

Gina Harrison
Director
Federal Regulatory Relations

1275 Pennsylvania Avenue, N.W. Suite 400
Washington, D.C. 20004
(202) 383-6423

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December 7, 1995

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

EX PARTE

William F. Caton
Acting Secretary
Federal Communications Commission
Mail Stop 1170
1919 M Street, N.W., Room 222
Washington, D.C. 20554

Dear Mr. Caton:

Re: ET Docket No. 94-124, RM-8208

This is to notify you that the attached letter was sent to Donald Gips, and copied to Amy Lesch and John Williams, all of the Office of Plans and Policy of the Common Carrier Bureau. Please associate this with the above referenced proceedings.

We are submitting two copies of this notice in accordance with Section 1.1206(a)(1) of the Commission's Rules.

Please stamp and return the provided copy to confirm your receipt. Please contact me should you have any questions or require additional information concerning this matter.

Sincerely,

Gina Harrison /af

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December 7, 1995

Mr. Donald Gips
Office of Plans and Policy
Federal Communications Commission
1919 M Street, NW, Room 822
Washington, DC 20554

Re: ET Docket No. 94-124, RM-8208

Dear Mr. Gips:

This letter is in response to a request from the staff of the office of Plans and Policy for a recommendation regarding the division of spectrum at 40.5 - 42.5 GHz into blocks for the purpose of auctioning the spectrum.

We recommend that 1200 MHz of the 40.5 - 42.5 GHz allocation be allocated for broadband applications. These applications would include wireless data services and video services. The 1200 MHz allocation should be divided into two 500 MHz blocks and a 200 MHz block and should be awarded on a BTA basis. No entity should be licensed for more than 1 GHz of spectrum in any BTA. Use of BTAs is appropriate because the smaller service territories should promote rapid deployment and potentially allow a greater number of licensees. Small business incentives, such as the ones used in the PCS auctions, could be used to make broadband spectrum available to a wider range of owners.

The broadband licenses should be subjected to a minimum of technical and administrative restrictions. The technology and services for the band are just beginning to develop and unnecessary technical restrictions may cause delays in reaching the market. Administrative restrictions should also be minimized. The licensees should be able to sub-license areas or apportion spectrums for fee or even no-fee for non-profit entities. For example, a licensee may wish to apportion a small amount of the spectrum for use by schools without charge. Alternatively, a licensee may wish to sub-license a portion of the spectrum to another party for a fee. This flexibility should be permitted.

The remaining 800 MHz should be allocated for point to point applications. This is necessary because of shortages in lower frequency bands of suitable spectrum. The 38 GHz band (38.6 - 40.0 GHz) was recently closed to new applications after receiving over 2,100 applications from January to November 1995. This indicates large unmet demand for spectrum suitable for short haul radio systems. Pacific Bell Mobile Services would use an allocation in the 40.5 - 42.5 GHz band for PCS backhaul and would investigate advanced wireless applications. The 800 MHz should be divided into 50 MHz pairs and allocated on a BTA basis.

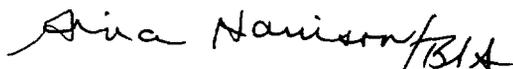
Mr. Donald Gips
December 7, 1995
Page 2

The 50 MHz pairs give a licensee the flexibility to deploy a wide range of communications capacities. These can range from inexpensive DSI services up to DS3 services. There should be a cap on the number of pairs licensed to one entity to ensure that this type of spectrum is available on a cost effective basis. A limit of 200 MHz would allow a reasonable amount of spectrum for all interested parties and would ensure that no single organization totally dominates the allocation within any given area. Given the frequency reuse of these bands that is possible because of the high path losses and polarization options, four pairs should meet the needs of any organization.

There is also a case for commercial use of spectrum above 42.5 GHz. If the federal government, through NTIA reserved allocations, has spectrum that is not being utilized it should be turned over to the FCC and made available to the private sector as soon as possible. Congress has required the federal government to make spectrum available and this would be in keeping with that legislative intent. Wide availability of spectrum will keep the cost of the spectrum low and enable a broad range of interested parties to develop commercial applications similar to those outlined for spectrum at 40.5 - 42.5 GHz. Since there are no known incumbents above 40 GHz, entrepreneurs can begin using the spectrum without any additional expense or delay.

We will be happy to address any further questions the Commission may have relating to this recommendation.

Sincerely,

A handwritten signature in black ink that reads "Gina Harrison" followed by a stylized flourish or initials.

Gina Harrison
Director

cc: Amy Lesch
John Williams