

**EXPRESS COMMUNICATIONS, INC.**  
Comments on 2 GHz Licensed PCS

**Interest:** Company that provides consulting and management services to entrepreneurial investors in the communications industry and, through a subsidiary, is involved in the acquisition, construction and management of wireless communications systems

**Licensing Policies:**

- Opposes Commission's proposal to request authority from Congress to award PCS authorizations through auctions as likely to foreclose participation of small, innovative entrepreneurial firms. (pp. 3-5).
- States that alternative payment methods raised by the Notice that would permit deferral of payments by successful bidders are not fully responsive to the problems that auctions pose. (pp. 7-10).
- Advocates use of reformed lotteries with rules that preclude speculation and delay to preserve opportunities for smaller entrepreneurs to participate on equal basis in allocation of PCS spectrum. (p. 4).
- Supports reformed random selection process that employs higher filing fees (amendment of Section 8 of the Communications Act of 1934 may be necessary) and strict entry requirements, including submission of detailed engineering information and a business plan setting forth construction, management and operation of the proposed system (identifying plans for marketing, a construction timetable and pro forma financial projections). (pp. 12-13). Each application should also be accompanied by firm financial commitment consistent with business plan pro forma financial projections and satisfying requirements similar to those set forth in § 22.917 of the Commission's rules. (pp. 13-14).
- Also recommends imposition of strict construction timetables and significant limitations on assignment of PCS licenses and the transfer of interests in licensees (p. 14); specifically, licensee should be required to construct and operate system for a minimum of one year before any sale, transfer or other disposition of more than a 25 percent interest can occur, and to construct and operate system for a minimum of five years before a sale, transfer or disposition of 50.01 percent or more can occur. Proposes that these restrictions also extend to option agreements. (pp. 14-15).
- Believes that Commission should request from Congress authority to impose a transfer fee, calculated as a

percentage of the gross sales price, upon each assignment of a PCS license or transfer of control of a PCS licensee. (p. 15). Fees would be paid to newly-created communications research and development agency. (p. 15 n.24).

- Sets forth proposed transfer fee calculations that differ depending upon whether Commission adopts minimum operating requirements or permits licenses to be freely transferred. (p. 16).

**FLEET CALL, INC.**  
Comments on 2 GHz Licensed PCS

**Interest:** SMR and ESMR service provider.

**Amount of spectrum per licensed system:**

- Supports authorizing 4 PCS licensees that each receive 15 MHz of spectrum. Given digital technologies, this 15 MHz would afford PCS licensees greater capacity than current cellular licensees (8-9).
- Recommends that a fifth licensee receive 30 MHz (8-10).

**Service areas:**

- Supports the use of MSAs/RSAs as these smaller areas will ensure broader participation, greater service diversity and technical innovation (4-7).

**Local exchange carrier participation:**

- Suggests that it is not necessary at this time to adopt restrictions on LECs. However, the Commission should monitor the LECs' offering of non-discriminatory interconnection to the PSTN to determine if such restrictions become warranted (13).

**Licensing policies:**

- The licensee to receive 30 MHz (and optimally all PCS licensees) should be selected through competitive bidding to prevent speculation and to ensure the largest spectrum block goes to the entity that will put it to the most productive use (9-10).

**Regulatory status:**

- PCS licensees should be permitted to select, at the time of license grant, whether to offer service on a private or common carrier basis. However, a licensee should not be permitted to operate as both a private carrier and a common carrier in the same market (12-13).
- Supports interconnection proposal so long as the Commission confirms that all mobile communications carriers have a federally protected right of interconnection to the PSTN (13-14).
- Supports proposal to preempt state and local regulation of the types of interconnection available to PCS licensees so long as the Commission confirms that this preemption is available to all mobile communications carriers (14).

**FLORIDA CELLULAR RSA LIMITED PARTNERSHIP**  
Comments on 2 GHz Licensed PCS

**Interest:** Cellular carrier

**Amount of spectrum per licensed system:**

- The Commission must provide for sufficient spectrum to accommodate existing cellular licensees as eligibles (5).

**Service areas:**

- Opposes a nationwide allocation (7).
- If cellular carriers are restricted from participating in PCS, MSA/RSA service areas must be adopted to maintain competitive parity (8).

**Cellular carrier participation:**

- There should be no limitation on the ability of existing cellular licensees to participate in PCS (9-10).

**Local exchange carrier participation:**

- LECs should not be precluded from participating in PCS, but there should be no LEC set-aside -- all participants should be on an even footing (10-12).
- However, separate subsidiary requirements should be imposed (12).

**Licensing policies:**

- Supports a simplified lottery process to expedite licensing (12-13).
- Filing fees should reasonably approximate the costs of processing the application (13).

**Regulatory status:**

- PCS should be classified as private carriage, regardless of whether there is resale of interconnected telephone service for profit or not (13-14).
- To ensure a level playing field, Part 22 cellular carriers should be reclassified as private carriers (14).
- Without prejudice to cellular eligibility, supports further liberalization of flexible cellular option (10).

- PCS licensees should have a federally protected right to interconnection with the PSTN (12).

**Technical standards:**

- Proposed standards are inconsistent with the PCS design concept of microcellular or low power systems (15-16).
- The Commission should require intersystem operability (16).
- The Commission should address the problem of fraudulent use of wireless devices (16).

**Other issues:**

- The Commission should approach the allocation of spectrum carefully. It has not sufficiently demonstrated the need for a broad allocation for PCS services (3-4).
- The Commission should separate 900 MHz narrowband PCS and 2 GHz broadband PCS into two procedural tracks (6).

**FREEMAN ENGINEERING ASSOCIATES, INC.**  
Comments on 2 GHz Licensed PCS

**Interest:** Applicant for 900 MHz pioneer's preference

**Cellular carrier participation:**

- Existing cellular and RCC operators should not be prohibited from applying for PCS frequencies (11).

**Technical standards:**

- The technical rules adopted should permit packet-type transmissions so that PCS systems can accommodate telecommunications devices for the deaf (11-12).
- The use of PCS should not be restricted (e.g., dispatch services should be permitted) (12).

**Other issues:**

- The Commission should separate 900 MHz narrowband and 2 GHz broadband PCS into two procedural tracks (12).

**GATEWAY TECHNOLOGY, INC.**  
Comments on 2 GHz Licensed PCS

**Interest:** Start-up corporation formed to develop new communications services and potential PCS licensee

**Licensing Policies:**

- Opposes competitive bidding to award PCS licenses as foreclosing small creative firms from serving as PCS licensees. (p. 3).
- Asserts that neither of the two alternative payment plans proposed will promote participation by smaller firms in any substantial manner. (p. 3 n.7).

**Other:**

- States that the pioneer's preference system will fail to fully achieve its intended goals; Tentative Preference Order and recent pioneer's preference decisions in other services show that pioneer's preferences are rarely awarded and that the level of pioneering required is so great that there is little incentive for firms to innovate. (p. 6).
- Suggests that the Commission award a "consolation prize" to companies who offer meaningful contributions that are not deemed to merit pioneer preference; specifically, a 2:1 PCS lottery "experimenter's preference" could be given to an applicant that has conducted experiments in the Experimental Radio Service and has submitted a meaningful experimental report. (p. 7). To avoid delaying the PCS licensing process, Commission should establish deadlines for each step of the experimenter's preference application process. (p. 7 n.17).

**GTE CORPORATION**  
Comments on 2 GHz Licensed PCS

**Interest:** Provider of local exchange and mobile service.

**Band plan:**

- 100 MHz of the 120 MHz of the spectrum identified by the FCC should be divided into five blocks of 20 MHz each to maximize the competition in the delivery of PCS. (pp. 28-32).

**Amount of spectrum per licensed system:**

- A 20 MHz allocation of spectrum would provide PCS operators with spectrum comparable to cellular operators because PCS systems can increase capacity by using CDMA and TDMA technologies without the obligation to serve embedded analog handsets. (pp. 29-30).

**Service areas:**

- PCS service areas should conform to the existing MSAs and RSAs used in cellular licensing because this allows many entry opportunities and reflects technical limitations. (pp. 32-35).

**Cellular carrier participation:**

- Cellular carriers should be eligible to participate in the provision of PCS services both inside and outside of their existing markets; an in-service area ban is wholly unjustified since cellular providers will deploy PCS systems as aggressively as other PCS licensees. (pp. 36-42).

**Local exchange carrier participation:**

- FCC should adopt its proposal to allow LECs to participate fully in the PCS licensing process both inside and outside of their service areas. (pp. 42-47).

**Licensing policies:**

- Competitive hearings, if properly administered, are a preferable licensing scheme to lotteries. However, if the FCC opts for the lottery, the "contingent winner" approach should not be used. (pp. 55-58).
- FCC should give a licensing preference to those parties that can demonstrate the ability to deploy PCS rapidly and those parties that propose rural PCS systems. (pp. 59-60).

**Regulatory status:**

- FCC's overriding objective in determining the regulatory status of PCS should be regulatory parity with other mobile services. (pp. 49-55).

**Technical standards:**

- To the extent that technical standards are needed, industry bodies -- not the FCC -- should develop the standards. (p. 61).
- Radio frequency effects questions should be resolved by reference to the 1991 IEEE standard. (pp. 64-65).

**Other:**

- FCC should base PCS regulation on reliable consumer acceptance studies that realistically assess market demand, rather than unsubstantiated speculation. (pp. 4-9)
- The relation between new PCS services and the nation's telecommunications infrastructure must be studied; specifically, PCS could affect universal service programs, local telephone rates, the jurisdiction of state utility commissions and the regulatory status of cable television operators that provide PCS. (pp. 13-24).
- The role of foreign investment in PCS must be considered. (pp. 24-26).

**HARRIS CORPORATION - FARINON DIVISION**  
Comments on 2 GHz Licensed PCS

**Interest:** Microwave equipment manufacturer

**Band plan:**

- Agrees with FCC-proposed plan: 1850-1865/1930-1945 MHz, 1865-1880/1945-1960 MHz, and 1880-1895/1960-1975 MHz for licensed PCS, 1910-1930 for unlicensed PCS. (p. 2)
- Channelization is substantially consistent with existing channelization and pairing of the 1850-1990 MHz band. (p. 2)
- Plan for reallocation of frequencies nationwide for PCS may be excessive, since PCS will largely be urban. (p. 2)

**Plan for relocation of existing users:**

- Assuming FCC adopts the proposal in ET Docket 92-9, agrees with the FCC's plan for negotiated migration. (p. 2)
- Because frequencies should only be reallocated in urban areas, rural microwave users should remain co-primary indefinitely. (p. 2)

**Technical standards:**

- The plan to adopt TSB10E standards is appropriate, with any TIA-approved revisions regarding long hops. (p. 3)
- TSB10E may need to be strengthened, however, because the channels to be assigned to PCS would overlay the channel assignments to existing users. (p. 3)
- TSB10E is not overly conservative, as some have suggested. (p. 3)
- The method for accumulating interference from mobiles is appropriate, as long as conservative estimates of the signal level from mobiles are used. (p. 4)

**Other issues:**

- PCS will require support spectrum; Harris believes the 27.5-29.5 GHz and 37.0-38.6 GHz bands should be channelized in accordance with outstanding CCIR recommendations and be made available to PCS and other users. (pp. 5-6)

**HARRISONVILLE TELEPHONE COMPANY**  
Comments on 2 GHz Licensed PCS

**Interest:** Local exchange carrier also engaged in cellular service

**Cellular carrier participation:**

- Cellular carriers should be allowed to obtain PCS licenses within their cellular service areas; concerns about anticompetitive conduct are misplaced and speculative. (pp. 2-4)
- Given the continued need for cellular operators to accommodate analog subscriber equipment, cellular carriers do not have enough spectrum to offer full scale PCS services under Section 22.930 (the flexible cellular option). (pp. 4-6)
- The 2 GHz band PCS channels are better suited to the provision of PCS services than the 800 MHz band channels licensed to cellular systems. (p. 6)

**Local exchange carrier participation:**

- Wireline carriers with cellular interests should not be barred from holding PCS licenses within the same cellular service area. (p. 6-9)
- Advanced PCS offerings are logical adjuncts to the local exchange service provided by wireline carriers; to exclude wireline carriers based on what may be de minimis cellular interests will choke the expedited provision of PCS to the marketplace. (pp. 8-9)

**HOME TELEPHONE COMPANY**  
Comments on 2 GHz Licensed PCS

**Interest:** Local exchange telephone carrier

**Service areas:**

- Supports use of MSAs/RSAs as PCS service areas as it is more compatible with microcellular systems proposed and will encourage broader participation in PCS (1-3).

**Local exchange carrier participation:**

- LECs should not be precluded from providing PCS in their own telephone service areas. LECs are the most qualified and logical providers of PCS. LECs are also the most likely to integrate PCS with the PSTN and to ensure the provision of service to rural areas (3-6).
- LECs should not be precluded because they hold minority interests in cellular licensees (6-8).
- The Commission should establish a spectrum reserve for LECs serving RSAs or outlying areas of MSAs so they may acquire one of the blocks of PCS spectrum in their exchange areas (8-10).

**HUGHES NETWORK SYSTEMS, INC.**  
Comments on 2 GHz Licensed PCS

**Interest:** Wireless communications provider

**Band plan:**

- Supports allocation of 110 MHz at 2 GHz for PCS (5).

**Amount of spectrum per licensed system:**

- Supports assignment of 30 MHz per licensee (5-6).

**Service areas:**

- Supports the use of MSAs/RSAs as these areas are well-defined communications markets and will ensure broad participation by firms of all sizes (6-7).

**Cellular carrier participation:**

- Opposes restrictions on cellular participation in PCS as these companies have extensive experience in and commitment to bringing mobile services to the public (7-8).

**Local exchange carrier participation:**

- Supports availability of full 30 MHz allocation to LECs because of the potential benefits of wireless loop applications. A 10 MHz assignment may not offer sufficient capacity to offer these services (8-9).

**Regulatory status:**

- The Commission should adopt policies requiring fair and non-discriminatory access to the PSTN (9).

**Technical standards:**

- The rules adopted should not restrict the scope of possible PCS applications (3-5).
- The Commission should leave the development of standards to industry bodies (9).

**ILLINOIS COMMERCE COMMISSION**  
Comments on 2 GHz Licensed PCS

**Interest:** State regulatory agency.

**Cellular carrier participation:**

- Supports open eligibility for the provision of PCS, and developing a nondiscriminatory interconnection access policy. (pp. 9-10).

**Local exchange carrier participation:**

- Supports open eligibility for the provision of PCS, and a vigilant watch for predatory pricing and discriminatory behavior. (pp. 9-10).

**Licensing policies:**

- Supports the proposal to use a lottery procedure for PCS licensing, with a review of the winner's qualifications prior to awarding the license. (pp. 11-12).

**Regulatory status:**

- The proposed classification of PCS as a private land mobile radio service is inappropriate if the PCS system requires interconnection to the PSTN. (pp. 6-7).
- Urges FCC to adopt an interconnection policy that will not impose a more costly standard of interconnection upon a PCS provider than its service requires. (p. 7).

**Plan for relocation of existing users:**

- In overseeing negotiations between incumbent users and PCS providers, the FCC must adopt clear and expeditious complaint procedures that prevent an incumbent user from "stonewalling" a PCS provider for whom time is of the essence. (pp. 10-11).

**INTERDIGITAL COMMUNICATIONS CORPORATION**  
Comments on 2 GHz Licensed PCS

**Interest:** Manufacturer of wireless technology.

**Amount of spectrum per licensed system:**

- Supports allocation of 40 MHz for licensed PCS providers to permit implementation of state-of-the-art technologies such as broadband CDMA ("B-CDMA"). (pp. 3-7).

**Cellular carrier participation:**

- Cellular carriers should be eligible to become PCS licensees because they cannot provide PCS in the cellular band and because their participation in PCS will further competition. (pp. 12-15).

**Local exchange carrier participation:**

- LECs should not be excluded from the provision of PCS because LECs will provide the backbone for many PCS applications and PCS will lower the cost of the local loop. (pp. 15-17).

**Licensing policies:**

- Supports an open entry licensing mechanism in which three separate consortiums or partnerships would operate three PCS licenses on a nationwide basis. (pp. 17-19 & Appendix D).

**Technical standards:**

- FCC should consider further the use of dynamic channel allocation and spread spectrum technology to enable PCS and microwave users to share spectrum. (pp. 7-8).

**Other:**

- Appendix A: Report to the FCC Quarterly Report # 3: Experimental License Dated November 13, 1991, by SCS Mobilecom, Inc.
- Appendix B: Comments on NPRM of SCS Mobilecom, Inc. in Docket 92-9.
- Appendix C: Comparison of Broadband CDMA in the Cellular and Personal Communication Services Band.
- Appendix D: The Commission Should Adopt an Open Entry Licensing Mechanism To Permit All Qualified Applicants an Opportunity To Participate in PCS.

**KERRVILLE TELEPHONE COMPANY**  
Comments on 2 GHz Licensed PCS

**Interest:** Independent wireline and cellular carrier.

**Cellular carrier participation:**

- FCC should permit cellular carriers to provide PCS within their cellular service areas. (pp. 1-9).
- Cellular carriers cannot offer full scale PCS on existing cellular spectrum because of the need to maintain analog transmission and because 2 GHz channels are better suited to providing PCS than the 800 MHz channels. (p. 5).

**Local exchange carrier participation:**

- Supports FCC's proposal to allow LECs to provide PCS in their existing service areas; however, eligibility of LECs to hold PCS licenses should not be limited because of cellular holdings.

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**KNOWLEDGE IMPLEMENTATIONS, INC.**  
Comments on 2 GHz Licensed PCS

**Interest:** Engineering consultants.

**Band plan:**

- At least of one of the three proposed frequency blocks should be allocated to data service with the opportunity to operate on either a licensed or an unlicensed basis. (pp. 6-9).

**LCC INCORPORATED**  
Comments on 2 GHz Licensed PCS

**Interest:** Firm engaged in engineer and design of wireless communications systems.

**Technical standards:**

- A minimum radius of 125 miles (based on height limitation) is sufficient to preclude interference to existing fixed microwave users (3).
- Establishing interference criteria based upon EIA/TIA Bulletin TSB10-E (and any future changes to this Bulletin) is acceptable (3).
- Any standards adopted for interference prediction must take into account the effects of buildings and other structures. Suggests this be done by computing the signal strength for a typical city block based upon median building height (4).
- Agrees that the power from all PCS base stations should be considered to determine the total effect on microwave users (4).
- For mobile stations, agrees with the Commission's suggested approach of summing the signal level of all cells and using a 5 foot antenna height (5).
- Recommends adoption of the COST 231 Walfish Ikegami model for predicting path loss and interference for the mobile end of the PCS link. The same propagation model should also be used for portables. However, the maximum (as opposed to median) building height should be used for portable propagation predictions (5).
- Supports suggested weighting with respect to distribution of portables and recommends that these also be adopted for suburban areas (6).
- Agrees with suggested penetration losses (6).

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**JAMES V. LIEN, NORMA G. LIEN & LEONARD G. HARVEY**  
Comments on 2 GHz Licensed PCS

**Interest:** Request for pioneer's preference.

**Other:**

- Proposes to establish the first "aural service" to community, consisting of a dial up system for "real time" National Weather Service radar display. (pp. 1-2).

**THE LINCOLN TELEPHONE AND TELEGRAPH COMPANY**  
Comments on 2 GHz Licensed PCS

**Interest:**

- Local exchange carrier operating in Nebraska.

**Band plan:**

- Proposes five PCS service providers with 20 MHz each. (p. 9)
- Further proposes two 20 MHz allocations for unlicensed narrowband PCS and a single 20 MHz allocation for wideband applications. (p. 10)
- Notes that its proposed allocations would require an allocation exceeding 110 MHz for PCS. (p. 10)

**Amount of spectrum per licensed system:**

- Proposes that five PCS licensees receive 20 MHz each. (p. 9)
- Recommends limiting service providers to two wireless licenses per market. This limit could be reached by obtaining two PCS licenses or one cellular and one PCS license in the same market. (p. 9)

**Service areas:**

- Opposes larger markets including national licenses because this prejudices how PCS will evolve. Notes that it is easier to combine smaller service areas than to break up larger ones. (p. 10)
- Believes that large service areas will work against universality because licensees of large service areas will adopt a "metropolitan-area first" marketing approach. (p. 10)
- States that PCS license areas should correspond to existing MSA/RSA boundaries and that all licenses should be awarded according to the same size service area. (p. 11)

**Cellular carrier participation:**

- Argues that cellular carriers should be eligible for PCS licensing in the 2 GHz band -- even within their cellular serving areas -- because cellular and PCS are distinct services designed for distinct markets. (p. 8,9)

**Local exchange carrier participation:**

- Supports LEC participation in PCS because it is a natural extension of their networks that will create increased flexibility. (p. 6)
- Notes that PCS may be a cost-effective way of meeting universal service obligations in rural areas. (p. 7)
- Proposes that the FCC reserve one of the five licensed PCS spectrum allocations for exchange carriers providing service within RSAs. (p. 7)
- Argues that LECs should not be restricted because of cellular holdings. (p. 8)

**Licensing policies:**

- Supports a postcard lottery with a 72 hour filing window and a significant, yet reasonable, filing fee. (p. 12)
- Argues for strict financial and technical qualifications and construction timelines. (p. 12)
- States that a period of one business day should be sufficient for those selected in the postcard lottery to produce detailed technical and financial showings but that three days would also be acceptable. (p. 12)
- Argues that contingent winners be chosen only after the initial selectee fails to produce the required technical and financial information. (p. 13)

**Regulatory status:**

- States that common carrier status is necessary in order to achieve the goals of universality, speed of deployment, diversity, and competition. (p. 5)

**Other issues:**

- Believes that PCS should be defined as a low-power, pedestrian oriented service and should not be considered equivalent to cellular service. (p. 4)

**MATSUSHITA COMMUNICATIONS INDUSTRIAL CORPORATION OF AMERICA**  
Comments on 2 GHz Licensed PCS

**Interest:** Supplier of cellular mobile telephones and business telephone equipment; possible provider of wireless PBX systems.

**Technical standards:**

- In determining the blocks of spectrum to be assigned for PCS systems, the FCC should take into account the existing channelization of the 2 GHz bands, especially the 80 MHz spacing between the transmit and receive frequencies. (pp. 2-3).
- Conservative spectrum sharing interference standards should be adopted and the underlying concepts of EIA/TIA-10-E should be adhered to. (p. 3).
- FCC's proposed method for determining the potential interference to fixed microwave operations from PCS operations is limited in certain respects. (p. 4).
- Supports proposed power limitation for PCS (10 watts EIRP at 300 feet AAI for base stations, and 2 watts EIRP for mobile limits) and opposes the alternative higher values. (p. 5).
- FCC should explain how it arrived at its proposed 47 dBu service areas contour. (p. 5).

**MCCAW CELLULAR COMMUNICATIONS, INC.**  
Comments on 2 GHz Licensed PCS

**Interest:** Common carrier licensee for cellular service and potential new service provider

**Band Plan:**

- 1850-1990 MHz band; 100 MHz for 2 GHz PCS operations; 20 MHz for unlicensed PCS devices, and remaining 20 MHz for future PCS demands, licensed or unlicensed. (p. 5). Alternatively, remaining 20 MHz could be used to authorize a sixth provider or two additional providers with 10 MHz each. (p. 11).

**Amount of spectrum per licensed system:**

- Supports 20 MHz allocations for five licensed 2 GHz PCS providers in order to maximize competition. (p. 6, pp. 10-11).

**Service Areas:**

- Recommends MSA/RSA divisions to increase diversity of firms participating, facilitate rapid implementation, promote spectrum efficiency. (pp. 14-18).

**Cellular Carrier Participation:**

- Supports cellular carriers' rights to pursue PCS spectrum opportunities without set-asides or restrictions, asserting that cellular carriers can contribute to success of PCS, promote competition, and further Commission PCS goals. (pp. 24-33).

**Local Exchange Carrier Participation:**

- Favors open entry licensing policies and opposes set-asides; rejects proposed special 10 MHz allocation for LECs as unwarranted and discriminatory. (pp. 33-34).

**Licensing Policies:**

- States that selection of appropriate licensing process will depend on Commission's decision concerning number of licenses for each market and on number of markets created. (pp. 35-36).
- Advocates comparative hearings if entry opportunities are restricted; if there are many licenses per market and MSAs and RSAs are used (as McCaw recommends), auctions or reformed lotteries may be appropriate. (pp. 35-37).

- Proposes strict anti-speculation safeguards such as compliance with threshold technical and financial requirements as part of initial filing, high initial filing fees, imposition of minimum service coverage requirements within authorized service areas and/or requirements for minimum provision of service to the public, build-out requirements, and minimum construction and service benchmarks. (pp. 37-39).

**Regulatory status:**

- Believes 2 GHz licensed PCS services should be regulated as common carriers to avoid regulatory disparities with existing common carrier cellular services. (pp. 44-45).
- Asserts that proposed expanded cellular service option relief is illusory; deletion of AMPS requirement is meaningless as a practical matter; and states that elimination of the BOC separate subsidiary requirements is meaningless. (p. 47).
- Urges action on the Telocator Cellular Flexibility Petition, which would expand flexible cellular service option to permit cellular licensees to provide auxiliary and non-common carrier services. (pp. 47-49).
- Voices concern that new PCS entrants such as cable companies may assemble and control nationwide wireless infrastructures and might deny access to their facilities, unlike common carriers. (pp. 49-50).

**Technical standards:**

- Supports Commission's proposal to rely primarily on the marketplace to develop PCS standards. (p. 39-40).
- Supports flexible service rules that accord licensees discretion as to technical implementation issues. (pp. 40-42).
- Advocates safety guidelines for portable phones by establishment of Commission rule-based standards to assure protection from undue RF exposure. (p. 42).
- Requests Commission clarification of applicability of IEEE RF revision to operation of PCS devices. (p. 42).

**MCI TELECOMMUNICATIONS CORPORATION**  
Comments on 2 GHz Licensed PCS

**Interest:** Long distance telephone service provider

**Amount of spectrum per licensed system:**

- The Commission should license three PCS providers with allocations of 40 MHz each. Given that some microwave users may remain in the 2 GHz band, 40 MHz is needed to provide sufficient spectrum for PCS (4-8). [Includes as an appendix an analysis of various PCS allocations.]

**Service areas:**

- The Commission should grant national licenses to consortia. Each consortium would include (1) a major participant with technical expertise and (2) a group of independent local operators (8-9).

**Cellular carrier participation:**

- No facilities-based cellular carrier or its affiliate should be eligible to be a PCS operator anywhere in the carrier's licensed service areas (25-27).
- Substantial participation in or ownership of a consortium by cellular service providers should merit a negative preference (17).

**Local exchange carrier participation:**

- Substantial participation in or ownership of a consortium by LECs should merit a negative preference (17).

**Licensing policies:**

- The Commission could use a single comparative hearing to license the three consortia. As the consortia would be formed beforehand, fewer applications would be submitted (13-15).
- Applicants should be required to post performance bonds and submit construction schedules. The Commission should also set high, nonrefundable application fees and establish stringent financial requirements (15).
- The Commission should articulate specific preference criteria in advance of the filing deadline, such as (1) minority participation, (2) identification of local operators at time of filing, (3) ability and willingness to serve larger numbers of people, (4) extensive and