

**Before the
Federal Communications Commission
Washington, D.C. 20554**

In the Matter of)	
)	
High-Cost Universal Service Support)	WC Docket No. 05-337
)	
Federal-State Joint Board on Universal Service)	CC Docket No. 96-45
)	
Alltel Communications, Inc., <i>et al.</i>)	
)	
Petition for Designation as an Eligible)	
Telecommunications Carriers)	

ORDER

Adopted: December 15, 2008

Released: December 15, 2008

By the Chief, Wireline Competition Bureau:

1. In this order, we amend certain eligible telecommunications carrier (ETC) designations granted by the Commission on May 1, 2008 in the *CETC Interim Cap Order*.¹ We amend the ETC designation granted to New York RSA 2 Cellular Partnership (NY RSA 2) in the state of New York. We grant ETC designation to St. Lawrence Seaway Cellular Partnership (St. Lawrence Seaway) in nine wire centers in the study area of Citizens Telecommunications of New York d/b/a Frontier Communications (Citizens/Frontier) in the state of New York. We also accept the relinquishment of the ETC designation of Dobson Cellular Systems Inc. and American Cellular Corp. (Dobson) in the state of New York.²

2. New York RSA 2. In its petition, NY RSA 2 sought ETC designation in 13 wire centers in the rural study area of Citizens/Frontier.³ In the *CETC Interim Cap Order*, the Commission found that NY RSA 2 met all the requirements under the Communications Act of 1934, as amended (the Act)⁴ and the Commission's rules to be designated an ETC in the state of New York.⁵ The Commission also redefined the Citizens/Frontier study area.⁶ The Commission, however, designated NY RSA 2 as an ETC in Citizens/Frontier's entire study area, instead of in only the requested 13 wire centers.⁷

¹ *High-Cost Universal Service Support; Federal-State Joint Board on Universal Service, Alltel Communications, Inc., et al. Petitions for Designation as Eligible Telecommunications Carriers, RCC Minnesota, Inc. and RCC Atlantic Inc. New Hampshire ETC Designation Amendment*, WC Docket No. 05-337, CC Docket No. 96-45, Order, 23 FCC Rcd 8834 (2008) (*CETC Interim Cap Order*).

² Letter from Cathy Carpino, AT&T, to Marlene H. Dortch, Secretary, Federal Communications Commission, WC Docket No. 05-337, CC Docket No. 96-45 (filed Sept. 19, 2008) (Dobson Letter).

³ New York RSA 2 Cellular Partnership Petition for Designation as an Eligible Telecommunications Carrier in the State of New York, CC Docket No. 96-45 (filed June 23, 2005) (NY RSA 2 Petition).

⁴ 47 U.S.C. § 254(b)(5).

⁵ See *CETC Interim Cap Order*, 23 FCC Rcd at 8857-8863, Appendix B, paras. 2-17.

⁶ *Id.* at Appendix B, para. 27.

⁷ *Id.* at Appendix B, Exhibit 17.

3. We find that, based on its licensed service area, NY RSA 2 is authorized to provide service in only 13 wire centers within the Citizens/Frontier study area. We therefore amend NY RSA 2's ETC designation to include only the wire centers listed in Appendix A of this order.⁸

4. St. Lawrence Seaway. In its petition, St. Lawrence Seaway, among other things, sought ETC designation in parts of the study area of Citizens/Frontier in New York, which is a rural telephone company.⁹ St. Lawrence also sought redefinition of Citizens/Frontier's study area.¹⁰ In the *CETC Interim Cap Order*, the Commission found that St. Lawrence Seaway met all the requirements under the Act and the Commission's rules to be designated an ETC in New York.¹¹ The Commission, however, omitted the requested wire centers in Citizens/Frontier's study area from St. Lawrence Seaway's designated service areas.¹²

5. Because St. Lawrence Seaway's service area differs from that of Citizens/Frontier, we must redefine the service area pursuant to section 214(e)(5) of the Act.¹³ In deciding whether to establish a redefined service area for a rural telephone company, such as Citizens/Frontier, we examine whether the redefinition will allow the requesting ETC to service low-cost areas to the exclusion of high-cost areas, known as "creamskimming."¹⁴ Our analysis of the population density of each of the affected wire centers reveals that redefining the service area as St. Lawrence Seaway requests will not raise creamskimming concerns. Although there are factors other than population density that define high-cost areas, a lower population density generally indicates a higher-cost area.¹⁵ We find, therefore, that designating St. Lawrence Seaway as an ETC with a service area below the study area level of Citizens/Frontier will not result in creamskimming. We therefore designate St. Lawrence Seaway as an ETC in the wire centers listed in Appendix B.¹⁶

6. The amended ETC designations for New York RSA 2 and St. Lawrence Seaway shall be effective retroactively to the companies' original ETC designation dates, i.e., the effective date of the *CETC Interim Cap Order*, subject to any required state commission approvals of service area

⁸ We note that the NY RSA 2 service area redefinition in the *CETC Interim Cap Order*, was sent to the New York Public Service Commission on August 22, 2008. Letter from Dana R. Shaffer, Chief, Wireline Competition Bureau, Federal Communications Commission, to Peter McGowan, Acting General Counsel, New York State Public Service Commission (Aug. 22, 2008). As discussed below, a copy of this order will be sent to the New York Public Service Commission, and we amend the service area redefinition for NY RSA 2 as noted herein.

⁹ St. Lawrence Seaway Cellular Partnership Petition for Designation as an Eligible Telecommunications Carrier in the State of New York, CC Docket No. 96-45 (filed June 23, 2005) (St. Lawrence Seaway Petition).

¹⁰ *Id.* at Exhibit E.

¹¹ See *CETC Interim Cap Order*, 23 FCC Rcd at 8857-8863, Appendix B, paras. 2-17.

¹² *Id.* at Appendix B, para. 24.

¹³ 47 U.S.C. § 214(e)(5).

¹⁴ *Virginia Cellular, LLC Petition for Designation as an Eligible Telecommunications Carrier for the Commonwealth of Virginia*, CC Docket No. 96-45, Memorandum Opinion and Order, 19 FCC Rcd 1563, 1578, para. 32 (2004) (*Virginia Cellular Order*); *Highland Cellular, Inc. Petition for Designation as an Eligible Telecommunications Carrier for the Commonwealth of Virginia*, CC Docket No. 96-45, Memorandum Opinion and Order, 19 FCC Rcd 6422, 6434-5, para. 26 (2004) (*Highland Cellular Order*).

¹⁵ *Advantage Cellular Systems Inc. Petition for Designation as an Eligible Telecommunications Carrier in the State of Tennessee*, CC Docket No. 96-45, Order, 19 FCC Rcd 20994, n.67 (Wireline Comp. Bur. 2004).

¹⁶ We note that the Commission redefined Citizens/Frontier's study area in the *CETC Interim Cap Order*. See *CETC Interim Cap Order*, 23 FCC Rcd at 8865, Appendix B, para. 27.

redefinitions.¹⁷ The companies shall be eligible to receive support as of the effective date of their designation, provided that they timely submit the data required by the Commission's rules. In accordance with section 54.207(d) of the Commission's rules, we submit this order to the New York Public Service Commission (New York Commission), and request that the New York Commission treat this order as a petition to redefine a service area under section 54.207(d)(1) of the Commission's rules.¹⁸ St. Lawrence Seaway's ETC designation in the service area of Citizens/Frontier is subject to the New York Commission's review and agreement with the redefinition proposed herein. Upon the effective date of the agreement with the New York Commission with our redefinition of the area served by Citizens/Frontier, our designation of St. Lawrence Seaway as an ETC in the area served by Citizens/Frontier as set forth herein, shall also take effect.

7. Dobson. In the *CETC Interim Cap Order*, the Commission granted ETC designation to Dobson in the state of New York.¹⁹ Prior to the Commission granting Dobson's request, AT&T Inc. (AT&T) acquired Dobson.²⁰ AT&T filed a notice with the Commission stating that it does not wish to retain the Dobson New York ETC designation.²¹

8. Pursuant to section 214(e)(4) of the Act, AT&T provided notice of its intent to relinquish Dobson's designation as an ETC in New York.²² AT&T demonstrated that multiple carriers are designated as ETCs for Dobson's designated service area in New York.²³ Furthermore, AT&T asserts that it will continue providing service to customers in Dobson's designated service area, but it will do so on a non-ETC basis.²⁴ Finally AT&T states that it has not submitted any line count data for Dobson's New York ETC designation, and, therefore, Dobson has not and will not receive any federal high-cost support for this designated area.²⁵ Therefore, AT&T is permitted to relinquish Dobson's ETC designation in New York.

9. Accordingly, IT IS ORDERED that, pursuant to the authority contained in section 214(e)(6) of the Communications Act, 47 U.S.C. § 214(e)(6), and the authority delegated in sections 0.91 and 0.291 of the Commission's Rules, 47 C.F.R. §§ 0.91, 0.291, the ETC designation of New York RSA 2 Cellular Partnership in the state of New York IS AMENDED as described herein.

10. IT IS FURTHER ORDERED that, pursuant to the authority contained in section 214(e)(6) of the Communications Act, 47 U.S.C. § 214(e)(6), and the authority delegated in sections 0.91 and 0.291 of the Commission's Rules, 47 C.F.R. §§ 0.91, 0.291, the ETC designation of St. Lawrence Seaway Cellular Partnership IS AMENDED as described herein, subject to the agreement of the New York Public Service Commission with the redefinition of the service area.

¹⁷ The *CETC Interim Cap Order* became effective on August 1, 2008. See High-Cost Support Universal Service Support, Federal-State Joint Board on Universal Service, 73 Fed. Reg. 37882 (July 2, 2008).

¹⁸ 47 C.F.R. § 54.207(d).

¹⁹ *CETC Interim Cap Order*, 23 FCC Rcd at 8865, 8888-91, Appendix B, para. 34.

²⁰ See Dobson Letter at 1-2.

²¹ *Id.*

²² 47 U.S.C. § 214(e)(4); Dobson Letter at 1.

²³ Dobson Letter at 2-3, Attach.

²⁴ *Id.* at 2.

²⁵ *Id.*

11. IT IS FURTHER ORDERED that, pursuant to the authority contained in section 214(e)(6) of the Communications Act, 47 U.S.C. § 214(e)(6), and the authority delegated in sections 0.91 and 0.291 of the Commission's Rules, 47 C.F.R. §§ 0.91, 0.291, the ETC designation of Dobson Cellular Systems Inc. and American Cellular Corp (Dobson) IS RELINQUISHED in the state of New York.

12. IT IS FURTHER ORDERED that, pursuant to section 1.102(b)(1) of the Commission's rules, 47 C.F.R. §1.102(b)(1), this order SHALL BE effective upon release.

13. IT IS FURTHER ORDERED that, a copy of this order SHALL BE transmitted to the New York Public Service Commission and the Universal Service Administrative Company.

FEDERAL COMMUNICATIONS COMMISSION

Dana R. Shaffer
Chief
Wireline Competition Bureau

APPENDIX A

Service Areas for Inclusion in NY RSA 2's New York ETC Service Area

LEC NAME	WIRE CENTER	CLLI
Citizens Telecommunications Co. of NY d/b/a Frontier Communications	BLUE MOUNTAIN LAKE	BMLKNYXA
Citizens Telecommunications Co. of NY d/b/a Frontier Communications	BROADALBIN	BRDBNYXA
Citizens Telecommunications Co. of NY d/b/a Frontier Communications	CAROGA LAKE	CGLKNYXA
Citizens Telecommunications Co. of NY d/b/a Frontier Communications	GLOVERSVILLE	GLVNNYXA
Citizens Telecommunications Co. of NY d/b/a Frontier Communications	INDIAN LAKE	INLKNYXA
Citizens Telecommunications Co. of NY d/b/a Frontier Communications	JOHNSTOWN	JHTWNYXA
Citizens Telecommunications Co. of NY d/b/a Frontier Communications	LAKE PLEASANT	LKPLNYXA
Citizens Telecommunications Co. of NY d/b/a Frontier Communications	MAYFIELD	MYFDNYXA
Citizens Telecommunications Co. of NY d/b/a Frontier Communications	NEWCOMB	NWCMNYXA
Citizens Telecommunications Co. of NY d/b/a Frontier Communications	NORTHVILLE	NRVLNYXA
Citizens Telecommunications Co. of NY d/b/a Frontier Communications	RAQUETTE LAKE	RQLKNYXA
Citizens Telecommunications Co. of NY d/b/a Frontier Communications	ST JOHNSVILLE	STJNNYXA
Citizens Telecommunications Co. of NY d/b/a Frontier Communications	WELLS	WLLSNYXA

APPENDIX B

**Service Areas Requiring Reclassification Along Wire Center Boundaries for
Inclusion in St. Lawrence Seaway's New York ETC Service Area**

Citizens Telecommunications Co. of NY d/b/a Frontier Communications	ADAMS	ADMSNYXA
Citizens Telecommunications Co. of NY d/b/a Frontier Communications	ADAMS CENTER	ADCTNYXA
Citizens Telecommunications Co. of NY d/b/a Frontier Communications	BELLEVILLE	BLVLNYXA
Citizens Telecommunications Co. of NY d/b/a Frontier Communications	CONSTABLEVILLE	CSTVNYXB
Citizens Telecommunications Co. of NY d/b/a Frontier Communications	CROGHAN	CRGHNYXA
Citizens Telecommunications Co. of NY d/b/a Frontier Communications	HENDERSON	HNSNNYXA
Citizens Telecommunications Co. of NY d/b/a Frontier Communications	LOWVILLE	LOWVNYXA
Citizens Telecommunications Co. of NY d/b/a Frontier Communications	LYONS FALLS	LYFLNYXA
Citizens Telecommunications Co. of NY d/b/a Frontier Communications	MANNSVILLE	MNVLNYXA