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

In the Matter of	)	
	)	
Amendment of the Commission's Rules Regarding the 37.0-38.6 GHz and 38.6-40.0 GHz Bands	)	ET Docket No. 95-183 RM-8553
	)	
Implementation of Section 309(j) of the Communications Act -- Competitive Bidding, 37.0-38.6 GHz and 38.6-40 GHz	)	PP Docket No. 93-253

To: The Commission

REPLY COMMENTS

In the above-captioned Notice of Proposed Rule Making and Order ("NPRM"), the Commission proposes amending its rules to establish a channel plan, licensing requirements, and technical rules so that fixed point-to-point microwave service ("FS") licensees could use the 37.0-38.6 GHz band ("37 GHz band") and the 38.6-40.0 GHz band ("39 GHz band"). Pursuant to Section 1.415 of the Commission's Rules,[1] Alcatel Network Systems, Inc. ("ANS"),[2] by its attorney, hereby submits its reply comments on the NPRM.[3]

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[1]47 C.F.R. Section 1.415 (1996).

[2]ANS is a wholly-owned subsidiary of Alcatel Alsthom ("Alcatel"), one of the world's largest corporations (with annual sales in excess of $30 billion) and the world's largest manufacturer and supplier of telecommunications equipment. In particular, Alcatel is the world's largest independent manufacturer and supplier of microwave radios. Formerly Collins Radio and Rockwell International, ANS, with over $750 million in annual sales, is a world leader in manufacturing microwave and light wave transmission systems. ANS' equipment is used for a wide range of services, including short, medium and long-haul voice, video and data transmission. Its microwave customers include all the Bell Operating Companies, most major independent telephone companies, cellular operators, power and other utility companies, oil companies, railroads, industrial companies, and state and local government agencies.

[3]The deadline for filing reply comments on the NPRM was extended to April 1, 1996. Order (DA 96-144, released February 9, 1996).

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As detailed in its Comments, ANS generally supports adoption of the rules proposed in the NPRM. However, certain revisions are necessary to ensure that these rules protect FS users and serve the public interest.

Alcatel totally supports the positions taken by the Fixed Point-to-Point Communications Section, Network Equipment Division of the Telecommunications Industry Association ("TIA"), in this proceeding. Alcatel agrees with TIA's Reply Comments, in which it strongly recommends that the Commission adopt the proposals in the NPRM, provided that the following rules are included:

- Mobile users must be excluded from the 37-40 GHz band. Mobile receiver selectivity characteristics preclude sharing with FS users. Coordination of sharing would be unrealistic to accomplish. Sharing would allow two completely different and incompatible technologies in the 37-40 GHz band.

- Harmonization of the channelization and technical rules for the 37 and 39 GHz bands must be established. Availability of cost-effective equipment would be expedited and a competitive equipment market would be encouraged.

- Appropriate interference protection standards and streamlined procedures for precluding harmful interference to and from authorized FS operations must be developed and implemented.

- The introduction of Fixed-Service Satellite into the 37-40 GHz band (i.e., a proposal by Motorola Satellite Communications, Inc.) should not be permitted until need for such spectrum is demonstrated. Moreover, feasibility studies must be completed which prove such sharing is possible without degrading FS operations.

- Sharing with Government users should not be permitted or should be limited to only a few channels. Sharing with Government space research is unacceptable because it would severely degrade FS operations.

- To avoid having to make an unexpected second payment for their systems, PCS licensees should be exempt from auctions for a limited period. Use of auctions for private FS licenses is not realistic and private FS users

should not be required to pay entry costs. As an alternative, user fees could be considered.

- Establishment of firm requirements for completion of build-out is inappropriate in a "demand driven" market. If build-out requirements are adopted, they should apply equally to all users of the entire 37-40 GHz band.

- The "freeze" on processing existing "39 GHz" applications and the modifications thereof should be lifted.

Respectfully submitted,

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March 29, 1996

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing Reply Comments will be mailed via first class mail, postage prepaid, to the following parties on the first day of April, 1996.

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