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Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C.

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In re **AMENDMENT OF PARTS 25, 74, 78, 90, AND 101 OF THE COMMISSION'S RULES TO FACILITATE FIXED POINT-TO-POINT TERRESTRIAL MICROWAVE RADIO SERVICE LICENSEE USE OF THE 23 GHZ AND 10 GHZ BANDS AND TO ELIMINATE CERTAIN INCONSISTENCIES IN SUCH RULES**	RM No. 9418

COMMENTS OF TELEDESIC LLC

The petition of the Fixed Point-to-Point Communications Section ("the FPTP Section") puts forward a serious, responsible spectrum proposal which, in the view of Teledesic, ought generally to be supported. Unfortunately, this worthwhile proposal is wrapped in the cloak of a worn-out spectrum myth: namely, that spectrum for Fixed Services is being drastically reduced in order to make way for more recent technologies, such as satellite services. The myth simply is not true. Furthermore, the timing of the request is at odds with some of the more extravagant positions taken by fixed point-to-point operators in the ongoing 18 GHz rulemaking.[1]

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1 Redesignation of the 17.7-19.7 GHz Frequency Band, Blanket Licensing of Earth Stations in the 17.7-20.2 GHz Frequency Bands, and the Allocation of Additional Spectrum in the 17.3-17.8 GHz and 24.75-25.25 GHz Frequency Bands for Broadcast Satellite Service Use, IB Docket No. 98-172.

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Contrary to the misleadingly broad claims of the FPTP Section, spectrum for Fixed Services is not disappearing. On the contrary, the Commission is currently in the process of licensing over 1 GHz of new FS spectrum for Local Multipoint Distribution Services. Furthermore, the Commission announced just a few months ago that it would designate over 5 GHz of new spectrum for exclusive FS use in the 36-51 GHz "V band" — a decision that Teledesic supported. Furthermore, the segmentation that has been proposed at 18 GHz will give the FS community 600 MHz of exclusive FS spectrum (and an additional 650 MHz of shared spectrum) in a band where the FS currently has *no* exclusive spectrum and where co-frequency sharing is uniformly regarded as infeasible.

The real source of the FPTP Section's discontent is that the sizeable blocks of new FS spectrum are not being licensed link by link, as terrestrial microwave links have traditionally been authorized. Instead, they are being licensed according to geographic area, and the new licensees are being permitted to deploy as many stations as they can, wherever they can, and whenever they can, without specific Commission approval of each site. The decision to use area-wide licensing has nothing to do with satellite operators, and it is misleading for the FPTP Section to blame the satellite industry for whatever deficiencies it finds in the Commission's terrestrial spectrum policies.

Despite the FPTP Section's attempt to blame the satellite industry and other emerging technologies for spectrum scarcity, Teledesic generally supports development of the 23 GHz band for fixed point-to-point operations.[2] It is increasingly clear that satellite and terrestrial

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2 Whether the fixed point-to-point operations in these frequencies should be licensed by geographic area or link by link is an open question, on which Teledesic takes no position.

services can each operate more efficiently and provide more service to the public through band segmentation than through co-frequency sharing. In the frequencies above about 17 GHz, every effort should be made to encourage FS deployment in bands where there is no co-primary allocation for satellite services. Over time, such a policy can be expected to ameliorate the political difficulties the Commission faces when it tries to move a co-primary band toward a more efficient band plan based on band segmentation. Those political difficulties exist even when there is no serious disagreement that band segmentation is the best approach, as the FPTP Section's comments in the 18 GHz proceeding demonstrate.

In particular Teledesic supports the identification of an additional 200 MHz in this band for low-power, limited coverage operations. In addition to fulfilling other needs, this additional 200 MHz will eliminate any possibility of disruption resulting from the phase-out of the defunct low-power DTS service in the 18 GHz band. Although the maximum eirp values are higher in the 23 GHz band than they were in the 18 GHz bands, the indoor applications that were intended in the 18 GHz should be possible at less-than-maximum power limits without any major sharing difficulty, especially since the new 200 MHz "would be reserved primarily for narrow band systems."

Despite general agreement with the FPTP Section's proposal, however, Teledesic is concerned that elements of the proposal — particularly the call for immediate conditional licensing — are difficult to reconcile with the positions taken by some FS interests regarding use of the 18 GHz band. In the 18 GHz rulemaking, some FS interests have assumed (either implicitly or explicitly) that 18 GHz FS links will have to be relocated to other bands if the band

is segmented. Based on this assumption, they have argued for more onerous relocation obligations.[3] Teledesic strongly disagrees with this basic assumption, believing instead that the vast majority of FS links that would be displaced as a result of band segmentation can be accommodated elsewhere in the 18 GHz band, with no need for "replacement" spectrum in other bands. Clearly, though, if the FS interests are right to assume that widespread out-of-band relocation will be required, then the availability of suitable alternative FS spectrum will be of direct financial consequence to satellite operators such as Teledesic. It is therefore only fair that prospective FS users be required to wait until 18 GHz relocation needs are satisfied before any further build-out is encouraged at 23 GHz. FS interests cannot be permitted to have it both ways, nor can the Commission make diametrically opposite assumptions in resolving the two issues.

In conclusion, either the 18 GHz segmentation can be carried out without significant use of non-18 GHz frequencies, or else the 23 GHz band must be regarded as a candidate band for relocation — and therefore inappropriate for rapid build-out until the conclusion of the 18 GHz proceeding. Teledesic believes that Commission should and will determine that segmentation of the 18 GHz band does not require extensive "out-of-band" relocations. But unless and until the FS community acknowledges this point in the 18 GHz rulemaking, and consequently embraces sensible adjustments to the relocation compensation standards, it

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3 See, e.g., Reply Comments of SBC Communications, Inc. in Docket No. 98-172 (Dec. 21, 1998), at 6; Reply Comments of the Association of American Railroads in Docket No. 98-172 (Dec. 21, 1998), at 10.

would be imprudent to make any regulatory changes that will eliminate the 23 GHz band as a viable candidate for out-of-band relocation.

Respectfully submitted,

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Dated: March 8, 1999

CERTIFICATE OF SERVICE

I, Lee Mullins, with the law firm of Harris, Wiltshire & Grannis LLP, do hereby certify that a copy of the foregoing Comments of Teledesic LLC was served on the parties listed below by first-class U.S. mail, postage prepaid, on this 8th day of March 1999:

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