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December 7, 2005

VIA E-MAIL AND U.S. MAIL

Public Utility Commission of Oregon
Attn: Filing Center
550 Capitol St NE #215
Salem, OR 97308-2148

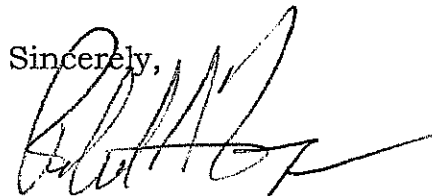
Re: Application of Eagle Telephone System, Inc., d/b/a Snake River PCS
For Designation as an Eligible Telecommunications Carrier Pursuant
to the Telecommunications Act of 1996

Dear Sir/Madam:

Enclosed are the original of the above-referenced Application and the Certificate of Service. The company is filing this Application solely because its major wireless competitor is receiving support, which gives that wireless competitor a distinct financial advantage.

Thank you for your assistance with this matter.

Sincerely,



RICHARD A. FINNIGAN

RAF/km
Enclosures

cc: Pat Lattin (via e-mail)

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

APPLICATION OF EAGLE TELEPHONE
SYSTEM, INC., D/B/A SNAKE RIVER PCS FOR
DESIGNATION AS AN ELIGIBLE
TELECOMMUNICATIONS CARRIER
PURSUANT TO THE TELECOMMUNICATIONS
ACT OF 1996

Eagle Telephone System, Inc., d/b/a Snake River PCS (“Snake River”) respectfully submits this Application for Designation as an Eligible Telecommunications Carrier (“ETC”) pursuant to Sections 214(e)(1)-(2) of the Telecommunications Act of 1934, as amended (“Act”), and Section 54.201 of the Federal Communications Commission’s (“FCC”) rules.¹ Snake River requests that it be designated as eligible to receive all available support from the federal Universal Service Fund (“USF”) including, but not limited to, interstate access support for high cost areas and support for low income customers in the geographic areas specified in this Application.

I. APPLICANT

Snake River is a Commercial Mobile Radio Service (“CMRS”) carrier providing “mobile service” as defined in 47 U.S.C. § 153(27). Snake River provides interstate telecommunications services as defined in 47 U.S.C. § 254(d) and 47 C.F.R. § 54.703(a).

¹ 47 U.S.C. § 214(e)(1)-(2); 47 C.F.R. § 54.201.

Snake River is licensed to serve Baker, Union and Wallowa Counties in Oregon.

II. STATEMENT OF FACTS

A. Eligibility and Identification of the Service Area.

1. Under Sections 214(e) and 254 of the Act, the Public Utility Commission of Oregon (“OPUC” or “Commission”) is authorized to designate Snake River as an ETC. Section 214(e)(2) of the Act provides that state commissions have the primary responsibility for designating ETCs.

2. In its First Report and Order implementing Sections 214(e) and 254, the FCC designated the specific features a carrier must provide or agree to provide to be designated as an ETC.² The FCC also recognized that wireless telecommunications providers are eligible to be designated as ETCs.³

3. Snake River is a telecommunications carrier as defined in 47 U.S.C. § 153(44) and 47 C.F.R. § 51.5(a), and is a telecommunications carrier for the purposes of Part 54 of the FCC’s rules. Snake River is, therefore, considered a common carrier under the Act.

4. Section 214(e)(2) of the Act provides that ETC designations shall be made for a “service area” designated by the state commission. Section 214(e)(5) of the Act provides that the “service area” shall be a geographic area established by the state commission. In areas served by a rural telephone company, the FCC’s rules generally define a competitive ETC’s “service area” to mean the LEC study area.⁴ The FCC has stated the ETC designation area should be no smaller than a rural company’s wire center. Accordingly, Snake River seeks authority to serve all of the wire centers currently served by its landline affiliate, Eagle Telephone System, Inc. (“Eagle Telephone”) and Pine Telephone System, Inc. (“Pine Telephone”).

5. Snake River submits maps of the general geographic area of its service territory as Exhibit A. In addition, attached as Exhibit B, is a list of the wire centers in the proposed service

² Federal-State Joint Board on Universal Service, First Report and Order, 12 FCC Rod 8776, 8809-25 (1997) (“First Report and Order”).

³ *Id.*, at 8858-59.

⁴ See, 47 C.F.R. § 54.207(b).

area with the following information: wire center name, wire center CLLI code, and the corresponding ILEC study area name.

6. Snake River's proposed ETC service area covers the rural ILEC wire centers of Eagle Telephone and Pine Telephone. Snake River may be designated as an ETC in these rural ILEC exchanges upon a finding that such designation would serve the public interest.⁵

B. The Legal Standard for Granting ETC Status.

1. In order to obtain ETC designation, an applicant must demonstrate the following: (1) a commitment and ability to provide the services to all customers in the area proposed to be served; (2) emergency back up functionality; (3) that it meets applicable consumer protection standards and service quality standards; (4) that local usage offered is comparable to that offered by the incumbent LEC; and (5) that the applicant understands that it may be required to provide equal access if all other ETCs in the designated service area relinquish their designations.

2. As part of the commitment to provide services to all customers in the proposed area to be served, the applicant must submit a five year plan describing with specificity, on a wire center-by-wire center basis, proposed improvements and upgrades to the applicant's network. This is discussed in more detail below.

III. SERVICES PROVIDED BY SNAKE RIVER

1. In order to be designated an ETC, a common carrier must demonstrate pursuant to Section 214(e)(2) that they offer services and agree to offer and advertise the supported services throughout the proposed ETC service area. In addition, the common carrier must meet the public interest standard.

2. Snake River currently provides service with its own facilities throughout Eagle Telephone's sole wire center, and within Pine Telephone's Halfway-Homestead wire center, and

⁵ See, 47 C.F.R. § 54.207(c).

by means of a wireless resale arrangement with U.S. Cellular Corporation (“USCC”) in Pine Telephone’s Granite and Ox Bow wire centers.

3. Snake River offers the federally designated services listed at 47 C.F.R. § 54.101(a): (1) voice grade access to the public switched network; (2) local usage; (3) dual tone multi-frequency signaling or its functional equivalent; (4) single-party service or its functional equivalent; (5) access to emergency services; (6) access to operator services; (7) access to interexchange service; (8) access to directory assistance; and (9) toll limitation for qualifying low-income consumers.⁶ Snake River is a full service wireless carrier that offers all of these services throughout Eagle Telephone’s and Pine Telephone’s wire centers either by means of its own facilities (including its own antennas, towers, and mobile switching offices), or through its resale arrangement with USCC. Therefore, Snake River satisfies the requirements of Section 254(c) of the Act.

A. Voice-grade access to the public switched telephone network. 47 C.F.R. § 54.101(a)(1) requires voice grade access to the public switched telephone network. The FCC concluded that voice-grade access means the ability to make and receive phone calls, within a bandwidth of approximately 2700 Megahertz within the 300 to 3000 Megahertz frequency range.⁷ Snake River provides voice grade access to the public switched telephone network through interconnection arrangements with local telephone companies. Snake River offers its subscribers this service at a bandwidth between 1850 and 1990 Megahertz, thereby providing voice grade access pursuant to the FCC’s definition.

B. Local usage. Snake River’s rate plans provide local usage consistent with 47 C.F.R § 54.101(a)(2). In the First Report and Order, the FCC deferred a determination on the

⁶ 47 C.F.R. § 54.101(a).

⁷ First Report and Order, at 8810-11.

amount of local usage that a carrier would be required to provide.⁸ Any minimum local usage requirement established by the FCC will be applicable to all designated ETCs. Snake River meets the local usage requirements by including local usage in its rate plans. Snake River will comply with any minimum local usage requirements adopted by the FCC. Consistent with FCC Order 05-46, ¶32, Snake River submits its local rate plans as Exhibit C in order to demonstrate that it offers a local usage plan that is comparable to the rate plans offered by the ILEC in the service areas for which Snake River seeks designation. To ensure that each ETC provides a local usage component in its universal service offerings that is comparable to the plan offered by the ILEC in the area, the FCC ETC Order recommends that the Commission review an ETC applicant's local usage plans on a case by case basis.⁹ As examples of ETC applicants whose rate plans would be comparable to the local ILEC, the FCC ETC Order specifically mentions ETC applicants that offer "a local calling plan that has a different calling area than the local exchange area provided by the ILECs in the same region," "an unlimited calling plan that bundles local minutes with long distance minutes" and plans that "provide unlimited free calls to government, social service, health facilities, educational institutions and emergency numbers."¹⁰

Snake River's rate plans are comparable to the rate plans offered by the local ILEC in the service area for which Snake River seeks designation for all of the above reasons. First, Snake River will provide wider local calling areas. The relevant ILEC local calling areas are primarily limited to their local exchange boundaries and extended service area boundaries. Third, Snake River provides unlimited, toll-free service for 911 emergency calls and for 611 customer care. Snake River also provides toll-free 511 road reports to the Oregon Department of

⁸ *Id.* at 8814.

⁹ Federal –State Board on Universal Service, 20 FCC Rcd 6371 (2005), at ¶33 ("FCC ETC Order").

¹⁰ *Id.*

Transportation and 711 calls to TRS/TTY operators and will, within the next year, also provide 211 calls to social service agencies.

C. Dual-tone, multi-frequency signaling or its functional equivalent.

Pursuant to 47 C.F.R. § 54.101(a)(3), an ETC must provide dual tone multi-frequency (“DTMF”) signaling to facilitate the transportation of signaling throughout its network. Snake River provides DTMF signaling consistent with the FCC’s rules.

D. Single-party service or its functional equivalent. “Single-party service”

means that only one party will be served by a subscriber loop or access line in contrast to a multi-party line.¹¹ Snake River provides single party service, as required by 47 C.F.R. § 54.101(a)(4).

E. Access to emergency services. The ability to reach a public emergency

service provider by dialing 911 is a required service in any universal service offering. Snake River currently provides all of its customers with access to emergency service by dialing 911. Phase I E911, which includes the capability of providing both automatic numbering information (“ANI”) and automatic location information (“ALI”), is only required if a public emergency service provider makes arrangements with the local provider for the delivery of such information.¹² To date, Snake River has received no requests for Phase I or Phase II E911 from any Public Safety Answering Points (“PSAPs”) in Oregon.

F. Access to operator services. Access to operator services is defined as any

automatic or live assistance provided to a consumer to arrange for the billing or completion, or

¹¹ Id. at 8810.

¹² Id. at 8815-17.

both, of a telephone call.¹³ Snake River provides customer access to operator services in compliance with 47 C.F.R. § 54.101(a)(6).

G. Access to interexchange service. An ETC must offer consumers access to interexchange service to make and receive toll or interexchange calls. Snake River meets this requirement by providing all of its customers with the ability to make and receive interexchange or toll calls through interconnection arrangements the company has with several IXCs. On at least one of its service offerings, Snake River offers equal access to the IXC of the customer's choice.¹⁴

H. Access to directory assistance. The ability to place a call to directory assistance is a required ETC service offering.¹⁵ Snake River's customers are able to dial "411" or "555-1212" to reach directory assistance from their mobile phones.

I. Toll limitation for qualifying low income consumers. An ETC must offer either "toll control" or "toll blocking" services to qualifying Lifeline customers at no charge. In particular, an ETC must provide toll blocking which allows customers to block the completion of outgoing toll calls.¹⁶ Snake River currently has no Lifeline customers because only carriers designated as an ETC can participate in Lifeline.¹⁷ Once designated as an ETC, Snake River will participate in Lifeline, as required, and will provide toll blocking capability in satisfaction of the FCC's requirement.

¹³ Id. at 8817-18.

¹⁴ Assuming the IXC has made itself available as a "PIC" choice.

¹⁵ Id. at 8821.

¹⁶ First Report and Order at 8821-22.

¹⁷ See, 47 C.F.R. § 54.400-415.

IV. FIVE YEAR PLAN

Snake River, in attached Exhibit D,¹⁸ provides a Five Year Plan for improvements and upgrades to its network on a wire center-by-wire center basis throughout the service area described in this petition. The Plan demonstrates in detail how federal USF support will be used for service improvements that would not occur absent receipt of such support.

V. ADVERTISING AVAILABILITY OF UNIVERSAL SERVICE

Pursuant to Section 54.201 of the FCC's rules, 47 C.F.R. § 54.201, Snake River plans to advertise the availability of each of the supported services detailed above, through its licensed service area, by media of general distribution. The methods of advertising utilized may include newspaper, magazine, radio, direct mailings, public exhibits and displays, bill inserts, and telephone directory advertising. This information is currently advertised by Snake River in its service area. Snake River will distribute literature offering Lifeline and Link Up to senior services, hospitals, clinics, hospices, senior centers, welfare offices and other locations where those likely to be eligible for the program(s) would encounter the brochures.

VI. COMMITMENT TO CONSUMER PROTECTION

Consistent with paragraph 28 of the FCC ETC Order, Snake River will abide by the consumer protection standards established by the CTIA Consumer Code.

VII. ABILITY TO REMAIN FUNCTIONAL IN EMERGENCY SITUATIONS

Consistent with paragraph 25 of the FCC ETC Order, Snake River also has the ability to remain functional in emergency situations. Snake River has designed a fault tolerant network that employs the following features:

¹⁸ The Five Year Plan is submitted as a confidential exhibit, as it contains confidential information regarding planned network upgrades. Exhibit D.

- Mobile Switching Center
 - Nortel DMS 100 switches with fully redundant fault tolerant processors
 - 12 hours of back up battery
 - 300 KW generator with 7 days fuel supply
 - Complete complement of spare circuit boards
 - Self-Healing Alternate Route Protection Service for Fiber Facilities interconnection
 - Multiple alternate trunk routes for PSTN interconnection trunks
 - Redundant Microwave radio links
 - Automated 7x24 network monitoring

- Cell sites
 - Overlapping cell site coverage with directed retry for blocked calls.
 - Back haul network engineered with surplus back bone capacity. Field technicians are equipped with growth radio stock. In the event of a capacity spike that can not be absorbed by directed retry additional radios can be installed quickly.
 - All major hub sites have 8 hours battery back up and standby generators.
 - 95% of sites have minimum of 8 hours back up battery, remaining 5% have 1 hour.
 - All sites have quick connect plugs for portable generator. All field technicians are equipped with 20 kw trailer mounted generators.
 - All sites remotely monitored 7x24.

- Additional equipment
 - Complete inventory of alternate access equipment. All field staff are equipped with 4 wheel drive pickups and snow mobiles are available. All field staff trained in operation for all alternative site access equipment.
 - Tower crews on standby for emergency tower and antenna repairs
 - Technicians are equipped with complete complement of spares for Cell site, Microwave and DACs equipment to insure quick recovery.
 - Field technicians strategically located with average drive time of less than 1 hour to cell sites.

VIII. ACNOWLEDGMENT OF POTENTIAL EQUAL ACCESS RESPONSIBILITIES

Consistent with paragraph 35 of the FCC ETC Order, Snake River acknowledges that it may be required to provide equal access to long distance carriers in the event that no other ETC is providing equal access within the service area.

IX. PUBLIC INTEREST FACTORS

1. For those portions of the state served by rural ILECs, the OPUC must find that Snake River's designation as an ETC would serve the public interest.¹⁹ As shown herein, the public interest objectives set forth in the Act, the FCC's Orders, and precedent established in Oregon will be furthered by the designation of Snake River as an ETC in the rural ILEC exchanges of Eagle Telephone and Pine Telephone.

2. The public interest must be determined by following guidance provided by Congress in adopting the Act and the FCC in its enabling orders.²⁰ The overarching principles embodied in the Act are to "promote competition and reduce regulation ... secure lower prices and higher quality services ... and encourage the rapid deployment of new technologies."²¹ In its implementing orders, the FCC ruled that the pro-competitive and deregulatory directives from Congress required universal service support mechanisms to be competitively neutral and portable among eligible carriers.²²

3. Designation of Snake River as an ETC is in the public interest because such designation will promote competition and thereby facilitate the provision of advanced communications services and higher quality services to the residents of rural Oregon. Snake River will provide wider local calling areas, mobile communications, a variety of service

¹⁹ See, Section 214(e)(2) of the Act.

²⁰ Pub. L. No. 104-104, 110 Stat. 56 (1996). See also, First Report and Order, supra; Federal-State Joint Board on Universal Service, Ninth Report and Order and Eighteenth Order on Reconsideration, 14 FCC Rcd 20432 ("Ninth Report and Order"); Federal-State Joint Board on Universal Service, Multi-Association Group (MAG) Plan for Regulation of Interstate Services of Non-Price Cap Incumbent Local Exchange Carriers and Interexchange Carriers, Fourteenth Report and Order, Twenty-Second Order on Reconsideration, and Further Notice of Proposed Rulemaking, 16 FCC Rcd 11244 (2001) ("Fourteenth Report and Order"). See also, NAACP v. FCC, 425 U.S. 662, 669 (1976); accord, e.g., Office of Communication of the United Church of Christ v. FCC, 707 F.2d 1413, 1427 (D.C. Cir. 1983); Bilingual Bicultural Coalition on Mass Media, Inc. v. FCC, 595 F.2d 621, 628 & n. 22 (D.C. Cir. 1978).

²¹ See, Act (preamble).

²² First Report and Order, at 8861-62; Ninth Report and Order, at 20480.

offerings, high-quality service, and competitive rates. Consumers will be able to choose those service features that best meet their needs.

4. Upon receipt of ETC designation in Oregon, Snake River will use the high-cost support it receives to improve its infrastructure in rural areas. The improved service quality, reliability, and increased choices to rural Oregon will be significant.

5. As Snake River constructs additional cell sites in high-cost areas to improve the quality of its signal, its customers will have a greater choice among service providers and will receive more reliable service. Some will have the option to receive Snake River's service for the first time. Others will see service quality and reliability improvement. The company has every incentive to meet its commitment because use of such funds in this manner will improve its competitive position in the marketplace. In addition, the company has every incentive to maintain or improve reliability and to lower its prices over time because it can only receive high-cost support when it has a customer.

6. Designation of Snake River will advance important health and safety goals. Snake River's mobile offering will allow rural consumers the flexibility to communicate while on the go and still retain access to emergency services. In addition to being able to reach emergency services while in their homes, wireless subscribers are able to reach emergency services while they are in route to their homes, workplaces, and commercial centers. In designating U.S. Cellular Corporation as an ETC in the State of Oregon, the Commission concluded that "the 'unique advantages' of wireless telephones, which allow mobile

communications beneficial to safety, health, and commerce, weigh in favor of the application.”²³
Designation of Snake River as an ETC in Oregon will provide similar benefits.

7. The provision of USF funding to Snake River will enable it to improve signal strength, thereby improving the reliability of service for health and safety purposes. All wireless carriers are required to implement over the next several years Phase II E-911 service, which permits a caller to be located and tracked. For every cell site Snake River constructs, the reliability and performance of its E-911 service will improve.

8. Designation of Snake River as an ETC is consistent with ETC decisions across the country, including the decisions of the OPUC.²⁴ This Commission recently concluded that designating wireless carriers as ETCs in rural ILEC territories in Oregon is in the public interest.²⁵ In coming to this conclusion, the Commission stated:

Ultimately, each of the [public interest] factors discussed above are calculated in a cost-benefit analysis. OTA cites the cost-benefit analysis of Virginia Cellular at ¶4, which weighs competitive choice, impact of designation on the USF, the advantages and disadvantages of the service offering, quality of service commitments, and the applicant’s ability to provide the supported services throughout the designated service area within a reasonable amount of time. As we have discussed, USCC’s application would bring competition, spurring innovation; provide advantages through increased mobile wireless offerings; and offer the supported services to customers who request service in the designated area. We acknowledge the costs of the application – a growing burden on the USF and no service quality guarantees – but believe that to the extent that those factors are an issue, they are more than outweighed by the benefits of granting the application. Therefore, we find that USCC’s application for designation as an ETC in its designated area is in the public interest.²⁶

²³ The Commission has already found that the rural ILEC service areas of Cascade, CenturyTel, and United should be redefined to the wire center level. See, In the Matter of the Application of RCC Minnesota, Inc. for Designation as an Eligible Telecommunications Carrier, Pursuant to the Telecommunications Act of 1996, Order No. 04-355, Docket UM 1083 (June 24, 2004) (“RCC ETC Order”); see also, In the Matter of the Application of US Cellular Corporation for Designation as an Eligible Telecommunications Carrier, Pursuant to the Telecommunications Act of 1996, Order No. 04-356, Docket UM 1084 (June 24, 2004) (“USCC ETC Order”).

²⁴ See, USCC ETC Order; see also, RCC ETC Order.

²⁵ See, RCC ETC Order at 16; see also, USCC ETC Order at 15.

²⁶ USCC ETC Order at 13; see also, RCC ETC Order at 13.

As in the case of the USCC and RCC applications, the public interest benefits of designating Snake River as an ETC far outweigh any costs associated with doing so.

9. For all of the above reasons, the public interest would be served by the designation of Snake River as a competitive ETC throughout its requested service area.

10. In two recent ETC designation orders,²⁷ the FCC has addressed concerns relating to perceived cream-skimming in rural areas. According to the FCC, cream-skimming occurs when competitors seek to serve only the low-cost, high revenue customers in a rural telephone company's study area. The Commission applied the Virginia Cellular/Highland Cellular cream-skimming analysis in its recent wireless ETC designation decisions.²⁸

11. Snake River will be serving all of Eagle Telephone's and Pine Telephone's wire centers. Therefore, under the FCC and OPUC's analysis, no cream skimming will occur.

X. COMMITMENT TO SERVE REQUESTING CUSTOMERS

1. Snake River will use the following, six-point checklist in answering requests from residents within its proposed ETC area, but outside its existing network coverage: (1) determine whether the customer's equipment can be modified or replaced to provide acceptable service; (2) determine whether a roof-mounted antenna or other network equipment can be deployed at the premises to provide service; (3) determine whether adjustments at the nearest cell site can be made to provide service; (4) determine whether there are any other adjustments to network or customer facilities that can be made to provide service; (5) explore the possibility of offering resold service; and (6) determine whether an additional cell site, a cell-extender, or repeater can

²⁷ In re Federal-State Joint Board on Universal Service, Virginia Cellular, LLC, Petition for Designation as an Eligible Telecommunications Carrier in the Commonwealth of Virginia, 19 FCC Rcd 1563 (2004) ("Virginia Cellular"); In re Federal-State Joint Board on Universal Service, Highland Cellular, Inc. Petition for Designation as an Eligible Telecommunications Carrier in the Commonwealth of Virginia, 19 FCC Rcd 6422 (2004) ("Highland Cellular").

²⁸ USCC ETC Order at 10-12; RCC ETC Order at 11-12.

be employed or constructed to provide service. If there is no possibility of providing service, Snake River will notify the customer and provide Commission with an annual report of how many requests for service it could not fill.

2. Whether a consumer's request for service is reasonable is determined on a case-by-case basis. This is the same for all ETCs. For example, if Snake River determines that the cost of providing service to the consumer is \$300,000 (and no other consumers would be served by the construction), Snake River would advise the consumer that service can be provisioned for that amount. If the consumer requests that the service be provisioned for the standard connection fee, Snake River would determine whether its available high-cost support would be wisely spent on the construction. If Snake River believed that support would be better spent on other consumers, it would view the request as unreasonable, advise the consumer, provide the consumer with the Commission's contact information, and include the occurrence in Snake River's annual report of how many requests for service it could not fill.

XI. ANNUAL CERTIFICATION

1. In addition to the above public interest test, Snake River also agrees that on or before July 15 of each year beginning in 2006, Snake River will file extensive reports as part of the annual recertification process, including reports on the following items:

1. Line counts for federal USF supported services, itemized by rural ILEC wire center, as of December 31 of the precedent year;
2. The amount of federal USF support Snake River received for operations in Oregon during the period January 1 through December 31 of the preceding year;
3. A description of how the federal USF support was used in the previous year. For expenses such as maintenance and provisioning, the information should be segregated by asset type and the rural ILEC wire center where the investment was made;

4. An estimate of the federal USF support to be received during the current year and a detailed budget of how such support is expected to be used, as described in 3 above;
5. Documentation establishing that Snake River advertised the supported services throughout the entire designated area;
6. A description of how many service quality complaints were received, by wire center, and how those complaints were resolved;

2. Snake River agrees to fulfill any new or additional reporting requirements

adopted by the Commission pursuant to paragraphs 68-69 of the FCC ETC Order. In particular, Snake River agrees to include in its annual recertification filing, the following additional information:

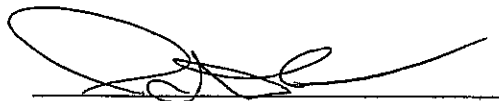
1. Progress reports on the ETC's five-year service quality improvement plan, including maps detailing progress towards meeting its plan targets, an explanation of how much universal service support was received and how the support was used to improve signal quality, coverage, or capacity; and an explanation regarding any network improvement targets that have not been fulfilled. The information should be submitted at the wire center level;
2. Detailed information on an outage lasting at least 30 minutes, for any service area in which an ETC is designated for any facilities it owns, operates, leases or otherwise utilizes that potentially affect at least ten percent of the end users served in a designated service area, or that potentially affect a 911 special facilities (as defined in subsection (e) of section 4.5 of the Outage Reporting Order). An outage is defined as significant degradation in the ability of an end user to establish and maintain a channel of communications as a result of failure or degradation in the performance of a communications provider's network. Specifically, the ETC's annual report must include: (1) the date and time of onset of the outage; (2) a brief description of the outage and its resolution; (3) the particular services affected; (4) the geographic areas affected by the outage; (5) steps taken to prevent a similar situation in the future; and (6) the number of customers affected;
3. The number of requests for service from potential customers within its service areas that were unfulfilled for the past year. The ETC must also detail how it attempted to provide service to those potential customers;
4. The number of complaints per 1,000 handsets or lines;

5. Certification that the ETC is complying with applicable service quality standards and consumer protection rules, e.g., the CTIA Consumer Code for Wireless Services;
6. Certification that the ETC is able to function in emergency situations;
7. Certification that the ETC is offering a local usage plan comparable to that offered by the incumbent LEC in the relevant service areas; and
8. Certification that the carrier acknowledges that the Commission may require it to provide equal access to long distance carriers in the event that no other eligible telecommunications carrier is providing equal access within the service area.

XII. CONCLUSION

Under 47 C.F.R. §§ 54.313 and 54.314, carriers wishing to obtain high-cost support must, in most cases, be certified by the appropriate state commission. Snake River submits its high-cost certification, attached as Exhibit E. Snake River respectfully requests that the OPUC issue a finding that Snake River has met the high-cost certification requirement and that Snake River is, therefore, entitled to begin receiving high-cost support as of the date it receives a grant of ETC status.

Respectfully submitted this 22 day of November, 2005.



Patrick L. Lattin
Manager and Vice President
Eagle Telephone System, Inc., d/b/a
Snake River PCS

EXHIBIT A



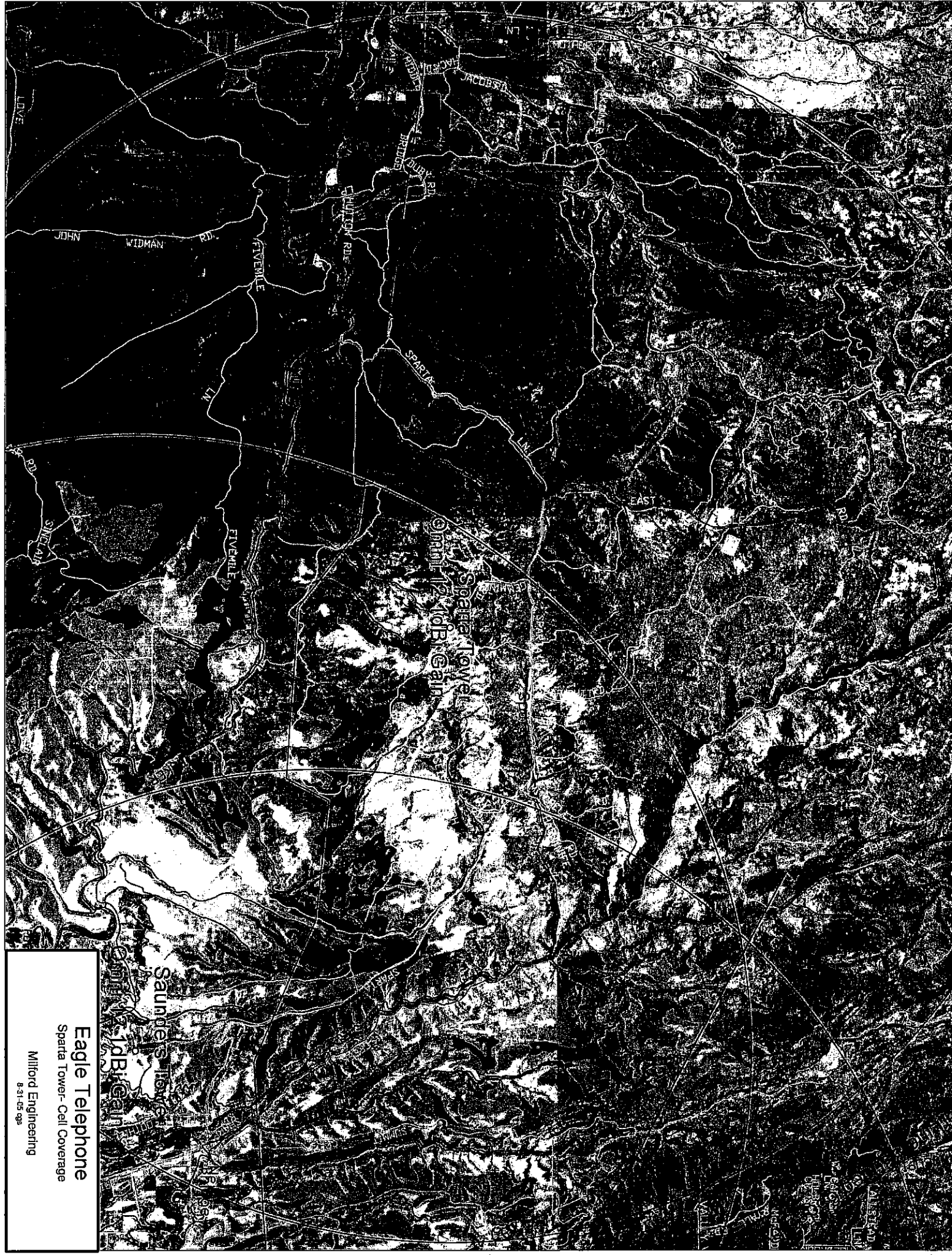
Eagle Telephone

Overview - Cell Coverage

Milford Engineering
8-31-05 cgs



Eagle Telephone
Richland- Cell Coverage
Milford Engineering
8-31-05 gps



Saunders Tower
Signal 12101B Gain

Eagle Telephone
Sparta Tower - Cell Coverage
Milford Engineering
8-31-05 gps



Eagle Telephone
Oxbow and BrownLee - Cell Coverage

Milford Engineering
8-31-05 egs

BrownLee Rep

EXHIBIT B

<u>Wire Center Name</u>	<u>CLLI</u>	<u>Serving ILEC</u>
Richland	RCLD	Eagle Telephone System, Inc.
Granite	GRAN	Pine Telephone System, Inc.
Halfway-Homestead	HLWY	Pine Telephone System, Inc.
Ox Bow	OXBW	Pine Telephone System, Inc.

EXHIBIT C

Snake River

Personal Communication Services

Wireless Service from Folks you Trust!



Home

Products

Partners

Coverage

Plans

Safety

General Info

Contact Us

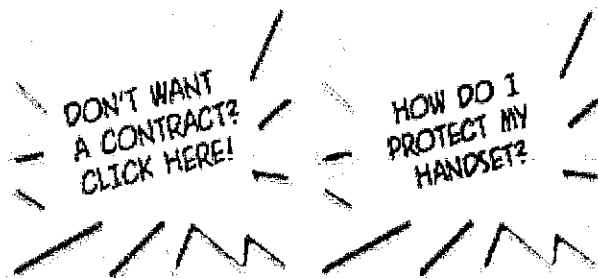
Snake River PCS Plans Available to you from Eagle Telephone

Plan Name	Monthly price	Overage/minute	Roaming fees	Long distance/minute	Any time home minutes	Night/weekend* home minutes	Mobile to mobile for phones sharing plans	1st incoming minute free
Simple 0	\$9.95	\$0.50	.35/.69	included	0	0	no	no
Simple 60	\$19.95	\$0.45	.35/.69	included	60	0	yes	no
Simple 150	\$29.95	\$0.35	.35/.69	included	150	1000	yes	no
Simple 300	\$39.95	\$0.35	.35/.69	included	300	1000	yes	no
Simple 450	\$49.95	\$0.30	.35/.69	included	450	1000	yes	no
Simple 600	\$59.95	\$0.25	.35/.69	included	600	1000	yes	no
Simple 1000	\$79.95	\$0.25	.35/.69	included	1000	1000	yes	no
Simple 2000	\$99.95	\$0.20	.35/.69	included	2000	1000	yes	no
Simple 3000	\$149.95	\$0.20	.35/.69	included	3000	1000	yes	no
Simple 4000	\$199.95	\$0.20	.35/.69	included	4000	1000	yes	no
Basic 3000	\$34.95	\$0.25	.35/.69	.15 other than 208 and 541	3000	0	n/a	n/a
Basic 3000+	\$39.95	\$0.25	.35/.69	.15 other than Idaho, Oregon and state of choice	3000	0	n/a	n/a
Freedom 200	\$39.95	\$0.70	included	included	200	0	n/a	yes
Freedom 350	\$54.95	\$0.70	included	included	350	0	n/a	yes
Freedom 500	\$69.95	\$0.70	included	included	500	0	n/a	yes
Freedom 1000	\$119.95	\$0.70	included	included	1000	0	n/a	yes
Freedom 2000	\$209.95	\$0.70	included	included	2000	0	n/a	yes

Simple Plans: All simple plans include voicemail, call waiting, conferencing, and caller ID at no additional charge. Add an additional phone to any of the simple plans (except Simple 0) for only \$5.00 per month.

Freedom Plans: With the Freedom Plan you are free to use your Snake River PCS phone anytime, anywhere in the United States with no additional charges for roaming or long distance. Your plan also includes voicemail, call waiting, conferencing, and caller ID. The Freedom Plans can be shared for only \$20 per month for each phone sharing the plan.

Basic Plan: Just minutes and them. Anytime local minutes. E 3000 includes all calls made to 208 or 541 area codes from your Home Calling Area with no long distance charges. Basic 3000 includes all calls made to any code in Idaho, Oregon and a s your choice from your Home C Area with no long distance charge. Long distance calls outside of plan will be billed at 15 cents per minute.



* Night minutes start 7pm and end at 6:59am, weekends start Friday 7pm end Monday 6:59am, any time min
nighttime minutes are used up.

** Talk a lot Blue's home minutes are true home territory, extended home is \$0.10 /minute and all other roan

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EXHIBIT D

(Five Year Plan)

I. YEAR ONE

A. Install New Site at Oxbow, Oregon. Oxbow portion of Pine Exchange is underserved at this time.

1) Equipment

Item	Cost
Nortel Minicell	\$95,000
Antenna	<u>\$2,000</u>
Total	\$97,000

2) Site Development

Item	Cost
Survey	\$1,000
Engineering	\$25,000
Permits	\$1,000
Electrical	\$3,500
Telecom (DS-1)	\$1,000
Conduit	\$1,000
Misc. Parts	\$2,000
Site Preparation	\$5,000
Switch Interconnection	\$5,000
Labor	\$8,000
Total Direct Costs	\$52,500
Overhead @ 15%	<u>\$7,875</u>
	\$60,375

3) Recurring Charges (Monthly)

Item	Cost
Rent	\$150
Electrical	\$50
Telecom (DS-1)	\$7,000
Maintenance (labor)	\$350
Insurance	\$100
Switching	\$1,000
Total Direct Costs	\$8,650
Overhead @ 15%	<u>\$1,298</u>
	\$9,948 x 12 = \$119,376 x 5 =
	\$596,880

B. Install New Technology Repeater at Brownlee Site. New repeater, operating at higher power, will improve service quality.

1) Equipment/Site Development

Item	Cost
Repeater	\$23,000
Electrical	\$2,500
Engineering	\$25,000
Donor Panel	\$1,500
Misc. Parts	\$1,500
Labor	\$8,000
Total Direct Costs	\$61,500
Overhead @ 15% (not including equipment)	<u>\$5,550</u>
	\$67,050

2) Recurring Charges (Monthly)

Item	Cost
Rent	\$150
Electrical	\$50
Maintenance	\$350
Insurance	\$100
Total Direct Costs	\$650
Overhead @ 15%	<u>\$98</u>
	\$748 x 12 = \$8,976 x 5 =
	\$44,880

C. Install Backup Generator at Richland Hill. Existing Minicell has 14 hour, backup battery supply. A generator will supply an additional 2 weeks of backup power in an emergency.

1) Equipment/Site Development

Item	Cost
Generator	\$10,000
Labor	\$3,000
Electrical	\$2,500
Misc. Parts	\$1,250
Initial Fuel	\$300
Total Direct Costs	\$17,050
Overhead @ 15% (not including equipment)	<u>\$1,508</u>
	\$18,558

2) Recurring Charges (Monthly)

Item	Cost
Fuel Resupply	\$50
Maintenance	\$200
Insurance	\$100
Telecom (DS-1)	\$3,500
Switching	\$1,000
Total Direct Costs	\$4,850
Overhead @ 15%	<u>\$728</u>
	\$5,578 x 12 = \$66,936 x 5 =
	\$334,680

II. YEAR TWO

A. Install New Technology Repeater at Saunders Site. New repeater will improve service quality and increase coverage in Eagle Telephone's service area.

1) Equipment/Site Development

Item	Cost
Repeater	\$23,000
Engineering	\$25,000
Donor Panel	\$1,500
Electrical	\$2,500
Misc. Parts	\$1,500
Labor	\$8,000
Total Direct Costs	\$61,500
Overhead @ 15% (excluding equipment)	<u>\$5,550</u>
	\$67,050

2) Recurring Charges (Monthly)

Item	Cost
Rent	\$150
Electrical	\$50
Maintenance	\$350
Insurance	\$100
Total Direct Costs	\$650
Overhead @ 15%	<u>\$98</u>
	\$748 x 12 = \$8,976 x 5 =
	\$44,880

B. Install New Technology Repeater at Gover Site. New repeater will improve quality and increase service penetration in Pine Exchange.

1) Equipment/Site Development

Item	Cost
Repeater	\$23,000
Donor Panel	\$1,500
Engineering	\$25,000
Electrical	\$2,500
Misc. Parts	\$1,500
Labor	\$8,000
Total Direct Costs	\$61,500
Overhead @ 15% (excluding equipment)	<u>\$5,550</u>
	\$67,050

2) Recurring Charges (Monthly)

Item	Cost
Rent	\$150
Electrical	\$50
Maintenance	\$350
Insurance	\$100
Total Direct Costs	\$650
Overhead @ 15%	<u>\$98</u>
	\$748 x 12 = \$8,976 x 5 =
	\$44,880

C. Install New Technology Repeater at Brashler Site. New repeater will improve quality and increase service penetration in Eagle Exchange.

1) Equipment/Site Development

Item	Cost
Repeater	\$23,000
Engineering	\$25,000
Donor Panel	\$1,500
Electrical	\$2,500
Misc. Parts	\$1,500
Labor	\$8,000
Total Direct Costs	\$61,500
Overhead @ 15% (excluding equipment)	<u>\$5,550</u>
	\$67,050

2) Recurring Charges (Monthly)

Item	Cost
Rent	\$150
Electrical	\$50
Maintenance	\$350
Insurance	\$100
Total Direct Costs	\$650
Overhead @ 15%	<u>\$98</u>
	\$748 x 12 = \$8,976 x 5 =
	\$44,880

III. YEAR THREE

A. Increase Height of Randall Tower From 50 to 90 Feet in order to improve signal coverage, particularly in outlying portions of Snake River's extremely rural service area.

1. Equipment/Site Development

Item	Cost
Tower (including engineering)	\$100,000
Misc. Parts	\$1,500
Electrical	\$3,000
Labor	\$15,000
Total Direct Costs	\$119,500
Overhead @ 15% (excluding equipment)	<u>\$2,625</u>
	\$122,125

B. Upgrade Randall Site from Single Sector to Tri-Sector Antenna in order to improve signal coverage, particularly in outlying portions of Snake River's extremely rural service area.

1. Equipment/Site Development

Item	Cost
Antenna	\$42,000
Engineering	\$25,000
Electrical	\$2,500
Misc. Parts	\$1,500
Labor	\$10,000
Total Direct Costs	\$81,000
Overhead @ 15% (excluding equipment)	<u>\$5,850</u>
	\$86,850

2. Recurring Charges (Monthly)

Item	Cost
Rent	\$150
Electrical	\$50
Maintenance	\$350
Insurance	\$100
Telecom (DS-1)	\$3,500
Switching	\$1,000
Total Direct Costs	\$5,150
Overhead @ 15%	<u>\$773</u>
	\$5,923 x 12 = \$71,076 x 5 =
	\$355,380

C. Replace Equipment Building at Randall Site with Larger Structure to accommodate improvements noted above.

1. Equipment/Site Development

Item	Cost
Building	\$45,000
Materials	\$3,500
Electrical Utilities Installation	\$3,500
Labor	\$3,500
Total Direct Costs	\$55,500
Overhead @ 15%	<u>\$8,250</u>
	\$63,750

IV. YEAR FOUR

A. Upgrade Richland Hill Site from Bi-Sector to Tri-Sector Antenna in order to improve signal coverage, particularly in outlying portions of the Pine Telephone Exchange.

1. Equipment/Site Development

Item	Cost
Equipment	\$42,000
Engineering	\$25,000
Electrical	\$2,500
Misc. Parts	\$1,500
Labor	\$10,000
Total Direct Costs	\$81,000
Overhead @ 15% (excluding equipment)	<u>\$5,850</u>
	\$86,850

V. YEAR FIVE

A. Install New Site at Hells Canyon, Oregon. Hells Canyon portion of Pine Telephone Exchange has no competitive cellular offering at this time.

1. Equipment

Item	Cost
Tri-Sector Antenna	<u>\$179,000</u>
	\$179,000

2. Site Development

Item	Cost
Survey	\$1,000
Engineering	\$30,000
Permits	\$1,000
Electrical	\$5,000
Telecom (DS-1)	\$1,000
Conduit	\$2,000
Misc. Parts	\$3,000
Construction	\$10,000
Switch Interconnection	\$5,000
Labor	\$30,000
Total Direct Costs	\$88,000
Overhead @ 15%	<u>\$13,200</u>
	\$101,200

3. Recurring Charges (Monthly)

Item	Cost
Rent	\$150
Electrical	\$50
Telecom (DS-1)	\$3,500
Maintenance (labor)	\$350
Insurance	\$100
Switching	\$1,000
Total Direct Costs	\$5,150
Overhead @ 15%	<u>\$773</u>
	\$5,923 x 12 = \$71,076 x 5 =
	\$355,380

<u>Customer Count</u>	<u>Support per line per month*</u>	<u>Estimated Monthly Support</u>	<u>Estimated Annual Support</u>	<u>Estimated 5 Year Support</u>
Richard Wire Center - 195	\$90.02	\$17,554	\$210,647	\$1,053,235
Pine Wire Centers - 292	\$157.95	\$46,121	\$553,452	\$2,767,260
			\$764,099	\$3,820,495

*Calculated from USAC reports HC 01 and HC 05 for Fourth Quarter, 2005.

EXPENDITURES

		<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
Year 1	Capital	242,983	N/A	N/A	N/A	N/A
Projects	Operating	195,279	195,279	195,279	195,279	195,279
Year 2	Capital	N/A	201,150	N/A	N/A	N/A
Projects	Operating	N/A	26,928	26,928	26,928	26,928
Year 3	Capital	N/A	N/A	272,725	N/A	N/A
Projects	Operating	N/A	N/A	71,076	71,076	71,076
Year 4	Capital	N/A	N/A	N/A	93,150	N/A
Projects	Operating	N/A	N/A	N/A	0	0
Year 5	Capital	N/A	N/A	N/A	N/A	280,200
Projects	Operating	N/A	N/A	N/A	N/A	71,076
Total		438,262	423,357	566,008	386,433	644,559
					Total	2,458,619

Additional Employees – 1 full time customer service employee

\$60,000/year

1 full time field technician

\$75,000/year

1 full time Manager

\$85,000/year

1 full time accountant

\$75,000/year

\$295,000/year = \$1,475,000

Additional ETC advertising

\$10,000/year = \$50,000

\$3,983,619.00

EXHIBIT E

Mr. Phil Nyegaard
Administrator
Telecommunications Division
Public Utility Commission of Oregon
550 Capitol Street NE
Salem, OR 97310-1380

Re: Eagle Telephone System, Inc., d/b/a Snake River PCS
Certification for High Cost Loop Support

Dear Mr. Nyegaard:

I am Patrick L. Lattin, Manager and Vice President for Eagle Telephone System, Inc., d/b/a Snake River PCS ("Snake River"). This certification is submitted on behalf of Snake River in accordance with FCC rule Sections 54.313 and 54.314. On behalf of Snake River, I hereby certify under penalty of perjury that all high-cost support provided to the Company will be used only for the provision, maintenance, and upgrading of facilities and services for which the support is intended, pursuant to Section 254(e) of the Telecommunications Act of 1996.

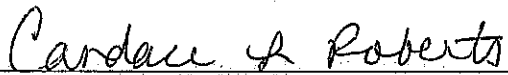
Eagle Telephone System, Inc., d/b/a
Snake River PCS

By: 

Title: Manager and Vice President

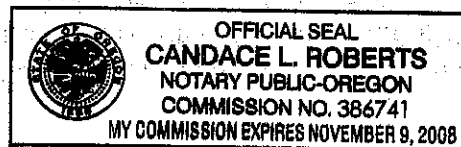
Date: 11/22/05

SUBSCRIBED AND SWORN TO AND ACKNOWLEDGED before me this 23rd day of November, 2005.


NOTARY PUBLIC

My Commission Expires:

Nov. 9, 2008



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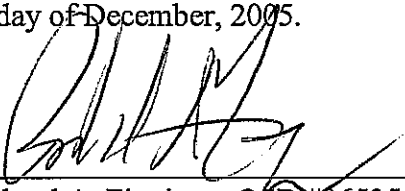
CERTIFICATE OF SERVICE

I certify that I have this day sent the attached Application of Eagle Telephone System, Inc., d/b/a Snake River PCS For Designation as an Eligible Telecommunications Carrier Pursuant to the Telecommunications Act of 1996 by e-mail and U.S. mail to the following:

Filing Center
Public Utility Commission of Oregon
550 Capitol St NE #215
Salem, OR 97308-2148
PUC.FilingCenter@state.or.us

There are no other parties on the service list at this time. Therefore, copies of the Application were not provided to any other parties or attorneys of parties.

Dated at Olympia, Washington, this 7th day of December, 2005.


Richard A. Finnigan, OSB #96535
Attorney for Eagle Telephone System, Inc., d/b/a Snake River PCS