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Kimball L. Kenway, Esq.
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November 1, 2006

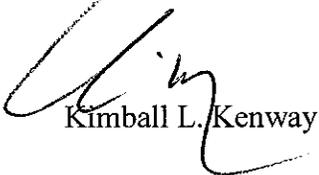
Daniel B. Breton, Chair
ConnectME Authority
1 State House Station
Augusta, ME 04333-0001

Re: Rulemaking Comments of United States Cellular Corporation

Dear Dan:

Enclosed for filing, please find an original and six (6) copies of the Comments of United States Cellular Corporation regarding proposed Chapter 101 of the Authority's Rules.

Very truly yours,



Kimball L. Kenway

KLK/acd

cc: Stephanie Cassioppi, United States Cellular Corporation (w/encl.)

**STATE OF MAINE
CONNECTME AUTHORITY**

November 1, 2006

**NOTICE OF RULEMAKING
ConnectME Authority Operation
(Chapter 101)**

**COMMENTS OF
UNITED STATES
CELLULAR CORPORATION**

United States Cellular Corporation (“US Cellular”) welcomes the opportunity to submit these Comments on the ConnectME Authority’s (“Authority”) proposed rule. US Cellular provides wireless service in portions of all sixteen of Maine’s counties, including many rural areas that presumably hope to benefit from the Authority’s activities. US Cellular shares the Authority’s goal of improving wireless service in rural Maine. Before offering specific comments on the Authority’s proposed rule, US Cellular believes it would be useful to acquaint the Authority with its efforts, supported through federal funding, to expand wireless service in rural Maine.

As explained by the undersigned at the Authority’s October 18 rulemaking hearing in this matter, US Cellular has been designated an Eligible Telecommunications Carrier (“ETC”) by the Maine Public Utilities Commission (“PUC”). Consequently, US Cellular has been receiving funding from the federal Universal Service Fund (“USF”) to support the provisioning of wireless service in rural Maine. US Cellular currently receives approximately \$560,000 per month, or \$6,720,000 per year, in USF funding.

To ensure continuing compliance with the requirements of federal communications law, US Cellular must submit an annual report to the PUC describing its activities during the prior year and submitting its build-out plans for future years. Based on US Cellular’s September 1, 2006 Report, the PUC certified to the Federal Communications Commission (“FCC”) in October that US Cellular remains qualified to continue receiving USF funding.

US Cellular began receiving USF funds in February of 2006. Between that time and the close of 2008, US Cellular plans to use its USF funding to construct 38 new cell sites in rural Maine, including sites in or near communities such as Bingham, Fort Fairfield, Jonesport, The Forks, West Hollis, Lee, and Limerick.

Filings made with the PUC by Unicef, another Maine wireless carrier certified by the PUC as an ETC, indicate that Unicef is receiving USF funding for its Maine operations at a rate of approximately \$4 million per year, and is likewise using its funding to expand service to Maine’s rural communities. Thus, Maine’s two “Wireless ETCs” are currently bringing in over \$10 Million of federal USF funding and are using that funding, under PUC supervision, to expand and sustain rural wireless coverage in Maine.

Federal Universal Service Fund “reform” has been the subject of legislative attention during the current session of the United States Congress. The initial draft of new telecommunications legislation proposed earlier this year by Senator Stevens, Chairman of the Senate Committee on Commerce, Science, and Transportation, would have threatened continued USF funding for Maine’s wireless ETCs. The PUC sent a letter to Senator Snowe, who sits on this Committee, explaining the role of USF funding in expanding wireless service to Maine’s

rural communities, and Governor Baldacci also wrote the Senator urging her to ensure continued USF support for rural wireless expansion. (Copies of both letters are attached.)

US Cellular notes that the Authority's enabling legislation specifically directs it to "Identify and secure federal and other funding sources for broadband or wireless deployment or education." 35-A M.R.S.A § 9204 (3)(D). US Cellular looks forward to working with the Authority in the future to maintain federal USF support for Maine's rural wireless carriers.

US Cellular's specific comments on the proposed Rule concern its requirements regarding the provision by wireless carriers of various categories of information to the Authority. Section 3(B) of the proposed Rule would require "mobile communications service providers" (i.e., wireless providers) to submit coverage maps at -95 and -85 dB together with other pertinent information. At hearing, several wireless carriers requested that the Authority make use of alternative information that is already available, thereby reducing the regulatory burden to be imposed by the Rule. US Cellular agrees with the general objective of reducing regulatory burdens, and if the Authority in fact determines that alternative information already available to it will meet its needs, then it should eliminate the filing requirement.

Should the Authority decide to retain the information filing requirement, then US Cellular would join with the other wireless carriers in strongly endorsing the confidentiality objectives of proposed Section 4(A)(2)(c)(ii), which would accord automatic protection to all information submitted by wireless carriers. As emphasized at the hearing, the market for commercial wireless service is extremely competitive, and protection of the information sought by the Authority is essential. US Cellular notes that the procedure contemplated by the Rule was used successfully by the Governor's Task Force that preceded the chartering of the Authority by the Legislature.¹ The procedure would allow Authority members and Staff to review individual company filings on a confidential basis, and then aggregate the information filed for publication and review by members of the public.

That said, US Cellular concurs with the views expressed in the Comments to be filed today by T-Mobile regarding the need for additional specificity in Section 4 of the Rule, governing the filing of confidential information. The Authority must, at the outset, establish a suitable protocol for handling the highly sensitive information that its Rule will require carriers to file. Misunderstandings or mistakes in handling this information could be damaging to the legitimate business interests of the filing parties, and, moreover, would needlessly undermine the industry's confidence in the Authority's ability to carry out its mission in a professional fashion.

US Cellular looks forward to continuing to work with the Authority in the future.

Respectfully submitted,



Kimball L. Kenway

Attorney for United States Cellular Corporation

¹ To be accurate, this approach was hammered out by the Wireless Infrastructure Subcommittee of the Telecommunication Infrastructure Steering Committee of the Connect Maine Task Force.



KURT ADAMS
CHAIRMAN

STATE OF MAINE
PUBLIC UTILITIES COMMISSION
242 STATE STREET
18 STATE HOUSE STATION
AUGUSTA, MAINE
04333-0018

STEPHEN L. DIAMOND
SHARON M. REISHUS
COMMISSIONERS

July 13, 2006

The Honorable Olympia J. Snowe
153 Russell Senate Office Building
Washington, DC 20510-1903

Re: Universal Service Fund Support for Maine Rural Wireless Carriers

Dear Senator Snowe:

The Commission is aware that that the Senate Commerce Committee has been considering S. 2686 (recently renamed H.R. 5252). This bill would revise numerous aspects of the Telecommunications Act of 1996, including the federal Universal Service Fund (USF). The purpose of this letter is to provide you with some basic information regarding the current impact of federal USF support for the expansion of wireless service in rural Maine in the hope that it will prove useful to you in evaluating any change to the federal USF distribution methodology.

Thus far, two wireless carriers have obtained eligible telecommunications carrier (ETC) status in Maine: RCC, which does business in Maine as "Unicel," and U.S. Cellular. We certified RCC as an ETC in 2003, and based on the most recently available projections from the Universal Service Administrative Company ("USAC"), it is projected to receive approximately \$5,000,000 in USF support in 2006. RCC has used the federal USF it has received over the past three years to expand or improve the wireless service it provides to communities in Rumford, Strong, China, Bethel, Fort Kent, Oxford, Orono, Chelsea, Buxton, Pittsfield, Sidney, Lincolnville, and Winthrop.

Last year, we certified U.S. Cellular as an ETC. We understand that the FCC has completed its certification process and that U.S. Cellular has begun receiving federal USF support. U.S. Cellular recently indicated that it has established the following schedule for its USF-funded service expansions for the rest of 2006:

| | |
|----------------|-----------|
| Rumford | September |
| Sedgewick | September |
| Jonesport | September |
| Bingham | October |
| Peru | November |
| Fort Fairfield | November |

These plans are consistent with representations made by U.S. Cellular during our certification proceeding. U.S. Cellular has advised us that it expects to receive approximately \$7,000,000 per year in USF support.



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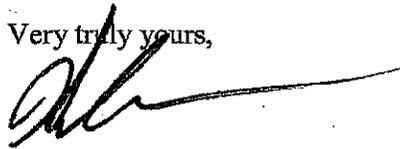
TTY: 1-800-437-1220

FAX: (207) 287-1039

In order to continue receiving USF high cost support, both RCC and US Cellular must be re-certified by both the Maine PUC and the FCC on an annual basis. We carry out our part of the re-certification process by asking each carrier to provide a written report detailing the amount of Maine-related USF support it has obtained during the prior year and the disposition of those funds. After a review of the information submitted by RCC in 2004 and 2005, we re-certified RCC for each of those years. We plan to begin the 2006 re-certification process for both carriers in September of this year.

We hope that you will find this information useful to you in evaluating any proposed changes to the level of USF support currently being provided to Maine's wireless ETCs. Please do not hesitate to contact me if you need any further information.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Kurt Adams', with a long horizontal flourish extending to the right.

Kurt Adams, Chairman
Maine Public Utilities Commission



STATE OF MAINE
OFFICE OF THE GOVERNOR
1 STATE HOUSE STATION
AUGUSTA, MAINE
04333-0001

JOHN ELIAS BALDACCI
GOVERNOR

July 24, 2006

The Honorable Olympia J. Snowe
153 Russell Senate Office Building
Washington, DC 20510-1903

**Re: Communications, Consumers' Choice, and Broadband
Deployment Act of 2006, HR 5252**

Olympia
Dear Senator Snowe:

I am writing to you to convey my administration's strong interest in the provisions of the above-noted legislation that address Universal Service funding for wireless telecommunications carriers. In your capacity as a Member of the Senate's Committee on Commerce, Science and Transportation, you are in a unique position to ensure that Maine's wireless eligible telecommunications carriers ("ETCs") continue to receive support from the Fund so as to enable them to carry out their plans for expanding wireless service into Maine's un-served and under-served communities. I want to review with you the progress we have made here in our state thanks to Federal Universal Service funding for wireless ETCs, and to take a look ahead at what we expect to accomplish with continued USF funding.

Maine wireless ETCs began receiving USF support in 2004 when the Maine PUC conferred ETC status on Unicel. Unicel has thus far used its proceeds to construct, operate and maintain new cell sites in Rumford, Strong, China, Bethel, Fort Kent, Oxford, Orono, Chelsea, Buxton, Pittsfield, Sidney, Lincolnville, and Winthrop. Unicel has also used its funding to continue the deployment of a next-generation technology using a GSM platform.

Last year, the Maine PUC granted ETC status to another Maine wireless carrier, U.S. Cellular. U.S. Cellular has now begun receiving its share of federal Universal Service support, and I recently received a letter confirming the company's intent to follow through on a build-out plan approved by the Maine PUC that calls for the construction of new cell sites this year in Peru, Jonesport, Bingham, Fort Fairfield, Rumford, and Sedgwick.

I don't need to tell you that in the absence of USF funding for Maine's wireless ETCs, the Fort Kents, Jonesports and Bingham of our state might never see wireless service. The absence of high quality wireless service both complicates the delivery of public safety services and greatly hinders economic development in rural Maine.



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July 24, 2006

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On the public safety front, the Maine Sheriffs Association has taken a very active role in seeking to ensure continued Universal Service funding to support the expansion of the wireless network in rural Maine. I understand that Sheriff Everett Flannery of Kennebec County, the President of the Maine Sheriffs Association, has provided you with the Resolution unanimously adopted by Maine's Sheriffs, urging continuation of USF support for rural wireless expansion.

From the standpoint of economic development, the lack of adequate wireless service in much of rural Maine represents an enormous barrier. To give you just one example, an economic development official was driving a business owner looking to relocate his business to a site in Oxford County. En route between the airport and the site, the business owner pulled out his mobile phone, found that there was no service, and told the official to turn the car around and take him back to the airport.

Likewise, in his November, 2005 *Report on an Economic Development Strategy for Washington County*, my special representative to that County, David Flanagan, observed that "for any business engaged in interstate and/or international commerce, a comprehensive network of broadband and wireless interconnection is as necessary as the telephone – as the computer and cell phones have become indispensable to business. Such infrastructure, however, has established only a tentative toehold in Washington County."

There can be no question that economic development and good wireless service go hand in hand, and no combination of economic incentives, worker training or pleasant surroundings can overcome the problem created by the poor mobile service infrastructure in Maine's rural areas.

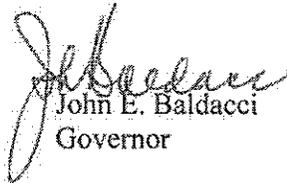
In my State of the State message in January of 2005, I launched our ConnectME initiative with the goal of providing quality wireless service to all of Maine's communities by 2008. The response we received to this initiative was overwhelming and virtually unanimous: people living in rural Maine are simply fed up with poor wireless service. We succeeded in passing a bill to stimulate broadband development in Maine, but the ConnectME legislation has no funding for cellular expansion, in part due to the availability of USF support for Maine's wireless ETCs. Of course, this means that continued wireless service expansion in rural Maine depends on the fate of HR 5252.

I am advised that this bill, in its current status, will in fact preserve USF funding for Maine's rural wireless carriers. As a former Congressman, however, I am acutely aware that parties wishing to amend the bill so as to curtail this funding have many opportunities remaining as the legislative process unfolds. In addition, agencies charged with implementing legislation don't always carry out their mission as Congress intended. I would therefore ask that you give this matter your special attention to ensure that funding remains available, and that the FCC understands clearly that its implementation must accomplish the simple task of accelerating wireless infrastructure development in rural areas.

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Please do not hesitate to contact me regarding this important matter. I look forward to working with you to preserve this vital program.

Regards,



John E. Baldacci
Governor

cc: Sheriff Scott Story, President, Maine Sheriffs Association
Sheriff Everett B. Flannery, Kennebec County