

November 22, 2005

By ECFS and Hand Delivery

Ms. Catherine W. Seidel
Acting Chief, Wireless Telecommunications Bureau
Federal Communications Commission
445 – 12th Street, S.W.
Washington, D.C. 20554

Re: WT Docket No. 05-50

Dear Ms. Seidel:

As you know, the Commission's grant of applications for consent to the merger of Western Wireless Corporation with ALLTEL Corporation ("ALLTEL") was conditioned upon the completion of divestitures of certain assets as ordered by the Commission and by the United States District Court for the District of Columbia.¹ The divestiture process allows ALLTEL 120 days (or until November 29, 2005) to divest these assets before they would be required to be transferred to a divestiture trustee. The *Merger Order* and the *Final Judgment* each contemplates a 60-day extension of the 120-day divestiture deadline.² We are writing on behalf of ALLTEL to request that the FCC grant a 35-day extension of the divestiture deadline.³

¹ See *Applications of Western Wireless Corporation and ALLTEL Corporation for Consent to Transfer Control of Licenses and Authorizations*, WT Docket No. 05-50, Memorandum Opinion & Order, 36 CR 404 (FCC 05-138, rel. July 19, 2005) ("Merger Order"), at paras. 159-169, 171; see also *U.S. v. ALLTEL Corp. and Western Wireless Corp.*, Civil No.: 1:05CV01345, Proposed Final Judgment ("*Final Judgment*") (D.D.C. July 6, 2005), at Section IV.

² See *Merger Order* at para. 167 (delegating to the Wireless Telecommunications Bureau ("Bureau") the authority to grant "one or more extensions to the Management Period not to exceed 60 days in the aggregate to allow the Applicants further time to dispose of the Divestiture Assets"); *Final Judgment* at Section IV.A (allowing the United States to "agree to one or more extensions of [the 120-day] time period not to exceed sixty (60) days in total . . ."). If applications are pending with the Commission, the divestiture period is automatically extended under both the *Merger Order* and the *Final Judgment* until five days after approval is received. See *Merger Order* at n.418; *Final Judgment* at Section IV.A.

³ Contemporaneously herewith, ALLTEL is also making a similar extension request of the U.S. Department of Justice ("DOJ").

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ALLTEL has made every effort and taken all reasonable steps necessary to comply with the divestiture requirements of the *Merger Order*, including engaging in extensive discussions with numerous potential acquirers of the Divestiture Assets (as that term is defined in the *Merger Order*). ALLTEL has worked diligently throughout the past several months to complete the required transactions and has at all times taken quite seriously its obligations under the *Merger Order*.

In September 2005, ALLTEL entered into a transaction with United States Cellular Corporation (“USCC”) to divest all spectrum and operating units required to be divested in Kansas and Nebraska under the *Final Judgment* and the *Merger Order*, and filed applications for FCC approval of the required license transfers.⁴ ALLTEL also is very close to executing an asset purchase agreement and related agreements to divest spectrum and operating units in the Arkansas 11 Rural Service Area to Cingular Wireless LLC (“Cingular”).⁵

Certain issues remain to be finally negotiated with Cingular, and while ALLTEL hopes to resolve all of them shortly, it unfortunately does not believe that such resolution will come prior to the November 29, 2005 deadline. For this reason and to allow for an orderly consummation of the USCC transaction, an extension of the 120-day divestiture deadline is needed. In accordance with informal advice provided by the Commission staff, ALLTEL understands from Commission staff that the filing of this request also will serve to automatically extend the *Merger Order*’s divestiture deadline while the Bureau considers the request.

The following is a brief description of the status of the sale of the assets required to be divested under the *Merger Order*:

USCC and the Kansas and Nebraska Divestiture Assets

As you know, ALLTEL and USCC executed an exchange agreement and related agreements for the Kansas and Nebraska Divestiture Assets on September 12, 2005, and submitted an application for FCC consent on September 20, 2005. For several reasons, however, these agreements required modification and ALLTEL and USCC worked diligently to negotiate and draft the appropriate changes in revised agreements. On November 21, 2005, ALLTEL and USCC finalized and executed the revised agreements, which have been submitted to both the DOJ and the Commission for review.⁶

⁴ See File Nos. 0002321390, *et al.* These applications are still pending as of this date. Although ALLTEL is requesting a 35-day extension in connection with the closing of the proposed USCC transaction, it is ALLTEL’s intention to close this transaction as promptly as practicable following receipt of approvals from the DOJ and the Commission.

⁵ The *Final Judgment* also requires ALLTEL to divest assets relating to the CellularOne Group, but the Commission did not include this requirement in the *Merger Order*. See *Merger Order* at ¶ 98.

⁶ Were it not for certain data services issues, ALLTEL and USCC would have finalized and executed the various agreements earlier this month. The parties only became aware of these data issues in late October 2005 and while their engineers have been attempting to work them out since that time, they only resolved the issues this past Friday. Thereafter, ALLTEL’s and USCC’s counsel immediately finalized the transition services agreement and ALLTEL was able to submit all of its agreements with USCC to the FCC earlier today.

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Pursuant to Section VI.C of the Final Judgment, the DOJ has until December 12, 2005 (*i.e.*, twenty days) to inform ALLTEL whether it approves of USCC's purchase of the Kansas and Nebraska Divestiture Assets. The DOJ's deadline obviously is outside of the time allotted by the Final Judgment and the *Merger Order* for ALLTEL to divest these assets, but would be within the requested 35-day extension.

Cingular and the Arkansas 11 Divestiture Assets

ALLTEL and Cingular have been negotiating the sale of the Arkansas 11 Divestiture Assets since shortly after the closing of the Western Wireless transaction on August 1, 2005. During these negotiations, several different variations of the proposed divestiture transaction were discussed prior to ALLTEL agreeing to sell to Cingular all cellular and PCS assets in Arkansas 11 as well as to enter into a transitional license for the CellularOne mark in that cellular marketing area. The parties reached agreement on the final transaction structure in late October 2005.

Thereafter, ALLTEL negotiated a definitive asset purchase agreement with Cingular that the parties are prepared to execute for the divestiture of the Arkansas 11 Divestiture Assets. As part of that agreement, Cingular requested a short-term post-closing transition license from the CellularOne Group that will allow Cingular to phase out the existing use of the CellularOne mark in Arkansas 11 as Cingular transitions to its brand. Although ALLTEL and Cingular have agreed upon the terms of a transition license, the CellularOne Group, acting through the Management Trustee, disagrees with ALLTEL and Cingular on a "licensee estoppel" issue and will license the CellularOne mark to Cingular only under the standard licensing agreement that it has utilized with longer-term licensees. This disagreement has thus far prevented ALLTEL and Cingular from finalizing and executing an agreement for the divestiture of the Arkansas 11 Divestiture Assets. The requested extension will allow ALLTEL time to attempt to resolve this licensee estoppel issue with the Management Trustee and Cingular so that ALLTEL can submit an application for FCC consent to the divestiture of the Arkansas 11 licenses as soon as possible.⁷

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ALLTEL wishes to emphasize that no one should infer from this request that ALLTEL wishes to delay consummation of either of the required divestitures. To the contrary, ALLTEL intends to close each transaction as soon as possible.

⁷ ALLTEL's extension request with the Department of Justice provides additional detail regarding the substance of this issue.

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If there are any questions regarding this request, please contact the undersigned.

Very truly yours,

WILKINSON BARKER KNAUER, LLP

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