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Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

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In the Matter of)	
)	
Broadband Personal Communications)	PP Docket No. 93-253
Services C Block Auction and)	ET Docket No. 92-100
Grant of A and B Block Licenses)	

COMMENTS OF THE
NATIONAL TELEPHONE COOPERATIVE ASSOCIATION
TO EMERGENCY MOTION TO RESCHEDULE C BLOCK AUCTIONS OR REVIEW AND
CONDITION GRANT OF A AND B BLOCK LICENSES

The Consortium requests that the Commission immediately reschedule the Personal communications ("PCS") C Block auction or, alternatively, that it order a review of the grant of PCS licenses for the A and B Block and conditions these licenses so that their grant date coincides with the date of licensing of the first C Block license. The National Telephone Cooperative Association ("NTCA") supports the August 2, 1995, motion of Rural Ad Hoc PCS Consortium (Consortium) to the extent the motion requests rescheduling of the C Block auctions.

NTCA is a national association of approximately 500 small local exchange carriers ("LECs") providing telecommunications services to interexchange carriers and subscribers throughout rural America. NTCA members are interested in providing Personal Communications Services ("PCS") and are all eligible for bidding on the C Block because they meet the Commission's definition of "rural telephone companies," "small businesses," or women owned companies.

NTCA supported adoption of the competitive bidding rule allowing all C Block applicants to utilize the 49 percent equity exception and other changes the Commission proposed and adopted in Implementation of

Section 309(j) of the Communications Act-Competitive Bidding, Sixth Report and Order, 60 Fed. Reg. 37786 (July 21, 1995). As the Consortium correctly points out, the 49 percent rule is the only portion of the Sixth Report that was stayed by the United States Court of Appeals for the District of Columbia Circuit in Omnipoint Corporation v. FCC, No. 95-1374 (D.C.Cir. 1995) on July 27, 1995. The Commission has postponed the auction but it is free to implement its remaining rules and to hold an auction for the C Block. It should do so to prevent the potential harm that NTCA and many parties identified in their support for the modifications adopted in the Sixth Report and Order.

The public interest in competition among PCS providers will be thwarted by this second delay of the Block C auctions. Competition will suffer as a result of the undue advantage Block A and B licensees are now enjoying. The stay of the Block C auctions is tantamount to giving Block A and B licensees incumbency rights in PCS. As things now stand, Block C applicants may not get their licenses until long after the A and B licenses have deployed infrastructure, begun service and achieved substantial market penetration. This results in potential harm to competition that cannot be calculated but is likely to be immense. The potential harm to individual applicants resulting from a stay of indefinite duration cannot be calculated but is likely to be immense as well. The uncertainty now surrounding the auction date is likely to continue to result in additional costs and losses, including lost business opportunities, markets and customers. Potential bidders have already incurred substantial costs in

anticipation of the previously scheduled August 2 and August 29 auctions and additional costs due to the postponement of these dates. The Commission can remove the uncertainties now created by its own self imposed stay by scheduling the auction under the conditions proposed by Consortium.

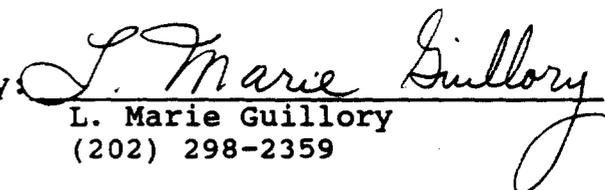
NTCA agrees with Consortium's position with respect to the potential harm to bidders choosing to rely on the 49% option. There is no certainty that the rule containing this option will be ultimately invalidated. Potential bidders are aware of the risks of utilizing this option and should be free to assume and plan for that risk in the same way that they assume and plan for other risks associated with bidding or doing business. As stated above, the public, not just individual bidders will be harmed by the headstart that Block A and B licensees enjoy. This harm, resulting from the uncertainty and delay implicit in the Commission's stay, is greater than the potential harm applicants may suffer from assuming the risks that the 49% rule will be invalidated.

For the above stated reasons, the Commission should grant the Consortium's emergency motion to reschedule the PCS C Block auctions.

Respectfully submitted,

NATIONAL TELEPHONE COOPERATIVE
ASSOCIATION

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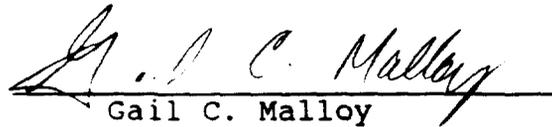
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August 10, 1995

CERTIFICATE OF SERVICE

I, Gail C. Malloy, certify that a copy of the foregoing Comments to Emergency Motion to Reschedule C Block Auctions or Review and Condition Grant of A and B Block Licenses of the National Telephone Cooperative Association in PP Docket No. 93-253 ET Docket No. 92-100 was served on this 10th day of August 1995, by first-class, U.S. Mail, postage prepaid, to the following persons on the attached list.


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