Gina Harrison
Director
Federal Regulatory Relations

1275 Pennsylvania Avenue, N.W.
Washington, D.C. 20004
(202) 383-6423

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

EX PARTE

William F. Caton
Acting Secretary
Federal Communications Commission
Mail Stop 1170
1919 M Street, N.W., Room 222
Washington, D.C. 20554

Dear Mr. Caton:

Re: ET Docket No. 95-183 RM 8553 - 37.0-38.6 Ghz and 38.6-40.0 Ghz Bands

Today, Betsy Granger, Senior Attorney, and Steve Aspell, Manager, Microwave Operations, Pacific Bell Mobile Services and I met with Michele Farquhar, Chief, and D'Wana Speight, Legal Advisor to the Chief, Rosalind Allen, Deputy Chief, Wireless Telecommunications Bureau, and Robert McNamara, Chief, Private Wireless Division, to discuss issues summarized in the attachment. Please include this material in the above-referenced dockets.

We are submitting two copies of this notice in accordance with Section 1.1206(a)(1) of the Commission's rules. Please stamp and return the provided copy to confirm your receipt. Please contact me should you have any questions.

Sincerely,

Enclosure

cc: R. Allen
M. Farquhar
R. McNamara
D. Speight

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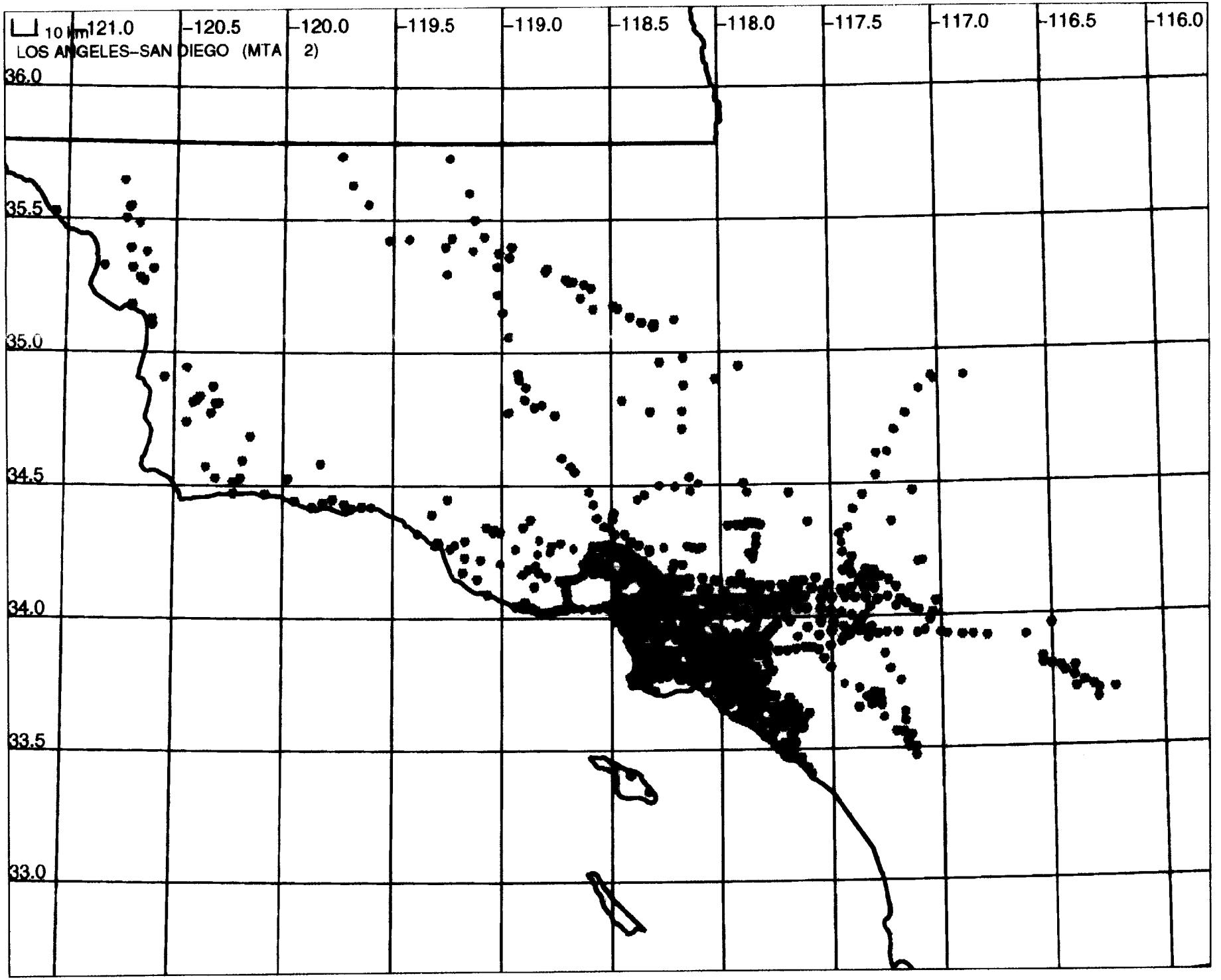
List ABCDE

Presentation of Pacific Bell Mobile Services on ET Docket No. 95-183, Amendment of the Commission's Rules Regarding 37.0- 38.6 GHz and 38.6-40.0 GHz Bands

July 1, 1996

The Need for Intermediate Links

- The interconnection, operation and success of our PCS network will depend on reliable and cost effective intermediate links.
- Each base station in our network will require one or two DS1 (24-48 channels) connections. Our initial buildout will involve over 1,000 base stations, hundreds of which will be within 2-3 miles of each other, ideal candidates for solutions in this band.


10 km
LOS ANGELES–SAN DIEGO (MTA 2)
-121.0
-120.5
-120.0
-119.5
-119.0
-118.5
-118.0
-117.5
-117.0
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36.0
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35.0
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33.0

Cost Tradeoffs Between Leased Circuits and Fixed Microwave

- Digital radios can cost from $5,000 to $20,000 (depending on options and frequency band), can be installed for $1000 and can offer up to 99.999% availability (5.26 minutes of outage per year).
- In certain situations, telco installations can exceed $100,000 due to special construction charges. For example, interstate highway crossings, rivers and state lines all present special challenges that can be solved more economically with short distance radios.
- Microwave facilities are also essential in areas where there are no suitable telephone company facilities.

Some Channel Blocks in 37 GHz Should Be Set Aside for the Intermediate Links of PCS, Cellular and Wide-Area SMR Licensees for Backhaul Use.

- The proceeding began in an effort to ensure that broadband licensees had adequate spectrum available for backhaul.
- Allowing broadband licensees to have exclusive eligibility for certain channel blocks in 37 GHz for a limited time will ensure availability of low-cost links for backhaul.
- After the eligibility period for broadband licensees has expired, any unlicensed channel blocks could be auctioned.
- PCS licensees assumed that inexpensive backhaul links would be available.

Some Channel Blocks in 37 GHz Should Be Set Aside for the Intermediate Links of PCS, Cellular and Wide-Area SMR Licensees for Backhaul Use.

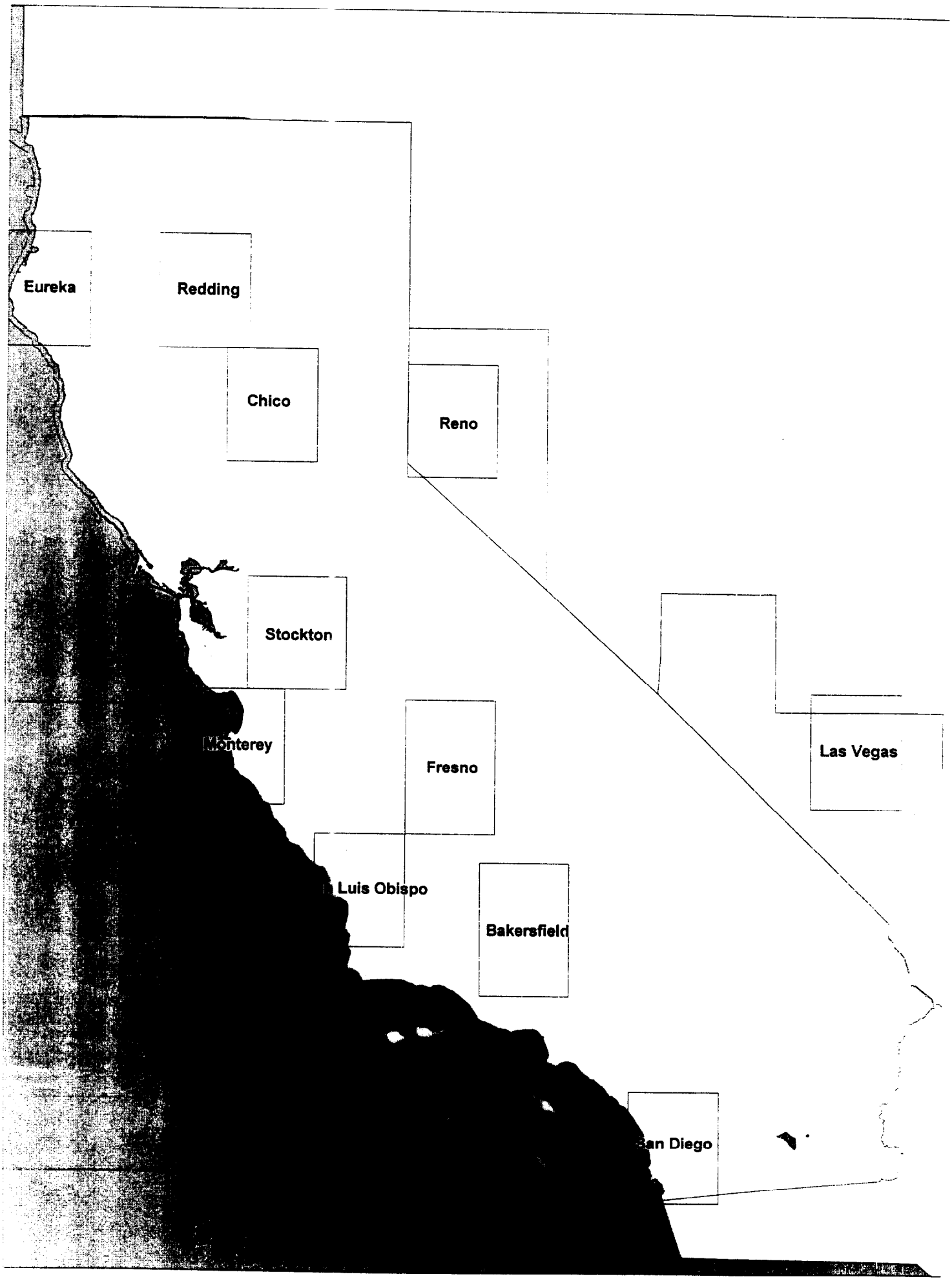
- Auctioning the links will cause the cost of PCS service to rise.
- Leasing backhaul links from another provider is not as desirable as having your own.
- Purchasing from another provider raises cost and reliability issues.
- Low cost intermediate links will be particularly important to the entrepreneurial licenses.
- Two pairs should be reserved for licensing on a link by link basis to benefit users who have very limited needs.

Fixed Terrestrial Services Should be the Focus of the 37 Allocation

- Space research service by the Government and fixed satellite services should not be permitted unless the terrestrial interference standards as defined in Telecommunications Industry Association Bulletin 10 are adopted by space services.

The BTA Licensing Area is only Appropriate in 37 GHz, not in 39 GHz

- BTAs are appropriate for 37 GHz licensing because there are no existing users in the band and it provides uniform service areas for all users.
- The remaining 39 GHz areas should not be licensed on a BTA basis because of the grandfathering of existing rectangular service areas.
- An MTA is far too large a service area for efficient spectrum utilization for point-to-point microwave operations in either 37 GHz or 39 GHz.
- If applicants want an MTA, they can aggregate the BTAs.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Redding
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Stockton
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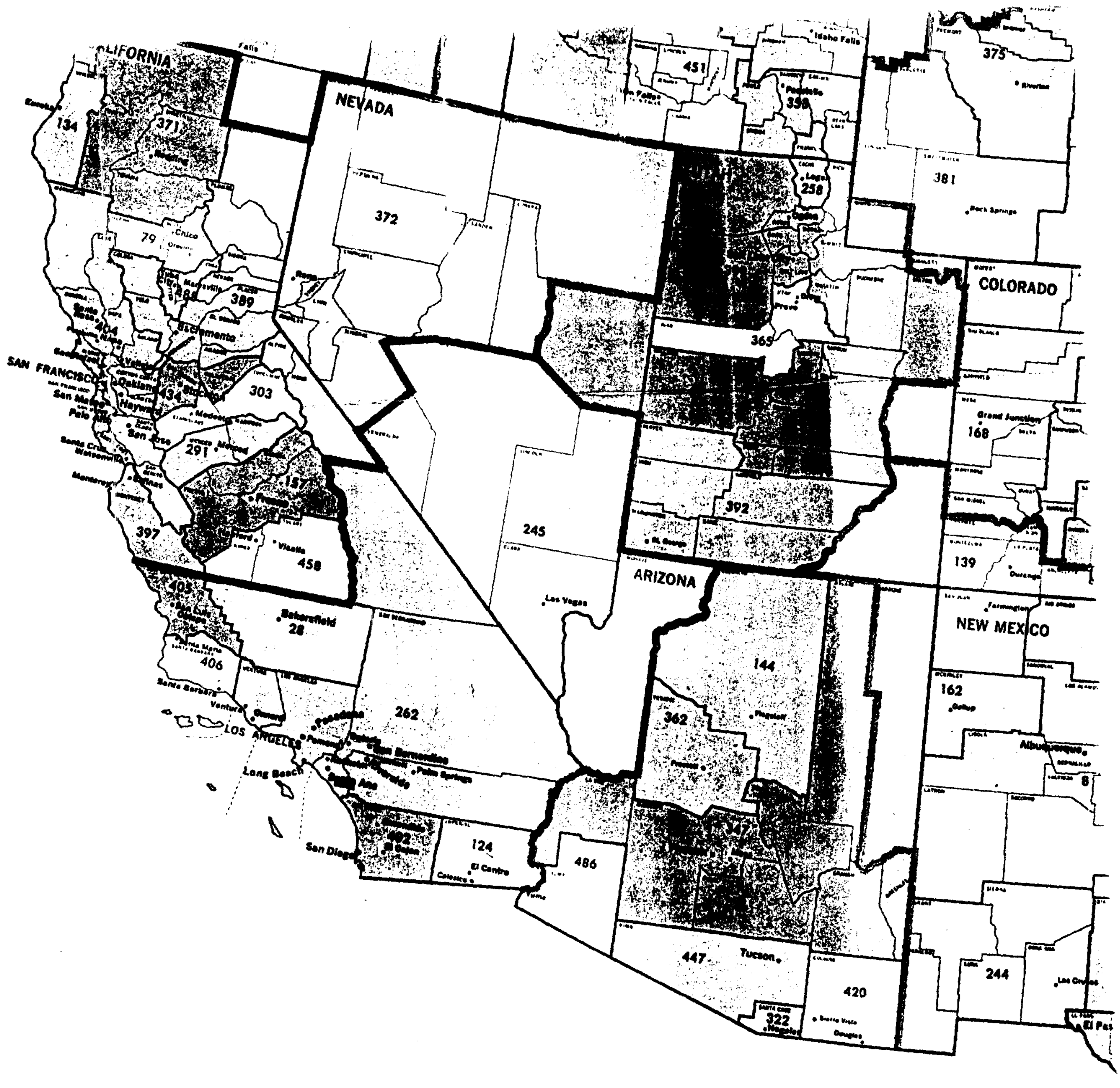
Fresno
Las Vegas
Luis Obispo
Bakersfield
San Diego



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UTAH
COLORADO
ARIZONA
NEW MEXICO
SAN FRANCISCO
LOS ANGELES
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Chico
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Sacramento
303
Stockton
434
Oakland
Hayward
San Mateo
Palo Alto
San Jose
291
Merced
Modesto
Monterey
157
Fresno
397
Visalia
458
405
Bakersfield
28
406
Santa Barbara
Ventura
Pasadena
262
San Bernardino
Palm Springs
Long Beach
Santa Ana
San Diego
402
El Cajon
124
El Centro
Calexico
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245
Las Vegas
451
Idaho Falls
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Pocatello
375
Riverton
381
Rock Springs
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Logan
Provo
365
392
St. George
Grand Junction
168
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Durango
Farmington
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Flagstaff
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Prescott
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Gallup
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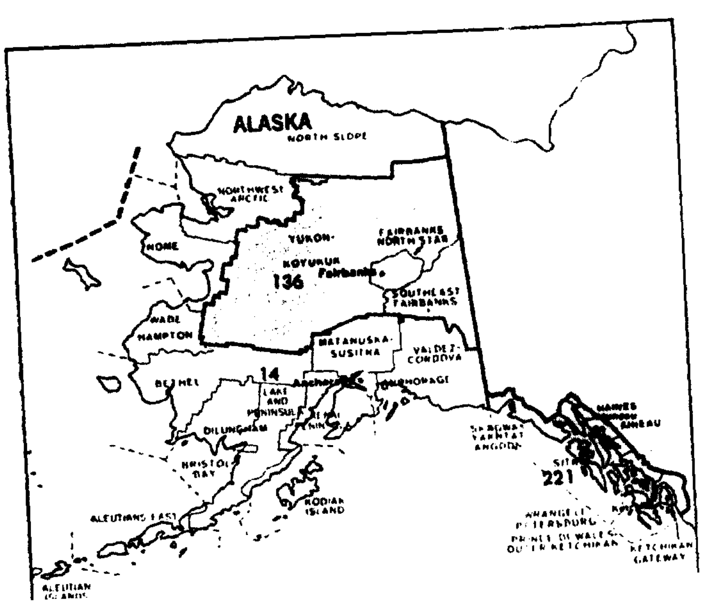
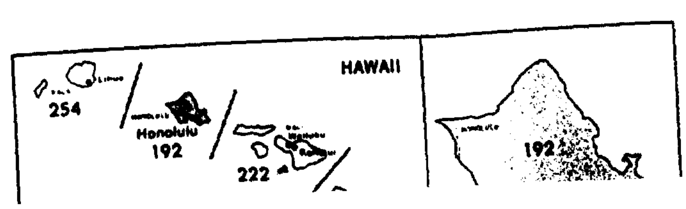
El Paso



ALASKA
NORTH SLOPE
NORTHWEST ARCTIC
NOME
YUKON-KOYUKUK
136
Fairbanks
FAIRBANKS NORTH STAR
SOUTHEAST FAIRBANKS
WADE HAMPTON
MATANUSKA-SUSITNA
VALDEZ-CORDOVA
BETHEL
14
Anchorage
ANCHORAGE
LAKE AND PENINSULA
KENAI PENINSULA
DILLINGHAM
BRISTOL BAY
KODIAK ISLAND
ALEUTIANS EAST
ALEUTIAN ISLANDS
SKAGWAY YAKUTAT ANGOON
HAINES
JUNEAU
SITKA
221
WRANGELL PETERSBURG
PRINCE OF WALES OUTER KETCHIKAN
KETCHIKAN GATEWAY



HAWAII
254
Honolulu
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192

LECs Should be Eligible for 37 and 39 GHz Licenses

- BizTel's position arguing for a ban on LEC participation or at a minimum full compliance with the competitive checklist in Section 271(c)(2)(B) should be rejected.
- BizTel's fear of spectrum warehousing for competitive reasons is unfounded since the buildout and construction requirements will apply to all licensees.

Conclusion

- The buildout schedule for the microwave licenses of PCS licensees should be the same as the buildout schedule of the PCS license.
- An all or nothing approach to auctioning the 37 GHz is not appropriate or necessary.
- Auctioning part of 37 GHz for subscriber-based services and setting aside several channel blocks for intermediate links by broadband licenses using traditional licensing will better serve the public interest.

Conclusion

- The availability of low cost intermediate links will give greater flexibility to broadband licensees in the network design and promote lower cost products to the end user.
- Auctioning the remainder of 37 GHz should result in more innovative subscriber-based services.