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May 6, 2003

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Marlene H. Dortch, Secretary  
Federal Communications Commission  
445 12<sup>th</sup> Street, S.W., TW-A325  
Washington, DC 20554

Re: **Notice of Oral Ex Parte Presentation**  
WT Docket Nos. 02-353 and 02-381

Dear Ms. Dortch:

On May 5 and 6, 2003, representatives of the Rural Cellular Association ("RCA") met with FCC Commissioners and staff and discussed concerns of rural and small market wireless carriers regarding "Service Rules for Advanced Wireless Services in the 1.7 GHz and 2.1 GHz Bands" and an anticipated auction of 90 MHz of spectrum useful for "3G" services. There was also discussion of issues related to the Commission's recent inquiry on how to facilitate the availability of spectrum-based services in rural areas.

Various meetings with RCA were conducted by the following Commissioners and staff:

The Hon. Kathleen Abernathy and Jennifer Manner

The Hon. Kevin Martin and Sam Feder

The Hon. Jonathan Adelstein, Lisa Zaina and Barry Ohlson

R. Paul Margie, Legal Advisor to The Hon. Michael J. Copps

Jane Mago, Chief, Office of Strategic Planning, and Sarah Whitesell, Associate Chief

John Muleta, Chief, Wireless Telecommunications Bureau, John Branscome, Wayne A. Leighton, Eugenie Barton, Jennifer Salhus and Uzoma Onyeije of the Wireless

Marlene H. Dortch, Secretary  
May 6, 2003  
Page 2

Telecommunications Bureau

The following members or representatives of RCA participated in some or all of the meetings:

John McMillan, North Carolina RSA #3 Cellular Telephone d/b/a Carolina West Cellular  
Arthur L. Prest, Alpine PCS, Inc. and RFB Cellular, Inc.  
Tom Attar, Highland Cellular  
Gary Christopherson, Midwest Wireless Holdings, LLC  
David L. Nace and David A. LaFuria, Lukas, Nace, Gutierrez & Sachs, Chtd.

During the meetings RCA representatives requested that geographic area licenses be auctioned according to Metropolitan Statistical Area ("MSA") - Rural Service Area ("RSA") boundaries. MSA/RSA license areas represent an appropriate balance in market size. They allow all bidders to mix and match rural and urban areas according to their individual business plans and financial capabilities.

Smaller wireless carriers including RCA members do not have sufficient bargaining power to obtain spectrum from larger carriers in the secondary market without "strings attached" benefitting the larger carriers. The availability of RSA licenses, which by definition encompass only counties that are outside of all MSAs, is especially important to small wireless entities who cannot raise capital to compete for licenses and operate in urban areas. At the same time, MSA/RSA boundaries do not disadvantage the large entities because large companies can make an independent choice of whether to pursue licenses for rural markets in addition to metropolitan markets.

Very truly yours,



David L. Nace

cc: The Hon. Kathleen Abernathy and Jennifer Manner  
The Hon. Kevin Martin and Sam Feder  
The Hon. Jonathan Adelstein, Lisa Zaina and Barry Ohlson  
R. Paul Margie, Legal Advisor to The Hon. Michael J. Copps  
Jane Mago, Chief, Office of Strategic Planning, and Sarah Whitesell, Associate Chief  
John Muleta, Chief, Wireless Telecommunications Bureau, John Branscome, Wayne A. Leighton, Eugenie Barton, Jennifer Salhus and Uzoma Onyeije of the Wireless Telecommunications Bureau