Breathitt Formation, and is middle to lower Pennsylvanian in age. Tests were not conducted to determine the load-bearing strength of the bedrock. However, it is apparent that the tower will be constructed on the sandstone bedrock formation.

The field work for this site was performed by Wendell R. Holmes, using generally accepted methods in the practice of geological science.

Wendell R. Holmes, G.  
Professional Geologist  
1972  
Registered Professional Geologist

A circular professional seal for Wendell R. Holmes, G., a Registered Professional Geologist. The seal features a central emblem with a hammer and pickaxe, and the text "Professional Geologist" and "1972". A signature is written across the seal.

**WENDELL R. HOLMES, P.G.**

**120 Church Street**

**Whitesburg, Ky. 41858**

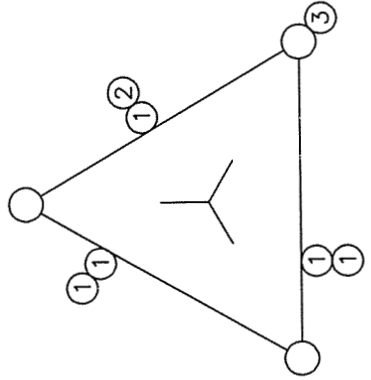
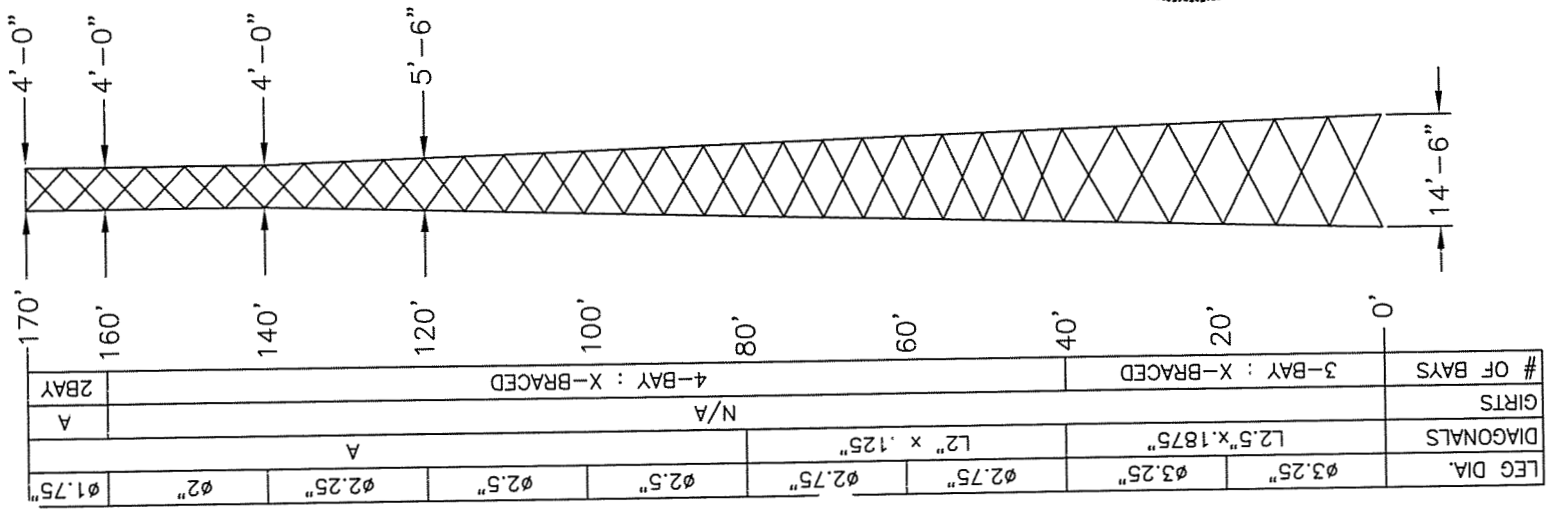
**Geologist Log**

**Location: Manchester North Tower Site**

Unit Thickness	Total Depth	Strata	Description
3.00'	3.00'	Soil	Yellow & brown plant and rock fragments
20.00'	23.00'	Sandstone	Gray & Weathered







PLAN VIEW

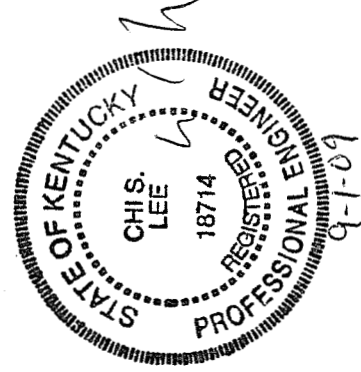
- PLAN VIEW REF:
- 1) (7) FEEDLINES
  - 2) (3) FEEDLINES
  - 3) STEP BOLTS

BASE REACTIONS:  
 TOTAL SHEAR = 18 KIPS  
 AXIAL LOAD = 27 KIPS  
 UPLIFT / LEG = 144 KIPS  
 COMP. / LEG = 162 KIPS  
 O.T. MOMENT = 1920 FT-K

DESIGN NOTES:  
 1) ALL LEGS ARE SOLID ROUND ASTM A-572 GRADE :  $F_y \geq 50$  KSI.  
 2) ALL BRACE MATERIAL IS ASTM A-36 :  $F_y \geq 36$  KSI.  
 3) ALL BRACE AND FLANGE BOLTS ARE A325-X  
 4) (6) Ø 1.25" x 6'-0" LONG (A-36) ANCHOR BOLTS PER LEG.  
 5) THIS TOWER IS DESIGNED FOR A 70 M.P.H. WIND SPEED AND 0.5" OF ICE (WITH REDUCTION) IN ACCORDANCE WITH THE TIA/EIA-222-F STANDARD.

ELEV.	170'	(12) 4' x 1' CELL PANEL	FEEDLINES	(12) 1.625"
	160'	(12) 4' x 1' CELL PANEL		(12) 1.625"
	150'	(12) 4' x 1' CELL PANEL		(12) 1.625"
	140'	(1) 6' SOLID DISH		(1) 1.625"
	130'	(1) 6' SOLID DISH		(1) 1.625"

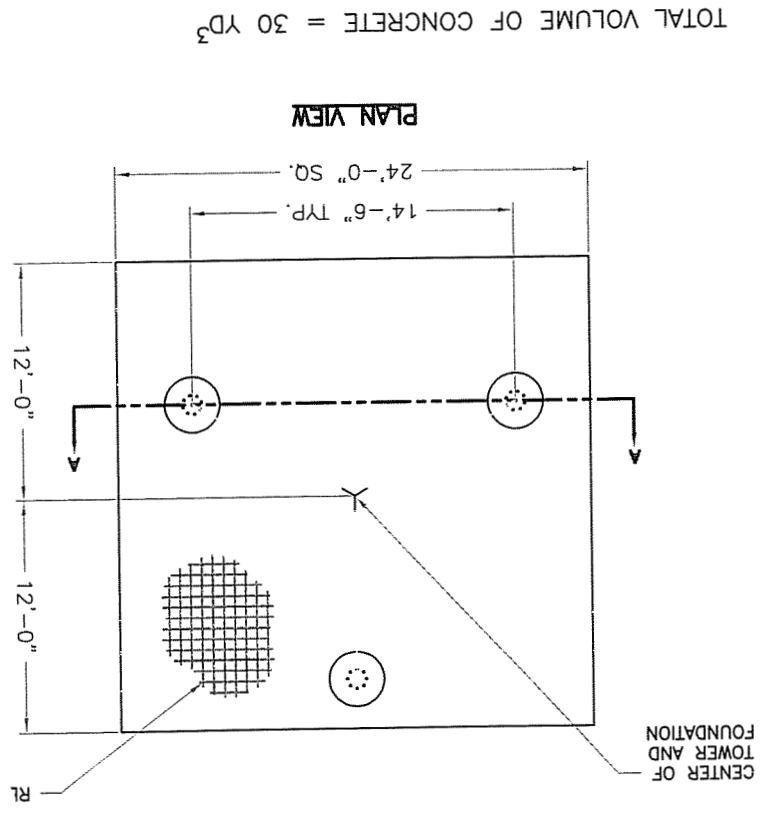
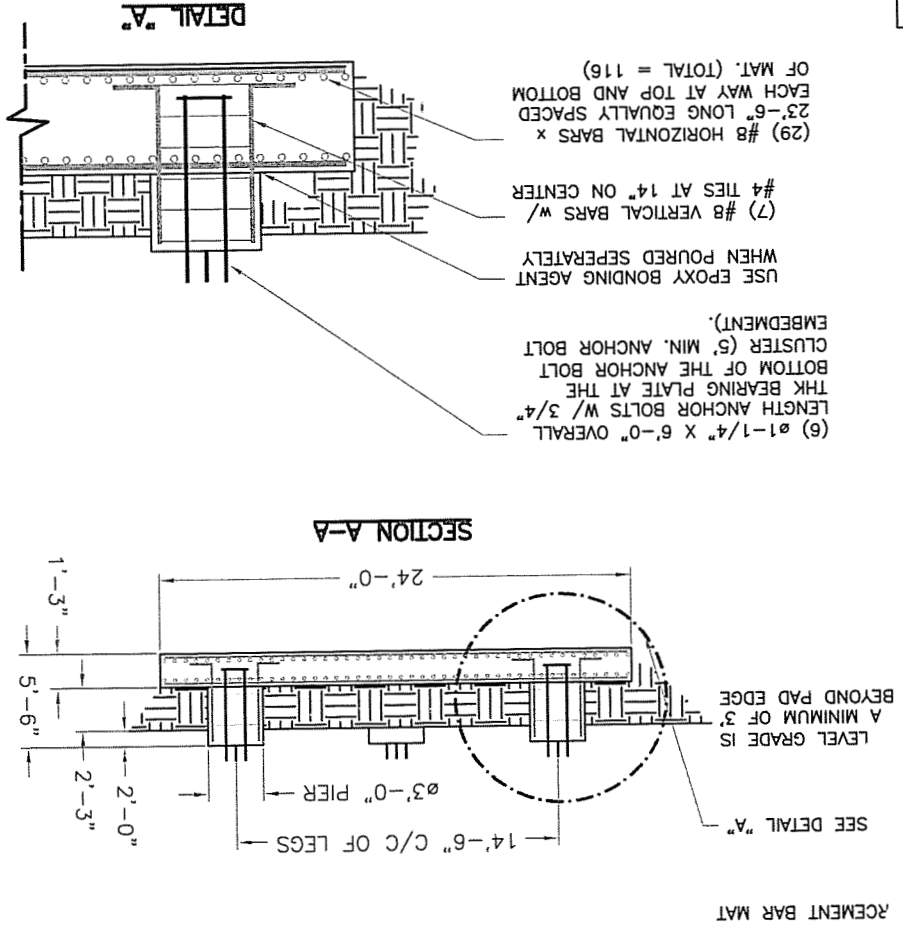
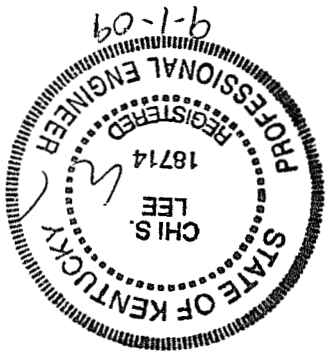
--SEE PLAN VIEW FOR FEEDLINE DISTRIBUTION  
 --STEP BOLTS UTILIZED FOR CLIMBING WITH SAFETY CLIMB DEVICE



**Allstate Tower Inc.**  
 P.O. BOX 25  
 HENDERSON, KY 42419  
 PHONE: (270) 830-8512  
 FAX: (270) 830-8475

SCALE: N.T.S.  
 TOLERANCE BANDS ALL DIMENSIONS ARE ±.16" UNLESS OTHERWISE NOTED  
 CUSTOMER: APPALACHIAN WIRELESS  
 DESCRIPTION: 170' SELF SUPPORT TOWER  
 LOCATION: CLAY COUNTY, KY  
 SITE: MANCHESTER NORTH  
 APPROX. WEIGHT: 15.28 KIPS  
 PROPOSAL #: AB1968 - TOWER DESIGN  
 DRAWN BY: J.B.  
 DATE: 08/31/2009  
 REV. NO. REV. DATE  
 JOB NO. REV. DATE  
 SHEET  
 AF40921 A

PROPRIETARY STATEMENT: THIS DRAWING IS THE PROPERTY OF ALLSTATE TOWER CO. IT IS NOT TO BE REPRODUCED OR COPIED IN ANYWAY WITHOUT PRIOR WRITTEN CONSENT OF ALLSTATE TOWER CO.



FOUNDATION INSTALLATION/DESIGN NOTES:

- THIS FOUNDATION IS DESIGNED TO MEET ALL STANDARDS SET FORTH BY ACI 318: AMERICAN CONCRETE INSTITUTE, BUILDING CODE REQUIREMENTS FOR STRUCTURAL CONCRETE, ANSI/TIA/EIA 222-F: STRUCTURAL STANDARDS FOR STEEL ANTENNA TOWERS AND ANTENNA SUPPORTING STRUCTURES.
- THIS FOUNDATION IS DESIGNED UTILIZING THE GEOTECHNICAL REPORT PERFORMED BY WENDELL HOLMES, P.G.; DATED 07-21-09. THE FOUNDATION CONTRACTOR SHALL INSTALL THE FOUNDATIONS IN ACCORDANCE WITH THE RECOMMENDATIONS OF THE GEOTECHNICAL REPORT.
- ALL WORK PERFORMED FROM THESE DRAWINGS SHOULD BE BY QUALIFIED CONTRACTORS EXPERIENCED IN TOWER FOUNDATION CONSTRUCTION.
- ALL FOOTING EXCAVATIONS SHALL BE MANUALLY CLEANED PRIOR TO PLACING CONCRETE. COMPACT THE EXPOSED SOIL SURFACE AND ANY GRANULAR FILL UNDER THE FOUNDATION TO 95% OF THE MODIFIED PROCTOR DENSITY.
- ALL CONCRETE SHALL HAVE A MINIMUM COMPRESSIVE STRENGTH OF 3000 PSI AFTER 28 DAYS. COPIES OF THE CONCRETE CYLINDER TEST REPORTS SHALL BE SENT TO THE RESIDENT ENGINEER / INSPECTOR.
- MINIMUM CONCRETE COVER FOR REINFORCING BARS SHALL BE 3".
- FIELD BENDING OR WELDING OF REINFORCEMENT BARS IS NOT PERMITTED.
- PROVIDE CHAMFERS AT ALL EXPOSED CORNERS OF CONCRETE.
- BACKFILL NEAR AND AROUND THE FOUNDATIONS SHALL BE A WELL GRADED TO FILL MATERIAL PLACED IN 8" THICK LAYERS THAT HAS BEEN COMPACTED TO 95% OF THE MODIFIED PROCTOR DENSITY PER ASTM D1557.
- SOME DETAIL HAS BEEN PURPOSELY OMITTED TO CLARIFY ILLUSTRATION.
- ALL REBAR TO MEET THE ASTM A615 GRADE 60 SPECIFICATION.

SCALE: N.T.S.

TOLERANCE BANDS ALL DIMENSIONS ARE ±1/16" UNLESS OTHERWISE NOTED

APPROX. WEIGHT N/A

PROPOSAL # ABT1968 - FOUNDATION DESIGN

CUSTOMER: APPALACHIAN WIRELESS

DESCRIPTION: PAD/PIER FOUNDATION DESIGN

LOCATION: CLAY COUNTY, KY.

SITE: MANCHESTER NORTH

DRAWN BY: J.B.

DATE: 08/31/2009

REV. NO. REV. DATE: REV. DATE

JOB NO. AF40921

SHEET B

P.O. BOX 25  
HENDERSON, KY 42419  
PHONE: (270) 830-8512  
FAX: (270) 830-8475

ALLSTATE Tower Inc.

PROPRIETARY STATEMENT: THIS DRAWING IS THE PROPERTY OF ALLSTATE TOWER CO. IT IS NOT TO BE REPRODUCED OR COPIED IN ANYWAY WITHOUT PRIOR WRITTEN CONSENT OF ALLSTATE TOWER CO.





Federal Aviation Administration  
 Air Traffic Airspace Branch, ASW-520  
 2601 Meacham Blvd.  
 Fort Worth, TX 76137-0520

Aeronautical Study No.  
 2009-ASO-2943-OE  
 Prior Study No.  
 2009-ASO-973-OE

Issued Date: 07/13/2009

Ali Kuzehkanani  
 East Kentucky Network, LLC  
 1650 Tysons Boulevard, Suite 1500  
 McLean, VA 22102

**\*\* DETERMINATION OF NO HAZARD TO AIR NAVIGATION \*\***

The Federal Aviation Administration has conducted an aeronautical study under the provisions of 49 U.S.C., Section 44718 and if applicable Title 14 of the Code of Federal Regulations, part 77, concerning:

Structure:	Tower North Manchester
Location:	Manchester, KY
Latitude:	37-11-22.91N NAD 83
Longitude:	83-46-30.95W
Heights:	171 feet above ground level (AGL) 1385 feet above mean sea level (AMSL)

This aeronautical study revealed that the structure does not exceed obstruction standards and would not be a hazard to air navigation provided the following condition(s), if any, is(are) met:

It is required that FAA Form 7460-2, Notice of Actual Construction or Alteration, be completed and returned to this office any time the project is abandoned or:

- At least 10 days prior to start of construction (7460-2, Part I)
- X   Within 5 days after the construction reaches its greatest height (7460-2, Part II)

Based on this evaluation, marking and lighting are not necessary for aviation safety. However, if marking and/or lighting are accomplished on a voluntary basis, we recommend it be installed and maintained in accordance with FAA Advisory circular 70/7460-1 K Change 2.

This determination expires on 01/13/2011 unless:

- (a) extended, revised or terminated by the issuing office.
- (b) the construction is subject to the licensing authority of the Federal Communications Commission (FCC) and an application for a construction permit has been filed, as required by the FCC, within 6 months of the date of this determination. In such case, the determination expires on the date prescribed by the FCC for completion of construction, or the date the FCC denies the application.

**NOTE: REQUEST FOR EXTENSION OF THE EFFECTIVE PERIOD OF THIS DETERMINATION MUST BE POSTMARKED OR DELIVERED TO THIS OFFICE AT LEAST 15 DAYS PRIOR TO THE EXPIRATION DATE.**

This determination is based, in part, on the foregoing description which includes specific coordinates , heights, frequency(ies) and power . Any changes in coordinates , heights, and frequencies or use of greater power will void this determination. Any future construction or alteration , including increase to heights, power, or the addition of other transmitters, requires separate notice to the FAA.

This determination does include temporary construction equipment such as cranes, derricks, etc., which may be used during actual construction of the structure. However, this equipment shall not exceed the overall heights as indicated above. Equipment which has a height greater than the studied structure requires separate notice to the FAA.

This determination concerns the effect of this structure on the safe and efficient use of navigable airspace by aircraft and does not relieve the sponsor of compliance responsibilities relating to any law, ordinance, or regulation of any Federal, State, or local government body.

A copy of this determination will be forwarded to the Federal Communications Commission if the structure is subject to their licensing authority.

If we can be of further assistance, please contact our office at (847) 294-7458. On any future correspondence concerning this matter, please refer to Aeronautical Study Number 2009-ASO-2943-OE.

**Signature Control No: 633081-116228164**

Fred Souchet  
Specialist

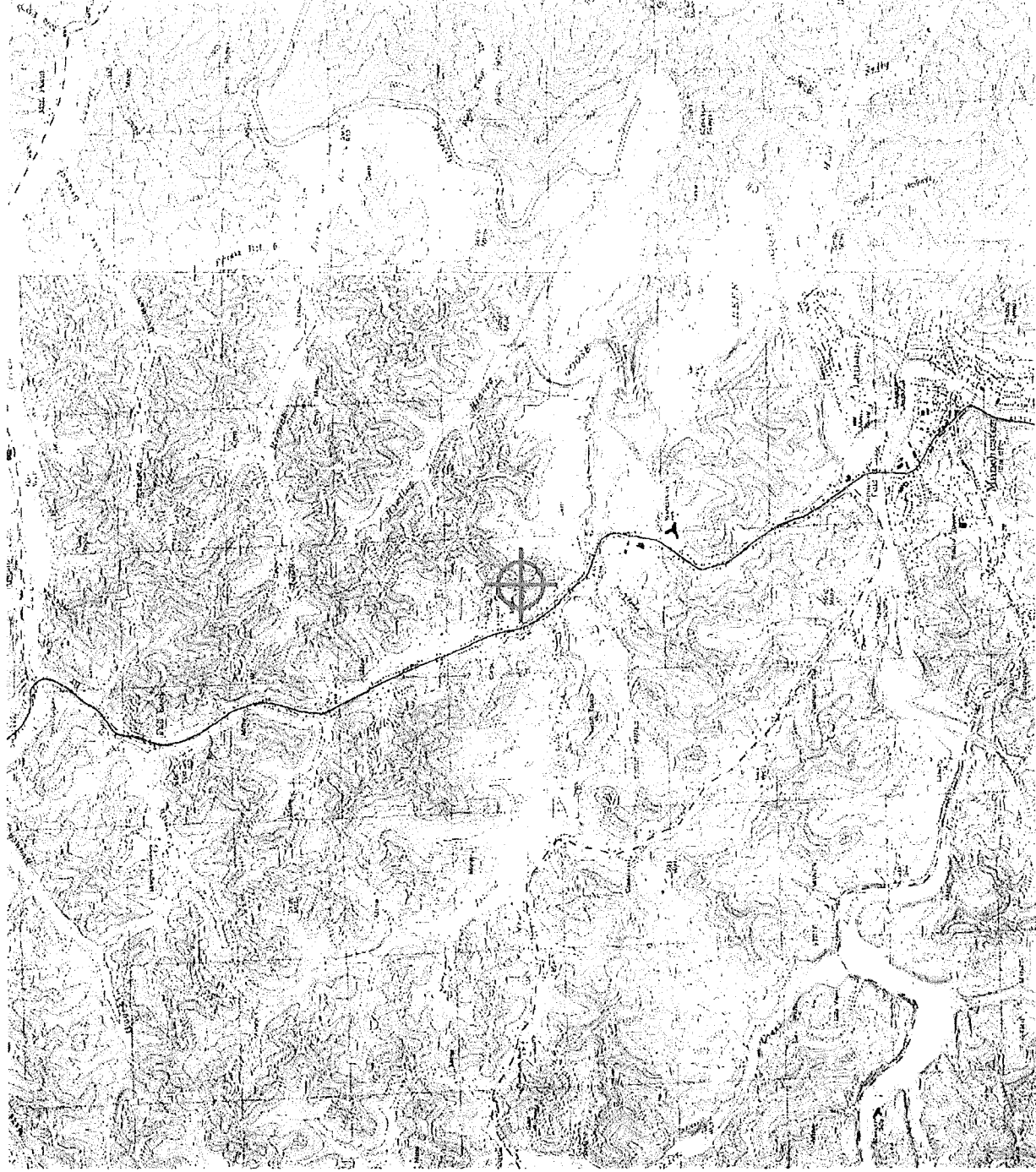
( DNE )

Attachment(s)  
Frequency Data  
Map(s)

Frequency Data for ASN 2009-ASO-2943-OE

LOW FREQUENCY	HIGH FREQUENCY	FREQUENCY UNIT	ERP	ERP UNIT
806	824	MHz	500	W
824	849	MHz	500	W
851	866	MHz	500	W
869	894	MHz	500	W
896	901	MHz	500	W
901	902	MHz	7	W
930	931	MHz	3500	W
931	932	MHz	3500	W
932	932.5	MHz	17	dBW
935	940	MHz	1000	W
940	941	MHz	3500	W
1850	1910	MHz	1640	W
1930	1990	MHz	1640	W
2305	2310	MHz	2000	W
2345	2360	MHz	2000	W

TOPO Map for ASN 2009-ASO-2943-OE



---

**Marty Thacker**

**From:** Ali Kuzehkanani [AKuzehkanani@fcclaw.com]  
**Sent:** Thursday, October 08, 2009 10:31 AM  
**To:** Houlihan, John (KYTC)  
**Cc:** Gerald Robinette; Marty Thacker  
**Subject:** RE: 659 - North Manchester KAZC filing (AS-026-LOZ-2009-075)

Thanks, John.

---

**From:** Houlihan, John (KYTC) [mailto:John.Houlihan@ky.gov]  
**Sent:** Thursday, October 08, 2009 10:30 AM  
**To:** Ali Kuzehkanani  
**Subject:** RE: 659 - North Manchester KAZC filing (AS-026-LOZ-2009-075)  
**Importance:** Low

Mr. Kuzehkanani,

The 171' antenna is not in the Kentucky Airport Zoning Commission jurisdiction, therefore a permit is not required.

Thank you.

John Houlihan, Administrator  
Kentucky Airport Zoning Commission

---

**From:** Ali Kuzehkanani [mailto:AKuzehkanani@fcclaw.com]  
**Sent:** Thursday, October 08, 2009 10:16 AM  
**To:** KYTC Airport Zoning Comm (KYTC)  
**Cc:** Gerald Robinette; Marty Thacker; Houlihan, John (KYTC)  
**Subject:** 659 - North Manchester KAZC filing (AS-026-LOZ-2009-075)

Dear Madam/Sir:

This is to inform you that the proposed 220' structure at the North Manchester site has been terminated. Instead, a 171' tower structure will now be constructed. Attached is a copy of the FAA determination for the 171' structure. Per an earlier conversation with Mr. John Houlihan, it is my understanding that the 171' structure at the proposed site will no longer require KAZC approval. Could you please confirm this via an email reply.

Regards

**Ali Kuzehkanani**

---

Director of Engineering  
**Lukas, Nace, Gutierrez & Sachs, LLP**  
1650 Tysons Boulevard, Suite 1500  
McLean, VA 22102  
Tel (703) 584-8667  
Fax (703) 584-8696  
Mobile (703) 927-1961  
ail [ali@fcclaw.com](mailto:ali@fcclaw.com)  
mail [akuzehkanani@fcclaw.com](mailto:akuzehkanani@fcclaw.com)





**EAST KENTUCKY NETWORK, LLC  
DBA APPALACHIAN WIRELESS**

**FINANCIAL REPORT**

**December 31, 2008**

## CONTENTS

	Page
INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS	1
FINANCIAL STATEMENTS	
Balance sheets	2
Statements of income	3
Statements of members' equity	4
Statements of cash flows	5-6
Notes to financial statements	7-14
INDEPENDENT AUDITOR'S REPORT ON THE SUPPLEMENTARY INFORMATION	15
SUPPLEMENTARY INFORMATION	
Statement of income detail	16 and 17

**INDEPENDENT AUDITOR'S REPORT**

To the Members  
East Kentucky Network, LLC  
dba Appalachian Wireless  
Ivel, Kentucky

We have audited the accompanying balance sheets of East Kentucky Network, LLC, dba Appalachian Wireless as of December 31, 2008 and 2007 and the related statements of income, members' equity and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of East Kentucky Network, LLC, dba Appalachian Wireless as of December 31, 2008 and 2007 and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

*Jones, Nale & Mattingly PLC*

Louisville, Kentucky  
March 6, 2009

**EAST KENTUCKY NETWORK, LLC  
DBA APPALACHIAN WIRELESS**

**BALANCE SHEETS  
December 31, 2008 and 2007**

ASSETS	2008	2007
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 5,078,319	\$ 1,751,689
Short-term investments	166,846	127,015
Accounts receivable, less allowance for doubtful accounts of \$1,054,283 in 2008 and \$803,092 in 2007	4,359,740	3,541,622
Accounts receivable, members (Notes 5 and 6)	88,078	79,803
Inventory	3,053,445	2,979,257
Prepaid expenses	411,948	431,859
Total current assets	\$ 13,158,376	\$ 8,911,245

**PROPERTY, PLANT AND EQUIPMENT (Note 3)**

Plant in service:		
General support	\$ 25,370,575	\$ 22,417,029
MTSO equipment	20,505,774	15,068,558
Cell equipment	55,340,782	45,543,309
Paging equipment	3,321,068	3,321,068
Fiber ring	7,429,057	6,606,546
Unfinished plant	1,960,503	1,825,466
	\$113,927,759	\$ 94,781,976
Less accumulated depreciation	48,072,427	40,355,585
	\$ 65,855,332	\$ 54,426,391

**OTHER ASSETS**

Investment in affiliated company, RTFC	\$ 112,712	\$ 112,653
Intangible assets, net of accumulated amortization of \$3,697,725 in 2008 and \$3,122,139 in 2007 (Note 2)	5,255,760	4,242,306
Other	25,403	26,431
	\$ 5,393,875	\$ 4,381,390
	\$ 84,407,583	\$ 67,719,026

The Notes to Financial Statements are an integral part of these statements.

LIABILITIES AND MEMBERS' EQUITY

	2008	2007
<b>CURRENT LIABILITIES</b>		
Current maturities of long-term debt (Note 3)	\$ 3,852,381	\$ 1,400,000
Accounts payable	1,772,238	938,193
Capital distributions payable	--	615,383
Accounts payable, member (Notes 5 and 6)	49,579	45,267
Accrued expenses	1,208,138	1,123,649
Customer deposits	600,872	453,470
Total current liabilities	<u>\$ 7,483,208</u>	<u>\$ 4,575,962</u>

LONG-TERM DEBT, less current maturities (Note 3)

	<u>\$ 16,388,735</u>	<u>\$ 12,350,000</u>
--	----------------------	----------------------

INTEREST RATE SWAPS (Note 8)

	<u>\$ 2,067,821</u>	<u>\$ 572,632</u>
--	---------------------	-------------------

MEMBERS' EQUITY

Members' capital accounts	\$ 60,535,640	\$ 50,793,064
Accumulated other comprehensive (loss)	<u>(2,067,821)</u>	<u>(572,632)</u>
	<u>\$ 58,467,819</u>	<u>\$ 50,220,432</u>

	<u>\$ 84,407,583</u>	<u>\$ 67,719,026</u>
--	----------------------	----------------------

**EAST KENTUCKY NETWORK, LLC  
DBA APPALACHIAN WIRELESS**

**STATEMENTS OF INCOME  
Years Ended December 31, 2008 and 2007**

	2008	2007
<b>REVENUE</b>		
Retail	\$ 35,590,860	\$ 29,480,700
Roamer	12,592,115	9,239,822
Long distance	214,296	196,787
Paging	566,677	684,064
Equipment sales, cellular	2,248,939	3,006,173
Equipment sales, paging	35,777	33,862
Other	7,916,897	4,513,769
Total revenue	\$ 59,165,561	\$ 47,155,177
<b>EXPENSES</b>		
Cost of cellular service	\$ 12,861,903	\$ 9,010,171
Cost of paging service	332,386	309,524
Cost of equipment sales, cellular	11,656,367	9,978,249
Cost of equipment sales, paging	56,705	59,307
Customer service	1,313,033	1,424,197
Billing	1,383,121	1,086,540
Selling	3,731,205	2,760,702
Maintenance	1,838,940	1,597,342
Utilities	711,446	562,455
Bad debts	802,158	1,165,669
Cell site rental	237,540	175,720
Taxes and licenses	965,327	873,366
Advertising	2,968,190	1,774,317
General and administrative	3,106,380	2,635,470
Occupancy	403,800	353,641
Depreciation	7,703,016	6,987,459
Amortization	670,464	528,232
Total expenses	\$ 50,741,981	\$ 41,282,361
Income from operations	\$ 8,423,580	\$ 5,872,816
<b>OTHER INCOME (EXPENSE)</b>		
Interest income	\$ 56,023	\$ 42,847
Interest expense	(1,242,505)	(885,156)
Universal Service Fund income (Note 7)	6,680,698	4,910,497
	\$ 5,494,216	\$ 4,068,188
Net income	\$ 13,917,796	\$ 9,941,004

The Notes to Financial Statements are an integral part of these statements.

**EAST KENTUCKY NETWORK, LLC  
DBA APPALACHIAN WIRELESS**

**STATEMENTS OF MEMBERS' EQUITY  
Years Ended December 31, 2008 and 2007**

	Cellular Services, Inc.	Gearhart Communi- cations Company, Inc.	Mountain Tele- communi- cations, Inc.	Thacker- Grigsby Telephone Co., Inc.	Peoples Rural Telephone Coop- erative Corp- oration, Inc.	Total
Balance, January 1, 2007	\$ 8,667,881	\$ 8,667,881	\$ 8,667,881	\$ 8,667,880	\$ 8,667,880	\$ 43,339,403
Comprehensive income:						
Net income	1,988,201	1,988,201	1,988,200	1,988,201	1,988,201	9,941,004
Change in fair value of interest rate swaps	(78,861)	(78,861)	(78,862)	(78,861)	(78,861)	(394,306)
Total comprehensive income	\$ 1,909,340	\$ 1,909,340	\$ 1,909,338	\$ 1,909,340	\$ 1,909,340	\$ 9,546,698
Capital distributions	(533,134)	(533,134)	(533,133)	(533,134)	(533,134)	(2,665,669)
Balance, December 31, 2007	\$10,044,087	\$10,044,087	\$10,044,086	\$10,044,086	\$10,044,086	\$50,220,432
Comprehensive income:						
Net income	2,783,559	2,783,559	2,783,559	2,783,560	2,783,559	13,917,796
Change in fair value of interest rate swaps	(299,038)	(299,038)	(299,038)	(299,038)	(299,037)	(1,495,189)
Total comprehensive income	\$ 2,484,521	\$ 2,484,521	\$ 2,484,521	\$ 2,484,522	\$ 2,484,522	\$12,422,607
Capital distributions	(835,044)	(835,044)	(835,044)	(835,044)	(835,044)	(4,175,220)
Balance, December 31, 2008	\$11,693,564	\$11,693,564	\$11,693,563	\$11,693,564	\$11,693,564	\$58,467,819

The Notes to Financial Statements are an integral part of these statements.



**EAST KENTUCKY NETWORK, LLC  
DBA APPALACHIAN WIRELESS**

**STATEMENTS OF CASH FLOWS  
Years Ended December 31, 2008 and 2007**

	<u>2008</u>	<u>2007</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income	\$ 13,917,796	\$ 9,941,004
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	7,703,016	6,987,459
Amortization	670,464	528,232
Changes in assets and liabilities, net of the effects of investing and financing activities:		
(Increase) in accounts receivable	(818,118)	(738,949)
(Increase) in accounts receivable, members	(8,275)	(42,191)
(Increase) in inventory	(74,188)	(1,395,218)
(Increase) decrease in prepaid expenses	19,911	(358,202)
Decrease in other assets	969	750,860
Increase (decrease) in accounts payable	834,045	(183,899)
Increase (decrease) in accounts payable, member	4,312	(2,449)
Increase (decrease) in accrued expenses	84,489	(1,222,038)
Increase in customer deposits	147,402	135,867
Net cash provided by operating activities	<u>\$ 22,481,823</u>	<u>\$ 14,400,476</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	\$ (19,165,600)	\$ (12,765,603)
Purchase of intangible assets	(1,650,275)	(120,500)
Proceeds from sale of short-term investments	(39,831)	(80,744)
Net cash (used in) investing activities	<u>\$ (20,855,706)</u>	<u>\$ (12,966,847)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Capital distributions	\$ (4,790,603)	\$ (2,050,286)
Proceeds from long-term borrowings	8,250,000	1,000,000
Payments on long-term borrowings	(1,758,884)	(1,450,000)
Net cash provided by (used in) financing activities	<u>\$ 1,700,513</u>	<u>\$ (2,500,286)</u>
Net increase (decrease) in cash and cash equivalents	\$ 3,326,630	\$ (1,066,657)
Cash and cash equivalents:		
Beginning	<u>1,751,689</u>	<u>2,818,346</u>
Ending	<u>\$ 5,078,319</u>	<u>\$ 1,751,689</u>

The Notes to Financial Statements are an integral part of these statements.

EAST KENTUCKY NETWORK, LLC  
DBA APPALACHIAN WIRELESS

STATEMENTS OF CASH FLOWS (Continued)  
Years Ended December 31, 2008 and 2007

	<u>2008</u>	<u>2007</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash payments for interest	<u>\$ 1,178,953</u>	<u>\$ 885,156</u>
SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES		
Capital distributions declared	<u>\$ --</u>	<u>\$ 615,383</u>

The Notes to Financial Statements are an integral part of these statements.

**EAST KENTUCKY NETWORK, LLC  
DBA APPALACHIAN WIRELESS**

**NOTES TO FINANCIAL STATEMENTS**

Note 1. Summary of Significant Accounting Policies

Nature of operations

East Kentucky Network, LLC, dba Appalachian Wireless, is a Kentucky limited liability company formed by the merger of Appalachian Cellular, LLC, Mountaineer Cellular, LLC and East Kentucky Network, LLC on January 1, 2000. The Company is engaged in cellular telephone communications and paging services to residential and commercial customers located in eastern Kentucky. The Company's five members consist of Cellular Services, Inc.; Gearheart Communications Company, Inc.; Mountain Telecommunications, Inc.; Peoples Rural Telephone Cooperative Corporation, Inc.; and Thacker-Grigsby Telephone Co., Inc.

Cash

The Company maintains its cash balances, which may exceed the federally insured limit, with several financial institutions. These financial institutions have strong credit ratings and management believes that credit risk related to the accounts is minimal.

Cash equivalents

For purposes of the statement of cash flows, the Company considers temporary investments having a maturity of three months or less to be cash equivalents.

Short-term investments

Certificates of deposit having original maturities between three and nine months are classified as short-term investments, are carried at cost, which approximates fair value, and are held to maturity. Fair value is determined by quoted prices for similar certificates of deposit in active markets.

Inventory

Inventory is composed of cellular telephone equipment, paging equipment, and accessories purchased for resale during the ordinary course of business. The inventory is valued at the lower of cost or market, cost being determined by the first-in, first-out (FIFO) method.

Property, plant and equipment

Property, plant and equipment are recorded at cost. Depreciation is provided using the straight-line method over the estimated useful lives of the assets.

Investment

The investment in affiliated company is composed of equity certificates in Rural Telephone Finance Cooperative and is reported at cost, which approximates fair value.

## NOTES TO FINANCIAL STATEMENTS

### Note 1. Summary of Significant Accounting Policies (Continued)

#### Intangible assets

The customer lists, non-compete agreements, FCC licenses, bond issuance costs, loan fees and use of name are recorded at cost and are being amortized over the life of the asset by the straight-line method.

#### Recognition of revenue

Cellular service and paging revenues are recognized when earned. Monthly access and feature charges are billed one month in advance and recognized as revenue the following month. Revenue from telephone and accessories sold are recognized as revenue upon delivery to the customer.

#### Advertising

Advertising costs are expensed as incurred. At December 31, 2008 and 2007, these costs were \$2,968,190 and \$1,774,317, respectively.

#### Income taxes

Under existing provisions of the Internal Revenue Code, the income or loss of a limited liability company is recognized by the members for income tax purposes. Accordingly, no provision for federal income taxes has been provided for in the accompanying financial statements.

The Company adopted the provisions of FASB Interpretation No. 48, *Accounting for Uncertainty in Income Taxes*, on January 1, 2008. The Company had no prior unrecognized tax benefits as a result of the implementation of Interpretation 48. There are no tax positions for which the ultimate deductibility is highly uncertain included in the balance sheet at December 31, 2008.

The Company recognizes interest accrued related to unrecognized tax benefits in interest expense and penalties in operating expenses. During the years ended December 31, 2008 and 2007 the Company did not recognize any interest or penalties.

#### Use of estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses.

#### Comprehensive income

Comprehensive income consists of net income and other comprehensive income. Other comprehensive income includes the change in fair value of interest rate swaps which is also recognized as a separate component of equity.

## NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

Reclassification

Certain amounts presented in the prior period have been restated to conform with the current year presentation.

Note 2. Intangible Assets

Intangible assets consist of the following at December 31, 2008:

	Gross Amount	Accumulated Amortization
Customer lists	\$ 5,363,530	\$ (2,868,565)
Non-compete agreements	220,348	(150,977)
FCC licenses	2,452,368	(544,730)
Use of name	10,000	(5,669)
Other	907,239	(127,784)
	\$ 8,953,485	\$ (3,697,725)

Intangible assets consist of the following at December 31, 2007:

	Gross Amount	Accumulated Amortization
Customer lists	\$ 5,363,530	\$ (2,510,268)
Non-compete agreements	220,348	(136,257)
FCC licenses	1,262,093	(399,017)
Use of name	10,000	(5,001)
Other	508,474	(71,596)
	\$ 7,364,445	\$ (3,122,139)

## NOTES TO FINANCIAL STATEMENTS

### Note 2. Intangible Assets (Continued)

Aggregate amortization expense related to these intangible assets for the years ended December 31, 2008 and 2007 totaled \$575,586 and \$475,226, respectively. The following represents the total estimated amortization of intangible assets for each of the succeeding five years:

Year ending December 31:	\$
2009	625,000
2010	625,000
2011	625,000
2012	625,000
2013	625,000

### Note 3. Long-Term Debt

Long-term debt consists of the following at December 31:

	2008	2007
Note payable, Fifth Third Bank (a)	\$ 11,600,000	\$ 13,000,000
Line of credit, Fifth Third Bank (b)	--	750,000
Note payable, Fifth Third Bank (c)	8,641,116	--
	<u>\$ 20,241,116</u>	<u>\$ 13,750,000</u>

(a) On February 28, 2006, the Company issued \$14,200,000 in adjustable rate notes to restructure its debt. The notes were issued pursuant to a trust indenture between the Company and U.S. Bank National Association. Principal and interest on the notes are paid from funds drawn by the Trustee under an irrevocable letter of credit issued by Fifth Third Bank. The Notes are collateralized by the assets of the Company and mature on February 1, 2016. The Notes bear interest at a floating interest rate as determined by U.S. Bank National Association (4.60% at 12/31/08). However, the Company entered into an interest rate swap contract (original notional amount of \$14,200,000) that effectively converts its floating-rate debt into a fixed-rate of 5.32% (see Note 8). The note is payable in 10 annual installments of \$1,200,000 for 2007, \$1,400,000 for 2008 through 2012, and \$1,500,000 for 2013 through 2016, with a variable interest rate.

On February 2, 2009, the Company refinanced the remaining \$10,200,000 of the note with a new note payable that matures November 1, 2013, and renegotiated the terms of the interest rate swap contract.

(b) The line of credit agreement with Fifth Third Bank provides for borrowing up to \$2,000,000. The agreement carries a variable interest rate (4.90% at 12/31/08), is secured by the assets of the Company, and is due September 1, 2010.

## NOTES TO FINANCIAL STATEMENTS

### Note 3. Long-Term Debt (Continued)

(c) On September 1, 2008, the Company borrowed \$9,000,000 to restructure existing debt, purchase new equipment and upgrade existing equipment. The note is collateralized by the assets of the Company. Interest on the note is floating at monthly LIBOR plus 3.00% as determined by Fifth Third Securities, Inc (4.90% at 12/31/08). The Company also entered into an interest rate swap contract (original notional amount of \$9,000,000) that effectively converts its floating-rate debt into a fixed rate of 7.20% (see Note 8). The note is payable in monthly installments of \$107,143 plus interest with a balloon payment due on September 1, 2013.

Under terms of the Notes, the Company has also agreed, among other things, to maintain minimum debt service coverage and minimum debt to tangible worth ratios.

Approximate maturities or payments required on principal under note payable agreements for each of the succeeding five years are as follows:

Year ending December 31:	
2009	\$ 3,852,381
2010	2,685,714
2011	2,685,714
2012	2,769,048
2013	8,248,258

### Note 4. Retirement Plans

The Company has a 401(k) plan for qualifying employees who have reached twenty-one years of age. Eligible employees are allowed to invest up to 15% of their compensation and the Company has agreed to match 100% of the first 3% of the employees' contribution and 50% of the employees' contribution between 3% and 5%. The Company contributed \$112,235 and \$81,606 matching funds for its 401(k) plan during the years ended December 31, 2008 and 2007, respectively.

The Company also offers an employer sponsored retirement savings plan for qualified employees who have reached twenty-one years of age. The Company has agreed to contribute 9% of the eligible employee's compensation, plus an additional 5% of the original contribution.

The Company contributed \$371,105 and \$355,059 to its retirement savings plan during the years ended December 31, 2008 and 2007, respectively.

### Note 5. Related Party Transactions

The Company shares personnel with four of its members. The Company paid \$157,825 and \$137,799 for shared personnel during the years ended December 31, 2008 and 2007, respectively. The Company also leased offices and warehouse space from three members. The leases are for an unspecified length of time. The annual lease expense related to these leases was \$20,301 and \$18,642 during the years ended December 31, 2008 and 2007, respectively.

## NOTES TO FINANCIAL STATEMENTS

### Note 5. Related Party Transactions (Continued)

The Company incurred interconnection, telephone, cable and internet access charges from its members aggregating \$1,047,239 and \$892,626 for the years ended December 31, 2008 and 2007, respectively.

The Company leases two cellular tower sites from the officers and majority shareholders of a member. The annual lease expense related to these leases was \$2,400 for the years ended December 31, 2008 and 2007. The leases are for an unspecified length of time. The Company also pays part of an annual lease for sharing a tower with a member for an annual fee of \$450. In addition, the Company leases one other site from a company owned by a member for an annual fee of \$3,600. The Company leases cellular tower sites from the parent company of one of its other members. The annual lease expense related to these leases was \$12,463 for the years ended December 31, 2008 and 2007. The leases are for five years with options to renew.

The Company pays commissions to two of its members for phone sales to customers. The amount of commissions paid to related parties during the years ended December 31, 2008 and 2007 was \$51,872 and \$43,644, respectively.

The Company pays fees to companies owned by its members for advertisement in telephone directories, television and on local billboards. The amount of advertising paid to related parties was \$98,276 and \$18,885 for the years ended December 31, 2008 and 2007, respectively.

### Note 6. Operating Leases

The Company has entered into operating leases with its members and other customers to provide fiber optic transmission capacity and ancillary services. The terms of these leases are for 15 years. Total rental income earned from these operating lease commitments included in the statements of income was \$1,612,227 and \$1,267,544 for the years ended December 31, 2008 and 2007, respectively. Rental income earned from the Company's members from these leases was \$780,931 and \$607,789 for the years ended December 31, 2008 and 2007, respectively.

Investments in operating leases are as follows at December 31:

	2008	2007
Fiber ring	\$ 7,429,057	\$ 6,606,546
Accumulated depreciation	<u>(2,143,096)</u>	<u>(1,687,693)</u>
	<u>\$ 5,285,961</u>	<u>\$ 4,918,853</u>

The future minimum rental payments expected to be received under these lease agreements for each of the succeeding five years are approximately \$1,500,000 each year.



## NOTES TO FINANCIAL STATEMENTS

### Note 6. Operating Leases (Continued)

The Company has also entered into lease agreements to obtain fiber optic transmission and digital microwave transmission services; and to rent retail office facilities. The terms of these leases are between 5 and 15 years. Total rental expense incurred from these operating lease commitments included in the statements of income was \$805,277 and \$646,474 for the years ended December 31, 2008 and 2007, respectively. Rental expense incurred from the Company's members from these leases was \$291,461 and \$188,539 for the years ended December 31, 2008 and 2007, respectively. The future minimum lease payments required under these lease agreements for each of the succeeding five years are \$800,000 each year.

### Note 7. Eligible Telecommunication Carrier

During 2005, the Company was granted Eligible Telecommunication Carrier (ETC) status by the Kentucky Public Service Commission. As an ETC, the Company receives funding from the federal Universal Service Fund (USF) to support the high cost of providing local telephone service in rural areas. USF payments amounted to \$6,680,698 and \$4,910,497 for 2008 and 2007, respectively.

### Note 8. Derivative Financial Instruments, Interest Rate Swaps

The Company entered into two interest rate swap contracts with Fifth Third Bank for the purpose of converting floating-rate interest on its long-term debt to fixed rates. The interest rate swap effectively fixed \$14,200,000 at a rate of 5.32% until February 1, 2016 and fixed \$9,000,000 at a rate of 7.20% until September 1, 2013.

Under the swap contracts, the Company pays interest at 5.32% and 4.20% on the notional amounts and receives interest at LIBOR observed weekly (1.075% at December 31, 2008) and LIBOR observed monthly (1.90% at December 31, 2008), respectively. The interest rate swaps qualify as, and are designated as, cash flow hedges. The swaps are designed to hedge the risk of changes in interest payments on the notes caused by changes in LIBOR. The notional amounts do not represent actual amounts exchanged by the parties, but instead represent the amounts on which the contracts are based.

The swaps were issued at market terms so that they had no fair value or carrying value at their inception. The carrying amount of the swaps has been adjusted to their fair value at the end of the year, which because of changes in forecasted levels of LIBOR, resulted in reporting a liability for the fair value of the future net payments forecasted under the swaps. The swap contracts permit settlement prior to maturity only through termination by the Company. The settlement amounts are determined based on forecasted changes in interest rates required under fixed and variable legs of the swaps. The Company believes the settlement amounts are the best representation of the fair value of the swaps and has adjusted their carrying amounts to the settlement amounts at the end of the year.

## NOTES TO FINANCIAL STATEMENTS

### Note 8. Derivative Financial Instruments, Interest Rate Swaps (Continued)

The carrying amounts of the swaps are classified as noncurrent since management does not intend to terminate the swaps during 2009. Since the critical terms of the swaps and the notes are approximately the same, the swaps are assumed to be effective as hedges, and none of the changes in fair values are included in income. Accordingly, all of the adjustment of the swaps' carrying amount is reported as other comprehensive income or loss in the accompanying statements of members' equity. If the swaps are terminated early, the corresponding carrying amount would be reclassified into earnings. The Company does not hold or issue interest rate swaps or other financial instruments for trading purposes.

**INDEPENDENT AUDITOR'S REPORT ON  
THE SUPPLEMENTARY INFORMATION**

To the Members  
East Kentucky Network, LLC  
dba Appalachian Wireless  
Prestonsburg, Kentucky 41653

Our audit was made for the purpose of forming an opinion on the basic financial statements for the year ended December 31, 2008 and 2007, taken as a whole. The supplementary information shown on pages 16 and 17 is presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplementary information for the year ended December 31, 2008 and 2007, has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*Jones, Nale & Mattingly P.C.*

Louisville, Kentucky  
March 6, 2009

**EAST KENTUCKY NETWORK, LLC  
DBA APPALACHIAN WIRELESS**

**STATEMENTS OF INCOME DETAIL**

	Year Ended December 31, 2008					Totals
	RSA #9 Appalachian	RSA #10 Mountaineer	Fiber Ring	PCS		
<b>REVENUE</b>						
Retail	\$21,677,148	\$ 13,716,884	\$ --	\$ 196,828	\$35,590,860	
Roamer	9,424,434	3,125,657	--	42,024	12,592,115	
Long distance	131,994	81,285	--	1,017	214,296	
Paging	259,547	307,130	--	--	566,677	
Equipment sales, cellular	1,492,348	689,288	--	67,303	2,248,939	
Equipment sales, paging	20,869	14,908	--	--	35,777	
Other	3,903,116	2,387,648	1,559,075	67,058	7,916,897	
Total revenue	<u>\$36,909,456</u>	<u>\$ 20,322,800</u>	<u>\$ 1,559,075</u>	<u>\$ 374,230</u>	<u>\$59,165,561</u>	
<b>EXPENSES</b>						
Cost of cellular service	\$ 7,464,380	\$ 5,305,238	\$ --	\$ 92,285	\$12,861,903	
Cost of paging service	148,346	184,040	--	--	332,386	
Cost of equipment sales, cellular	6,730,198	4,590,695	--	335,474	11,656,367	
Cost of equipment sales, paging	24,309	32,396	--	--	56,705	
Customer service	813,941	496,602	--	2,490	1,313,033	
Billing	873,600	505,623	--	3,898	1,383,121	
Selling	2,134,116	1,595,634	--	1,455	3,731,205	
Maintenance	103,517	697,495	39,468	66,820	1,838,940	
Utilities	391,910	254,462	43,330	21,744	711,446	
Bad debts	491,883	302,032	--	8,243	802,158	
Cell site rental	133,339	88,571	400	15,230	237,540	
Taxes and licenses	576,748	250,317	121,722	16,540	965,327	
Advertising	2,084,232	771,388	--	112,570	2,968,190	
General and administrative	1,802,346	1,056,315	226,927	20,792	3,106,380	
Occupancy	102,054	80,815	208,497	12,434	403,800	
Depreciation	3,939,105	2,891,653	725,234	147,024	7,703,016	
Amortization	211,208	407,992	22,151	29,113	670,464	
Total expenses	<u>\$28,956,872</u>	<u>\$ 19,511,268</u>	<u>\$ 1,387,729</u>	<u>\$ 886,112</u>	<u>\$50,741,981</u>	
Income from operations	<u>\$ 7,952,584</u>	<u>\$ 811,532</u>	<u>\$ 171,346</u>	<u>\$ (511,882)</u>	<u>\$ 8,423,580</u>	
<b>OTHER INCOME (EXPENSE)</b>						
Interest income	\$ 21,154	\$ 31,375	\$ 3,331	\$ 163	\$ 56,023	
Interest expense	(783,129)	(455,419)	--	(3,957)	(1,242,505)	
Universal Service Fund income	3,340,349	3,340,349	--	--	6,680,698	
	<u>\$ 2,578,374</u>	<u>\$ 2,916,305</u>	<u>\$ 3,331</u>	<u>\$ (3,794)</u>	<u>\$ 5,494,216</u>	
Net income (loss)	<u>\$10,530,958</u>	<u>\$ 3,727,837</u>	<u>\$ 174,677</u>	<u>\$ (515,676)</u>	<u>\$13,917,796</u>	

Year Ended December 31, 2007

RSA #9 Appalachian	RSA #10		Fiber		PCs	Totals
	Mountaineer	Ring	Ring	PCs		
\$17,642,270	\$11,838,430	\$	--	\$	--	\$29,480,700
6,669,355	2,570,467	--	--	--	--	9,239,822
124,057	72,730	--	--	--	--	196,787
311,459	372,605	--	--	--	--	684,064
1,858,283	1,147,890	--	--	--	--	3,006,173
22,375	11,487	--	--	--	--	33,862
1,918,184	1,393,323	1,202,262	--	--	--	4,513,769
<u>\$28,545,983</u>	<u>\$17,406,932</u>	<u>\$ 1,202,262</u>	<u>\$</u>	<u>\$</u>	<u>--</u>	<u>\$47,155,177</u>
\$ 5,269,638	\$ 3,740,533	\$	--	\$	--	\$ 9,010,171
144,051	165,473	--	--	--	--	309,524
6,159,530	3,818,719	--	--	--	--	9,978,249
32,491	26,816	--	--	--	--	59,307
854,848	569,349	--	--	--	--	1,424,197
646,609	439,931	--	--	--	--	1,086,540
1,488,778	1,271,924	--	--	--	--	2,760,702
947,194	605,128	41,911	3,109	--	--	1,597,342
317,027	211,787	33,641	--	--	--	562,455
679,376	486,293	--	--	--	--	1,165,669
110,010	63,542	2,168	--	--	--	175,720
460,230	354,586	58,550	--	--	--	873,366
1,349,040	425,277	--	--	--	--	1,774,317
1,470,148	957,527	207,795	--	--	--	2,635,470
92,800	76,970	183,871	--	--	--	353,641
3,606,890	2,433,512	944,763	2,294	6,987,459	2,294	6,987,459
138,707	375,631	11,515	2,379	528,232	2,379	528,232
<u>\$23,767,367</u>	<u>\$16,022,998</u>	<u>\$ 1,484,214</u>	<u>\$ 7,782</u>	<u>\$41,282,361</u>	<u>--</u>	<u>\$41,282,361</u>
\$ 4,778,616	\$ 1,383,934	\$ (281,952)	\$ (7,782)	\$ 5,872,816		
\$ 4,769	\$ 34,195	\$ 3,883	\$ --	\$ 42,847		
(531,490)	(353,666)	--	--	(885,156)		
<u>2,683,838</u>	<u>2,226,659</u>	<u>--</u>	<u>--</u>	<u>4,910,497</u>		
<u>\$ 2,157,117</u>	<u>\$ 1,907,188</u>	<u>\$ 3,883</u>	<u>\$ --</u>	<u>\$ 4,068,188</u>		
<u>\$ 6,935,733</u>	<u>\$ 3,291,122</u>	<u>\$ (278,069)</u>	<u>\$ (7,782)</u>	<u>\$ 9,941,004</u>		

**EAST KENTUCKY NETWORK, LLC  
DBA APPALACHIAN WIRELESS**

**STATEMENTS OF INCOME DETAIL (Continued)**

	Year Ended December 31, 2008					Totals
	RSA #9	RSA #10	Fiber	PCS	Totals	
	Appalachian	Mountaineer	Ring	PCS		
<b>COST OF CELLULAR SERVICE</b>						
Roamer pass through charges	\$ 4,949,474	\$ 3,595,547	\$ --	\$ 77,604	\$ 8,622,625	
SCB interconnection	237,395	144,905	--	532	382,832	
Local charges	2,401,115	1,387,166	--	18,826	3,807,107	
Harold interconnection	134,062	--	--	--	134,062	
Wheelwright interconnection	37,412	--	--	--	37,412	
GTE interconnection	62,621	63,402	--	--	126,023	
West Liberty interconnection	46,578	--	--	--	46,578	
Chapman interconnection	67,775	21,616	--	161	89,552	
Salysersville interconnection	1,54,146	82,148	--	658	236,952	
Bluefield interconnection	300	--	--	--	300	
Roanoke interconnection	13,626	--	--	--	13,626	
Interconnect revenue	(715,726)	(453,368)	--	(5,653)	(1,174,747)	
Fiber ring interconnection	75,602	121,000	--	157	196,759	
TGTC interconnection and DS3 charges	--	171,590	--	--	171,590	
PRTC interconnection	--	171,232	--	--	171,232	
	<u>\$ 7,464,380</u>	<u>\$ 5,305,238</u>	<u>\$ --</u>	<u>\$ 92,285</u>	<u>\$ 12,861,903</u>	
<b>COST OF PAGING SERVICE</b>						
Paging maintenance	\$ 256	\$ 384	\$ --	\$ --	\$ 640	
Salaries and benefits	30,752	46,129	--	--	76,881	
Tower rent	45,095	75,005	--	--	120,100	
Telephone expense	--	131	--	--	131	
Expanded coverage costs	--	998	--	--	998	
Interconnection charges	33,211	28,094	--	--	61,305	
Office and billing expense	38,462	22,945	--	--	61,407	
Other	570	10,354	--	--	10,924	
	<u>\$ 148,346</u>	<u>\$ 184,040</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 332,386</u>	

Year Ended December 31, 2007

RSA #9	RSA #10	Fiber	PCS	Totals
Appalachian	Mountaineer	Ring		
\$ 3,554,926	\$ 2,559,114	\$ --	--	\$ 6,114,040
234,187	158,145	--	--	392,332
1,496,116	991,910	--	--	2,488,026
166,140	--	--	--	166,140
31,134	--	--	--	31,134
18,186	33,187	--	--	51,373
107,242	--	--	--	107,242
43,298	16,620	--	--	59,918
118,167	64,495	--	--	182,662
2,976	--	--	--	2,976
14,629	--	--	--	14,629
(569,849)	(393,685)	--	--	(963,534)
52,486	71,881	--	--	124,367
--	186,290	--	--	186,290
--	52,576	--	--	52,576
<u>\$ 5,269,638</u>	<u>\$ 3,740,533</u>	<u>\$ --</u>	<u>--</u>	<u>\$ 9,010,171</u>
\$ 3,966	\$ 6,718	\$ --	--	\$ 10,684
28,850	43,351	--	--	72,201
44,798	53,146	--	--	97,944
--	126	--	--	126
--	703	--	--	703
35,618	27,865	--	--	63,483
30,566	22,507	--	--	53,073
254	11,056	--	--	11,310
<u>\$ 144,052</u>	<u>\$ 165,472</u>	<u>\$ --</u>	<u>--</u>	<u>\$ 309,524</u>





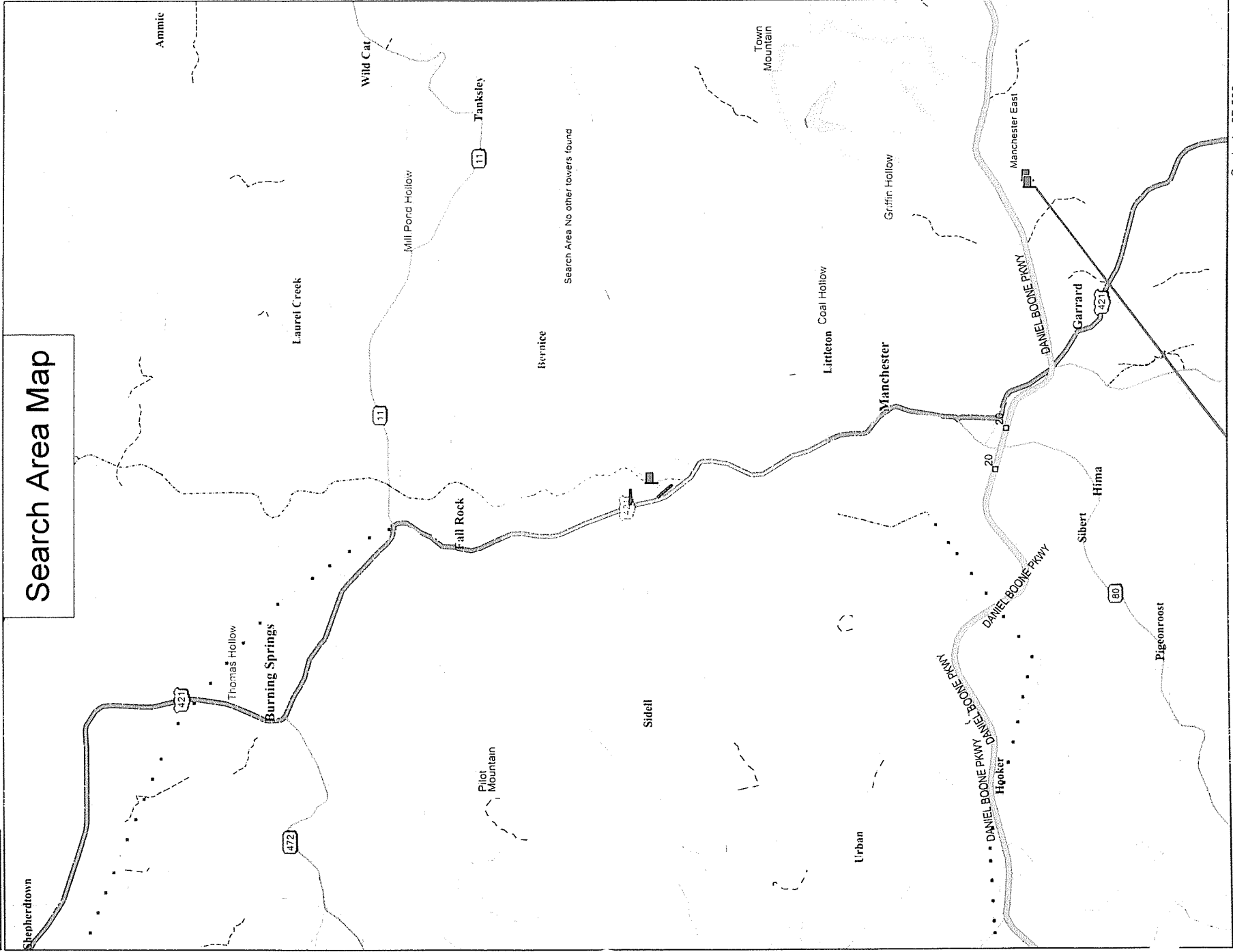
## Directions to Manchester North Site

Starting from the courthouse in Clay County Ky. Take Hwy 421 North 2.7 miles to Jerry Shepherd Rd. Turn right onto Jerry Shepherd road and go .05 miles to Chain Link fence Gate. After the gate keep left to gravel road going up the hill. When the road levels off it is walk to from that point. The proposed road is marked with Blue and white ribbons from that point to the site. Road is not constructed due to the NEPA report not being completed at this time.

Directions were written by:

Marty Thacker  
Appalachian Wireless  
606-634-9505 Cell Phone  
606-785-2203 Office  
[m.thacker@tgtel.com](mailto:m.thacker@tgtel.com) email

# Search Area Map





*Transfer Tax  
7 20*

DEED OF CONVEYANCE

THIS DEED OF CONVEYANCE, made and entered into this 22<sup>nd</sup> day of January, 2009, by and between **JERRY SHEPHERD AND HIS WIFE, DEANNA SHEPHERD** whose address is 126 Jerry Shepherd Road, Manchester, Ky 40962, parties of the first part and **EAST KENTUCKY NETWORK, LLC**, whose address and in-care-of address is 101 Technology Trail, Ivel, Kentucky 41642, party of the second part.

WITNESSETH: That for and in consideration of the sum of \$20,000.00, cash in hand paid, the receipt of which is hereby acknowledged, parties of the first part do hereby **SELL, GRANT AND CONVEY** unto the party of the second part, its successors and assigns, the following described property, viz: Being a **part** of that same property conveyed to the parties of the first part by that deed of record in **Deed Book 164, page 421; Deed Book 221, page 185 and Deed Book 253, page 310**, records of the **CLAY** County Clerk's office and more particularly described as follows:

Unless stated otherwise, any monument referred to herein as "set iron pin with cap" is a set 1/2" diameter rebar, at least eighteen (18") in length, with a plastic cap stamped "LS-2259". All bearings stated herein are referred to the NAD83 KY South State Plane north. This survey performed by James W. Caudill, LS2259, on January 7, 2009.

Lot A1 - Beginning on a set iron pin with cap marked Is2259 on or near the gas line right of way (Columbia Gas Transmission, Line KA-1), said point being located South 44 deg 13 min 11 sec West, 144.68 feet from a found 1/2" iron pin on ridge at fence corner on the line of Gary & Fonda Harris (Book 291 Page 571) and on the line of Jerry and Deanna Shepherd (Book 221 Page 185); thence severing the property of Jerry & Deanna Shepherd and running in the general direction of the gas line right of way South 28 deg 43 min 06 sec West, 83.46 feet, South 18 deg 09 min 40 sec West, 26.77 feet to a set iron pin with cap marked Is2259; thence continuing to sever the property of Jerry Shepherd (Book 164 Page 421) and continuing in the general direction of the gas line right of way South 07 deg 32 min 08 sec West, 36.99 feet, South 05 deg 47 min 40 sec East, 62.54 feet to a set iron pin with cap marked Is2259; thence leaving the gas line right of way and running down the hill North 82 deg 17 min 41 sec West, 82.05 feet to a set iron pin with cap marked Is2259; thence running around the hill North 47 deg 02 min 47 sec West, 111.88 feet to a set iron pin with cap marked Is2259 on a point, North 50 deg 32 min 46 sec East, 127.09 feet to a set iron pin marked Is2259 on the hillside; thence running up the hill North 75 deg 14 min 31 sec East, 115.87 feet to the beginning.

Containing a calculated area of 20594 sq ft or 0.48 acres.

This according to a survey by James W. Caudill, PLS #2259, on January 7, 2009.

Grantors do hereby grant to the grantees a permanent easement or right-of-way for access to the property for purposes of ingress and egress to same, and does hereby agree that grantees are hereby granted permission to run electric power lines across their property to the tower.

To have and to hold all of the above-described real property together with all of the rights, privileges, appurtenances and improvements thereon, to the party of the second part, its successors and assigns, with covenant of "GENERAL WARRANTY", and pursuant to KRS 382, the consideration reflected in this deed is the true and actual amount paid for said property.

GRANTORS:

*Dennis Shepherd*  
JERRY SHEPHERD  
*Deanna Shepherd*  
DEANNA SHEPHERD

GRANTEE:

EAST KENTUCKY NETWORK, LLC

BY: *Gerald F. Boles*

ITS: GENERAL MANAGER

STATE OF KENTUCKY,

COUNTY OF CLAY,

I, Dennis Shepherd, Notary Public for the county and state aforesaid, do certify that on this day the foregoing deed and consideration certificate was produced to me in the county aforesaid and sworn, acknowledged and delivered by JERRY SHEPHERD AND DEANNA SHEPHERD, GRANTORS to be their free act and deed.

Witness my hand this 22<sup>nd</sup> day of January, 2009.

*Dennis Shepherd*  
NOTARY PUBLIC, STATE AT LARGE

My Commission Expires: OCT 22 - 2009

STATE OF KENTUCKY,

COUNTY OF Floyd

I, Dennis Shepherd, Notary Public for the county and state aforesaid, do certify that on this day the foregoing consideration certificate was produced to me in the county aforesaid and sworn, acknowledged and delivered by Gerald F. Robinson as General Manager of EAST KENTUCKY NETWORK, LLC, GRANTEE for and on its behalf.

Witness my hand this 22<sup>nd</sup> day of January, 2009.

*Dennis Shepherd*  
NOTARY PUBLIC, STATE AT LARGE

My Commission Expires: OCT 22 - 2009

THIS DEED PREPARED WITH THE CONSIDERATION AND DESCRIPTION FURNISHED BY PARTIES

THIS DEED WAS PREPARED



BY:

CLINT J. HARRIS  
21 BANKERS ALLEY  
MANCHESTER, KENTUCKY 40962

**DEED DESCRIPTION  
FOR SUBDIVISION OF**

Property of

**JERRY & DEANNA SHEPHERD**

Rt. 8, Box 92, Manchester, KY

Mill Hollow north of Manchester, KY  
Near Highway 421

January 7, 2009

A portion of the property lying on Mill Hollow off Island Creek in Clay County Kentucky, near highway 421 in Manchester. Being a portion of the property conveyed by deed from the D. Kennon White and Wanda White, his wife to Jerry Shepherd and Deanna Shepherd and recorded in Deed Book 221 Page 185 of the Clay County Court House, and also a portion of the property conveyed by deed from Judy Shepherd to Jerry Shepherd and recorded in Deed Book 164 page 421 of the Clay county Court House.

Unless stated otherwise, any monument referred to herein as "set iron pin with cap" is a set 1/2" diameter rebar, at least eighteen (18") in length, with a plastic cap stamped "LS-2259". All bearings stated herein are referred to the NAD83 KY South State Plane north. This survey performed by James W. Caudill, LS2259, on January 7, 2009.

Lot A1

Beginning on a set iron pin with cap marked ls2259 on or near the gas line right of way (Columbia Gas Transmission, Line KA-1), said point being located South 44 deg 13 min 11 sec West, 144.68 feet from a found 1/2" iron pin on ridge at fence corner on the line of Gary & Fonda Harris (Book 291 Page 571) and on the line of Jerry and Deanna Shepherd (Book 221 Page 185); thence severing the property of Jerry & Deanna Shepherd and running in the general direction of the gas line right of way South 28 deg 43 min 06 sec West, 83.46 feet, South 18 deg 09 min 40 sec West, 26.77 feet to a set iron pin with cap marked ls2259; thence continuing to sever the property of Jerry Shepherd (Book 164 Page 421) and continuing in the general direction of the gas line right of way South 07 deg 32 min 08 sec West, 36.99 feet, South 05 deg 47 min 40 sec East, 62.54 feet to a set iron pin with cap marked ls2259; thence leaving the gas line right of way and running down the hill North 82 deg 17 min 41 sec West, 82.05 feet to a set iron pin with cap marked ls2259; thence running around the hill North 47 deg 02 min 47 sec West, 111.88 feet to a set iron pin with cap marked ls2259 on a point, North 50 deg 32 min 46 sec East, 127.09 feet to a set iron pin marked ls2259 on the hillside; thence running up the hill North 75 deg 14 min 31 sec East, 115.87 feet to the beginning.

Containing a calculated area of 20594 sq ft or 0.48 acres.

This according to a survey by James W. Caudill, PLS #2259, on January 7, 2009.



184145  
Filed on: 01/23/2009 11:42:56 AM  
Book: DEED Number: 292  
Pages: 465  
Fred Thompson, CLAY County  
DC: *Fred Thompson*

*James W. Caudill*  
James W. Caudill, PLS #2259







**SITE SURVEY  
STRUCTURE LOCATION  
JERRY SHEPHERD  
MANCHESTER NORTH, CLAY CO**

JERRY & DEANNA SHEPHERD  
BOOK 221 PAGE 185

SET IRON PIN WITH CAP MARKED LS2259  
ON HILLSIDE

SET IRON PIN WITH CAP MARKED LS2259  
ON POINT

LOT A1  
20954 SQ. FT.  
0.48 ACRES

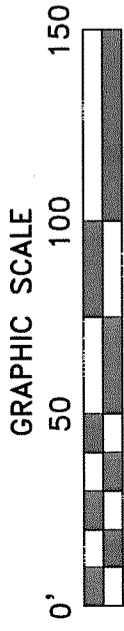
LAT: 37° 11' 22.9189"  
LON: 83° 46' 30.9568"

DETAIL 'A'

N: 1958219.16  
E: 2215595.89  
Z: 1213.818

JERRY SHEPHERD  
BOOK 164 PAGE 421

SET IRON PIN WITH CAP MARKED LS2259  
ON HILLSIDE



SCALE 1" = 50'

LEGEND

- CEMETERY
- TOWER
- BOUNDARY LINE
- ACCESS ROAD
- RIDGE LINE

FOUND 1/2" IRON PIN ON RIDGE AT FENCE

25'

S 44° 13' 17" W  
144.68'

SET IRON PIN WITH CAP MARKED LS2259  
NEAR GASLINE ROW

N 75° 14' 31" E  
115.87'

S 28° 43' 06" W  
83.46'

S 07° 32' 08" W  
518.09' 40" W

26.77'

36.99'

E 04° 47' 40" S

45.29'

25'

APPROX ROW

APPROXIMATE LOCATION OF COLUMBIA GAS TRANSMISSION 8" LINE KA-1 AS MARKED BY THE GAS COMPANY

OLD WIRE FENCE & PROPERTY LINE

SET IRON PIN WITH CAP MARKED LS2259  
NEAR GASLINE ROW

GARY & FONDA HARRIS  
BOOK 291 PAGE 571

SET IRON PIN WITH CAP MARKED LS2259  
NEAR GASLINE ROW

GARY & FONDA HARRIS  
BOOK 291 PAGE 571

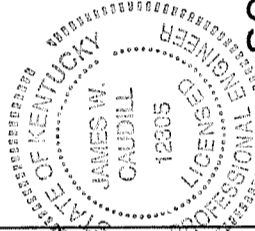
APPROX ROW

25'

APPROX ROW

-THE PROPOSED TOWER HAS BEEN LOCATED USING DUAL FREQUENCY GPS UNIT PROCESSED BY "OPUS"  
-STATE PLANE COORDINATES NAD 83 KY SOUTH ZONE  
N 1958219.16, E 2215595.89, EL 1214 FT MSL  
-PRECISION: HORIZONTAL=0.20' VERTICAL=0.50'  
-PROPERTY LINE INFORMATION TAKEN FROM DEEDS AND VERIFIED IN THE FIELD.

*James W. Caudill*  
JAMES W. CAUDILL P.E.  
1-7-09 DATE

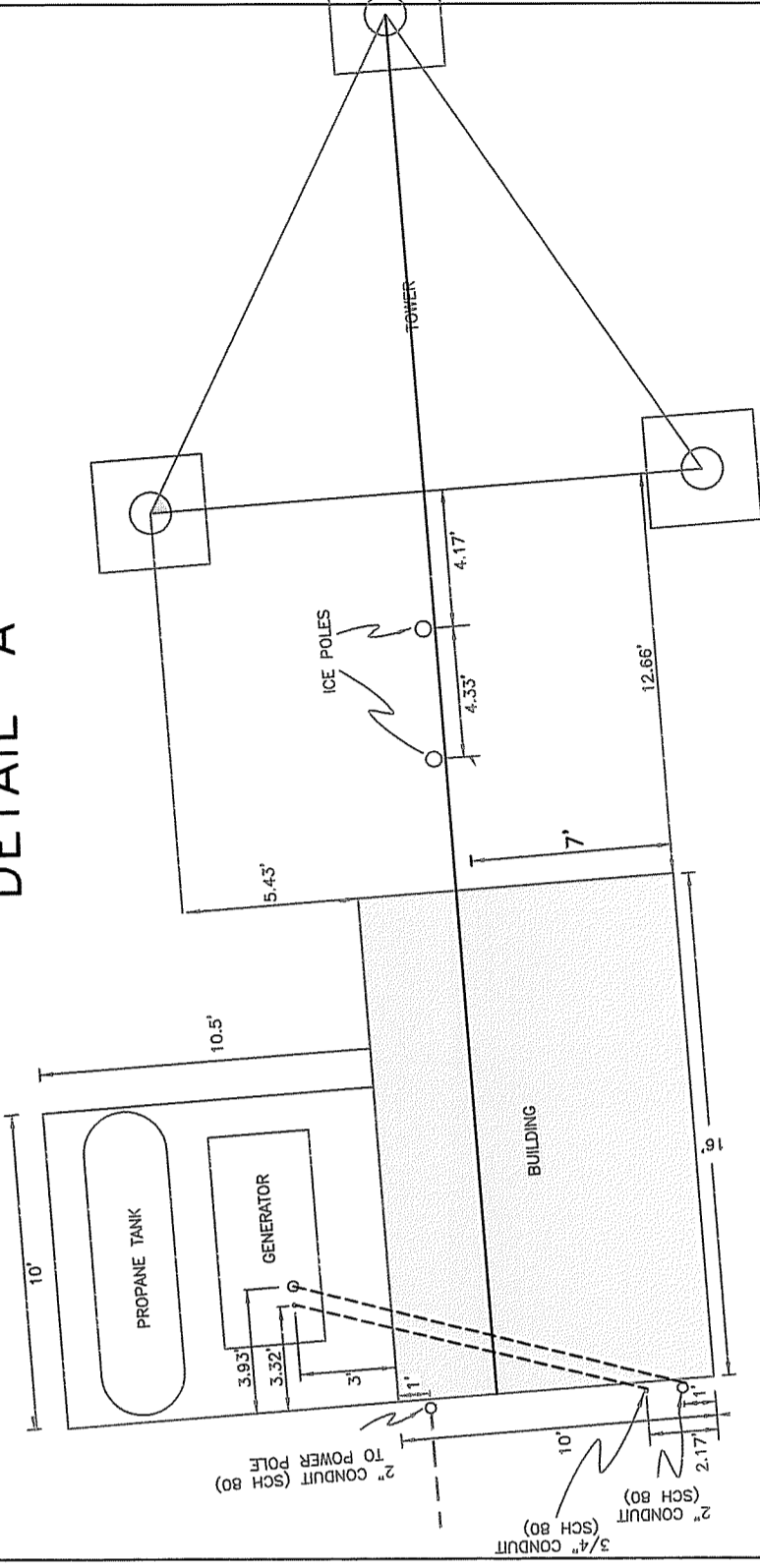


SCALE 1" = 6'



NOTE: \* USE SWEEPS IN CONDUIT FOR ALL TURNS  
\* CONDUITS SHALL BE PLACED 3.25" OUTSIDE CONCRETE SLAB

**DETAIL 'A'**



**APPALACHIAN WIRELESS**  
101 TECHNOLOGY TRAIL  
IVEL, KY. 41642  
PROPOSED TOWER SITE  
JERRY SHEPHERD  
MANCHESTER NORTH, CLAY CO

**SITE SURVEY/STR LOCATION**



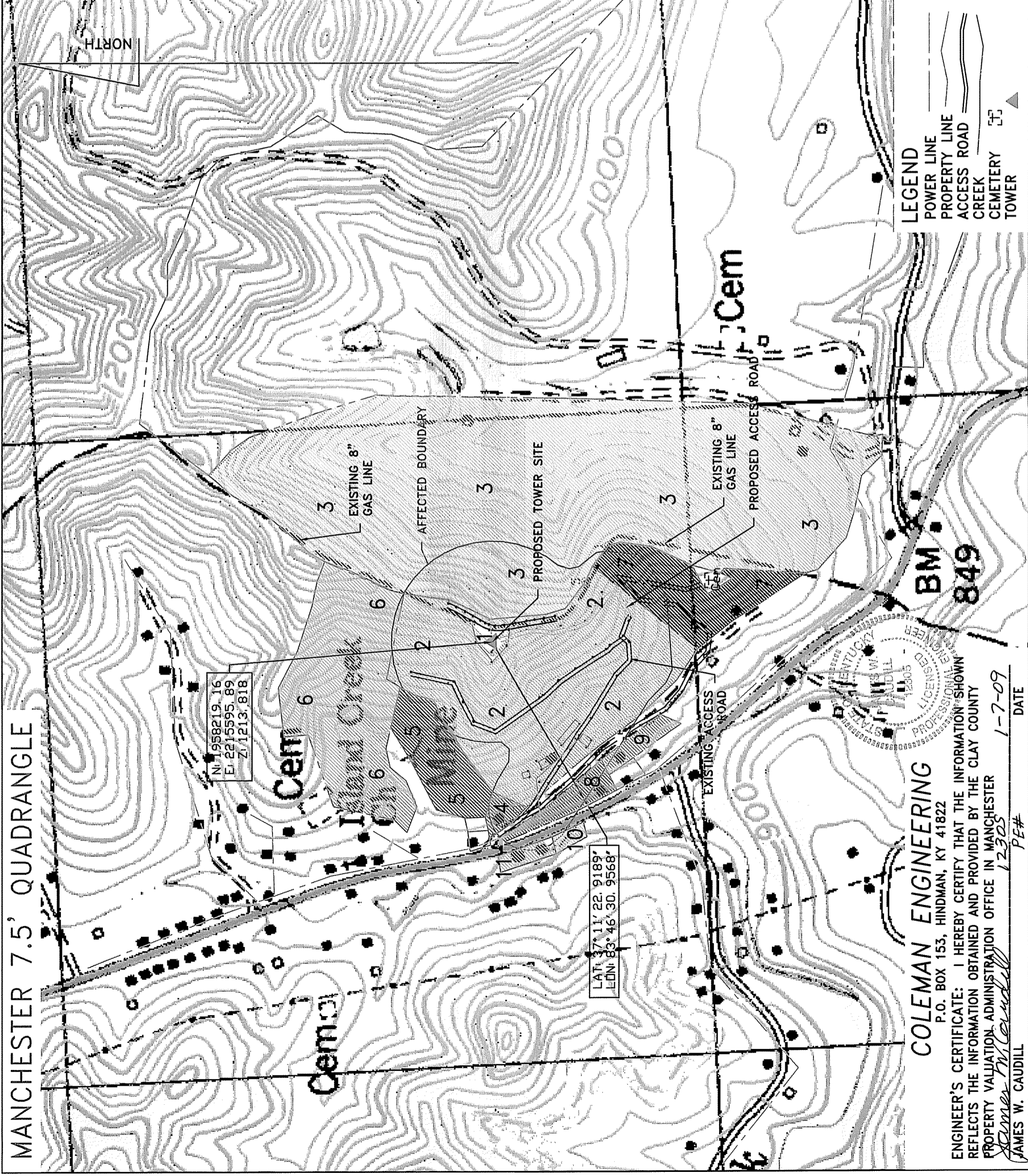
MANCHESTER 7.5' QUADRANGLE

APPALACHIAN WIRELESS  
101 TECHNOLOGY TRAIL  
IVEL, KY. 41642

PROPOSED TOWER SITE  
MANCHESTER NORTH, CLAY CO OF KY

LAND OWNERS:

- 1 ○ APPALACHIAN WIRELESS  
101 TECHNOLOGY TRAIL  
IVEL, KY 41642
- 2 ● JERRY & DEANNA SHEPHERD  
126 JERRY SHEPHERD RD  
MANCHESTER, KY 40962
- 3 ● GARY & FONDA HARRIS  
P.O. BOX 1015  
MANCHESTER, KY 40962
- 4 ● LEWIS & CAROL JEAN ABNER HEIRS  
P.O. BOX 571  
MANCHESTER, KY 40962
- 5 ● MANCHESTER RENTALS LLC  
305 MAIN STREET  
MANCHESTER, KY 40962
- 6 ● STEVIE D. & DANIELLE COLLINS  
464 CIRCLE DREIVE  
MANCHESTER, KY 40962
- 7 ● JOHN HENRY HUBBARD  
305 OVERLOOK LANE  
MANCHESTER, KY 40962
- 8 ● PAUL BURNS  
P.O. BOX 284  
MANCHESTER, KY 40962
- 9 ● SHANNON JONES  
P.O. BOX 118  
MANCHESTER, KY 40962
- 10 ● GLINDA MARCUM  
2913 NORTH HWY 421  
MANCHESTER, KY 40962
- 11 ● BOBBY & GLENDA MARCUM  
199 PINE HILL RD  
MANCHESTER, KY 40962



LEGEND  
 POWER LINE  
 PROPERTY LINE  
 ACCESS ROAD  
 CREEK  
 CEMETERY  
 TOWER

01/07/09

MAP SHOWING STRUCTURES & LAND OWNERS  
WITHIN 500 FT OF THE PROPOSED TOWER

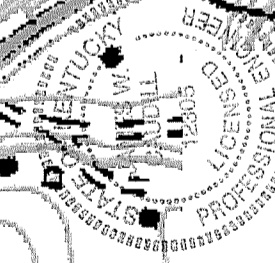


P.O. BOX 153, HINDMAN, KY 41822

N: 1958219.16  
 E: 2215595.89  
 Z: 1213.818

LAT: 37° 11' 22.9189"  
 LON: 83° 46' 30.9568"

BM 849



COLEMAN ENGINEERING  
 P.O. BOX 153, HINDMAN, KY 41822

ENGINEER'S CERTIFICATE: I HEREBY CERTIFY THAT THE INFORMATION SHOWN  
 REFLECTS THE INFORMATION OBTAINED AND PROVIDED BY THE CLAY COUNTY  
 PROPERTY VALUATION ADMINISTRATION OFFICE IN MANCHESTER

JAMES W. CAUDILL  
 PE# 12305  
 DATE 1-7-09

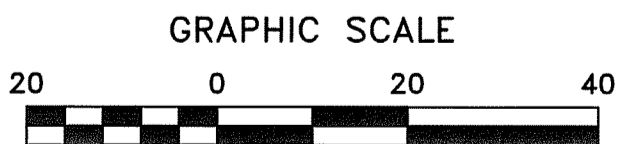
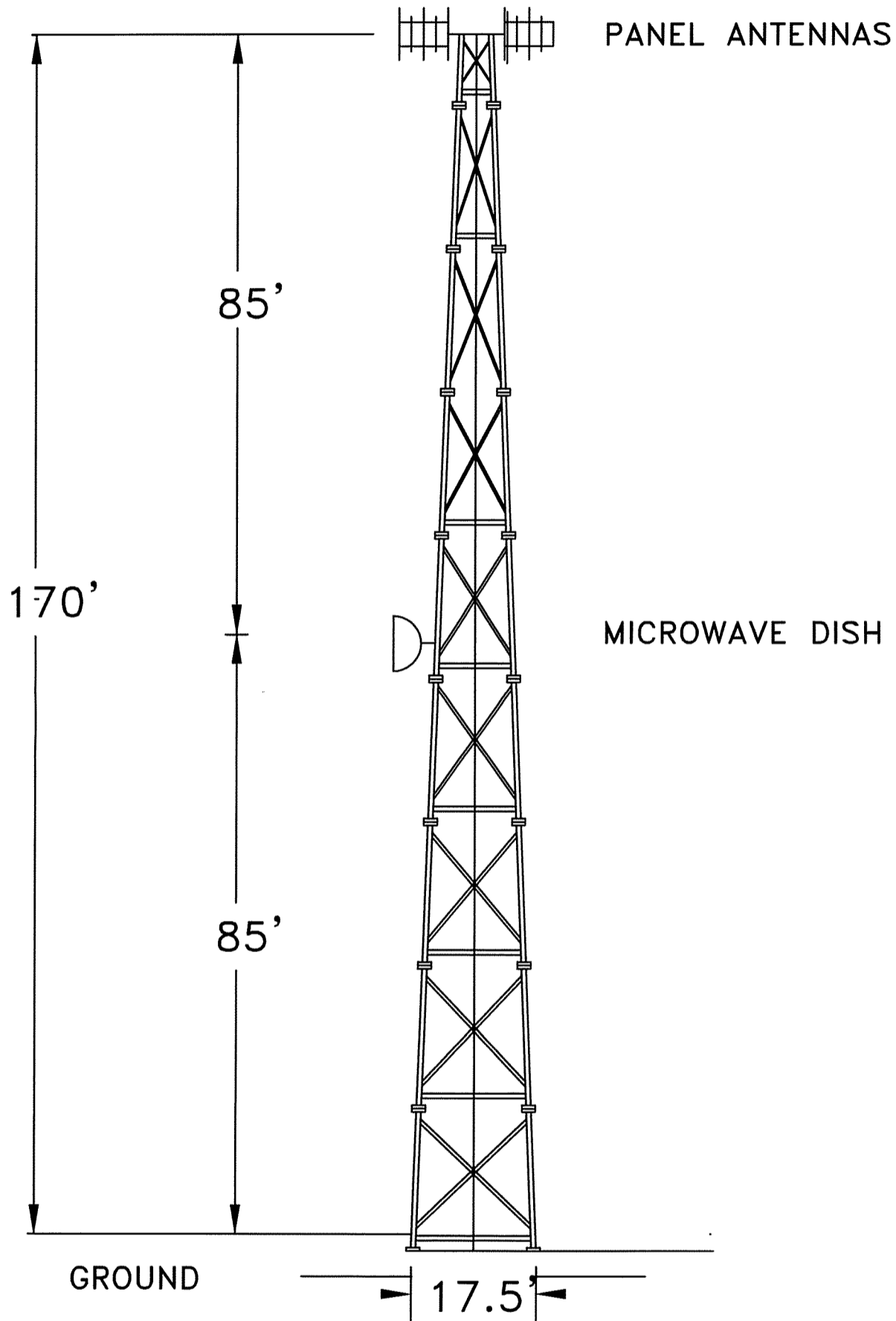
# APPALACHIAN WIRELESS

101 TECHNOLOGY TRAIL

IVEL, KY. 41642

PROPOSED TOWER SITE

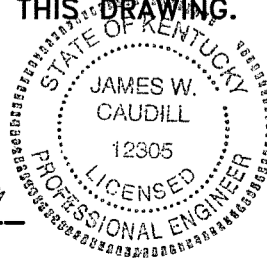
SHEPHERD TR NR MANCHESTER IN CLAY CO OF KY



01/07/09

THIS IS A VERTICAL PROFILE SKETCH OF THE TOWER INDICATING THE PROPOSED ANTENNA AND DISH ELEVATIONS. NO DESIGN CRITERIA WAS CONSIDERED IN THE PREPARATION OF THIS DRAWING.

*James W. Caudill* 12305 1-7-09  
JAMES W. CAUDILL P.E. DATE



VERTICAL PROFILE SKETCH

