



Wireless • Landline • Long Distance • Internet

---

Main Office • 850 North Highway 414 • PO Box 160 • Mountain View, WY 82939 • 1-888-926-CARE (2273) • (307)-782-6131

Retail Locations: Casper, Cheyenne, Evanston, Gillette, Jackson, Laramie, Mountain View, Rawlins, Riverton, Rock Springs & Saratoga, Wyoming • Craig & Steamboat Springs, Colorado

---

June 13, 2016

Hon. Thomas Wheeler  
Federal Communications Commission  
445 Twelfth Street, SW  
Eighth Floor  
Washington, DC 20554

AU Docket No. 14-252  
GN Docket No. 12-268  
File No. 0007122225

Dear Chairman Wheeler:

I am the CEO of Union Telephone Company d/b/a Union Wireless, an applicant in the upcoming 600 MHz forward auction. Our company has applied for a rural service provider bid credit. We oppose the request filed by SAL Spectrum, Inc. to receive a rural service provider bid credit. SAL is an affiliate of Atlantic TeleNetwork, a publicly company traded under symbol ATNI.

The entire purpose of creating a rural service provider bid credit was to provide a means for small companies like Union to compete against giant companies with many advantages, including far greater access to capital and the benefit of serving urban areas with much higher margins.

In their Reply Comments, SAL claims that the rural service provider bid credit is not about access to capital, but it is intended to enable rural service providers to better compete for spectrum at the auction. They are incorrect. In our experience, when parties lack the ability to compete at an auction, it is almost always because they lack access to capital.

Until this auction, the only way for a small rural service provider to compete was to create a new company, with a giant carrier as a limited partner, structured in a way as to qualify as a designated entity. That model is incredibly difficult to execute when you're already

operating a network, and that's why the FCC provided a rural service provider credit, so rural operators who can't partner with a giant carrier to create a designated entity, or otherwise access large pools of public capital, could have something in this auction.

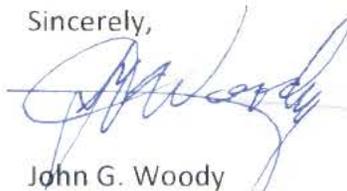
As we understand it, SAL serves large urban areas in other countries and is able to use those revenues to fund its operations here in the US, including its auction bids. SAL also has the ability to raise capital either by issuing more stock or borrowing at advantageous rates. Union is a rural provider in Wyoming that has no such advantages.

SAL claims that a grant will increase competition in rural areas. But even though the rule clearly disqualifies it from the credit, SAL never explains why it should nonetheless receive an advantage over rural service providers who qualify for the credit. Denying SAL's request will put them on a level playing field with Union and other small providers. What they really want is to have the advantage of the bid credit, and the advantage of access to the public debt and equity markets, and to be able to use their high margin foreign business to fund their bids in America's rural areas.

To be clear, all this is about is whether the Commission's rule means what it says. If the FCC wants to grant SAL's request, then to be fair to Union and other small carriers, we should get notice of that change and an opportunity to go recruit some foreign companies to invest in our business. To give SAL a waiver and not let us also have the benefit of it is unfair, and a good reason to just say no.

To conclude, SAL has a big advantage over small rural service providers, and through their request they want more. We don't seek equality, just equal opportunity. The rural service provider bid credit was for companies like Union, and Viaero, and other similarly situated companies, not companies like SAL.

Sincerely,

A handwritten signature in blue ink, appearing to read "John G. Woody", with a horizontal line extending to the right.

John G. Woody  
Chief Executive Officer