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

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In the Matter of	)	
	)	
Amendment of Part 90 of the	)	PR Docket No. 93-144
Commission's Rules to Facilitate	)	RM-8117, RM-8030
Future Development of SMR Systems	)	
in the 800 MHz Frequency Band	)	
	)	
Implementation of Sections 3(n) and 332	)	
of the Communications Act	)	GN Docket No. <u>93-252</u>
Regulatory Treatment of Mobile Services	)	
	)	
Implementation of Section 309(j)	)	
of the Communications Act -	)	PP Docket No. 93-253
Competitive Bidding	)	
800 MHz SMR	)	

To: The Commission

**NEXTEL COMMUNICATIONS, INC.**  
**OPPOSITION TO PETITIONS FOR RECONSIDERATION**

**NEXTEL COMMUNICATIONS, INC.**

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Dated: April 16, 1996

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## SUMMARY

On December 15, 1995, the Federal Communications Commission ("Commission") released new rules ("the First Report and Order") governing the geographic area licensing of Specialized Mobile Radio ("SMR") systems on the upper 200 800 MHz SMR channels. These rules were mandated by the Omnibus Budget Reconciliation Act of 1993 and were essential for SMR operators to achieve regulatory parity with their Commercial Mobile Radio Service ("CMRS") competitors, including cellular and Personal Communications Services providers.

On March 18, 1996, some 20 parties, including Nextel Communications, Inc. ("Nextel"), filed Petitions for Reconsideration and/or Clarification, of the First Report and Order. Nextel's Petition sought reconsideration and/or clarification of specific, limited issues, but otherwise fully supported the Commission's decision to geographically license the upper 200 channels on a contiguous basis via auctions, and to provide for mandatory retuning/relocation of incumbents.

The majority of the other March 18 petitioners, including SMR WON, the American Mobile Telecommunications Association ("AMTA") and the Personal Communications Industry Association, also support the Commission's decisions on the upper 200 channels when coupled with Commission adoption of the industry's consensus proposal for future licensing of the lower 80 SMR channels and the 150 former General Category channels. This industry consensus, proposed in SMR WON's, AMTA's and Nextel's Comments and Reply Comments on the Second Further Notice of Proposed Rule Making in this proceeding,

would result in geographic-area licenses on the lower channels among cooperating incumbents.

The overwhelming support for the policy decisions in the First Report and Order is countered only by clients of one law firm, and a handful of utility companies opposed to the prospective reclassification of the General Category channels. Each of these petitioners raises issues, *e.g.*, the appropriate marketplace in which SMRs compete, and the extent of the Commission's auction authority, which have already been addressed and resolved by the Commission on more than one occasion.

The Southern Company ("Southern"), a public utility company which has recently established its own telecommunications subsidiary, substantially increased its own communications capacity, and expressly stated that it will market excess capacity to third parties, attacks the First Report and Order. In the last two years, Southern has added significant spectrum to its communications system in order to not only meet its own internal communications needs but also to serve third parties. The Commission's reclassification of the 150 former General Category channels to SMR forces regulatory parity on Southern, a company hiding behind the guise of utility status. Under the First Report and Order, Southern will have to pay for what it has -- up to now -- been receiving for free. More importantly, if the Commission had not reclassified the General Category channels, then Southern would continue to obtain for free what its telecommunications competitors must compete and bid for in an auction. If Southern is going to

offer competitive third party communications services, it -- like every other SMR operator -- should be required to pay for its spectrum, and it should not be eligible in the Industrial/Land Transportation Pool.

The Commission's First Report and Order is a legally-supportable and factually-sound decision that -- particularly when coupled with the industry consensus proposal discussed herein -- properly balances all of the interests of the SMR industry, and provides a significant impetus for a more competitive CMRS marketplace. The Commission compiled a significant record, extensively reviewed the positions of various industry participants, and even convened an unprecedented, publicly-announced industry-wide meeting to further discuss the issues, elicit industry input, and provide an additional opportunity to comment on the proceeding. Based on this extensive record, the Commission concluded that geographic-based SMR licensing on contiguous spectrum, coupled with mandatory retuning/relocation, is in the public interest. Therefore, the Commission should deny the petitions for reconsideration discussed herein and promptly commence the 800 MHz SMR auctions provided in the First Report and Order.

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To: The Commission

**NEXTEL COMMUNICATIONS, INC.**  
**OPPOSITION TO PETITIONS FOR RECONSIDERATION**

**I. INTRODUCTION**

Pursuant to Section 1.429(f) of the Rules of the Federal Communications Commission ("Commission"), Nextel Communications, Inc. ("Nextel") respectfully submits this Opposition to Petitions For Reconsideration ("Opposition") which were filed herein on March 18, 1996, in response to the Commission's First Report and Order, Eighth Report and Order, and Second Further Notice Of Proposed Rule Making (collectively, the "First R&O") in the above-referenced docket.<sup>1/</sup>

In comparison to the large volume of comments and reply comments filed throughout this proceeding, the Commission should

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<sup>1/</sup> FCC 95-501, released December 15, 1995.

take note of the relatively few Petitions for Reconsideration filed against its final decisions in the First R&O.<sup>2/</sup> Most of the Petitions for Reconsideration focused on limited, specific issues, e.g., reclassification of the General Category channels to the Specialized Mobile Radio ("SMR") service,<sup>3/</sup> the new emission mask rules,<sup>4/</sup> and elimination of the extended implementation grants.<sup>5/</sup>

Nextel, although fully supportive of the Commission's overall decision to auction the upper 200 channels and require mandatory relocation/retuning, sought reconsideration or clarification of (1) the minimum bid increment rule to ensure that it does not, in effect, work as a minimum bid requirement; (2) the installment payment plan for small businesses; (3) the proper public interest showing for maintaining extended implementation grants; (4) the definition of a "potential EA applicant" for purposes of the pre-auction negotiations; (5) the need for cooperation among EA licensees in the retuning/relocation process; (6) the specific

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<sup>2/</sup> Over 70 comments and 40 reply comments were filed in response to the Commission's Further Notice of Proposed Rule Making in which it proposed to license the upper 200 channels on a geographic area basis. In contrast, only some 20 pleadings were filed on March 18, and, of those, only a handful actually sought reconsideration of the Commission's decision to license the upper 200 contiguous channels on a geographic basis using auctions and to require mandatory relocation of incumbents.

<sup>3/</sup> See, e.g., Association of Public-Safety Communications Officials-International, Inc.; Consumers Power Company; Entergy Services, Inc.; and Industrial Telecommunications Association.

<sup>4/</sup> Ericsson Corporation at pp. 1-2.

<sup>5/</sup> See Idaho Communications Limited Partnership; Industrial Communications and Electronics, Inc.; Digital Radio, L.P.

requirements for providing proper notice to potential retunees; and (7) the need to reduce the mandatory retuning/relocation process from two years to one year to speed the delivery of new services to the public.

Only some five of the petitioners actually challenged the Commission's overall decision to auction the upper channels, and four of those pleadings were filed by a single law firm.<sup>6/</sup> Contrary to the claims of these parties, the First R&O achieves the Commission's objectives by "striking a fair and equitable balance between the competing interests of 800 MHz SMR licensees," promoting competition, providing opportunities for incumbents, promoting technological innovation, and eliminating "a cumbersome regulatory scheme."<sup>7/</sup>

Given the industry-wide interest and participation in this proceeding, the limited number parties seeking reconsideration of geographic-area licensing of the upper 200 channels using competitive bidding further evidences that the conclusions in the First R&O are in the public interest. They provide a fair, competitive SMR licensing process which will enable SMR operators

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<sup>6/</sup> The Law Firm of Brown and Schwaninger filed four separate Petitions For Reconsideration, each of which generally challenges the Commission's authority to auction the channels and relocate incumbents. See Fresno Mobile Radio, Inc. ("Fresno"); Banks Tower Communications, Ltd.; Pro-Tec Mobile Communications, Inc.; and Supreme Radio Communications, Inc. Beyond these petitions, not a single SMR operator challenged the new licensing process established in the First R&O.

<sup>7/</sup> First R&O at para. 2.

to effectively compete in the emerging Commercial Mobile Radio Services ("CMRS") marketplace.

Support for the Commission's decisions in the First R&O is also found in the Petitions of the American Mobile Telecommunications Association ("AMTA") and the Personal Communications Industry Association ("PCIA"), two industry trade associations. AMTA, the SMR trade association, states that "the regulatory framework adopted in the First Report and Order is generally sound."<sup>8/</sup> Moreover, AMTA states, "[i]n conjunction with the proposal detailed in the March 1, 1996 Joint Reply Comments of [AMTA], SMR WON, and Nextel [], the licensing approach adopted in the First Report and Order reasonably balances the interests of various segments of the diverse [SMR] service industry."<sup>9/</sup>

PCIA likewise supports the First R&O in the context of an overall SMR licensing plan that includes the Industry Consensus Proposal of March 1. In the Industry Consensus Proposal, SMR WON, AMTA and Nextel -- three commenters initially at odds over the future licensing of SMRs -- jointly proposed a process for awarding geographic-area licenses on the lower channels among cooperating incumbents. Each of these commenters, now joined by PCIA, fully

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<sup>8/</sup> AMTA at p. 1.

<sup>9/</sup> *Id.* See also Comments of Nextel, Comments of SMR WON, and Comments of the American Mobile Telecommunications Association ("AMTA"), filed in PR Docket No. 93-144, on February 15, 1996, in response to the Commission's Second Further Notice of Proposed Rule Making ("Second FNPRM") in this docket. See also Joint Reply Comments of SMR WON, AMTA and Nextel, filed March 1, 1996 ("the Industry Consensus Proposal").

believes that the Commission's general auction and mandatory relocation/retuning rules for the upper channels, when coupled with the Industry Consensus Proposal, will offer all SMR participants a fair and equitable opportunity for continued operation and growth in the SMR industry.<sup>10/</sup> The licensing rules in the First R&O, and the Industry Consensus Proposal for the lower channels, create an SMR licensing process that is fair and efficient, and that would provide opportunities for all SMRs -- existing and prospective, and large and small -- to compete in the CMRS marketplace.

Nextel files this Opposition to respond to specific issues raised by certain petitioners and to once again voice its support for the Commission's legally-sound and factually-supported decisions in the First R&O. Moreover, as PCIA stated in its Petition For Reconsideration, "continued delay in completion of this proceeding only imposes additional burdens on SMR operators [and] only serves the interests of wireless competitors outside the 800 MHz band."<sup>11/</sup> Nextel therefore supports PCIA in requesting that the Commission act quickly in affirming its decisions in the First R&O and in establishing dates for the 800 MHz SMR auction so SMR operators can more rapidly deploy their new, competitive CMRS services.

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<sup>10/</sup> See PCIA at p. 17, wherein PCIA states that it "would be willing to forego its request for reconsideration" if "the Commission adopts the [Industry Consensus Proposal]."

<sup>11/</sup> *Id.*

## II. DISCUSSION

### A. The First R&O Strikes A "Fair And Equitable Balance" Between Competing 800 MHz SMR Interests

In the First R&O, the Commission stated that its new SMR licensing rules do not "benefit any particular entity, but [] provide opportunities for a variety of licensees. . ."12/ As discussed above, these opportunities would be further enhanced by coupling upper 200 channel geographic-based licensing with the Industry Consensus Proposal for future licensing of the lower 80 SMR channels and the 150 former General Category channels. These new SMR licensing rules are not only beneficial to the SMR industry, but are indispensable to the competitiveness of SMRs because "the current licensing scheme would not allow the expeditious implementation of wide-area systems utilizing contiguous spectrum, because 800 MHz channels presently are not distributed on a contiguous basis."13/

Notwithstanding the above, the Southern Company ("Southern") attacks the First R&O and cites to misleading figures regarding the status of SMR licensing to support its position.14/ These figures are misleading because they do not account for structural differences between local, traditional SMR systems and wide-area digital SMR systems. The traditional SMR licensees operate on single high-power, high-tower stations which use a frequency over

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12/ First R&O at para. 14.

13/ *Id.*

14/ Southern at p. 9, *citing* Comments of SMR WON, filed in this proceeding, at pp. 29-30.

a 70-mile radius. When a customer is using that frequency, no other use can be made of it within that 70-mile area. In contrast, Nextel's wide-area SMR systems employ multiple low-tower, low-power stations within a geographic region, frequently reusing a single channel with call hand-off capabilities, and thereby gaining spectrum efficiency without additional frequencies albeit with substantial numbers of individual licenses.

Because Part 90 of the Rules requires that each SMR base station be individually licensed with its own call sign, a wide-area SMR like Nextel will have many more licenses within the same geographic area than a traditional SMR. A wide-area SMR licensee typically re-licenses many of the same channels in a given geographic area where the traditional SMR licensee would operate under a single license. This "re-licensing" results in a large number of licenses reusing the same discrete amount of spectrum. Southern's petition ignores these realities and is therefore wrong. In fact, a primary objective of the First R&O is to replace antiquated site-by-site SMR licensing with a single geographic authorization to eliminate the disparate regulatory burdens on SMRs vis-a-vis other CMRS licensees.

The second convenient mischaracterization in Southern's use of these SMR licensing figures is their irrelevance to the overall CMRS marketplace -- the marketplace within which the Commission has concluded on numerous occasions that SMRs compete -- and to the resulting conclusions in the First R&O.<sup>15/</sup> All SMR operators'

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<sup>15/</sup> See, e.g., First R&O at para. 43.

combined spectrum position is far smaller than that of its broadband CMRS competitors -- cellular and Personal Communications Services ("PCS").<sup>16/</sup> By focusing on a narrow definition of the market, in utter disregard for the Commission's previous conclusions otherwise, Southern further misconstrues the impact of the Commission's decisions in the First R&O.

B. The Revised SMR Licensing Rules Will Promote The Public Interest

Southern also claims that the Commission "failed to adequately consider the public interest in promulgating its rules."<sup>17/</sup> This blatantly ignores the Commission's efforts in providing for, in essence, two rounds of comments, two rounds of reply comments, and one final round of "supplemental comments,"<sup>18/</sup> as well as the Commission's well-articulated, 175-page, 866-footnote explanation and justification for its conclusions.

For example, in establishing contiguous blocks of spectrum for SMRs, the Commission found that such flexibility would enhance SMR competitiveness vis-a-vis CMRS competitors already operating on contiguous spectrum, thereby furthering the public interest in

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<sup>16/</sup> The Commission has imposed an overall CMRS spectrum cap, thus limiting CMRS providers to 45 MHz of spectrum in any market. See Third Report and Order, 9 FCC Rcd 7988 (1994) at para. 238.

<sup>17/</sup> Southern at p. 3.

<sup>18/</sup> The parties in this proceeding have had an opportunity to comment on the Commission's proposal to initiate a new SMR licensing scheme by filing comments and reply comments on the Notice Of Proposed Rule Making in GN Docket No. 93-252 and PR Docket No. 93-144, and comments and reply comments on the Further Notice of Proposed Rule Making in PR Docket No. 93-144. Parties were then provided a final opportunity to comment after the Commission's September 18, 1995 industry-wide meeting.

creating a competitive telecommunications marketplace.<sup>19/</sup> Contiguous spectrum, moreover, promotes the Congressional goal of regulatory symmetry among all CMRS providers, thereby further enhancing competition.<sup>20/</sup>

In choosing Economic Areas ("EAs") rather than Major Trading Areas ("MTAs") for wide-area SMR licensing (notwithstanding Nextel's continuing support of MTAs), the Commission concluded that the public interest would be better served by smaller licensing areas because they would promote opportunities for a wider variety of SMR applicants and thereby enhance the likelihood that the licenses would be more widely disseminated.<sup>21/</sup> The Commission's decision to require mandatory relocation of incumbents was made, in part, because it will ensure a "smooth and equitable transition" to wide-area licensing, thereby furthering the public interest in rapid deployment of new, competitive enhanced SMR services.<sup>22/</sup>

The Commission's decision to establish five-year construction deadlines is intended to protect against spectrum warehousing as well as facilitate the benefits of rapidly deploying new services.<sup>23/</sup> The Commission concluded that the five-year

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<sup>19/</sup> First R&O at para. 14.

<sup>20/</sup> *Id.* at para. 13.

<sup>21/</sup> *Id.* at para. 23.

<sup>22/</sup> *Id.* at para. 73. Based on the record in this proceeding, its experiences in the PCS auction/mandatory relocation process, and previous experiences in the SMR marketplace, the Commission concluded that voluntary relocation would not provide an effective or efficient process for achieving contiguous SMR spectrum. *Id.*

<sup>23/</sup> *Id.* at para. 104.

deadline, which is shorter than that provided PCS licensees, would ensure achievement of both of those public interest goals. The Commission also advanced the public interest in preventing spectrum warehousing by eliminating all pending extended implementation authorizations and by requiring further justification of existing authorizations.<sup>24/</sup> Southern's claim that the Commission failed in its duty to protect the public interest and that its decisions were arbitrary and capricious is simply not supported by the express language of the First R&O or the extensive record in this proceeding.<sup>25/</sup>

C. The Commission Properly Decided To Reallocate The General Category Channels To SMR Services

Some parties -- essentially utilities currently operating on General Category channels -- argue that the Commission should not reallocate the General Category channels to the SMR service.<sup>26/</sup> They argue that these channels should be reserved for the private internal communications needs of industrial users rather than being used for SMR-type services.

This assertion is belied by the actions of some of its proponents. Some utilities -- Southern in particular -- currently

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<sup>24/</sup> *Id.* at para. 111, specifically requiring a showing that continued extended implementation authority would be in the public interest.

<sup>25/</sup> What Southern really is seeking is protection of its operations under the guise of its utility status at the expense of the public interest. The resulting competitive benefits and the potential opportunities for incumbents to continue operating and growing their operations far outweigh any claimed benefits of the status quo.

<sup>26/</sup> See fn. 3, *supra*.

use the General Category channels to provide, as Southern describes it, "service to other industrial users on a commercial basis."27/ Southern apparently has discovered the benefits of using the General Category channels for SMR-type services to third parties rather than simply for internal communications needs; particularly when Southern can obtain those channels for free rather than through an auction.28/ Perhaps the current claimed shortage of capacity for private industrial users has been caused, at least in part, by utilities led by Southern who have licensed the General Category channels for purposes beyond their own private, internal communications needs.29/ In fact, Southern

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27/ Southern at p. 2. See also Application of the Southern Company, Amendment No. 1 to Form U-1, filed at the Securities and Exchange Commission ("SEC") on February 25, 1994 (hereinafter "Form U-1A"), at pp. 25-27 wherein Southern states to the SEC that it is substantially increasing its communications network to provide communications not only for its own internal purposes, but also for governmental entities and other utilities to "communicate internally or with the outside world" and to allow other industrial and communications customers to meet their own "internal communications or other necessary business communications. . ."

28/ Southern has recently expanded its "internal" communications system to extend beyond its own 120,000 square mile operating territory and into an "Expanded Service Territory" which includes "adjacent areas, [including] interconnected utilities['] corridors [and] state capitols. . ." See Form U-1A at p. 9.

29/ See UTC, The Telecommunications Association at p. 5. In an attempt to justify the need for General Category channels by utilities, UTC states that it "estimates that the utility industry alone holds licenses for more than 7,000 frequency assignments nationwide in the General Category." While this may be true, some of those utilities, including Southern, are actually selling their capacity to others for commercial gain, i.e., adding to their communications capacity to provide SMR services. In 1993, Southern invested hundreds of millions of dollars and even formed a "new communications subsidiary, Southern Communications Services, Inc." to, among other things, market its "excess capacity. . . to others." From U-1A at p. 14.

advertises its communications system to potential users as "[t]he world's largest, seamless communications system."<sup>30/</sup>

In its petition in this proceeding, Southern positions itself as a utility in opposition to auctions and SMR services on the General Category channels. Yet, the significant expansion of its communications capacity, creation of a communications subsidiary, and provision of communications services to third parties exposes Southern's position as a utility seeking to hold on to its ability to obtain for free what SMR providers will be required to pay for - - spectrum. Southern itself has admitted that 70% of the revenues from its communications subsidiary will come from "outside customers."<sup>31/</sup> If Southern seeks to provide SMR services with its "excess" capacity, including its self-proclaimed entry into the "white collar" "office and sales setting,"<sup>32/</sup> then it -- like every other SMR licensee -- should be required to bid on and compete for those SMR licenses.

D. The Commission Staff Did Not Violate The Commission's Ex Parte Rules

Southern's final attempt to discredit the First R&O is an utterly unfounded and insupportable claim of *ex parte* violations. First, Southern cites an SMR WON *ex parte* letter which references the Commission's intentions to "convene a meeting among interested

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<sup>30/</sup> See Attachment A, an advertisement that was printed in the Atlanta Business Chronicle.

<sup>31/</sup> See Attachment B.

<sup>32/</sup> *Id.*

parties. . ."33/ Southern claims it was excluded from participating in this meeting despite the fact that it was placed on public notice by the Commission.

Because Southern "participated in these proceedings at both the Comment and Reply Comment stage and [] repeatedly expressed to Commission staff an interest in attending the above-referenced meetings," it should have been well aware of the Commission's September 12, 1995 Public Notice inviting all interested parties to an industry-wide meeting to discuss wide-area SMR licensing -- the meeting referenced in the SMR WON letter.34/

The September 12 Public Notice's reference to the fact that the Wireless Telecommunications Bureau ("Bureau") had met "with various representatives of the 800 MHz SMR industry" should have come as no surprise to Southern and certainly does not evidence any particular *ex parte* violations. Even a cursory review of the filings in PR Docket No. 94-133 exposes numerous public notices of permissible *ex parte* contacts between the Bureau and "various representatives of the 800 MHz SMR industry," including at least five such contacts by Southern. Like every other interested party, Southern was invited to the September 18 meeting, and the meeting was legally and properly disclosed. Southern, therefore, has failed to point to any specific meeting between the Bureau and an

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33/ Southern at p. 22.

34/ See Public Notice, "Wireless Telecommunications Bureau Invites Interested Parties To Attend Meeting Regarding Pending Proposals For Wide-Area Licensing Of and Competitive Bidding Rules For The 800 MHz Specialized Mobile Radio Service," DA 95-1965, released September 12, 1995.

industry participant that was not properly noticed. Southern's claims of *ex parte* violations are disingenuous, baseless, offensive to the Commission, and should be dismissed.

E. The Commission's Decisions Are Legally Sound And Factually Supported By The Voluminous Record In The Proceeding

Other petitioners raise issues that call into question the Commission's deliberative processes and the basis for the Commission's final decisions. However, these arguments are simply red herrings, intended to shift the Commission's focus from the underlying issues to be resolved in this proceeding. For example, Brown and Schwaninger claim that the use of auctions and mandatory relocation foreclose small business participation in EA licensing.<sup>35/</sup> Brown and Schwaninger make this argument despite the fact that auctions and mandatory relocation were essential facets of broadband and narrowband PCS licensing, and small businesses have been provided opportunities to participate in PCS licensing.

Moreover, the Commission has taken action to encourage small business participation in the 800 MHz SMR auctions.<sup>36/</sup> First, the Commission adopted three block sizes for the upper 200 channel auction -- one of which is 20 channels. Second, the Commission's auction rules permit small businesses to form, among other relationships, partnerships to bid on upper channel EA licenses. These provisions, coupled with adoption of the Industry Consensus

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<sup>35/</sup> Fresno at p. 19; Supreme at p. 7.

<sup>36/</sup> First R&O at para. 248.

Proposal for the lower 230 channels, provide small businesses significant opportunities for future SMR operations on both the upper and lower SMR channels.

Another petitioner, Consumers Power Company ("Consumers"), argues that the special problems created by the border areas require a special set of rules for those channel blocks.<sup>37/</sup> Nextel disagrees. The Commission properly concluded that it would be too administratively complex to carve out special rules for border areas.<sup>38/</sup> The rules, as established in the First R&O, are capable of dealing with the special situation of incumbents -- including utilities such as Consumers -- that are operating in the border areas. Incumbents, despite the particular channel on which they may be operating in the upper 200, will be subject to mandatory relocation/retuning only if comparable facilities can be provided. If mandatory relocation/retuning is not feasible for that incumbent, it would be entitled to co-channel protection from the EA licensee. The Commission should not allow Consumers' arguments to distract its attention from the auction and mandatory relocation/retuning rules that were promulgated in the First R&O and are equally applicable to the border area channels.

Digital Radio, L.P. ("Digital") offered constructive suggestions for making a smoother transition to wide-area SMR licensing. In its petition, Digital suggests that wide-area licensees, currently constructing under extended implementation

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<sup>37/</sup> Consumers at pp. 6-7.

<sup>38/</sup> First R&O at para. 45.

authorizations that have now been eliminated, be permitted to transfer unconstructed facilities to EA licensees.<sup>39/</sup> Digital suggests -- and Nextel agrees -- that this would accelerate the transition to EA licensing by easing the relocation obligations of the EA licensee. Moreover, the EA licensee could use the partially-constructed facilities to meet its own EA license build-out requirements.

Nextel supports Digital's proposal, but cautions that it should only be permitted between an incumbent wide-area SMR licensee and an EA licensee. Incumbents should not be permitted to transfer unconstructed facilities to non-EA licensees or even "potential EA licensees" because the transfers could then be used for anti-competitive purposes. By limiting it to the EA licensee, the Commission could avoid the anti-competitive effects while speeding the transition to EA licensing in the SMR industry.

### III. CONCLUSION

After compiling a significant record, extensively reviewing the positions of various industry participants, and convening an unprecedented industry-wide meeting to further discuss the issues and elicit further industry input, the Commission has arrived at a legally-supportable and factually-sound decision that -- when coupled with the Industry Consensus Proposal discussed herein -- properly balances all of the interests of the SMR industry, and provides a significant impetus for a more competitive CMRS marketplace.

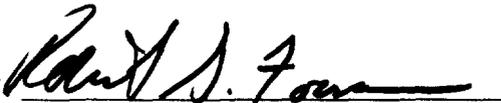
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<sup>39/</sup> Digital at p. 10.

The First R&O achieves the Commission's Congressionally-mandated objectives, uses the Commission's resources and regulatory authority to enhance competition rather than regulation, and further prepares the wireless industry for an increasingly competitive telecommunications marketplace. These results, in turn, benefit consumers by assuring a wider variety of new, enhanced products and services that will be offered at increasingly competitive prices. The Commission, therefore, should deny the petitions for reconsideration discussed herein and promptly affirm its decisions in the First R&O.

Respectfully submitted,

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Dated: April 16, 1996

**ATTACHMENT A**

and multimedia personalities, and information on imaging products and trends. The programs will originate from the magazine's Atlanta offices and "air" on its Web site (<http://www.peimag.com>).

The magazine calls the shows "Web-

Sciences Corp. (OSC) for "Sci-Trends, Care" seeks to double its current local staff of 80, said Joe Haney, an account executive in the local office.

OSC's main work is in helping big companies, universities and government agencies piece together and use com-

a year in revenue and employs 34,000 people

If you have news for High Tech, contact Charles Davidson at (404) 249-1041; fax, (404) 249-1058; or e-mail to [bizchron@mindspring.com](mailto:bizchron@mindspring.com).

## Atlanta Business Chronicle

# It's no surprise the power company uses a great wireless communication system.



## The surprise is they want you to use it, too.

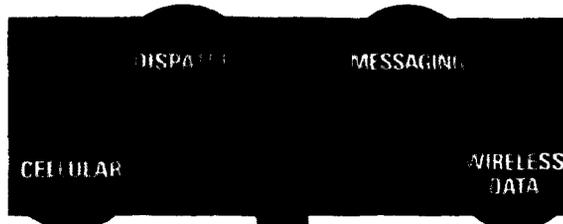
The world's largest, seamless communication network is now open for business. Including yours.

It makes sense. Who needs a dependable wireless network more than the power company, whose crews have to constantly communicate while they travel and work in all kinds of emergencies and extreme weather? ■ That's why Southern Communications Services,<sup>SM</sup> a subsidiary of The Southern Company, built a digital system that seamlessly covers the area of our five operating companies (Alabama Power, Georgia Power, Gulf Power, Mississippi Power, and Savannah Electric). ■ Then, having built this dependable, technologically advanced network, we decided to make it available to other businesses. It's called Southern LINC<sup>SM</sup> and it's the next step in wireless communications.

This will get your people talking like never before.

Using Motorola® technology, Southern LINC brings two-way dispatch radio into the digital age. Privacy is no longer a problem. There's greater clarity, and much less chance of a busy signal or a dead zone. ■ Furthermore, the Southern LINC handset combines two-way dispatch, cellular, data, and messaging in one unit. You can talk with an individual over two-way dispatch, or communicate with entire talk groups. You can switch to cellular to talk to anyone, anywhere. With the messaging function, your

messages are delivered even if the handset is turned off; the system will store the message, and deliver it when the handset is turned back on.



■ The handset can also be programmed, so you can provide employees with only the communication tools they need. What's more, with Southern LINC you won't have to worry about maintaining your own system, because Southern Communications maintains Southern LINC for you. And supports you with 24-hour customer service, seven days a week. ■ Southern LINC will allow you to operate more efficiently and economically; consequently, you'll compete more effectively. That's no surprise, either. ■ Call 1-800-818-LINC, 8:30 a.m. to midnight, Mon. - Fri., and 9:00 a.m. to 6:00 p.m.. Sat. for more information.

CALL NOW TO  
LINK UP WITH OUR  
LIMITED TIME  
INTRODUCTORY OFFER



Sharing The Power

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Southern Communications

**ATTACHMENT B**