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Ex Parte

Marlene H. Dortch
Secretary
Federal Communications Commission
445 Twelfth Street, S.W.
Washington, D.C. 20554

Re: WT Docket No. 07-208: Applications of Rural Cellular Corporation and Cellco Partnership d/b/a Verizon Wireless for Transfer of Control of Licenses

Dear Ms. Dortch:

This letter will advise the Commission that on December 3, 2007, Verizon Wireless and AT&T entered into a definitive agreement that includes the exchange of certain wireless licenses. As part of this agreement, and subject to regulatory approvals, Verizon Wireless will divest to AT&T all of the cellular operations of Rural Cellular Corporation (RCC) that overlap Verizon Wireless' own cellular operations, including all such overlaps in the state of Vermont. AT&T uses GSM technology to provide wireless service.

As a result, Vermont will benefit from two national cellular providers that will compete head to head with each other and other carriers for customers, offering Vermont customers state-of-the-art CDMA and GSM services and devices as well as the benefits of their national networks. In addition, as discussed below, Verizon Wireless is addressing concerns that have been raised about portions of southern Vermont (where US Cellular already offers CDMA service), by agreeing to maintain RCC's GSM network until a GSM carrier begins to offer service in that portion of the state.

The Verizon Wireless-AT&T transaction removes the Wireless Bureau's basis for its November 13 Order, which extended by 90 days the comment periods for reviewing the RCC-Verizon Wireless transfer of control applications.¹ The 90-day extension should thus be rescinded and the original periods be reinstated. In the alternative, the extension should be limited to 30 days, making the deadline for petitions to deny December 13, for oppositions December 24, and for replies December 31.

¹ Applications of Cellco Partnership d/b/a Verizon Wireless and Rural Cellular Corporation, WT Docket No. 07-208, Order, DA 07-4604, released November 13, 2004. The original deadline for petitions to deny or other comments was November 13, 2007; the order extended that date until February 11, 2008.

On September 4, RCC and Verizon Wireless filed applications for the transfer of control of wireless licenses held by RCC to Verizon Wireless, pursuant to a merger of the companies. On November 13, the date that initial comments were due on the applications, the Wireless Bureau granted a 90-day extension of the comment periods that had been requested by the Vermont Public Interest Research Group (VPIRG). The Bureau accepted VPIRG's assertion that "additional time is necessary for the public to analyze potential effects of this merger." The Bureau cited two alleged effects: (1) the potential impact on competition from the combination of the two cellular licensees, and (2) the effect on GSM customers, since RCC uses GSM technology while Verizon Wireless uses CDMA technology.²

On November 16, RCC and Verizon Wireless filed a Petition for Reconsideration of the Bureau's November 13 extension order. They demonstrated that the 90-day extension of time that the Bureau granted was not only unprecedented in Commission practice, but that so radically prolonging the comment periods would harm the public interest because it would delay the many benefits of the merger to customers. RCC and Verizon Wireless also noted that VPIRG had offered absolutely no reason why it could not have met the original comment deadline – which was nearly three months after the deal was publicly announced and widely reported in Vermont – particularly since other parties had timely filed. Finally, the Petition stated that Verizon Wireless committed to the Department of Justice to divest RCC's overlapping cellular operations in Vermont.

In its opposition to the RCC-Verizon Wireless Petition for Reconsideration, VPIRG failed again to offer any facts explaining why it needed more time, beyond the ample original comment period, let alone 90 more days, to detail its concerns about a cellular-cellular combination and the potential loss of GSM service.³

In any event, the December 3 Verizon Wireless-ATT transaction disposes of both concerns. The transaction commits Verizon Wireless to divest all RCC cellular operations that overlap with Verizon Wireless's own cellular operations. As a result, in Vermont (and in other affected markets), there will be no consolidation of cellular carriers, and there will remain two vigorously competing cellular providers, who in turn will compete with the growing number of other wireless carriers who continue to expand their own service.

Moreover, since AT&T is not only the largest national wireless provider, but has the largest GSM network, Vermont residents as well as people who travel to Vermont will continue to have access to a GSM network. As AT&T stated in its press release: "The transaction with Verizon will extend AT&T's coverage and services in New York, Vermont, the state of Washington and Kentucky. Customers in those markets will gain

² Order at 2.

³ See Verizon Wireless and RCC's Reply to Opposition to Petition for Reconsideration, filed December 3, 2007.

access to the nation's largest digital voice and data network. AT&T's fully integrated GSM network covers more than 290 million people in 13,000 U.S. cities and towns."

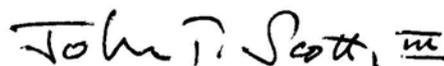
In the Southern Vermont counties of Bennington and Windham and the part of Windsor County south of State Route 4, Verizon Wireless currently has no cellular license. The AT&T-Verizon Wireless agreement provides that Verizon Wireless will retain RCC's cellular operations in this area. Verizon Wireless will compete head to head with US Cellular, the other cellular operator in this area, and with other carriers that hold licenses to provide service there. Verizon Wireless will continue to provide GSM service in this area until a GSM operator begins to offer service there. Verizon Wireless has also agreed to grant AT&T access to tower sites that Verizon Wireless owns in this area.

Verizon Wireless and AT&T will shortly file applications with the Commission for the transfer of licenses in connection with their transaction. Parties interested in that transaction will have a full opportunity to raise any issues when the Commission seeks public comment on it. Further delay in considering the RCC-Verizon Wireless transaction would unnecessarily delay the benefits of that transaction in fifteen states, including the benefits to Vermont from the subsequent transfer of licenses to AT&T.

There is in short no reasonable basis to continue in place the unprecedented and unwarranted 90-day extension of the comment period. We thus reiterate the request in the November 16 Petition for Reconsideration that the Bureau rescind its Order, and reinstate the original comment period. In the alternative, the Bureau should grant VPIRG only a 30-day rather than a 90-day extension, making the deadline for initial comments December 13.⁴

Pursuant to Section 1.1206 of the Commission's rules, a copy of this letter has been filed electronically with the Secretary.

Sincerely,



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⁴ Under a 30-day extension, the deadline for petitions to deny would be moved from November 13 to December 13, with oppositions due December 24 and replies due December 31. This would still allow interested parties even more time to file comments. Given that the Commission received timely filings on November 13 from not only the Vermont Public Service Board but other interested parties, it is clear that all except VPIRG were able to comply with the original schedule, further underscoring the need for at most a brief extension.

cc: Chairman Kevin J. Martin
Commissioner Michael J. Copps
Commissioner Jonathan S. Adelstein
Commissieionr Deborah Taylor Tate
Commissioner Robert M. McDowell
Daniel Gonzalez
Fred Campbell