



**ORIGINAL**

EX PARTE OR LATE FILED

ACCEPTED FOR FILING

**RECEIVED**

August 28, 1997

AUG 28 1997

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

FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY

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

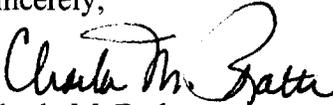
Dear Mr. Caton:

During recent conversations with representatives of NextWave Telecom Inc. ("NextWave" or "Company"), Jon Garcia of the Commission's C Block Restructuring Task Force has suggested that NextWave give serious thought to a rapid reauction as a possible approach to resolving the core issues presented in the Commission's C Block review proceeding. Although NextWave believes the optimum solution to those issues appears to be to defer C Block installment interest payments from four to six years, the Company also believes a rapid reauction, in concept, is a helpful component of an overall solution if properly structured. In written ex parte presentations filed on August 20 and 25, 1997, NextWave outlined the framework of such a structure. On August 26 and 27, 1997, representatives of NextWave met with Mr. Garcia and Ms. Jackie Chorney to elaborate on that framework. The attached materials were distributed in connection with the meeting on August 26<sup>th</sup>.

NextWave Telecom Inc.

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 or Michael Wack at 202-347-2771.

Sincerely,

  
Charla M. Rath  
NextWave Telecom Inc.

1101 Pennsylvania Avenue, N.W.

Suite 805

Washington, D.C. 20004

Tel. 202.347.2771

Fax. 202.347.2822

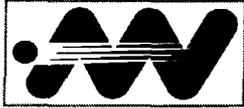
www: nextwavetel.com

Attachment

cc w/o attach: Jon Garcia  
Jackie Chorney

No. of Copies rec'd  
List ABCDE

*O+Z*

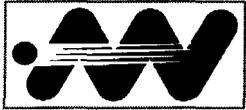


---

**NextWave's C-block Reauction  
Presentation  
to the  
Federal Communications  
Commission**

**Washington, D.C.**

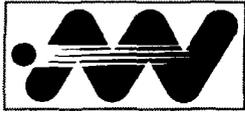
**August 26, 1997**



# Reauction Requirements

---

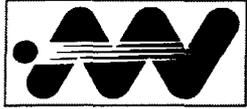
- **FCC will confirm that licenses not subject to cross default**
- **Government will commit irrevocably to defined reauction schedule**
  - March 98 auction
  - DEs only
- **Deferred and upfront fees start to be reduced on weekly basis if licenses are not granted by July 1, 1998, at a rate of 4% for each week of delay**
- **Auction is all cash (A- and B-block payment terms)**



# Reauction Requirements

---

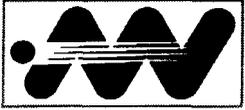
- **Reauction election made (after publication of “final rules”) in advance of submitting eligibility payment and returning licenses. Time between eligibility payment and return of licenses and reauction should be minimal (7-10 days)**
- **Eligibility fee (New Money) is refundable**
- **Bidding rules will be comparable to C-block Stage III rules**
- **Store credit will have to be spent in the reauction or the licensee loses it (i.e., store credit is non-refundable)**



# Reauction Requirements

---

- **Simplify control group structure**
- **Allow licensees additional flexibility to have greater than 25% non-control group capital investment**
- **Allow licensees to transfer licenses after meeting build-out requirements**

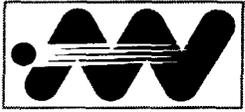


# Proposed Reauction Formula

---

- **D = Downpayment**
- **OP = No. of Licensed POPs**
- **NP = No. of POPs acquired in reauction**
- **NMP = No. of POPs attributed to Eligibility Payment or “New Money”**
- **CP = % of downpayment eligible to get back as Store Credit**
- **EP = % of D paid as Eligibility Payment**
- **Y: a variable**
- **Amount of Deferred Fee (“DF”) will be calculated based on:**

$$\mathbf{DF = (1/Y) \times [CP \times (1 - EP) \times D \times ((NP - NMP)/OP)]}$$



# Key Parameters Discussed

---

- **NextWave Proposal**
  - **CP = 95%**
  - **EP = % calculated based on an Eligibility Payment of “x” cents/MHz/POP (same as all bidders in the new auction)**
- **Eligibility Payment establishes the maximum number of POPs for which the Store Credit (95% of Downpayment) can be used to purchase new POPs in the reauction**