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July 23, 1997

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

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

Re: Notice of Ex Parte Communication
Broadband PCS C and F Block Installment
Payment Restructuring; WT Docket No. 97-82

Dear Mr. Caton:

NextWave Telecom Inc.

On Tuesday, July 22, 1997, representatives of NextWave Telecom Inc. ("NextWave" or "company") met with Commissioner James Quello and Legal Advisor Rudolfo Baca to discuss issues in the above-referenced proceeding. The views expressed by NextWave's representatives were previously presented to the Commission in the company's written filings, and a copy of material distributed by NextWave at the meeting is included with this letter.

In accordance with Section 1.1206 of the Commission's rules, an original and two copies of this filing are being submitted to you today. Please direct any questions concerning this matter to me at 202-347-2771.

Sincerely,

Michael R. Wack
NextWave Telecom Inc.

Attachment

1101 Pennsylvania Avenue, N.W.

Suite 805

Washington, D.C. 20004

Tel. 202.347.2771

Fax. 202.347.2822

www: nextwavetel.com

cc: Commissioner James Quello
Rudolfo Baca

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The Competition Case is Clear

- ◆ \$80 million invested in network; sites prequalified across the country; switches located in Boston, Hanover, Houston, San Diego.
- ◆ At the end of the A and B auctions, AT&T, Sprint and the Bell companies held 70 of 99 licenses. Only 6 independent bidders won licenses.

The Competition Case is Clear

- ◆ Build-out finance the key issue.
- ◆ 37 billion pre-committed minutes of use.

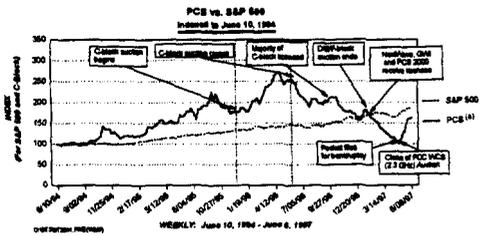
Market Forces Control

- ◆ \$1 billion in down payments made.
- ◆ Proposal is rescheduling; keeps Government whole.
- ◆ Rules permit restructuring (Section 1.2110(e)(4)(ii)).

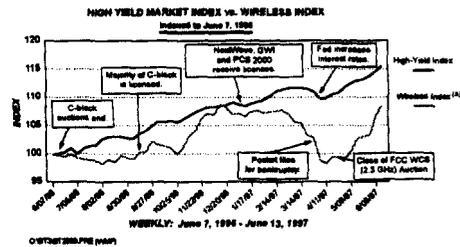
Whether to Restructure at All?

- ◆ “These businesses were never fundable in the first place” vs. approximately \$600 million in funding.
- ◆ Changed circumstances:
 - Notes -- junior position of loans
 - Announcement of 2.3 GHz auction
 - Effect of head start and licensing delays

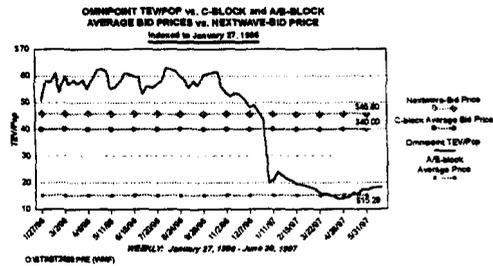
Changed Circumstances



Changed Circumstances



Changed Circumstances



Other Alternatives Not Sufficient

- ◆ Amnesty program
- ◆ Year suspension of payments
- ◆ WTO

**There is a Win/Win Scenario for
Taxpayers**
