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April 29, 2016

VIA ECFS

Ms. Marlene H. Dortch, Secretary
Federal Communications Commission
445 Twelfth Street, S.W.
Washington, DC 20554

Re: *Ex Parte Presentation*
RM-11738 – Enterprise Wireless Alliance and Pacific DataVision, Inc.
Petition for Rulemaking Regarding Realignment of 900 MHz Spectrum

Dear Ms. Dortch:

On April 27, 2016, William Cox, Timothy Lewis, and Richard Nelson of Florida Power & Light Company, on behalf of NextEra Energy, Inc., and Bryan Tramont and Jennifer Oberhausen of Wilkinson Barker Knauer met separately with Jon Wilkins, Jean Kiddoo, Scot Stone, and Matthew Pearl of the Wireless Telecommunications Bureau and Edward Smith of Chairman Wheeler's office.

During the meetings, NextEra noted the dearth of support in the record for the Enterprise Wireless Alliance and pdvWireless ("PDV") proposal in the above-referenced proceeding. The commenters in the proceeding nearly unanimously oppose PDV's proposal, which is particularly striking given that PDV asserts these are the entities that stand to benefit from PDV's service offering.

NextEra explained that it uses its 900 MHz systems for mission critical purposes including nuclear power plant security, operation of the Nuclear Siren system for public alert notifications, and electrical service restoration communications, including emergency notifications. NextEra then explained its concerns with the proposal, as outlined in the attached slide presentation.

Pursuant to Section 1.1206 of the Commission's rules, this letter and attached presentation are being filed in ECFS and e-mailed to the meeting participants. Please do not hesitate to contact the undersigned with any questions.

Sincerely,

/s/ Bryan N. Tramont
Bryan N. Tramont

cc: Edward Smith
Jon Wilkins
Jean Kiddoo
Scot Stone
Matthew Pearl

900 MHz Spectrum's Future

William P. Cox, Senior Attorney

April 27, 2016

About NextEra Energy, Inc.

- **NextEra Energy, Inc. is a Leading Clean Energy Company**
  - Employs 14,300 people in 27 states and Canada
  - Generated approximately $17.5 billion in revenue in 2015
  - 8 nuclear units in FL, NH, IA, and WI, producing enough electricity to supply 5 million households
  - Ranked No. 1 in 2016 Fortune "World's Most Admired Companies" List for the electric and gas utilities industry
  - Top "green utility" in U.S. according to EI Energy Intelligence, #4 worldwide
- **Florida Power & Light Company ("FPL")**
  - NextEra Energy subsidiary is largest rate-regulated electric utility in Florida
  - Serves ~ 4.8 million customer accounts, 3rd most customers in the U.S.
- **NextEra Energy Resources, LLC (and Affiliates)**
  - World's largest generator of renewable energy from the wind and sun

What We Use 900 MHz For

- **FPL (Florida) and NextEra affiliates (outside of Florida) operate a 900 MHz Private Land Mobile Radio ("PLMR") voice dispatch system for:**
  - Power plant security operations, including nuclear power plant critical voice communications required by Nuclear Regulatory Commission regulations (e.g., 10 C.F.R. §73.55)
  - Operations of Nuclear Siren system for public alert notifications
  - Electrical service restoration and maintenance necessary for safety purposes, including:
    - Emergency notifications
    - Disaster recovery communications, such as hurricane restoration and oil spill response communications
  - Plans for future use of additional channels for Smart Grid energy efficiency monitoring and related controls for electric distribution systems

Our Investment

- **FPL has invested $81 MM in its existing PLMR systems**
- **Operating a system for 21 years over FPL's 27,000 square mile service area**
  - Including for nuclear plant voice radio communications used for required security measures
- **Unless there is a regulatory change in the 900 MHz license structure, FPL plans to invest an additional $59 MM over the next 3 years to modernize current systems. These systems will have supplier commitments to operate beyond 20 years**

The FCC Should Reject the PDV/EWA Petition

- **The PDV/EWA proposal does not solve any problem, FirstNet and other commercial networks offer CII solutions**
- **Current users continually invest in the 900 MHz band**
- **A robust secondary market ensures spectrum is put to use**
  - However, PDV and other licensees with underused spectrum are impeding further development in the 900 MHz PLMR spectrum
- **The proposal would undermine the use of the band for licensees who do not buy into the PDV system**
- **The proposal would benefit petitioners alone**

The PDV Petition

- **The 900 MHz band currently consists of channels grouped into blocks that alternate between:**
  - Geographically licensed (MTA basis) Specialized Mobile Radio (SMR) blocks; and
  - Site-by-site Business/Industrial/Land Transportation (B/ILT) blocks
    - FPL's systems are presently licensed and configured to provide optimal performance in the 896-901/935-940 MHz bands
- **PDV seeks to reconfigure the 900 MHz band into:**
  - 3/3 MHz broadband segment (898-901/937-940 MHz), to be assigned to a Private Enterprise Broadband ("PEBB") licensee (themselves)
  - 2/2 narrowband segment (896-898/935-937 MHz) remaining for incumbent licensees

The PDV Petition: Complex Challenges

- **Funding: Uncertainty Abounds**
- **Timing: Undefined Deadlines**
- **Interference: Enhanced Risks**

Funding: Uncertain

- **The financial impact of the realignment would be greater than previewed**
  - PDV/EWA estimate the relocation will cost $50/user, unrealistically low, and does not even estimate the total cost of the relocation
    - In the 800 MHz proceeding, Nextel claimed the entire rebanding project would cost $850 million
    - Sprint recently reported it has spent $3.5 billion so far
    - 900 MHz realignment cost per user may well be greater than 800 MHz band
  - NextEra estimates that its capital impact alone is ~ $70 to $90 million – may need to double the number of wireless antenna sites to achieve comparable service
  - NextEra would continue to incur $2-3 million *per year* in increased operating costs for the duration of the system's expected 20-year life span, beyond the 5-year make whole arrangement PDV proposes
  - Funding sources unclear – how to ensure once this starts, money remains available to finish for all licensees

NEXTera ENERGY

Timing: Undefined

- **The PDV proposal does not set forth any relocation timeline**
  - Despite its projected 36-month timeline, the FCC's comparable 2004 plan to reconfigure the 800 MHz band remains incomplete after 12 years
  - The 900 MHz band is even more complex and congested than the 800 MHz band, and nothing suggests the proposed 900 MHz realignment could be completed more quickly

Interference: Enhanced

- **The proposed band plan would closely pack existing PLMR systems, increasing the potential for harmful interference**
  - The interference risks would further increase because users, including FPL, would require more antenna sites under the realignment than in their current systems
- **The guard band separating PDV from the incumbent users needs to be substantially greater than proposed to mitigate adjacent band interference, likely 1 MHz**
- **The noise floor levels that PDV proposes as acceptable are appropriate in a cellular environment but would reduce existing system performance for PLMR systems**
- **The proposal unreasonably shifts the interference mitigation burden to existing users**
- **900 MHz systems may not continue to be reliable enough for critical infrastructure communications**

Protect Existing Users and Investment

- **Nonetheless, if the Commission moves forward at all:**
  - Any FCC NOI should seek to further understand the operating environment at 900 MHz before assessing the need for any changes
  - Any relocation must be voluntary and all costs incurred by existing licensees related to any relocation must be reimbursed
  - Any changes should be based on the current low noise floor environment
  - Any changes to the 900 MHz band plan should provide operating alternatives that address interference, and incumbent licensees should not bear the burden of interference mitigation
  - Funding for any relocation plan must be guaranteed through the end of any and all relocations with a clear timeline

For More Information:

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