

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

Application of USCOC of Greater Missouri, LLC)
for Designation as an Eligible Telecommunications)
Carrier Pursuant to the Telecommunications Act of)
1996)

Case No. TO-2005-0384

**STAFF'S REPLY TO U.S. CELLULAR'S
RESPONSE TO REQUESTS FOR ADDITIONAL PROCEEDINGS**

COMES NOW the Staff of the Missouri Public Service Commission and for its reply states:

1. On March 21, 2006, the Commission ordered U.S. Cellular to submit additional evidence regarding how it intends to use the support it would receive from the Universal Service Fund to improve its network through improved coverage, signal strength, or capacity in ways that would not otherwise occur without the receipt of high cost support.

2. On August 11, 2006, U.S. Cellular filed its Compliance Filing which included its proposed Two-Year Network Improvement Plan.

3. On August 14, 2006, the Commission directed each of the other parties to file a pleading indicating whether they wish to cross-examine U.S. Cellular's witness about the compliance filing, whether they wish to present additional evidence of their own, and whether they wish to present additional argument.

4. On or before September 1, 2006, all of the other parties filed pleadings answering these questions in the affirmative.

5. On September 21, 2006, U.S. Cellular filed its response in which it "welcomes an opportunity to appear before the Commission with its two-year plan witness (Nick Wright) to respond to Commission questions and cross-examination from parties regarding its two-year plan. However, U.S. Cellular strongly opposes any attempt to prolong this proceeding with

additional rounds of testimony and an extended procedural schedule.” U.S. Cellular requests an on-the-record presentation as soon as possible where other parties may present witnesses should they desire. U.S. Cellular says that the Commission should not delay granting its application by a re-litigation of issues.

6. At the prehearing conference held on September 22, 2006, the presiding officer directed the parties to file a proposed procedural schedule by October 4, 2006. If the parties were unable to agree on a joint proposal, the other parties could respond to U.S. Cellular’s September 21 response. The parties were unable to agree upon a proposed procedural schedule.

7. The Staff requests the opportunity to litigate what is in essence a new plan. The Direct Testimony of U.S. Cellular’s witness Wright estimated U.S. Cellular’s projected USF support at roughly \$8,000,000 per year. (Exh. 5, p. 13). U.S. Cellular’s Compliance Filing now estimates its projected USF support at approximately \$11,000,000 per year. (Two-Year Network Improvement Plan, p. 2). In his Surrebuttal Testimony, Mr. Wright stated that U.S. Cellular did not, at that time, intend to add additional construction commitments beyond sixteen cell sites. (Exh. 6, p.1). In the Compliance Filing, U.S. Cellular proposes the construction of 39 cell sites. (Two-Year Network Improvement Plan, p. 1). In his Direct Testimony, Mr. Wright had stated that the sixteen new cell sites would not otherwise be constructed in the absence of high-cost support. (Exh. 5, p.13). U.S. Cellular’s response to a Staff data request indicates that U.S. Cellular has constructed one or more of those cell sites in the absence of high-cost support. Additionally, U.S. Cellular’s application was not tested against the Commission’s ETC rule, 4 CSR 240-3.570, which became effective June 30, 2006.

Finally, it took U.S. Cellular - - which has a knowledge of its plans, budget and system that no other party would have - - twenty weeks to prepare and file its two-year plan. The Staff

requests a similar time period of twenty weeks (following August 11) for itself and the other parties to prepare and try this case, as proposed in the Staff's contemporaneously filed motion to establish a procedural schedule.

WHEREFORE, the Staff requests the opportunity for additional testimony and hearing in this case.

Respectfully submitted,

/s/ William K. Haas

William K. Haas
Deputy General Counsel
Missouri Bar No. 28701

Attorney for the Staff of the
Missouri Public Service Commission
P. O. Box 360
Jefferson City, MO 65102
(573) 751-7510 (Telephone)
(573) 751-9285 (Fax)
william.haas@psc.mo.gov

Certificate of Service

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or electronically mailed to all counsel of record this 4th day of October 2006.

/s/ William K. Haas