assurances that either of the stated goals of service to a wide-area and efficient use of contiguous spectrum might be reached.

One interpretation of the Commission's new rules would allow a licensee to construct a system in a sparsely populated area of an EA, employing 50% of the channels in the spectrum block, thereby satisfying the requirement at subsection (d). Then, the EA licensee might construct a single channel within the spectrum block in the largest urban area, to satisfy the requirement under subsection (c). If the combination of these two facilities (sometimes three) also provided ersatz "coverage" to two-thirds of the population of the EA (which is quite possible in many EAs like Chicago and Phoenix)[27] the EA licensee will have fully satisfied all of the requirements for continued licensing in perpetuity under the present rules. When referring to the 20-channel block, the Commission's present rules might be fully satisfied, employing this interpretation, by the construction of no more than eleven transmitters. This wholly possible result is completely irrational in view of the Commission's articulated objectives. And, like the difficulties noted above, Rule 90.685(b) provides EA licensees with the ability to warehouse spectrum without any concurrent obligation to construct a true EA-based system or provide any of the benefits to the public which were the basis for the Commission's decision.

---

[27] Given the possible unintended interpretation of the Commission's present rules, an entity receiving authority for the 120-channel block could satisfy the Commission's construction requirements for the provision of coverage to the Phoenix EA by constructing a 60-channel system in Woodruff, Arizona (population 300) to serve the Petrified Forest National Park, and a single channel within Maricopa County, Arizona (population 2,122,101). Petitioners do not believe that this is what the Commission intended, but that is what the rules which were adopted would permit. If so intended, the Commission's construction requirements were wholly irrational and should be reconsidered.

Petitioners respectfully request that the Commission reconsider its newly created rules to combine its construction requirement paragraphs into a single, likely intended, subsection which would read as follows:

> **(c) EA licensees in the 816-821/861-866 MHz band must, within three years, construct and place into operation a sufficient number of base stations, each employing at least fifty percent of the total channels included in their spectrum block, to provide coverage to at least one-third of the population of its EA-based service area. Further, each EA licensee must provide coverage to at least two-thirds of the population of the EA-based service area within five years from base stations, each employing at least fifty percent of the total channels included in its spectrum block.**

(deleting present subsection (d) and reidentifying present subsection (e) as (d), then amending the references at subsection (e)).

For the Commission to promulgate rules which have any reasonable expectation of creating the systems contemplated by the text of its decision, this change is necessary. As stated above, the present rules are subject to interpretation which, although believed wholly unintended, would subject the marketplace to the chilling effect of unending spectrum warehousing without any concurrent benefit to the public in the delivery of services. Petitioners do not believe that the Commission would welcome the undesirable and irrational results of such an interpretation, and nothing within the text suggests that the Commission is seeking to create anything other than true EA-based, wide-area systems. Accordingly, Petitioners' suggested change would make consistent the Commission's language within the text which states that the Commission's goals in setting construction requirements were to "serve the public interest by deterring spectrum warehousing and ensuring the speedy delivery of SMR service to the public." FRO at para. 312.

Conclusion

For all the foregoing reasons, the Commission should grant reconsideration as suggested herein.

Respectfully submitted,
BANKS TOWER COMMUNICATIONS, LTD.
et al.

By _____
Dennis C. Brown

Brown and Schwaninger
1835 K Street, N.W.
Suite 650
Washington, D.C. 20006
202/223-8837

Dated: March 14, 1996

EXHIBIT 1

List of Petitioners

4X Corporation, Appleton, Wisconsin

AALCOM Communications, Orange City, Florida

Advanced Communications, Inc., Sparks, Nevada

Air Communications of Central Wisconsin, Wisconsin Rapids, Wisconsin

Al-Ray Two-Way Radio, Inc., Tremper, New York

Allstate Mobile Communications Corp., Rochester, New York

Anderson Radio, Inc., Bay City, Michigan

Bandt Communications, Inc., Janesville, Wisconsin

Banks Tower Communications, Ltd., Bala Cynwyd, Pennsylvania

Cartwright Communication Technology, Inc., Knoxville, Tennessee

Cellular Design Corporation, Deer Park, New York

Columbia Communications, Inc., Kennewick, Washington

CommNet Communications Network, Dallas, Texas

EXHIBIT 2

1996 Channel Recovery Program

Nextel Communications, Inc.

Philadelphia Market

February, 1996

Channel Recovery
Wave One Timeline

- Initial Letter dropped Monday, February 5, 1996
  - » Site information to dealers 2/8 and to direct reps 3/4
- Level One Digital offer expires April 30, 1996
- Customer service calls week of March 18
- Reminder Letter will drop April 1, 1996
- Level Two Digital option May 1 - Nov. 30, 1996
- Final Conversion Calls (direct reps) - Week of Nov. 11
- System Shut Down (if applicable) - Dec 1

Channel Recovery

Wave One Offers Available by System

	Digital Option		Reradio Option		
System	Level 1	Level 2	One	Two	Repgm
GE ATL CITY	✓	✓	✓	✓	**NA**
GE BETHEL	✓	✓	✓	✓	**NA**
GE MALVERN	✓	✓	✓	✓	**NA**
GE ROX/SEPTA	✓	✓	✓	✓	**NA**
MOTO 003E	✓	✓	**NA**	**NA**	**NA**

NA - Not Available Option

Philadelphia Market Channel Recovery

Analog Customer Options

Wave One

Digital Conversion Level One (available until April 30, 1996)

- ☞ $150 plus standard trade in pricing for each active analog radio currently being billed and converted to digital
- ☞ 12 month interest free financing (only through NexLease, will not apply to future add-ons)
- ☞ A $5.00 off the monthly access charge for Digital Dispatch Plus service for 12 months each unit activated
- ☞ 60 free local interconnect minutes for each unit activated with Digital Dispatch Plus phone service (on first two bills)
- ☞ An additional $2.00 off the Combination Discount for 12 months for each Business Fair Plan unit activated ($3.75 multi-service discount now becomes $5.75)
- ☞ Short Message Services promotion for NexNote software (expires March 31, 1996)
  - ⇒ New customers receive one free copy of NexNote software
  - ⇒ Sales of 5-9 units receive $50 off NexNote Plus Software
  - ⇒ Sales of 10+ units receive free NexNote Plus software

Guarantee - throughout 1996, we will not provide any customer on this analog system with an offer of greater value, or we will credit their account the appropriate difference

Digital Conversion Level Two (available May 1, - Nov 30, 1996)

- ☞ $100 plus standard trade in pricing for each active analog radio currently being billed and converted to digital
- ☞ 30 free local interconnect minutes for each unit activated with Digital Dispatch Plus Phone service (on first two bills)
- ☞ An additional $2.00 off the Combination Discount for 12 months for each Business Fair Plan unit activated ($3.75 multi-service discount now becomes $5.75)

Digital Conversion Restrictions:

All expiration dates are final and will not be extended

All channel recovery proposals must include the proper expiration date of promotions

All signed paper work and monies must be in on or before the expiration date for customers to qualify for a given offer

Customers electing not to trade in their analog equipment forfeit all additional 'channel recovery' trade in dollars

All discrepancies must be discussed and approved by management before a written offer can be presented

1. if unit count is greater than what was provided on customer lists
2. if a customer from a targeted system was omitted from the customer list

Digtial Conversion Commission:

Full digital commission will be paid to both the direct and indirect channels for each unit converted to digital via either Level One or Level Two channel recovery offer.

Philadelphia Market Channel Recovery

Analog Customer Options

Wave One

ReRadio to a New Analog System- Option One (available until Nov. 30, 1996)

Only available for customers on analog systems which are completely coming down and current equipment cannot be reprogrammed.

Customer pays:

New Standard analog radio (dual format)

5810 mobile..... ..... $350

HX580 portable.. ..... $535

removal (with install $25)..... .....$50

installation..... ..... $100

antenna..... ..... $60

Customers must provide cash in full with their order.

ReRadio to a New Analog System- Option Two (available until Nov. 30, 1996)

Only available to customers on analog systems which are completely coming down and current equipment cannot be reprogrammed.

Customer pays:

used analog equipment (from Ft Worth warehouse) ..... $150 (based on availability)

removal (with install $25)..... ..... $50

installation..... ..... $100

Customer must provide cash in full with their order or may rent this equipment at $50 per month (includes access and airtime only). Rented equipment remains the property of Nextel.

Reradio Restrictions:

There is no trade in allowance available for reradio customers

Customers must exercise a new analog service agreement

Only Nextel will determine which analog systems the customers may be placed on

Customers must pay the "new" analog rates for each system they are moved to

Nextel will not guarantee how long these 'new' systems will remain up past December 31, 1996

Nextel does not guarantee that coverage on the 'new' analog system(s) will equal that of customers current system(s).

Nextel does not guarantee the same load conditions on these 'new' systems

Customers selecting one of these options will forfeit the opportunity to convert to the digital network under either of the current options

Nextel does not guarantee future digital offers will equal those currently available

Philadelphia Market Channel Recovery

Analog Customer Options

Wave One

Reprogramming to Another Analog Channel (available until Nov. 30, 1996)
Nextel will pay dealers (free to customers)

reprogramming fee per radio..... $15 (1-10 units) or $10 (11+ units)
trip charge (if applicable)..... $35 (paid once per customer)

Only available to Motorola customers on systems which are coming down and can be reprogrammed onto another Motorola system. Or customers on LTR (Johnson) systems occupying channels which are coming down and they use as their home channel.

Reprogram Restrictions:
Customers must sign a new analog service agreement.
No trade in available for reradio customers.
Only Nextel determines which system these customers are placed on.
Customer must pay new analog rates for system they are placed on.

Analog Conversion Commission:

No commission will be paid to either the direct or indirect channels for customers converting to another Nextel analog system via either of the reradio options or reprogramming

Nextel will pay the indirect channel $50 commission for each unit "identified" during analog reprogramming which was not being billed and is to be reprogrammed to the new analog system at the current market rates

Channel Recovery
Wave One Analog Systems

- **GE Atlantic City (site 5362)**
  - » site will be shut down 12/1
  - » 1 customer, 5 units
  - » analog options - Motorola Trump Towers (site 1D25)

- **GE Bethel (site 5363)**
  - » site will be shut down 12/1
  - » 51 customers, 625 units
  - » analog options - LTR Brandywine (site 5205)
    LTR Media (site 5350)
    Motorola KISS (site 203B)

Channel Recovery
Wave One Analog Systems (cont.)

- **GE Malvern (site 5361/5365)**
  - » site will be shut down 12/1
  - » 18 customers, 107 units
  - » analog options - LTR Malvern (site 5344)
    Motorola Malvern (site 0819)
- **GE Roxborough/SEPTA (site 5364)**
  - » site will be shut down 12/1
  - » 25 customers, 239 units
  - » analog options - LTR WFLN (site 5346)
    Motorola SEPTA (site 1B2E)
    Motorola Channel 57 (site 5803)

Channel Recovery
Wave One Analog Systems (cont.)

- **Motorola Philly Downtown (site 003E)**
  - » channels will be removed
  - » 91 customer, 1,168 units
  - » analog option - none

- In all cases, Nextel will determine which analog option, from those listed, the customer may be placed on

Nextel Communications
3580 Progress Dr., Unit "R", Bensalem, PA 19020
215 638-8600 FAX 215 638-8865

February 5, 1996

INITIAL LETTER - SYSTEM BEING SHUT DOWN

PRESIDENT/GENERAL MANAGER
«NAME_1»
«ADDRESS_1»
«CITY», «ST» «ZIP»-«ZIP1»

Dear President/General Manager:

I am writing to inform you that all of the channels on the (system name and site #) are scheduled to be converted to our new digital network by year end. To accomplish this, we will need to convert these channels throughout the year, with the final analog channel scheduled for conversion on December 1, 1996. The result will be a continuous degradation of service quality of your communication system until it is completely shut down in December.

As an existing customer, you are one of Nextel's most valuable assets. We are confident our fully integrated digital solution can provide your company with many benefits over any existing communication system. Some of these benefits include: wide area coverage; greater capacity; fully integrated dispatch, interconnect, short messaging, paging and voice mail services; improved sound clarity; privacy and security.

In appreciation for your continued business, we have designed our most aggressive incentive package to encourage you to upgrade to our digital service today. Our special offer includes:

- A $150 trade in credit for each active analog radio you are currently being billed by Nextel which you convert to our digital network
- $5 off the monthly access rate of our Digital Dispatch Plus service for 12 months
- 60 free local interconnect minutes for each unit activated with Digital Dispatch Plus Phone Service
- An additional $2.00 off the Combination Discount for 12 months for each unit activated with Business Fair Plan mobile phone service
- 12 months of interest free financing, through NexLease, for all digital equipment purchased from Nextel (all units must be activated at the same time - does not apply to future add-ons)
- Our guarantee that, in 1996, we will not provide any customer on this/these analog system(s) with an offer of greater value, or we will credit your account the appropriate difference

This exclusive offer will expire on April 30, 1996. Any subsequent offers will be significantly reduced in comparison to the one outlined above.

To ensure there is no interruption of your current communications service, we will be contacting you to schedule a meeting to discuss the benefits of our digital system and our limited time incentive offer. Your Nextel representative will be prepared to answer any questions you might have. In the interim, feel free to **contact us at 1-800-NEXTEL9**.

Sincerely,

Nextel Communications

Nextel Communications
3580 Progress Dr., Unit "R", Bensalem, PA 19020
215 638-8600 FAX 215 638-8865

February 5, 1996

INITIAL LETTER - CHANNELS BEING REMOVED

PRESIDENT/GENERAL MANAGER
«NAME_1»
«ADDRESS_1»
«CITY», «ST» «ZIP»-«ZIP1»

Dear President/General Manager:

I am writing to inform you that a number of channels from the (site name and site #) are scheduled to be converted to our new digital network throughout 1996. The result will be a degradation of service quality of your communication system.

As an existing customer, you are one of Nextel's most valuable assets. We are confident our fully integrated digital solution can provide your company with many benefits over any existing communication system. Some of these benefits include: wide area coverage; greater capacity; fully integrated dispatch, interconnect, short messaging, paging and voice mail services; improved sound clarity; privacy and security.

In appreciation for your continued business, we have designed our most aggressive incentive package to encourage you to upgrade to our digital service today. Our special offer includes:

- A $150-$300 trade in credit (depending on the model and condition) for each active analog radio you are currently being billed by Nextel which you convert to our digital network
- $5 off the monthly access rate of our Digital Dispatch Plus service for 12 months
- 60 free local interconnect minutes for each unit activated with Digital Dispatch Plus Phone Service
- An additional $2.00 off the Combination Discount for 12 months for each unit activated with Business Fair Plan mobile phone service
- 12 months of interest free financing, through NexLease, for <u>all</u> digital equipment purchased from Nextel (all units must be activated at the same time - does not apply to future add-ons)
- Our guarantee that, in 1996, we will not provide <u>any</u> customer on this/these analog system(s) with an offer of greater value, or we will credit your account the appropriate difference

This exclusive offer will expire on April 30, 1996. Any subsequent offers will be significantly reduced in comparison to the one outlined above.

To ensure there is no interruption of your current communications service, we will be contacting you to schedule a meeting to discuss the benefits of our digital system and our limited time incentive offer. Your Nextel representative will be prepared to answer any questions you might have. In the interim, feel free to **contact us at 1-800-NEXTEL9**.

Sincerely,

Nextel Communications

NEW ANALOG PRICING
OPTIONAL TOWERS
Wave One

			DISPATCH	AIRTIME	AIRTIME	TELEPHONE	AITRIME	AIRTIME	SECONDARY
SITE	TYPE	SYS #	ACCESS	ALLOWANCE	RATE/MIN	ACCESS	ALLOWANCE	RATE/MIN	ACCESS
AC Trump Tower	Motorola	1D25	$16.00	60	$0.25	$30.00	60	$0.30	$8.00
Brandywine	LTR	5205	$16.00	60	$0.25	$20.00	30	$0.30	$5.00
Media	LTR	5350	$16.00	60	$0.25	$20.00	30	$0.30	$5.00
KISS Tower	Motorola	203B	$16.00	60	$0.25	$20.00	30	$0.30	$5.00
Malvern	LTR	5344	$16.00	60	$0.25	$20.00	30	$0.30	$5.00
Malvern	Motorola	0819	$16.00	60	$0.25	$35.00	60	$0.30	$8.00
WFLN	LTR	5346	$16.00	60	$0.25	$20.00	30	$0.30	$5.00
SEPTA/Rox	Motorola	1B2E	$16.00	60	$0.25	$20.00	30	$0.30	$5.00
Channel 57	Motorola	5803	$16.00	60	$0.25	$20.00	100	$0.30	$5.00

Pricing Summary

- *Pricing And Activation's Effective 1/29*
- *Plan 75 Add-On's:*
  - → Customers can add-on to existing plans with new equipment price
- *Prospects May Not Mix Old Service Pricing With New Equipment Rates*
- *Existing Quotes Will Be Honored Until 1/26*
  - → *Effective 1/27 proposals must contain new pricing*
  - → *New equipment pricing must be quoted with new trade in pricing*
- *No Changes In Accessory Pricing And Base Station Installation Packages*
- *25% Discount on Business Fair Plan Access and Airtime Good Through 6/30/96*

1996 NEXTEL SERVICE RATES

Metro Philadelphia

Digital Dispatch Plus[1]

	Plan 250	Plan 500
Monthly Access	$30.00	$50.00
Minutes Included †	250	500
Additional Minutes	$0.10	$0.08
Mobile Phone Included Minutes	0	0
Mobile Phone Per Minute Charge	$0.60	$0.60

† *Rated on a per-second basis.*

Combination Discount (per unit)	Discount
	$5.00

Multi-Service Discount applies only to the units activated with either Plan 250 or Plan 500 in conjunction with a Business Fair Plan. Both digital dispatch and mobile phone service must be under the same account.

Message Mail™[5]

Monthly Access (per unit)	$5.00
Numeric Pages - (from a touch tone phone)	Included
Alphanumeric Messages (per message)	$0.10
Operator Assisted Messages (per message)	$0.60

Voice Mail[6]

Monthly Access (per Mailbox)	$5.00
Numeric Paging	Included

Digital Mobile Phone[2]

Business Fair Plan*

Monthly Access	Per Unit[3]
1 unit	$26.00
2-4 units	$24.00
5-9 units	$22.00
10-24 units	$18.00
25-49 units	$16.00
50-99 units	$14.00
100-249 units	$13.00

Monthly Airtime[4]	Peak	Off-Peak
1-99 minutes	$0.38	$0.20
100-249 minutes	$0.37	$0.19
250-499 minutes	$0.36	$0.18
500-749 minutes	$0.35	$0.17
750-999 minutes	$0.34	$0.17
1,000-2,499 minutes	$0.33	$0.16
2,500-4,999 minutes	$0.32	$0.16

For accounts with 250 or more Nextel units, please see your Sales Representative for Major Account Rates.

*All calls made by Metro Philadelphia customers while traveling between Philadelphia and NY, MD, NJ, D.C. & MA are billed at the above airtime rates plus any applicable long distance charges.

Prices Effective Through 6/30/96

Which Pricing Plan Is Better For Your Customer?

- Determine the average number of mobile phone minutes the customer expects to use each month.
- Follow that level of usage across to the number of units the customer will purchase to determine which pricing plan is more advantageous for your customer.
- Customers who expect each user to use over 100 minutes of mobile phone service should choose the Business Fair Plan, no matter how many units are purchased.

	# of Units							
	1	2	3	4	5	10	15	25
[illegible]	DP	DP	DP	DP	DP	DP	DP	DP
[illegible]	DP	DP	DP	DP	DP	DP	DP	DP
[illegible]	DP	DP	DP	DP	DP	DP	DP	DP
[illegible]	DP	DP	DP	DP	DP	BFP	BFP	BFP
[illegible]	DP	DP	DP	DP	BFP	BFP	BFP	BFP
[illegible]	DP	BFP	BFP	BFP	BFP	BFP	BFP	BFP
[illegible]	BFP	BFP	BFP	BFP	BFP	BFP	BFP	BFP
[illegible]	BFP	BFP	BFP	BFP	BFP	BFP	BFP	BFP
[illegible]	BFP	BFP	BFP	BFP	BFP	BFP	BFP	BFP
[illegible]	BFP	BFP	BFP	BFP	BFP	BFP	BFP	BFP
[illegible]	BFP	BFP	BFP	BFP	BFP	BFP	BFP	BFP

DP = Dispatch Plus Plan
BFP = Business Fair Plan

NEXTEL®

NEXTEL DIGITAL MOBILE PHONE SERVICE RATES

Quick Reference Guide for Promotional Pricing Program*

Metro Philadelphia

Digital Mobile Phone - Business Fair Plan

Number of Units	Monthly Access Per Unit
1 unit	$15.75
2 - 4 units	$14.25
5 - 9 units	$12.75
10 - 24 units	$9.75
25 - 49 units	$8.25
50 - 99 units	$6.75
100 -249 units	$6.00

Note: The Monthly Access pricing listed includes the combination discount**

Airtime*** (per minute)	Peak	Off-Peak
1 - 99 minutes	$0.29	$0.15
100 - 249 minutes	$0.28	$0.14
250 - 499 minutes	$0.27	$0.14
500 - 749 minutes	$0.26	$0.13
750 - 999 minutes	$0.26	$0.13
1000 - 2499 minutes	$0.25	$0.12
2500 - 4999 minutes	$0.24	$0.12

** Combination Discount ($3.75) applies only to the units activated with either the Digital Dispatch Plus Plan 200 or Digital Dispatch Plus Plan 500 in conjunction with the Mobile Phone - Business Fair Plan. Both digital dispatch and mobile phone service must be activated under the same account.

*** All calls made by Nextel Metro Philadelphia customers while traveling between Philadelphia and NY, MD, NJ, DC & MA are billed at the above airtime rates plus any applicable long distance charges.

Free Promotional Airtime

Promotional program also includes 500 free minutes of local airtime per unit for the first full month of phone service. If activitated in the middle of a billing cycle, the customer will also receive a prorated portion of an additional 500 minutes of free local airtime.

* **Promotional pricing valid through June 30, 1996**

Digital Equipment Pricing

	Mobiles		*Portable*	*Base Station*
	Dispatch Mobile	Multi-Service Mobile	Multi-Service Flip Package	Multi-Service Base Station
1 - 5 units	$839	$839	$759	$819
6 - 49 units	$799	$799	$729	$779
50 + units	$779	$779	$699	$759

1) Calculation of volume discount applies to digital units purchased under the same purchase order, to be activated within 90 days of the date of the P.O. only. Credit will NOT be given against previously purchased units. However, previously purchased units do count in determining the tier level for new purchases.

2) Mobile units include mobile antenna, external speaker, visor mic (if applicable), and installation of Nextel unit. An additional fee will be charged for deinstallation of previously installed units.

3) Portable package includes portable antenna, two extended life batteries, battery belt clip, dual pocket rapid charger, and programming Nextel Unit.

4) Base Station units include power supply, external speaker, visor mic (if applicable), and optional compact mic, handset, or paddle mic. Pricing of Base Station models does not include cost of installation or antenna.

Effective 1/8/95 through 3/31/95

NEXTEL

Preliminary
1996 Trade In Pricing

$150.00 Trade In Value

Motorola	Visar 800, Spectra, MTX 8000

$75.00 Trade In Value

EF Johnson	8600, 8604, 8605, 8615, 8655, 8565, Viking Series
Kenwood	TK430, TK431, TK930HD, TK9301HD, TK940, TK941
Motorola	Maxtrac, MTX 800/810, PP1000, PP1000X, PP2000, STX
Standard	HX580TD, HX580TJ, HX580TM, HX581TD, HX581TJ, HX581TM, HX582TD, HX582TJ, HX582TM, GX5810T

All Trade in units must be operational and in reasonably good condition with limited signs of wear and tear

Confidential

Nextel Communications
3580 Progress Dr., Unit "R", Bensalem, PA 19020
215 638-8600 FAX 215 638-8865

NEXTEL

DECEMBER 11, 1995

NEXTEL ANALOG SYSTEMS AVAILABLE

FOR LOADING

SYSTEM #	SYSTEM TYPE	SYSTEM LOCATION
AA2B	MOTOROLA	SWAINTON, NJ
1809	MOTOROLA	READING, PA
1BOA	MOTOROLA	HARRISBURG, PA
142C	MOTOROLA	ALLENTOWN, PA (ADD ONLY)

SYSAVAIL