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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

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

Re: Notice of Ex Parte Presentation
ET Docket No. 95-183 and RM-8811

Dear Mr. Caton:

Today, representatives of WinStar Communications, Inc. ("WinStar") met with Ruth Milkman, Karl Kensinger, and Joe Heaps to discuss issues raised in the above-referenced proceedings. Representatives of WinStar included Joe Sandri, Jack Dicks, C. Grace Campbell and the undersigned.

During the meeting, WinStar discussed its positions in the above-captioned proceedings. WinStar also submitted and discussed the enclosed documents.

Sincerely,

Michael F. Finn

Enclosures

cc: Ruth Milkman
Karl Kensinger
Joe Heaps
John Williams
Ronald Netro
Steve Sharkey
Michael Marcus
Harry Ng
David Horowitz

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THE WALL STREET JOURNAL MONDAY, OCTOBER 28, 1996

PacTel to Buy Wireless Links From WinStar

By GAUTAM NAIK
Staff Reporter of THE WALL STREET JOURNAL

Pacific Telesis Group agreed to buy wireless-transmission capacity from an outside carrier to cope with heavy Internet usage that is clogging its phone lines and to offer local services in areas outside its franchised area.

PacTel's local phone unit, Pacific Bell, signed a three-year agreement with WinStar Communications Inc. of New York for the wireless links that will carry phone and Internet traffic to business customers. Terms weren't disclosed.

PacTel said the wireless links will help it reach customers in areas of California where it was previously barred from offering local phone service. But the San Francisco Bell is also counting on the extra capacity to meet surging demand for Internet connections that its current traditional phone network can't meet.

Other Bell companies are said to be facing similar network-capacity problems, as they scramble to keep up with heavy Internet use from residential and business customers. The Bells' phone networks were built to carry voice calls – which typically last a few minutes – but a person using the Internet can tie up a phone line for hours at a time. This causes capacity constraints on a phone company's network, and other customers find that their regular phone calls don't always go through on the first attempt.

WinStar, which provides wireless services over the 38 gigahertz radio band, said it will help PacTel meet demand for "several thousand" high-capacity phone connections in order to carry voice, data and video traffic.

Using wireless links at the 38 gigahertz band may be a risky proposition because rain and other weather conditions could affect signals. But Pacific Bell said it had extensively tested WinStar's technology and found the quality of the wireless link would match that of its traditional "wired" service. PacTel will begin using WinStar's system to carry local phone traffic by the end of the year.

"This gives us the opportunity to reach customers rapidly with high bandwidth" necessary for voice, data and Internet traffic, said Lee Bauman, a Pacific Bell vice president.

Shares of WinStar rose 76.5625 cents, to close at $20.625 in trading on the Nasdaq Stock Market Friday. Investors may be betting that other Bells could now acquire WinStar's wireless service as a way to boost their network capacity.

WINSTAR COMMUNICATIONS, INC.
EX PARTE MEETING OF OCTOBER 30, 1996

WINSTAR COMMUNICATIONS, INC:

- OPERATES A WIRELESS COMMON CARRIER SERVICE IN THE 38.6-40.0 GHZ BAND
- IS CERTIFICATED AS A WIRELESS COMPETITIVE ACCESS PROVIDER ("CAP") IN TWENTY-SEVEN STATES AND IS SEEKING AUTHORITY IN NUMEROUS OTHER STATES
- IS CERTIFICATED AS A WIRELESS COMPETITIVE LOCAL EXCHANGE CARRIER ("CLEC") IN ELEVEN STATES AND IS SEEKING PAUTHORITY IN NUMEROUS OTHER STATES

ENGINEERING STUDIES DEMONSTRATE THAT:

- SHARING IS NOT FEASIBLE BETWEEN TERRESTRIAL AND SATELLITE SERVICES IN THE 37-40 GHZ BAND
- MOTOROLA'S PROPOSAL WOULD IMPOSE LARGE "DEAD ZONES" IN TERRESTRIAL LICENSEES' COVERAGE AREAS
- SUCH DEAD ZONES WOULD REMAIN OF SIGNIFICANT SIZE EVEN IF POWER CONTROL MECHANISMS WERE ADOPTED
- OTHER INTERFERENCE ISSUES ALSO EXIST

BAND SEGMENTATION IS A VIABLE OPTION:

- THE 38.6-40.0 GHZ BAND MUST BE DEVOTED EXCLUSIVELY TO TERRESTRIAL LICENSEES
- BAND SEGMENTATION ALLOWS BOTH FS AND FSS SERVICES TO OPERATE HARMONIOUSLY

MOTOROLA'S DEMAND THAT TERRESTRIAL LICENSEES BE EVICTED FROM THE 38.6-40.0 GHZ BAND MUST BE REJECTED OUTRIGHT

- WINSTAR AND OTHER 38 GHZ LICENSEES ARE OPERATING AND PROVIDING SERVICE IN THE 38.6-40.0 GHZ BAND