

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

In the Matter of)
)
Facilitating the Provision of Spectrum-Based) WT Docket No. 02-381
Services to Rural Areas and Promoting)
Opportunities for Rural Telephone Companies)
to Provide Spectrum-Based Services)

To: Wireless Telecommunications Bureau

**REPLY COMMENTS OF ARCTIC SLOPE TELEPHONE ASSOCIATION
COOPERATIVE, INC.**

Arctic Slope Telephone Association Cooperative, Inc. (“Arctic Slope”)¹, by its attorneys, hereby submits reply comments in response to the Federal Communications Commission’s (“FCC” or “Commission”) *Notice of Proposed Rulemaking* (“*Notice*”) seeking comment on the effectiveness of its current regulatory tools in helping to facilitate the delivery of spectrum-based services to rural areas.²

Arctic Slope supports the overwhelming comments filed in this proceeding advocating the elimination of the cellular-cross interest rule.³ Specifically, Arctic Slope urges the Commission to abolish the cellular cross-interest rule in all Rural Service Areas (“RSAs”),

¹ Arctic Slope is a small cellular carrier providing service on the North Slope of rural Alaska (Alaska RSA 1, Wade Hampton, CMA 315) to a small and dispersed customer base. The vast majority of Arctic Slope’s service area is comprised of sparsely populated rural areas lacking concentrated centers of commercial and industrial activity.

² *In the Matter of Facilitating the Provision of Spectrum-Based Services to Rural Areas and Promoting Opportunities for Rural Telephone Companies to Provide Spectrum-Based Services*, Notice of Proposed Rulemaking, WT Docket No. 02-381 (October 6, 2003).

³ See Comments of AT&T Wireless (“AT&T”) at 9; Comments of the Cellular Telecommunications & Internet Association (“CTIA”) at 12; Comments of the Rural Cellular Association (“RCA”) at 13; Comments of Cingular Wireless (“Cingular”) at 5; Comments of OPASTCO and RTG at 14.

regardless of the number of commercial mobile radio service (“CMRS”) operators in a market.⁴ As the Organization for the Promotion and Advancement of Small Telecommunications Companies (“OPASTCO”) and the Rural Telecommunications Group (“RTG”) noted in their joint comments, “in the current marketplace, the existence of this onerous, overly-burdensome cellular cross-interest rule has prevented many rural cellular carriers from acquiring interests in adjacent market cellular operations—operations usually characterized by outdated equipment and losses in revenue.”⁵ Arctic Slope also concurs with CTIA’s notion that “the cross-interest rule is impeding investment in and development of new wireless technologies in rural areas,” and that the rule “may actually harm [competition] by inhibiting investment in RSAs.”⁶

As a provider of cellular services in rural Alaska, Arctic Slope is well-aware of the challenges that face rural carriers in their efforts to provide meaningful spectrum-based services to these remote and isolated areas. By allowing market forces, not regulation, to dictate the correct number of carriers in a rural market, the Commission will help ensure that carriers such as Arctic Slope, will be able to provide additional reliable advanced wireless services to customers in rural areas. Eliminating the cellular cross-interest rule will allow rural carriers to utilize additional CMRS spectrum to provide such advanced wireless services, including high-speed data and third generation wireless services to customers in areas so isolated that competition will likely never exist.⁷ As the comments in this proceeding bore out, elimination of the cellular cross-interest rule will further the Commission’s stated purpose in this proceeding to facilitate the growth of spectrum-based services in rural areas.⁸

⁴ 47 C.F.R. §22.942.

⁵ Comments of OPASTCO and RTG at 14.

⁶ CTIA Comments at 13.

⁷ *See generally* OPASTCO and RTG Comments.

⁸ *Notice* at 1.

Accordingly, Arctic Slope urges the Commission to move expeditiously to eliminate the cellular cross-interest rule, an unnecessary and outdated rule that serves only as a barrier to the deployment of meaningful wireless services in Alaska, and in rural areas throughout the United States.

Respectfully submitted,

By: _____/s/_____
**ARCTIC SLOPE TELEPHONE
ASSOCIATION COOPERATIVE,
INC.**

By: Caressa D. Bennet
Donald L. Herman, Jr.

Bennet & Bennet, PLLC
1000 Vermont Ave, NW
10th Floor
Washington, D.C. 20005

Phone: (202) 371-1500
Facsimile: (202) 371-1558
Its Attorneys

Dated: January 26, 2003