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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: WT Docket No. 95-157, Microwave Relocation

Today, Betsy Granger, Senior Attorney, and Steve Aspell, Manager, Microwave Issues, Pacific Bell Mobile Services, Mary E. Madigan, Director, Issues Management, Personal Communications Industry Association, and I met with Rosalind K. Allen, Associate Chief, Wireless Telecommunications Bureau to discuss issues summarized in the attached document. Please associate the material with this docket.

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,



Attachment

cc: Rosalind K. Allen

No. of Copies rec'd 021
List ABCDE

Microwave Relocation Issues

Pacific Bell Mobile Services

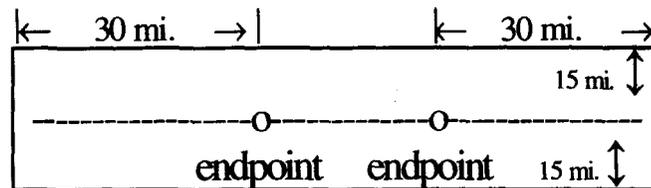
March 1996

Microwave Cost Sharing

- Adoption of a cost sharing plan is widely supported in the record and will benefit all parties.
- A reimbursement cap of \$250,000 should be included in the plan.
- If a cost fits into one of the cost categories, it should be subject to reimbursement, eliminating the need to determine what constitutes a premium.
- A separate \$150,000 cap should be available for new towers or modifications of existing towers.

Microwave Cost Sharing

- The proximity threshold, rather than interference analysis based on TIA Bulletin 10, should be used to determine cost sharing obligations.
- It is simple to understand, easy to administer and will minimize the potential for disputes.
- The proximity threshold creates a bright line test for cost sharing obligations.
- If a subsequent licensee constructs a fixed base station located within the rectangle, his cost sharing obligation is triggered.



Microwave Cost Sharing

- PCIA should be designated to serve the clearinghouse function. They have substantial experience in frequency coordination work and can fairly serve the needs of all PCS licensees.
- Concerns that it is not a neutral party are misplaced.

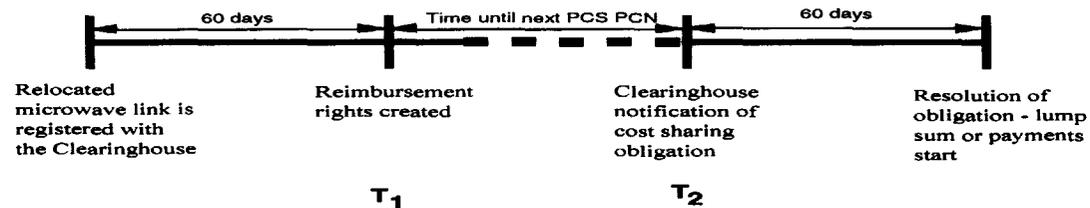
Microwave Cost Sharing

- We have no objection in principle to allowing microwave incumbents to participate in the cost sharing plan. Any microwave incumbent that voluntarily assumes the risk of self-relocation after the effective date of the order establishing cost sharing should be eligible to participate. The risk in self-relocation is that no PCS entity may ever build within the rectangle. The benefit to PCS is that it encourages spectrum clearing.
- This issue should not delay action on the NPRM. If additional comments are needed, the Commission should initiate a separate phase of the proceeding.

Microwave Cost Sharing

- Calculation of reimbursement rights should be a clearly identifiable date.
- The Commission should not choose a uniform date for T_1 (the date on which the depreciation begins, as defined in the cost sharing formula) that applies to all A and B block licensees. The date should be tied to the relocation of individual microwave links.
- T_1 should be specific to each license so that depreciation corresponds to the actions of each licensee.

T_1 is 60 days from the date the relocated microwave link is registered, T_2 is the date the 2nd PCS provider comes into the market



Modification of Relocation Guidelines

- The Commission must take action to remove the incentive the incumbents have to delay PCS deployment.
- The proposals of PCIA, CTIA, and PBMS are all acceptable ways to achieve the result.

Modification of Relocation Guidelines

- CTIA - good faith requirement applies to voluntary period, demands by microwave incumbents that exceed twice the comparable cost are prima facie unreasonable and evidence of bad faith in the mandatory period, and failure to negotiate in good faith should result in revocation of the license and loss of right to relocation.
- PCIA - voluntary period to be replaced by one year mandatory period, good faith required at all times, failure to negotiate in good faith should result in receiving a cash payment not to exceed the greater of independent appraisals and conversion to secondary status in 90 days.

Modification of Relocation Guidelines

- PBMS - in mandatory period comparable facilities consist of either the depreciated value of the system based on 10 year straight line depreciation or the provision of uninstalled equipment consisting of comparable radios, antennas, transmission lines and a frequency study; failure to act in good faith in the mandatory period should result in conversion to an involuntary relocation and the incumbent should be declared to be in secondary status without compensation.

Modification of Relocation Guidelines

- The extended relocation period for public safety licensees should only be available to a licensee in which a majority of the communications involve the safety of life or property.
- The incumbent's 402 application should be used to make this determination. If a majority of the channels in the initial channel loading , e.g. 51 of 100 channels, carries communications involving the safety of life or property, then the incumbent should qualify for extended relocation.
- Self-certification should not be allowed.

Modification of Relocation Guidelines

- The twelve month test period should not be available to incumbents that accept a cash settlement.
- Conversion to secondary status should occur by April 4, 2001 and certainly no later than 2005.
- Secondary users must cease operations at the request of a PCS licensee.
- Procedures must be implemented to address how to proceed if operations continue.

Conclusion

- A cost sharing plan and modification of relocation guidelines will bring about faster deployment of PCS services and will make the market in CMRS more competitive. Both results are in the public interest.