



# NEWS

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This is an unofficial announcement of Commission action. Release of the full text of a Commission order constitutes official action.  
See MCI v. FCC, 515 F 2d 385 (D.C. Circ 1974).

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FOR IMMEDIATE RELEASE:  
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## **FCC CONSENTS TO ATLANTIS'S ACQUISITION OF ALLTEL'S WIRELESS LICENSES AND AUTHORIZATIONS**

Washington, D.C. – Today, the Federal Communications Commission (FCC) consented to the applications filed in connection with the proposed acquisition of ALLTEL Corporation (ALLTEL) by private equity firm, Atlantis Holdings, LLC (Atlantis), subject to certain conditions. ALLTEL provides wireless voice and data services to more than 12 million wireless customers in 36 states. Atlantis is a holding company for certain investment funds ultimately controlled by the principals of TPG Capital, L.P. and The Goldman Sachs Group, Inc.

With today's action, the FCC found that the acquisition of ALLTEL by Atlantis will serve the public interest, convenience, and necessity. The transaction will not result in competitive harm in the mobile telephony market because it will not reduce the number of wireless service providers in the markets where ALLTEL operates. Also, this transaction will provide ALLTEL with additional capital, enabling the company to acquire additional spectrum and make the significant infrastructure investments necessary to rapidly deploy advanced services to rural consumers.

The FCC also found that the acquisition does not create any merger-specific competitive harm related to wireless roaming services. In response to comments filed by T-Mobile regarding roaming issues, Atlantis and ALLTEL reiterated their intent to continue ALLTEL's commitment to entering into voluntary, market-based roaming agreements with other carriers. Based on this commitment, as well as the automatic roaming requirements adopted in August 2007, the FCC concluded that the ability of wireless providers to enter into roaming agreements with ALLTEL will be the same after the acquisition as it was beforehand.

Finally, although the Atlantis-Alltel transaction would not adversely affect competition, the transaction raises concerns regarding universal service and E911. To remedy these concerns, the FCC imposed 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.

The FCC also adopted 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). Although the FCC 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, it found 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.

Action by the Commission on October 26, 2007 by Memorandum Opinion and Order (FCC 07-185). Chairman Martin and Commissioners Tate and McDowell, with Commissioner Copps approving in part and dissenting in part and Commissioner Adelstein approving in part and concurring in part. Separate statement issued by Commissioners Copps, Adelstein, and McDowell.

For additional information, contact Erin McGrath in the Wireless Telecommunications Bureau at (202) 418-2042 or [Erin.McGrath@fcc.gov](mailto:Erin.McGrath@fcc.gov).

WT Docket No. 07-128

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