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EAST RIVER
ELECTRIC POWER COOPERATIVE
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ORIGINAL FILE

April 10, 1992

Ms. Donna R. Searcy, Secretary
Federal Communications Commission
1919 M Street, N.W.
Washington, D.C. 20554

RE: ET Docket No. 92-9

Dear Ms. Searcy:

East River Electric Power Cooperative, headquartered at Madison, South Dakota, is a wholesale transmission and generating cooperative serving 26 member distribution systems in eastern South Dakota and western Minnesota.

East River's 26 member distribution systems, in turn, serve more than 70,000 rural accounts and 250,000 people with retail electric service.

East River's service area covers approximately 36,000 square miles, an area about the size of the State of Indiana.

The essential monitoring and control of East River's power supply substations and transmission system, the effective utilization of the system through direct control of customer loads (load management), and critical voice traffic pertaining to the operation and maintenance of the power system all rely on an extensive 'backbone' microwave communications network, based in the 1700 to 2300 MHz frequency band.

East River presently has 42 of 59 paths licensed on the 1.7 to 2.3 GHz frequencies. Most of the system was installed over 10 years ago at a cost of over $7.5 million. Replacement cost is estimated to be in excess of $15 million. However, if the current spectrum were reallocated, the cost implications are much higher. Adequate spectrum allocations in alternate bands are currently not available and replacement of the vital services currently provided by microwave would require possible moves to other technologies such as fiber optic cable. The costs of such alternative media are prohibitive and the result would be a compromise in the vital role that telecommunications play in helping East River to provide reliable, uninterrupted, quality electric service at reasonable cost to over 250,000 consumers in South Dakota and Minnesota.

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The reallocation of the frequencies in the 1700 to 2300 MHz band for use in Personal Communications Networks (PCNs) as proposed in ET Docket No. 92-9 will have severe implications in the area of reliability, quality, and cost of electric power over a substantial portion of South Dakota and Minnesota served by East River Electric Power Cooperative.

We believe that reallocation of the 1700 to 2300 MHz spectrum for use in the new personal communications services (PCSs) is unnecessary in rural areas since these services can be offered by existing services such as cellular systems. The worldwide reallocation of this spectrum is not required for compatibility of US PCS terminals with international systems. The only beneficiaries of a worldwide reallocation are PCS equipment manufacturers and international travelers.

We believe the reallocation of such spectrum is an attempt to take efficiently utilized spectrum, critical to the operation of public safety organizations, railroads, petroleum carriers, and public utilities such as East River Electric and reassign this spectrum to speculative non-essential services. It is our belief that spectrum allocation must be based on reasonable factors, not the least of which are the public good, safety, and economic benefit to the general public.

The transition period plan proposed would offer no relief from the hardship imposed by the reallocation for East River or other rural users of 2 GHz systems. The 10 to 15 year timeframe proposed for co-primary status of existing users is inadequate in rural areas where new service offerings by PCN systems will be very slow or may never offer an economic payback to investors. This makes it highly unlikely that any cost recovery will be made through negotiations with proposed PCN system implementors in such areas. However, the change to secondary status at the end of the transition period will mandate abandonment of the 2 GHz systems for the critical functions which they serve for utilities such as East River.

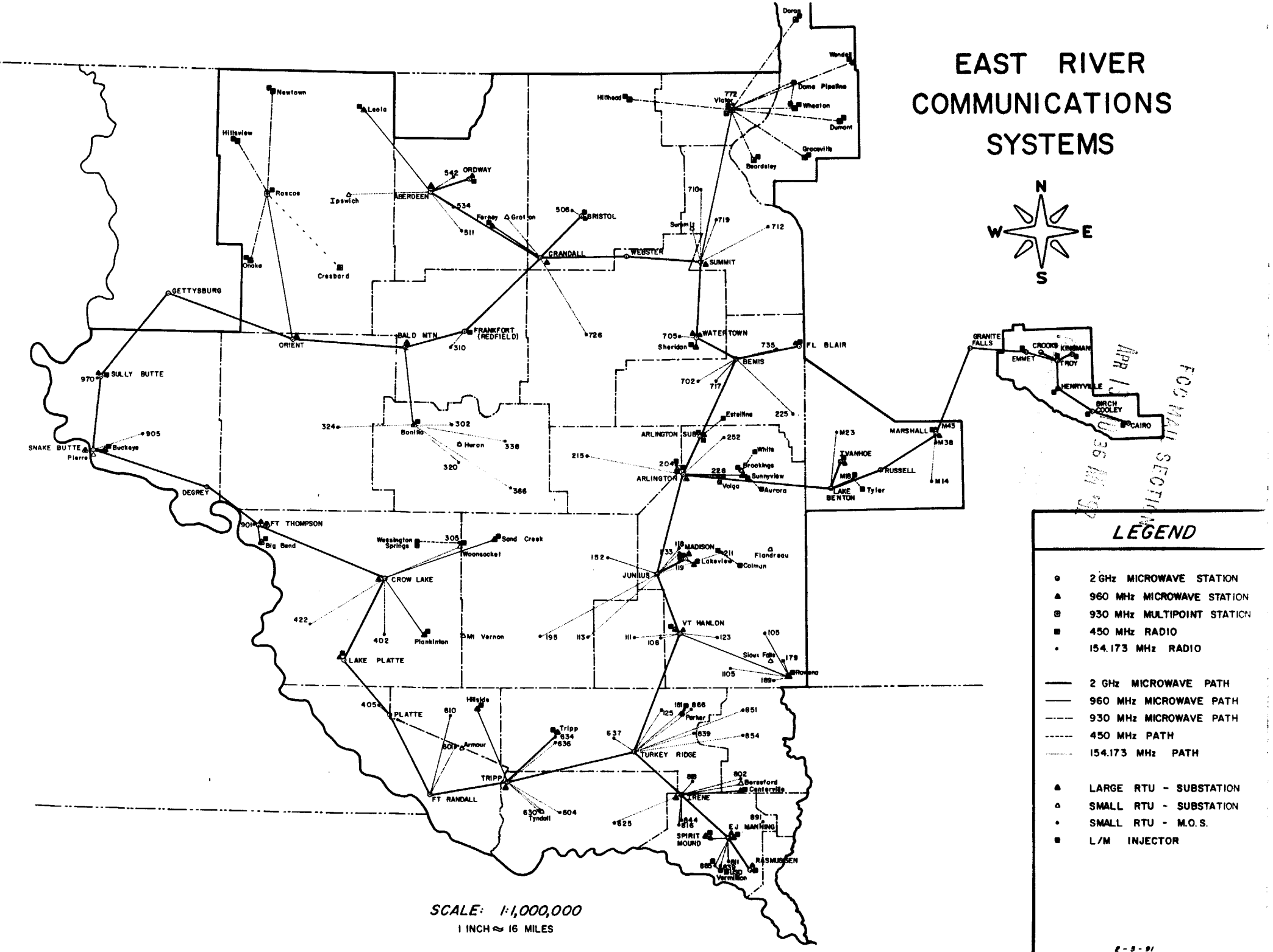
At the very least, economic reasonability would dictate that existing utility users of these frequencies should be grandfathered on a <u>permanent</u> co-primary basis with new PCS systems and that new fixed systems be allowed to operate on a secondary basis. Additional spectrum would need to be reallocated from other bands since secondary status for new

microwave installations would not be acceptable for most applications. The plan proposed will not require the cost of any investment required to vacate the referenced spectrum to be borne by those who stand to benefit by the reallocation.

Sincerely,

Jeffrey L. Nelson
General Manager

JLN/jc

cc: Bob Bergland, National Rural Electric Cooperative Assn.
Tom Graves, Mid-West Electric Consumers Association
Mara Pastorhovick, Utilities Telecommunications Council
Robert Tauton, Utilities Telecommunications Council

EAST RIVER COMMUNICATIONS SYSTEMS