



Decision to limit federal support could compromise economic development

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Last week, the Federal Communications Commission (FCC) signaled its intent to cap the Federal Universal Service Fund (USF) "very soon," most likely by November 1, 2007. This is especially dangerous for Maine as the USF provides critical support for wireless companies to build new cell towers in high-cost areas across the country, including rural communities across Maine. Congress created the USF to make sure that telecommunications technology doesn't leave rural communities behind. The USF has enabled wireless carriers like U.S. Cellular to build hundreds of towers in rural communities nationwide and bring new service to areas that would not have otherwise had access.

"We can't understand why the FCC is moving forward with the cap in the face of resounding opposition from rural citizens across the country," said John Rooney, president and CEO of U.S. Cellular.

"I was invited to testify before the U.S. Senate Commerce Committee in June because this is such an important issue for Americans. Fourteen members of Congress have submitted letters to the FCC describing how important the federal USF is to their constituents, and this ill-informed political agenda will only compromise rural communities across the country."

Currently, U.S. Cellular receives approximately \$8 million in USF funding annually and with that has committed to build 32 sites over the next two years in Maine's rural communities. In 2006, U.S. Cellular was able to add 12 cellular sites in Maine. Six were the result of USF funding. In 2007, U.S. Cellular plans to add 36 cellular sites across Maine, benefiting an estimated 100,000 Maine residents with new network service. Of these 36 sites, 21 will be funded by the USF. U.S. Cellular has built towers in rural communities such as Jonesport, Canton and Orland all with populations under 2,200. If the FCC succeeds in capping the USF, Maine could lose as much as \$2 million and more than five new towers will be jeopardized. Without reliable wireless coverage, first responders like police officers and firefighters cannot quickly and reliably deal with critical safety issues. Also, E-911 technology is useless in areas without wireless coverage, and in high-cost rural areas, wireless companies rely on federal support to make these resources available to smaller communities.

"Recently, I testified before the U.S. Senate regarding the importance of wireless service to modern law enforcement. Cell phones provide a valuable safety tool for rural residents, whether they experience car trouble on a desolate road or have a serious accident in the woods. Law enforcement officials also use cellular phones for critical communications," said Kennebec Sheriff's Office Chief Deputy Everett Flannery. "An unreliable cell signal is a profound disadvantage in Maine, greater New

England and in rural communities across the country, whose residents deserve equal access to reliable technology, regardless of geography.”

U.S. Cellular is calling on Congress and the FCC to protect universal service funding for wireless carriers serving rural America. Rural consumers pay into the fund and deserve access to the same reliable wireless service and choices found in urban America. With universal service support, U.S. Cellular stands ready to deliver high-quality wireless service in rural parts of Maine - everywhere that Maine customers live, work and play. For more information, please visit www.connectingruralamerica.org.

U.S. Cellular is the nation's sixth-largest wireless service carrier, providing wireless service to six million customers in 26 states. The Chicago-based company employs 8,000 associates and operates on a customer satisfaction strategy, meeting customer needs by providing a comprehensive range of wireless products and services, superior customer support, and a high-quality network.