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November 1, 2001

Magalie Roman Salas, Secretary
Federal Communications Commission
445 Twelfth Street, S.W., Room TW-A325
Washington, DC 20554

Re: WT Docket No. 01-14, 2000 Biennial Regulatory Review
Spectrum Aggregation Limits for Commercial Mobile Radio Service
Notice of Permitted *Ex Parte* Presentation
ALLTEL Communications, Inc.

Dear Ms. Salas:

This letter is to inform you that on October 31, 2001, Kenneth D. Patrich of Wilkinson Barker Knauer, LLP, counsel for ALLTEL Communications, Inc. ("ALLTEL"), had a telephone conversation with Monica Desai, Wireless Legal Advisor, Commissioner Martin, concerning ALLTEL's position advocating the elimination of the Commission's cellular cross ownership restrictions in the above-referenced docket, as reflected in the attached bullet-point summary. The instant filing is submitted in accordance with Section 1.1206(b) of the Commission's rules.

Please contact the undersigned should you have questions regarding this matter.

Respectfully submitted,

WILKINSON BARKER KNAUER, LLP

By: Kenneth D. Patrich

Attachment
cc: Monica Desai (w/attachment)

ALLTEL COMMUNICATIONS, INC.

THE FCC SHOULD IMMEDIATELY ELIMINATE THE CELLULAR CROSS OWNERSHIP RESTRICTION IN ALL MARKETS

- Retaining the cellular cross ownership restriction while at the same time increasing the spectrum cap will afford PCS carriers flexibility to enter into a wide range of transactions that would be prohibited to cellular carriers. Such a discriminatory regulatory scheme will have severe implications on Wall Street.
- retaining the cellular cross ownership restriction in RSAs only will preclude many smaller carriers from entering into transactions not restricted to larger carriers.
- Consumers may benefit from elimination of the cellular cross ownership restriction.
  - Consumers in unserved or undeserved areas are able to obtain service today through the Internet or by acquiring service in nearby towns from numerous regional and national carriers. Each of these carriers generally offer a broad variety of rate plans including "national plans" under which there is no added charge for roaming. Consequently, consumers have choices – they may either purchase a plan, which includes roaming, (in which case roaming charges become a carrier to carrier issue) or they may subscribe to a more conventional plan and pay for roaming minutes.
  - Elimination of the cellular cross ownership restriction will also allow for the integration of marginal, stand-alone rural markets into the regional or nation systems of the larger carriers. These larger systems provide the economies of scale and scope to the provision of service in rural markets, and the potential price reductions that may occur as a consequence. Elimination of the cellular cross ownership restriction could therefore enable rural subscribers to obtain service at lower rates.
  - Due to economic reasons, some sparsely populated markets cannot support facilities-based competition from more than two competitors. There is no incentive in this environment for PCS licensees to build out in these areas. Allowing the two cellular carriers to combine would logically open the door for increased facilities-based entry by PCS carriers, who would introduce new digital technologies to areas now served predominantly or exclusively by analog operators.
- The FCC can continue to utilize the Section 310(d) review process to address proposed business combinations or acquisitions of particular concern.