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

NOV 15 2007

In the Matter of	)	
	)	
Applications of ALLTEL Corporation, Transferor, and Atlantis Holdings LLC, Transferee	)	WT Docket No. 07-128
	)	
For Consent To Transfer Control of Licenses, Leases and Authorizations	)	

MEMORANDUM OPINION AND ORDER

Adopted: October 26, 2007 **Released: October 26, 2007**

By the Commission: Commissioner Copps approving in part, dissenting in part and issuing a statement; Commissioner Adelstein approving in part, concurring in part and issuing a statement; and Commissioner McDowell issuing a statement.

I. INTRODUCTION

1. In this Order, we consider applications ("Applications") filed by ALLTEL Corporation ("ALLTEL") and Atlantis Holdings LLC ("Atlantis," and together with ALLTEL, the "Applicants"),[1] pursuant to Sections 214 and 310(d) of the Communications Act of 1934, as amended.[2] In these Applications, ALLTEL and Atlantis seek consent to the transfer of control of the wireless licenses, leases,[3] and domestic and international Section 214 authorizations held by subsidiaries of ALLTEL to Atlantis.[4] The Applicants also seek to transfer control of ALLTEL's non-controlling, general partnership interests in six Commission licensees to Atlantis. As discussed below, we conclude, pursuant to our review under Sections 214 and 310(d) of the Communications Act of 1934, as amended (the "Communications Act"), that approval of these applications as conditioned will serve the public interest, convenience, and necessity.

2. ALLTEL, which is a Delaware corporation publicly traded on the New York Stock Exchange,[5] provides, through its subsidiaries, wireless voice and data communications services to more than 12 million customers in mid-sized cities and rural areas in 36 states throughout much of the Southeast and portions of the Northeast, Southwest and upper Midwest.[6] It provides services to its subscribers on 850 MHz band cellular and 1900 MHz band PCS licenses using Code Division Multiple

[1] *See* Attachment.

[2] 47 U.S.C. §§ 214, 310(d).

[3] The wireless licenses held by ALLTEL include licenses for the Part 22 Cellular Radiotelephone Service, the Part 22 Paging and Radiotelephone Service, the Part 24 Personal Communications Service, the Part 27 Lower 700 MHz Service, the Part 90 Industrial/Business Pool Service, the Part 90 Private Carrier Paging Service, the Part 90 Specialized Mobile Radio Service, the Part 101 Common Carrier Fixed Point-to-Point Microwave Service, the Part 101 39 GHz Auctioned Service, the Part 101 Local Television Transmission Service, and the Part 101 Local Multipoint Distribution Service.

[4] *See* Attachment.

[5] Lead Application, File No. 0003040113, Amended Exhibit 1, at 1 (filed June 15, 2007) ("Application, Exhibit 1").

[6] *Id.* at 1-2.

Access ("CDMA") technology.[7] ALLTEL also has deployed a Global System for Mobile Communications ("GSM") network.[8]

3. On May 20, 2007, ALLTEL entered into an Agreement and Plan of Merger with Atlantis under which all of ALLTEL's outstanding stock would be canceled and the current ALLTEL shareholders would receive cash for their canceled shares.[9] The transfer of control would take place as a result of a proposed merger whereby Atlantis Merger Sub, Inc. ("Atlantis Merger Sub"), a wholly-owned subsidiary of Atlantis, would be merged into ALLTEL.[10] The separate corporate existence of Atlantis Merger Sub would cease, and ALLTEL would continue as the surviving corporation and a wholly-owned subsidiary of Atlantis.[11] Atlantis is a holding company for certain investment funds ultimately controlled by the principals of TPG Capital, L.P. ("TPG") and The Goldman Sachs Group, Inc. ("Goldman Sachs").[12] The Applicants state that TPG and Goldman Sachs each would have negative control of Atlantis and, upon consummation of the transaction, ALLTEL, because TPG and Goldman Sachs each control one of Atlantis's two managing members, TPG Atlantis V-A, L.P. and GS Capital Partners VI Parallel, L.P. (collectively, "Managing Members"), respectively.[13] The Applicants further assert that the Managing Members, which would be responsible for the management, operation, and control of the business and affairs of Atlantis, would also have negative control of ALLTEL by virtue of each company's negative control of Atlantis's board of directors.[14] In addition to the Managing Members, other investment funds ultimately controlled by the principals of TPG and/or Goldman Sachs would hold non-controlling interests in Atlantis.[15]

4. The Applications were placed on public notice on June 25, 2007.[16] Although no petitions to deny were filed against the proposed transaction, T-Mobile USA, Inc. ("T-Mobile") filed comments on July 26, 2007,[17] in which it urges the Commission to inquire about ALLTEL's intentions regarding the continued operation of ALLTEL's GSM network and seek assurances that it would continue to provide a seamless experience for T-Mobile customers roaming on ALLTEL's GSM network.[18] Further, T-Mobile requests that the Commission "require that Atlantis commit to maintaining ALLTEL's existing GSM 850 and GSM 1900 band network coverage and honoring the roaming agreements that ALLTEL has entered

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[7] *Id.* at 2.

[8] *Id.* ALLTEL states that it is also deploying third generation technologies, such as CDMA2000, 1xRTT and EV-DO to provide enhanced wireless data services. *Id.*

[9] *Id.* at 3.

[10] *Id.*

[11] *Id.*

[12] *Id.* at 2.

[13] *Id.* at 3 & nn.5, 6.

[14] *Id.* at 3.

[15] *Id.* at 4. The Applicants state that, prior to the consummation of this transaction, TPG and Goldman Sachs intend to syndicate certain of their respective equity investments in Atlantis to additional limited partners or co-investors. As part of this syndication, TPG and Goldman Sachs state that they may create additional investment funds and that these funds may hold a passive equity interest of 10% or greater in Atlantis. *Id.* at 4-5. The applicants will file an updated FCC Form 602 at the time of consummation to report the final ownership structure of ALLTEL. *Id.* at 5.

[16] ALLTEL Corporation and Atlantis Holdings LLC Seek FCC Consent to Transfer Control of Licenses and Authorizations, WT Docket No. 07-128, *Public Notice*, DA 07-2794 (rel. June 25, 2007).

[17] Comments of T-Mobile USA, Inc. (filed July 26, 2007) ("T-Mobile Comments").

[18] *Id.* at 4-5.

with other wireless carriers."[19] T-Mobile argues that ALLTEL's GSM network is "essential to preserving competition among the many carriers, including T-Mobile,"[20] because they rely on that network to provide seamless and affordable roaming coverage necessary to retain and attract subscribers.[21] ALLTEL and Atlantis filed a Joint Reply, dated August 6, 2007, in which the Applicants affirm their intention to honor ALLTEL's existing roaming agreements.[22] Atlantis states that it "values Alltel's relationship with its roaming customers and will assume the obligations associated with these agreements when it acquires control of Alltel upon consummation of the [t]ransaction."[23] Moreover, the Applicants state that "Atlantis is committed to continuing ALLTEL's longstanding commitment to entering voluntary, market-based roaming agreements with other carriers."[24]

5. In addition to ALLTEL's assurances to honor the roaming agreements, we note that the provision of roaming is subject to the requirements of Section 201, 202, and 208 of the Communications Act.[25] In a recent order, the Commission determined that when "a reasonable request is made by a technologically compatible [commercial mobile radio service ("CMRS")] carrier, a host CMRS carrier must provide automatic roaming to the requesting carrier outside of the requesting carrier's home market"[26] on reasonable and non-discriminatory terms and conditions.[27] The Commission also said that if a carrier makes a reasonable request for automatic roaming, "then the would-be host carrier cannot refuse to negotiate an automatic roaming agreement with the requesting carrier."[28] Additionally, we find that the roaming issues raised by T-Mobile do not raise substantial and material questions of fact regarding the proposed transaction before us.

6. We find that the proposed transaction would not result in anticompetitive effects upon the provision of roaming services, because it will not reduce the number of wireless service providers in the applicable markets. Consumers will not see a reduction in the options they have for obtaining service in these markets. And the ability of wireless providers to enter into roaming agreements with ALLTEL would be the same post-merger as it was before the merger. Thus, the proposed transaction does not create merger-specific competitive harm with regard to roaming services. Based on the foregoing, we decline to place any specific roaming conditions on our approval of the proposed transaction.

7. Pursuant to Sections 214 and 310(d) of the Communications Act of 1934, as amended ("Communications Act),[29] we must determine whether the Applicants have demonstrated that the proposed transfer of control of ALLTEL's licenses and authorizations would serve the public interest,

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[19] *Id.* at 5.

[20] *Id.* at 4

[21] *See id.* at 2-3

[22] Joint Reply Comments of ALLTEL Corporation and Atlantis Holdings LLC (filed Aug. 6, 2007) ("Joint Reply").

[23] *Id.* at 3

[24] *Id.* at 2-3.

[25] Reexamination of Roaming Obligations of Commercial Mobile Radio Service Providers, WT Docket No. 05-265, *Report and Order and Further Notice of Proposed Rulemaking*, FCC 07-143, at 2 ¶ 1 ("*Roaming Report and Order*").

[26] *Id.* at 2 ¶ 2. *See also id.* at 15 ¶ 33. We also note that it is a long-standing principle of the Commission not to dictate licensees' technology choices. *See, e.g.*, Applications of AT&T Wireless Services, Inc. and Cingular Wireless Corporation, WT Docket No. 04-70, *Memorandum Opinion and Order*, 19 FCC Rcd 21522, 21608 ¶ 227 (2004); Spectrum Policy Task Force, ET Docket No. 02-135, *Report*, at 14 (rel. Nov. 2002).

[27] *Roaming Report and Order* at 10 ¶ 23.

[28] *Id.* at 12 ¶ 28.

[29] 47 U.S.C. §§ 214, 310(d).

convenience, and necessity. The Applicants state that the proposed transaction would serve the public interest, because ALLTEL would be able to improve service to consumers, especially in unserved and underserved rural areas; invest in the deployment of advanced services; and expand its network through the purchase of additional spectrum.[30] Specifically, the Applicants state that the proposed transaction will provide Alltel with access to a stable source of capital and will prevent the company from being subject to quarter-to-quarter market fluctuations, allowing Alltel to acquire additional spectrum and make significant, capital intensive, infrastructure investments that will enable the rapid deployment of advanced services to rural consumers.[31] Further, there have been no questions raised with regard to the basic qualifications of Atlantis or ALLTEL, and we find no evidence that the transferee lacks the requisite financial, legal, technical, or other basic qualifications to be a licensee under the Communications Act. Thus, we find that Atlantis possesses the requisite basic qualifications to be the transferee of the licenses and authorizations currently held by ALLTEL. We also find that, because Atlantis does not provide mobile telephony service or hold licenses,[32] the proposed transaction would not have an adverse effect on competition in the mobile telephony market.

8. Although the proposed transaction would not adversely affect competition, the transaction raises issues regarding universal service and E911. On May 1, 2007, the Federal-State Joint Board on Universal Service (Joint Board) recommended that "the Commission take immediate action to rein in the explosive growth in high-cost universal service support disbursements."[33] Specifically, the Joint Board recommended that the Commission impose an interim, emergency cap on the amount of high-cost support that competitive eligible telecommunications carriers (ETCs) may receive for each state based on the average level of competitive ETC support distributed in that state in 2006.[34] The Joint Board based its recommendation on its assessment that, "without immediate action to restrain growth in competitive ETC funding, the federal universal service fund is in dire jeopardy of becoming unsustainable."[35] In 2006, the universal service fund provided approximately $4.1 billion per year in high-cost support.[36] In contrast, in 2001, high-cost universal service support totaled approximately $2.6 billion.[37] In recent years, this growth has been due to increased support provided to competitive ETCs, which receive high-cost support based on the per-line support that the incumbent LECs receive, rather than on the competitive ETCs' own costs. While support to incumbent LECs has been flat, or has even declined since 2003,[38] competitive

[30] *See* Application, Exhibit 1, at 6-8.

[31] *See id.* at 1, 6-8.

[32] *See id.* at 8-10.

[33] *See* Federal-State Joint Board on Universal Service, WC Docket No. 05-337, CC Docket No. 96-45, *Recommended Decision*, 22 FCC Rcd 8998, 8998 ¶ 1 (Fed.-State Jt. Bd. 2007) ("*Recommended Decision*"). On May 14, 2007, the Commission released a Notice of Proposed Rulemaking, seeking comment on the Joint Board's recommendation. Federal-State Joint Board on Universal Service, WC Docket No. 05-337, CC Docket No. 96-45, *Notice of Proposed Rulemaking*, 22 FCC Rcd 9705 (2007) ("*Notice*").

[34] *Recommended Decision*, 22 FCC Rcd at 8998 ¶ 1.

[35] *Id.* at ¶ 4.

[36] Universal Service Administrative Company 2006 Annual Report, 39 (2006), available at http://www.usac.org/_res/documents/about/pdf/usac-annual-report-2006.pdf ("*USAC 2006 Annual Report*").

[37] *See* Universal Service Monitoring Report, CC Docket No. 98-202, Prepared by the Federal and State Staff for the Federal-State Joint Board on Universal Service in CC Docket No. 96-45, Table 3.2 (2006) ("*Universal Service Monitoring Report*").

[38] Incumbent LECs received $3.129 billion in high-cost support in 2003; $3.153 billion in 2004; $3.186 billion in 2005; and $3.116 billion in 2006. *Universal Service Monitoring Report* at Table 3.2 (for 2003, 2004, and 2005 data); *USAC 2006 Annual Report* at 41 (for 2006 data). In 2001, much of the growth in high-cost support was attributable to removing implicit subsidies from access charges and the inclusion of these amounts in explicit

(continued....)

ETC support, in the six years from 2001 through 2006, has grown from under $17 million to $980 million – an average annual growth rate of over 100 percent.[39]

9. Although the Commission has not yet adopted the Joint Board's recommendation, this transaction implicates the Joint Board's recommendation. ALLTEL is currently the largest beneficiary of competitive ETC funding and accounts for approximately 29 percent of all high cost fund payments to ETCs.[40] Given ALLTEL's significant role in the expansion of the high cost fund through ALLTEL's receipt of competitive ETC funding, which forms the basis of the Joint Board's concern, we find that it is in the public interest to immediately address ALLTEL's continued receipt of competitive ETC funding in the context of this transaction. Specifically, as recommended by the Joint Board, we impose an interim cap on high-cost, competitive ETC support provided to ALLTEL as a condition of this transaction, which will apply until fundamental comprehensive reforms are adopted to address issues related to the distribution of support and to ensure that the universal service fund will be sustainable for future years. As a result of this condition, ALLTEL will be capped at the level of support that it received as a competitive ETC for 2007, measured as of the end of June 2007 on an annualized basis.

10. We also find that it is in the public interest to adopt a limited exception from the application of the interim cap condition to ALLTEL. Specifically, ALLTEL will not be subject to the interim cap condition to the extent ALLTEL (1) files cost data showing its own per-line costs of providing service in a supported service area upon which its high cost universal service support would be based, and (2) demonstrates that its network is in compliance with section 20.18(h) of the Commission's rules specifying E911 location accuracy as measured at a geographical level defined by the coverage area of each Public Safety Answering Point (PSAP).[41]

11. Because a competitive ETC's per-line support is currently based solely on the per-line support received by the incumbent LEC, rather than its own network investments in an area, the competitive ETC has little incentive to invest in, or expand, its own facilities in areas with low population densities, which is inconsistent with the Act's universal service goal.[42] However, to the extent ALLTEL files its own per-line costs, it would have an incentive to invest in areas with low population densities, which would serve our universal service goals. Accordingly, we find that the public interest would be served by allowing ALLTEL to receive high cost support in excess of annualized, June 2007 levels to the

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universal service mechanisms adopted in the *CALLS Order* and the *MAG Plan Order*. *See* Access Charge Reform, Price Cap Performance Review for Local Exchange Carriers; Low-Volume Long-Distance Users; Federal-State Joint Board on Universal Service, *Sixth Report and Order in CC Docket Nos. 96-262 and 94-1, Report and Order in CC Docket No. 99-249, Eleventh Report and Order in CC Docket No. 96-45*, 15 FCC Rcd 12962 (2000) ("*CALLS Order*"); Multi-Association Group (MAG) Plan for Regulation of Interstate Services of Non-Price Cap Incumbent Local Exchange Carriers and Interexchange Carriers; Federal-State Joint Board on Universal Service; Access Charge Reform for Incumbent Local Exchange Carriers Subject to Rate-of-Return Regulation; Prescribing the Authorized Rate of Return From Interstate Services of Local Exchange Carriers, *Second Report and Order and Further Notice of Proposed Rulemaking in CC Docket No. 00-256, Fifteenth Report and Order in CC Docket No. 96-45, and Report and Order in CC Docket Nos. 98-77 and 98-166*, 16 FCC Rcd 19613 (2001) ("*MAG Plan Order*"), *recon. pending*.

[39] *Universal Service Monitoring Report*, at Table 3.2; *USAC 2006 Annual Report* at 41.

[40] Kevin W. Caves and Jeffrey A. Eisenach, The Effects of Providing Universal Service Subsidies to Wireless Carriers, attached to Ex Parte Letter, from Jeffrey A. Eisenach, Chairman, Criterion Economics, LLC, to Marlene Dortch, Secretary, Federal Communications Commission, CC Docket Nos. 96-45 and 05-337, at 18-19 (filed Jun. 13, 2007) (analyzing year 2006 data).

[41] The Commission has determined that compliance with its E911 standards is appropriately measured at a geographical level defined by the coverage area of a PSAP. FCC Clarifies Geographic Area Over Which Wireless Carriers Must Meet Enhanced 911 Location Accuracy Requirements, *Press Release* (Sept. 11, 2007) ("*E911 Press Release*"), *available at* http://fjallfoss.fcc.gov/edocs_public/attachmatch/DOC-276577A1.doc.

[42] *See* 47 U.S.C. § 254(b)(3).

extent such support is based on ALLTEL's actual costs, and to the extent ALLTEL also meets our E911 standards as described below. ALLTEL must file its cost data with the Commission or the relevant state commission – whichever approves, or subsequently approves, its ETC designation – on an annual basis and line-count data on a quarterly basis. ALLTEL may update its cost data on a quarterly basis, as do rural incumbents today.[43] Only if the cost data is approved by the relevant state commission or the Commission may ALLTEL then file the cost data submission with the Universal Service Administrative Company (USAC); ALLTEL's high cost universal service support would then be determined by USAC by applying the same benchmarks that are applied to an incumbent LEC's costs to determine its support.[44]

12. Regarding E911, the Commission has found that "measuring and testing location accuracy over geographic areas larger than PSAP service areas appears to be directly contrary to the interests of public safety and homeland security."[45] Moreover, a PSAP that requests Phase II service should be able to expect location information from carriers that meets the Commission's accuracy requirements within the PSAP's service area.[46] Where such information is not available, emergency response can be delayed or rendered impossible until another source of information is provided.[47] Accordingly, the Commission has determined that compliance with its E911 standards is appropriately measured at a geographical level defined by the coverage area of a PSAP.[48] Although the Commission has determined that, as a general matter, full compliance with accuracy as measured at the PSAP-level must be met no later than September 11, 2012,[49] we find it appropriate to condition ALLTEL's receipt of high cost funds in excess of annualized, June 2007 levels on a showing of current PSAP-level compliance for those PSAPs in their study area that are capable of receiving E911 Phase II location data.[50] The obligations of competitive ETCs include the obligation to facilitate connectivity in emergency situations.[51] Thus, to the extent ALLTEL wishes to receive even more high cost universal service funding than it did on an annualized, June 2007 basis, we find the public interest would be served by ALLTEL meeting our E911 standards immediately, rather than in 2012.

13. In conclusion, based on the record before us, we find that the Applicants have demonstrated that the proposed transaction would serve the public interest, convenience, and necessity; that T-Mobile's

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[43] *See* 47 C.F.R. §§ 36.611, 36.612.

[44] For example, in the case of a competitive ETC providing service in a non-rural study area, a cost per line would be developed, which would be compared to the benchmark threshold for support calculated by the High-Cost Proxy Model. For competitive ETCs providing service to rural study areas, a cost per line would be developed for each competitive ETC for each incumbent study area that it serves. Support could be determined by comparing the competitive ETC's cost per loop incurred to provide the supported services to the national average cost per loop developed by the National Exchange Carriers Association (NECA) pursuant to section 36.613 of the Commission's rules, as adjusted to accommodate the cap on incumbent high-cost loop support.

[45] Wireless E911 Location Accuracy Requirements; Revision of the Commission' s Rules to Ensure Compatibility with enhanced 911 Emergency Calling Systems; Association of Public-Safety Communications Officials-International, Inc. Request for Declaratory Ruling; 911 Requirements for IP-Enabled Service Providers, PS Docket No. 07-114, CC Docket No. 94-102, WC Docket No. 05-196, *Notice of Proposed Rulemaking*, 22 FCC Rcd 10609, 10611 ¶ 5 (2007).

[46] *Id.* at 10612 ¶ 5.

[47] *Id.*

[48] *E911 Press Release.*

[49] *Id.*

[50] *Id.* at 2.

[51] *See, e.g.*, 47 C.F.R. § 54.202(a)(2).

concerns regarding roaming have been sufficiently addressed; and that granting consent to the proposed transfer of control would further the public interest, subject to the conditions discussed above.

14. Accordingly, IT IS ORDERED that, pursuant to Sections 4(i), 214, 309, and 310(d) of the Communications Act of 1934, as amended, 47 U.S.C. §§ 154(i), 214, 309, 310(d), the above-referenced applications for the transfer of control of licenses, leases, and authorizations from ALLTEL Corporation to Atlantis Holdings LLC are GRANTED, to the extent specified in this Memorandum Opinion and Order and subject to the conditions specified herein.

FEDERAL COMMUNICATIONS COMMISSION

Marlene H. Dortch

Marlene H. Dortch
Secretary

ATTACHMENT

I. SECTION 310(d) APPLICATIONS

Applications to transfer control of licenses

File No.	Licensee	Lead Call Sign
0003040113[52]	ALLTEL Communications, Inc.	KNKA257
0003040189	ALLTEL Cellular Assoc. of Arkansas L.P.	KNKA385
0003040208	ALLTEL Central Arkansas Cellular L.P.	KNKN502
0003040230	ALLTEL Communications of Arkansas RSA #12 Cellular Limited Partnership	KNKN968
0003040472	ALLTEL Communications of La Crosse Limited Partnership	KNKA734
0003040484	ALLTEL Communications of Michigan RSA #4 Inc.	KNKN771
0003040496	ALLTEL Communications of Michigan RSA #6 Cellular LP	KNKQ302
0003040826	ALLTEL Communications of Michigan RSAs, Inc.	KNKN698
0003040838	ALLTEL Communications of Mississippi RSA #2 Inc.	KNKN623
0003040852	ALLTEL Communications of Mississippi RSA #6 Inc.	KNKN559
0003040871	ALLTEL Communications of Mississippi RSA #7 Inc.	KNKN619
0003040887	ALLTEL Communications of Nebraska, Inc.	KNKA295
0003059679	ALLTEL Communications Company of New Mexico, Inc.	KNKN216
0003041171	ALLTEL Communications of North Arkansas Cellular Limited Partnership	KNKN597
0003041205	ALLTEL Communications of North Carolina Limited Partnership	KNKA291
0003041223	ALLTEL Communications of North Louisiana Cellular Limited Partnership	KNKA380
0003041349	ALLTEL Communications of Ohio No. 3, Inc.	KNKN897
0003041371	ALLTEL Communications of Pine Bluff LLC	KNKA681
0003041375	ALLTEL Communications of Saginaw MSA LP	KNKA417
0003041428	ALLTEL Communications of Southern Michigan Cellular LP	KNKA271
0003041443	ALLTEL Communications of Southwest Arkansas Cellular Limited Partnership	KNKA567
0003041448	ALLTEL Communications of Texas Limited Partnership	KNKA422
0003041454	ALLTEL Communications of the Southwest Limited Partnership	KNKA303
0003041469	ALLTEL Communications of Virginia No. 1, Inc.	KNKA511
0003041473	ALLTEL Communications of Virginia, Inc.	KNKA500
0003041530	ALLTEL Mobile of Louisiana, LLC	KNKA765
0003041998	ALLTEL Newco LLC	KNKA369
0003042016	ALLTEL Northern Arkansas RSA LTD Partnership	KNKQ363
0003042027	ALLTEL Ohio Limited Partnership	KNKA248

[52] ULS File No. 0003040113 was designated the lead application for the wireless radio services.

File No.	Licensee	Lead Call Sign
0003042047	ALLTEL Telelink, Inc.	WLT651
0003042040	ALLTEL Wireless Holding, LLC	KNKA227
0003049169	ALLTEL Wireless Holdings LLC	WPGU712
0003042077	ALLTEL Wireless of Alexandria, LLC	KNKA588
0003042085	ALLTEL Wireless of Michigan RSA #1&2, Inc.	KNKN898
0003042086	ALLTEL Wireless of Mississippi RSA #5, LLC	KNKQ448
0003042094	ALLTEL Wireless of North Louisiana, LLC	KNKN688
0003042098	ALLTEL Wireless of Wisconsin RSA #3, LLC	KNKN360
0003042103	Appleton Oshkosh Neenah MSA LP	KNKA425
0003042150	Arkansas RSA #2 (Searcy County) Cellular Limited Partnership	KNKQ404
0003042159	Cellular Mobile Systems of Michigan RSA #7 LP d/b/a ALLTEL	KNKQ319
0003042185	Celutel of Biloxi, Inc. d/b/a ALLTEL	KNKA782
0003042201	Central Florida Cellular Telephone Company, Inc.	KNKA715
0003042209	Charleston/North Charleston MSA Limited Partnership DBA ALLTEL Communications, Inc.	KNKA299
0003042219	Eau Claire Cellular Telephone Limited Partnership d/b/a ALLTEL	KNKA673
0003042249	Fayetteville MSA Limited Partnership dba ALLTEL	KNKA535
0003042271	Georgia RSA #8 Partnership dba ALLTEL	KNKN899
0003042367	Great Western Cellular Holdings, L.L.C.	WPSJ612
0003042378	ID Holding, LLC	KNKN306
0003042394	Jackson Cellular Telephone Company, Inc. d/b/a ALLTEL	KNKA799
0003042400	Las Cruces Cellular Telephone Company	KNKA605
0003042412	Michigan RSA #9 Limited Partnership d/b/a ALLTEL	KNKQ303
0003042476	Midwest Wireless Communications L.L.C.	KNKA740
0003042554	Midwest Wireless Iowa L.L.C.	KNKN314
0003042617	Midwest Wireless Wisconsin L.L.C.	KNKN396
0003042664	Minford Cellular Telephone Company	KNKQ325
0003042713	Missouri RSA #15 Limited Partnership dba ALLTEL	KNKN593
0003042850	Missouri RSA No. 2 Partnership dba ALLTEL	KNKN503
0003042920	Missouri RSA No. 4 Partnership DBA ALLTEL	KNKN694
0003042927	MVI Corp. d/b/a ALLTEL	KNLG969
0003042983	Northwest Arkansas RSA Limited Partnership d/b/a ALLTEL	KNKN580
0003043061	Ohio RSA #3 Limited Partnership d/b/a ALLTEL	KNKQ312
0003043065	Ohio RSA 2 Limited Partnership, dba ALLTEL	KNKN993
0003043066	Ohio RSA 5 Limited Partnership d/b/a ALLTEL	KNKN942
0003043067	Ohio RSA 6 Limited Partnership d/b/a ALLTEL	KNKN955
0003043081	Oklahoma RSA No. 4 South Limited Partnership d/b/a ALLTEL	KNKQ420
0003043091	Pascagoula Cellular Partnership d/b/a ALLTEL	KNKA802
0003043098	Petersburg Cellular Partnership d/b/a ALLTEL	KNKA761
0003043101	Radiofone, Inc. d/b/a ALLTEL	KNKA352
0003043103	RCTC Wholesale Corporation d/b/a ALLTEL	KNKA350

File No.	Licensee	Lead Call Sign
0003043106	Southern Illinois RSA Partnership d/b/a ALLTEL	KNKN506
0003043110	Switch 2000 L.L.C.	WPQR580
0003043113	Texas RSA 11B Limited Partnership DBA ALLTEL	KNKN537
0003043117	Texas RSA 7B2 Limited Partnership d/b/a ALLTEL	KNKN731
0003043124	Tucson 21 Cellular Limited Partnership	KNKR292
0003043126	Tyler/Longview/Marshall MSA Limited Partnership dba ALLTEL	KNKA520
0003043130	Virginia Cellular LLC	KNKN714
0003043133	Virginia RSA 2 Limited Partnership dba ALLTEL	KNKN912
0003043134	Western CLEC Corporation	WPLM339
0003043137	Wisconsin RSA #1 Limited Partnership d/b/a ALLTEL	KNKN507
0003043140	Wisconsin RSA #2 Limited Partnership d/b/a ALLTEL	KNKN485
0003043143	Wisconsin RSA #6 Limited Partnership d/b/a ALLTEL	KNKN541
0003043144	Wisconsin RSA #7 Limited Partnership d/b/a ALLTEL	KNKN406
0003043145	Wisconsin RSA No. 8 Limited Partnership d/b/a ALLTEL	KNKN459
0003043149	WWC Holding Co., Inc.	KNKA571
0003043152	WWC License Holding LLC	KNKP536
0003043157	WWC License L.L.C.	KNKA573
0003043158	WWC Texas RSA Limited Partnership	KNKA437
0003043161	Youngstown/Warren MSA Limited Partnership, DBA ALLTEL	KNKA281

***De facto* transfer spectrum leases held by ALTELL subsidiaries**

File No.	Authorization Holder	Lead Call Sign
0003067950	WWC Holding Co., Inc.	WPZZ711 (L000001001)
0003067708	ALLTEL Communications, Inc.	WPWQ957 (L000001003)

Non-controlling general partnership interests in Commission licensees held by ALLTEL

File No.	Authorization Holder	Lead Call Sign
0003072445	Illinois Valley Cellular RSA 2-II Partnership	KNKN582
0003072416	RSA 1 Limited Partnership d/b/a Cellular 29 Plus	KNKN649
0003072222	Northwest Missouri Cellular Limited Partnership	KNKN816
0003072388	Pittsfield Cellular Telephone Company	KNKA691
0003072458	Wisconsin RSA No. 4 Limited Partnership	KNKN395
0003072241	Wisconsin RSA-10 Limited Partnership	KNKN294

II. SECTION 214 AUTHORIZATIONS

File No.	Authorization Holder	Authorization Number
ITC-T/C-20070606-00215	ALLTEL Communications, Inc.	ITC-214-19960404-00138
ITC-T/C-20070606-00216	Kin Network, Inc.	ITC-214-19970219-00097
ITC-T/C-20070606-00217	Western Wireless LLC	ITC-214-20010427-00254

Kin Network, Inc. ("Kin Network"), a wholly-owned subsidiary of ALLTEL, provides wireline tandem switching services in Kansas. The Applicants filed an application for consent to transfer control of Kin Network, Inc.'s domestic Section 214 authorization to Atlantis in connection with the transaction described above. The application is attached to the application for consent to the transfer of control of Kin Network's international Section 214 authorization to Atlantis.[53]

[53] *See* Kin Network, Inc. International Section 214 Application, FCC File No. ITC-T/C-20070606-00216, Attachment 1 at 3-4.

STATEMENT OF
COMMISSIONER MICHAEL J. COPPS
APPROVING IN PART, DISSENTING IN PART

Re: Applications of ALLTEL Corporation, Transferor, and Atlantis Holdings LLC, Transferee for Consent to Transfer Control of Licenses, Leases and Authorizations, WT Docket No. 07-128.

I vote to approve today's transfer of control. While I cannot be pleased at the current levels of concentration in the wireless industry, I do not see that this transaction makes the situation any worse. I do, however, renew my plea (from my statement on the Univision transaction in March of this year) that the agency conduct a general rulemaking to assess the public interest consequences of private equity firms holding Commission licenses.

I dissent, however, to the portion of the order that imposes a cap on the high-cost universal service support the company receives as a competitive eligible telecommunications carrier (CETC). As I explained in my dissent to the Joint Board's recommendation (in May of this year) for a general CETC cap, piecemeal Universal Service Fund (USF) reform is actually counter-productive to the far more important goal of rationally implementing comprehensive reform. The condition being imposed in today's merger is even more piecemeal than what the Joint Board recommended in May—I fear that the condition will be an even greater hindrance to rational, comprehensive USF reform. Additionally, it is disappointing to me that the Commission imposes this condition when the Joint Board currently is working hard to provide the Commission a recommendation on broader reform.

STATEMENT OF
COMMISSIONER JONATHAN S. ADELSTEIN
APPROVING IN PART, CONCURRING IN PART

Re: Application of ALLTEL Corporation, Transferor, and Atlantis Holdings LLC, Transferee for Consent to Transfer Control of Licensees, Leases and Authorizations, WT Docket No. 07-128.

I support the portion of this Order that approves the transfer of ALLTEL's licenses. I write separately, however, to emphasize my disagreement with the rationale, or lack thereof, for the terms required for this transaction, in particular an exception from the application of the interim cap condition placed on this grant. The Order curiously requires that ALLTEL immediately meet E-911 Public Safety Answering Point (PSAP)-level compliance as a condition precedent for exemption from the freeze on ALLTEL's level of universal service support. This "Jack in the Box" surprise requirement that suddenly sprung up appears as an illogical afterthought. It is unclear to me how ALLTEL might fulfill this condition given that the Commission currently has an open proceeding addressing the details of how carriers must implement PSAP-level accuracy.

I must also underscore that my support for this transfer of control does not prejudge my consideration of the broad policy issues regarding whether an interim cap on universal service support is the appropriate vehicle to address the growth of the high cost fund. As such, while I agree that the Commission must remain attentive to the growth of the fund, particularly among competitive eligible telecommunications carriers, it is an issue that should be resolved in the relevant proceeding.

For these reasons, I approve and concur in part in my decision today.

STATEMENT OF
COMMISSIONER ROBERT M. McDOWELL

Re: Applications of ALLTEL Corporation, Transferor, and Atlantis Holdings LLC, Transferee for Consent To Transfer Control of Licenses, Leases and Authorizations, WT Docket No. 07-128.

I am pleased to support the transfer of control of ALLTEL Corporation given the significant benefits to wireless consumers and the citizens in Arkansas. However, I am concerned regarding the "voluntary" conditions agreed to by the applicants. Imposing conditions pertaining to high cost universal service support and Enhanced 911 (E911) deployment are not merger specific, are unnecessary at this time, and may prejudice ongoing Commission deliberations.

Today's Order conditions approval of the transaction by capping ALLTEL's high cost universal service support at June 2007 levels on an annualized basis for an indeterminate period. The condition also provides ALLTEL a "limited exception": ALLTEL will not be subject to the cap if it files cost data showing its own per-line costs as an alternative to the capped funding level, and demonstrates immediate compliance with the E911 Public Safety Answering Point (PSAP) location accuracy standard.

With respect to universal service, today's Order expressly states that the Commission has not yet adopted the Joint Board's recommendation regarding an interim cap on high cost universal service funding for competitive eligible telecommunications carriers (ETCs). ETC support is not raised or discussed in the record of this proceeding. Furthermore, the condition prejudices the Commission's open docket considering universal service support distribution. I also question whether we have thought about how the actions today may skew future treatment of similarly-situated parties.

With respect to E911, given its citation only to an FCC News Release, today's Order makes plain that the Commission has yet to release its September 11, 2007, E911 Order. There the Commission set a deadline of September 11, 2012, for wireless carriers to satisfy E911 accuracy as measured at the PSAP level despite considerable debate as to whether the mandate has adequate support within the E911 record. E911 is not discussed at all in this proceeding. And, just as with universal service, introducing E911 mandates into this distinct proceeding will surely impact future consideration of similarly-situated parties.

The conditions imposed today raise more questions than they answer. Given the ongoing nature of the universal service and E911 proceedings, I wonder whether this is an attempt to bind future Commission action, and dictate or bind government policy.