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September 7, 2016

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Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, DC 20554

**Attention: Jon Wilkins, Chief
Wireless Telecommunications Bureau**

**Re: Application of AT&T Mobility Spectrum LLC and North Dakota
Network Co. for Consent To Assign License (WT Docket No. 16-235)**

Dear Ms. Dortch:

On behalf of North Dakota Network Co. ("NDNC"), we are submitting herewith its response to the FCC's inquiry concerning NDNC's decision to assign its licenses to AT&T Mobility Spectrum LLC.

In accordance with Section 1.12 of the Commission's Rules, please direct any questions or correspondence regarding this filing to the undersigned.

Sincerely yours,

A handwritten signature in black ink, appearing to read "John A. Prendergast". The signature is fluid and cursive, with the first name "John" being the most prominent.

John A. Prendergast
Counsel for North Dakota Network Co.

Attachment

cc: Kathy Harris, FCC (via email)
Kate Matraves, FCC (via email)
Jim Bird, FCC (via email)



A SUBSIDIARY OF SRT COMMUNICATIONS, INC

PO Box 2027 • Minot, ND 58702
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September 6, 2016

Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, DC 20554

**Attention: Jon Wilkins, Chief
Wireless Telecommunications Bureau**

**Re: Re: Application of AT&T Mobility Spectrum LLC and North Dakota
Network Co. for Consent To Assign License (WT Docket No. 16-235)**

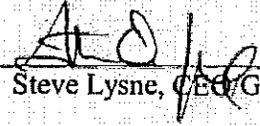
Dear Ms. Dortch:

In response to the Commission's August 24, 2016 inquiry concerning the above-referenced application, North Dakota Network Co. (NDNC) provides the requested information in Attachment A hereto.

Please direct any questions to our counsel, John A. Prendergast, Esquire, at Blooston, Mordkofsky, Dickens, Duffy & Prendergast, LLP, 2120 L Street NW, Suite 300, Washington, DC 20037 or jap@bloostonlaw.com.

Sincerely,

NORTH DAKOTA NETWORK CO.

By: 

Steve Lysne, CEO/GM

cc: Kathy Harris, FCC (via email)
Kate Matraves, FCC (via email)
Jim Bird, FCC (via email)

ATTACHMENT A

FCC Inquiry:

1. Explain in detail the decision made by NDN to assign to AT&T the Lower 700 MHz C Block spectrum that is the subject of this application, including any attempts made to enter into a sale of this spectrum or alternative arrangements with parties other than AT&T.

North Dakota Network Co. Response:

North Dakota Network Co. (NDNC) obtained its 700 MHz C Block license for CMA581 North Dakota 2 - Bottineau (Call Sign WPWV414, granted 01/24/2003) with an eye toward augmenting its existing PCS spectrum holdings so that it could be sure it had adequate capacity for the increased data and other demands caused by the increased use of data-driven devices. NDNC currently provides wireless PCS service to substantial portions of several counties in the State of North Dakota, including rural areas. Its PCS licenses include Call Sign KNLH232 (10 MHz D Block, BTA299 - Minot, ND) and KNLH234 (10 MHz F Block, BTA299 - Minot, ND). The Minot BTA is composed of the following counties:

- Bottineau, ND
- Burke, ND
- Divide, ND
- McHenry, ND
- McLean, ND
- Mountrail, ND
- Pierce, ND
- Renville, ND
- Rolette, ND
- Ward, ND
- Wells, ND

Unfortunately, the 700 MHz license NDNC was able to win at auction only covers four of the eleven counties that make up the Minot BTA, namely, Bottineau, McHenry, Pierce and Rolette counties. Therefore, when the opportunity arose in Auction No. 66 to obtain AWS spectrum, NDNC again participated in bidding, and was more successful in obtaining spectrum that better overlapped the Minot BTA. In particular, NDNC was able to win the following licenses:

AWS Block A WQGA892 CMA580 - North Dakota 1 – Divide, Granted 11/29/2006

AWS Block A WQGA893 CMA581 - North Dakota 2 - Bottineau Granted 11/29/2006

AWS Block A WQGA894 CMA582 - North Dakota 3 – Barnes Granted 11/29/2006

The added benefit of duplicating coverage with AWS band licenses is that the AWS band is located adjacent to the PCS spectrum allocation. Therefore, AWS propagation is similar to that of PCS, and AWS equipment is generally more compatible with PCS equipment. Based on all of the above considerations, NDNC determined that the best course for its wireless service would be to provide a PCS/AWS service, which made its 700 MHz license no longer significant to its deployment plans.

NDNC then contacted Nations Media Partners (“Nationsmedia”) to assist in a strategic review of NDNC’s wireless business and operations, including the role of its 700 MHz license. Nationsmedia is an investment bank that has negotiated the sale of hundreds of wireless system and/or spectrum transactions since its founding in 1996. In addition, Nationsmedia’s personnel (including founder Paul Spurgeon and Managing Director of Spectrum and Communications Towers Justin Chamness) have substantial experience with regard to financing the construction and operation of wireless systems in rural markets. Nationsmedia’s review and analysis concluded that a sale of NDNC’s 700 MHz holdings was the superior financial and operational alternative for NDNC, based on the considerations discussed above.

Nationsmedia contacted several potential buyers regarding the sale of licenses and network assets. Specifically, Nationsmedia reached out to the parties listed below. During the ensuing weeks, Nationsmedia worked with the prospective purchasers, answering questions regarding operations, entering into non-disclosure agreements, and generally promoting interest in the properties.

AT&T submitted an expression of interest that was higher than any other offer NDNC had received for its 700 MHz license. NDNC and AT&T subsequently executed a Letter of Intent and on May 12, 2016 the companies executed a final license purchase agreement.

Based on the above developments, NDNC reasonably concluded that its best course was to accept the offer of AT&T, since this offer garnered the greatest resources to offset NDNC’s substantial investment in constructing and operating its ongoing PCS/AWS wireless system.

Parties contacted regarding potential sale of Call Sign WPWV414:

AT&T Mobility Spectrum LLC
Verizon Wireless
T-Mobile
Viaero Wireless
MTPCS dba Cell One Nation (adjacent)
Bug Tussel Wireless