

August 2, 2004

Ms. Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street, SW
12th Street Lobby, TW-A325
Washington, D.C. 20554

**Re: *Ex Parte* Submission
WT Docket No. 02-353**

Dear Ms. Dortch:

CTIA has been reviewing the record in the reconsideration phase of the Advanced Wireless Services (AWS) proceeding, especially the Petition for Reconsideration filed by the Rural Cellular Association (“RCA”) in response to the Commission’s November 25, 2003, Order establishing service rules in the AWS band.¹ CTIA has also reviewed the *ex parte* filing of July 29, 2004, in which RCA proposed that the Commission make one 20 MHz license available on an RSA/MSA basis in the AWS band.²

CTIA does not agree with RCA’s original proposals in its petition for reconsideration to convert multiple spectrum blocks to an RSA/MSA configuration. CTIA does, however, agree that making one 20 MHz block available to be auctioned on a RSA/MSA basis would be an appropriate means of encouraging effective small and rural carrier participation in the AWS auction. Such a block would be most efficient if situated on one end or the other of the allocation, rather than in the middle of the spectrum blocks, to maximize efficiency for those bidders who might be interested in aggregating spectrum blocks.

¹ See *Service Rules for Advanced Wireless Services in the 1.7 GHz and 2.1 GHz Bands*, WT Docket No. 02-353, Report and Order, 18 FCC Rcd 25,162 (2003); see also *Petition for Reconsideration of the Rural Cellular Association*, WT Docket No. 02-353 (filed Mar. 8, 2004). RCA challenged the Commission’s decision to designate 10 MHz of spectrum in the D Block for auction on a Rural Service Area/Metropolitan Service Area (“RSA/MSA”) basis. In its Petition, RCA asked the Commission to offer for auction all 90 MHz of AWS spectrum according to RSA/MSA geographic areas, with no less than 20 MHz of spectrum per license. In the alternative, RCA asked the Commission to reapportion spectrum to be sure that at least two 20 MHz licenses are available in every MSA and RSA in the United States.

² See *Ex parte presentation of Rural Cellular Association (RCA)*, WT Docket No. 02-353, (Filed July 29, 2004).

This modification of the Commission's bandplan would increase the practical ability of smaller carriers to participate in the offering of CMRS service in these AWS bands, while at the same time appropriately balancing allocation of AWS spectrum between regional and small market areas. CTIA also continues to oppose eligibility limitations for AWS spectrum, as it has in the Auction 58 context,³ and instead believes that allocation of one 20 MHz block on a RSA/MSA basis, in combination with the Commission's spectrum leasing rules, will provide small entities with more than adequate access to needed spectrum.⁴ To that end, CTIA looks forward to continuing to work with Commission in moving forward with auction of AWS spectrum that appropriately addresses these competing interests.

Pursuant to Section 1.1206 of the Commission's Rules, this letter is being electronically filed with your office. If you have any questions concerning this submission, please contact the undersigned.

Sincerely,

Diane Cornell

Diane Cornell

cc: Chairman Michael K. Powell
Commissioner Kathleen Q. Abernathy
Commissioner Michael J. Copps
Commissioner Kevin J. Martin
Commissioner Jonathan S. Adelstein
Bryan Tramont
Sheryl Wilkerson
Jennifer Manner
Paul Margie
Sam Feder
Barry Ohlson
John Muleta

³ See Petition of CTIA – The Wireless Association™ for Expedited Rulemaking or, Alternatively, a Waiver (filed July 8, 2004)

⁴ See *id.* at 2-6.