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August 1, 2003

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Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

**RE: E911 Interim Report
Nevada Wireless, LLC**

Dear Ms. Dortch:

Nevada Wireless, LLC (“Nevada Wireless” or “Company”), by its attorneys, provides the following Interim Report on the status of the Company’s compliance with the Federal Communications Commission (“FCC” or “Commission”) rules regarding wireless Enhanced 911. Nevada Wireless is a Tier III carrier and is submitting the following information in compliance with the Order to Stay adopted on July 26, 2002¹ and the June 30, 2003 Public Notice providing guidance regarding the substance of and filing procedures for the Interim Report.² For the reasons described *infra*, Nevada Wireless did not request and was not granted an extension to comply with its E911 requirements. Thus, it technically is not subject to the Interim Report filing requirement. However, for purposes of completeness, the Company wishes to reconfirm its E911 compliance status with the FCC.

I. BACKGROUND

In letters dated October 31, 2002 and February 4, 2003,³ the Company explained that it was meeting its E911 obligations by satisfying the alternative requirements of FCC Rule Section 20.18(k), which states as follows:

¹ See *Revision of the Commission’s Rules to Ensure Compatibility with Enhanced 911 Emergency Calling Systems*, CC Docket No. 94, 102, Order to Stay (rel. July 26, 2002) (“Stay Order”).

² *Wireless Telecommunications Bureau Provides Further Guidance on Interim Report Filings by Small Sized Carriers*, Public Notice, DA 03-2113 (rel. June 30, 2003) (“Public Notice”).

³ Copies of both letters are attached for the Commission’s convenience.

- (k) Dispatch service. A service provider covered by this section who offers dispatch service to customers may meet the requirements of this section with respect to customers who utilize dispatch service either by complying with the requirements set forth in paragraphs (b) through (e) of this section, or by routing the customer's emergency calls through a dispatcher. If the service provider chooses the latter alternative, it must make every reasonable effort to explicitly notify its current and potential dispatch customers and their users that they are not able to directly reach a PSAP by calling 911 and that, in the event of an emergency, the dispatcher should be contacted.

Nevada Wireless advised the FCC in its letters that it was using Motorola's proprietary Harmony technology to provide two-way digital communications to primarily industrial and governmental entities with primary dispatch and ancillary interconnect requirements. It explained that Harmony is described by Motorola as an 800 MHz integrated wireless system that is a micro-digital derivative of the iDEN network operated by Nextel Communications, Inc. and Southern LINC. The system was developed for the private, internal user market, not for commercial operators, and has been deployed commercially by only two licensees in the country, including Nevada Wireless. The limitations on the number of sites and subscriber units that can be accommodated on the Harmony network, coupled with the very limited number of markets that have sufficient 800 MHz spectrum under the control of a single licensee other than Nextel or Southern LINC to support such a system, dictate that the commercial deployment of Harmony in this country will be extremely limited.

The Company explained that it offers a business-to-business and government-to-government communications solution. It markets the system to business, industrial and governmental entities with a primary dispatch need, some of which also use the ancillary interconnect capability. This market approach is dictated, in part, by the fact that the Harmony system is functionally limited in the number of lines that can be used for interconnect communications. The system relies on what is identified as a Multi-frequency (MF) or Primary Rate Interface (PRI), rather than SS7 signaling, for its interface with the telephone network, an interface commonly associated with private internal rather than commercial systems. Each telco T1 span can handle twenty-four (24) lines and the Harmony switch can accommodate only four (4) telco or voice mail spans. Typically, one (1) span is used for voice mail leaving only seventy-two (72) interconnect lines available on a Harmony network at any time. This network design deliberately favors dispatch over interconnect transmissions; interconnect capability is capped even if dispatch capacity is available at a particular moment. The great majority of capacity is reserved for dispatch service because that is deemed the priority function for the users on a Harmony system. In fact, the subscriber capacity model provided to the Company by Motorola is based on an assumption that sixty percent (60%) of the subscribers will use both the dispatch and interconnect features, while forty percent (40%) will use dispatch only. None were expected to use interconnection only.⁴ Those assumptions have proved accurate.

⁴ Entities with a primary or exclusive need for mobile phone service are better served on a cellular-like system, whether iDEN, cellular or PCS, and are so advised by the Company.

Nevada Wireless has advised the Commission that it does not market its system to consumers, but to those segments of the business and governmental communities with a requirement for fleet-wide dispatch communications, often referred to as “group call”. In fact, all of the Company’s customers have radios with dispatch capability, while a much smaller percentage have activated the interconnect feature. Because Nevada Wireless’ customer base is fully dispatch-capable, it has elected to meet its E911 requirements in accordance with the dispatch alternative detailed in FCC Rule Section 20.18(k) cited *supra*. It is precisely the type of system for which this alternative approach was intended:

In adopting this definition of “covered” service, we note that some “covered” SMR providers that utilize in-network switching and provide seamless handoff may also provide their customers with dispatch capability. We agree with Geotek and Nextel that in such instances, customers’ emergency needs may be as well served by the dispatcher as by providing 911 dialing access. We therefore conclude that “covered” SMR systems that offer dispatch services to customers may meet their E911 obligations to their dispatch customers either by providing customers with direct capability for E911 purposes, or alternatively, by routing dispatch customer emergency calls through a dispatcher.⁵

II. INTERIM REPORT

A. The number of Phase I and Phase II requests from PSAPs (including those the carrier may consider invalid):

Nevada Wireless has received only a single Phase I request which came jointly from the three PSAPs serving Washoe County, NV. The Company has explained the unique characteristics of the Harmony system and the customer base it is serving to that PSAP, as well as the explicit notification provided to the Company’s customers to contact their dispatcher in the event of an emergency. It also has notified the PSAPs that it is able to deliver E911 calls, albeit without any caller location information, but has been advised that the PSAPs are not currently capable of accepting Phase I calls. Nevada Wireless has received no Phase II requests from a PSAP.

B. The carrier’s specific technology choice (i.e., network-based or handset-based solution, as well as the type of technology used):

As described *supra*, the Company has deployed Motorola’s Harmony technology. It arguably has a handset-based E911 solution since customers are instructed to contact their dispatcher in the event of an emergency.

C. Status on ordering and/or installing necessary network equipment:

⁵ CC Docket No. 94-101, *Memorandum Opinion and Order*, 12 FCC Rcd 22665 at ¶ 79 (1997).

Marlene H. Dortch, Secretary
August 1, 2003
Page 4

Nevada Wireless' system is fully capable of meeting the requirements of FCC Rule Section 20.18(k) at this time.

D. If the carrier is pursuing a handset-based solution, the Report must also include information on whether ALI-capable handsets are now available, and whether the carrier has obtained ALI-capable handsets or has agreements in place to obtain these handsets:

See above.

E. The estimated date on which Phase II service will first be available in the carrier's network:

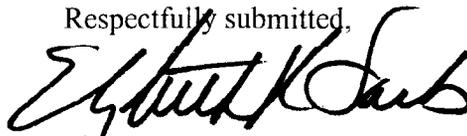
See above.

F. Information on whether the carrier is on schedule to meet the ultimate implementation date of December 31, 2005:

As described *supra*, Nevada Wireless already has met its obligations under FCC Rule Section 20.18(k).

Kindly refer any questions or correspondence regarding this matter to the undersigned.

Respectfully submitted,



Elizabeth R. Sachs

Attorney for Nevada Wireless, LLC

Attachments

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November 5, 2002

VIA HAND DELIVERY AND E-MAIL

Mr. Lawrence Clance
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Enforcement Bureau
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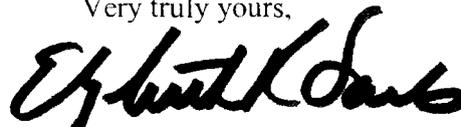
**RE: Clarification of Compliance with E911 Rules
Nevada Wireless, LLC**

Dear Mr. Clance:

Enclosed please find Attachment A which we inadvertently neglected to include with our October 31, 2002 correspondence filed on behalf of Nevada Wireless regarding compliance with FCC rules governing E911 Phase II requirements (also enclosed).

We apologize for any confusion or inconvenience this omission may have caused.

Very truly yours,



Elizabeth R. Sachs

cc: Barry J. Ohlson, Chief, Policy Division, Wireless Telecommunications Bureau (via e-mail)
Jared Carlson, Deputy Chief, Policy Division, WTB (via e-mail)
Gregory W. Guice, Attorney Advisor, Policy Division, WTB (via e-mail)
James D. Boyer, Nevada Wireless, LLC (via facsimile)

Nevada Wireless May 2002 Traffic Totals

98467 Total Interconnect Calls
202593 Total Dispatch Calls

65 Total 911 calls

Nevada Wireless June 2002 Traffic Totals

113,692 Total Interconnect Calls
228,604 Total Dispatch Calls

153 Total 911 calls

Nevada Wireless July 2002 Traffic Totals

91,881 Total Interconnect Calls
188,796 Total Dispatch Calls

93 Total 911 calls

Nevada Wireless August 2002 Traffic Totals

84742 Total Interconnect Calls
175412 Total Dispatch Calls

116 Total 911 calls

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October 31, 2002

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**RE: Clarification of Compliance with E911 Rules
Nevada Wireless, LLC**

Dear Mr. Clance:

On behalf of Nevada Wireless, LLC ("Nevada" or "Company"), we wish to supplement and clarify the Company's August 20, 2002 response to your July 30, 2002 letter inquiring into the status of Nevada's compliance with the Federal Communications Commission ("FCC" or "Commission") rules governing Enhanced 911 ("E911") Phase II requirements, as codified in Section 20.18 of the FCC Rules.¹ The FCC's inquiry related to the Harmony Wireless Communication System™ ("Harmony" or the "System") initially deployed by the Company in Reno, NV. The Company's original report to the Commission in 2001 and its more recent letter indicated that Nevada intended to implement a handset-based location solution. Nevada advised the Commission of that intention based on extensive discussions with Motorola, Inc., the manufacturer of the Company's proprietary technology hardware and switch.

More recently, Nevada has become increasingly concerned that neither Motorola nor any third party supplier would be able to cost-justify development of an E911 network or handset solution for Harmony that conforms to the Phase II requirements of FCC Rule Section 20.18 (b) - (h). As described more fully below, Harmony is a niche technology with a minuscule commercial

¹ 47 C.F.R. § 20.18.

deployment that is unable to take advantage of the developments in E911 capabilities developed for the more widely used cellular, PCS and even iDEN platforms.

Therefore, as detailed below, and after continued investigation into the E911 options available to it, Nevada has determined that it instead will meet its E911 obligations on its 800 MHz Specialized Mobile Radio (SMR) system by routing any customer emergency calls through a dispatcher as provided in FCC Rule Section 20.18(k).² In accordance with the FCC's rules and as described more fully below, the Company will make every reasonable effort to notify current and potential dispatch customers explicitly that, in the event of an emergency, the dispatcher should be contacted.

I. HARMONY SYSTEM DESCRIPTION

A. The Harmony System Fills a Unique Niche by Providing a Low Tier, Digital Dispatch Option for Business and Governmental Users in Relatively Small, Geographically Discrete Markets.

The Company has deployed its first Harmony system in Reno, NV. Harmony is described by Motorola as a digital integrated wireless system offering the core voice communication capabilities of dispatch and telephone interconnect services. As the Commission is aware, Motorola developed the digital iDEN platform that is used throughout much of the country by Nextel Communications, Inc. ("Nextel") and Nextel Partners, Inc. ("NPI"). Those companies provide a sophisticated menu of services including cellular voice communications, short messaging, Internet access, data transmission and Direct Connect®, a digital two-way radio feature that permits direct communications between designated subscribers. By contrast, the Harmony system is a small business, micro-digital derivative of iDEN that currently operates only in the 800 MHz band regulated under Subpart S of Part 90 of the FCC Rules.³ Unlike the iDEN network which utilizes a Nortel switch, the Harmony switch is a Motorola product. The Harmony technology is in its first generation. It currently will support only up to sixteen transmitter sites and five thousand (5,000) subscriber units when and if it reaches full capacity.⁴ However, although both the switch and the

² 47 C.F.R. §20.18(k).

³ See 47 C.F.R. § 90.601 *et seq.* Like iDEN, Harmony is a proprietary technology. Motorola is Nevada's sole equipment source for its switch, its repeaters and its customers' units.

⁴ Motorola has committed to future software releases which will permit the system to increase its capacity with up to as many as forty-eight sites and ten thousand subscribers. However, these figures may prove optimistic. Nevada's modeling of erlang usage indicates the System may experience a quality of service limitation at fewer than ten thousand customer units even with a

repeater software are different than iDEN, the Harmony customer units were developed for use on the iDEN network.⁵

Harmony systems, including the Company's, are dwarfed by even most relatively small cellular and PCS operators. In fact, the product was developed, not for commercial operators, but for the private, internal customer, the manufacturing facility, utility, or construction company with a primary need for dispatch communications, but with a large enough fleet and a sufficiently extensive communications requirement to justify investing in a digital network with interconnect capability and other enhanced features. It is the Company's understanding that Motorola has sold a number of Harmony systems for this type of private, internal communications and that such operations are the targeted marketplace for the technology.

To the best of its knowledge, Nevada is only one of two operators in North America that has deployed the Harmony system in a commercial environment.⁶ The limited commercial application of this product is directly related to the highly successful deployment of the iDEN network throughout much of the United States. In the Company's opinion, it is not technically or economically feasible to invest in the digital capability of the Harmony system unless the operator controls at least sixty 800 MHz channels in a geographically delimited area with a population core in the two to four hundred thousand range, plus surrounding, geographically dispersed communities. Because the vast majority of 800 MHz commercial channels (as well as many non-commercial channels) have been acquired by Nextel or NPI for use in their iDEN networks, there are only a limited number of markets, and no major markets, in the nation that satisfy both the spectrum availability and population criteria.⁷

significant preponderance of dispatch, rather than mobile telephone, traffic.

Although all Harmony handsets also are capable of operating on the iDEN network, their capabilities are limited to those that are consistent with the more limited Harmony switch. Moreover, although the same repeaters are used in both the iDEN and Harmony systems, the software is entirely different, reflecting the consumer-oriented, interconnection focus of the former versus the business-oriented dispatch focus of the latter. It is Nevada's understanding that the E911-capable handsets being developed for deployment on the Nextel/NPI network will not be able to be used on a Harmony system because of these fundamental differences in the two networks.

⁸ The other commercial Harmony licensee, Airtel Wireless LLC, operates in a few of the more populated markets in Montana.

Nevada participated in Auction Nos. 34 and 43 and acquired 800 MHz EA licenses with coverage of a number of relatively rural markets in Nevada, California, New Mexico, Arizona, Idaho, Montana, Washington and Alaska. It intends to build Harmony systems in communities

Mr. Lawrence Clance

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Nevada elected to implement Harmony first in the Reno, Nevada market⁸ because the Company's decades-long two-way radio experience in that area supported a determination that its prospective customers would benefit from the system's integrated digital dispatch/interconnection capability.⁹ Harmony offers a business-to-business and government-to-government communications solution.¹⁰ The Company focuses on smaller business, industrial and governmental radio dispatch users, some of which have an ancillary need for interconnection.¹¹ The Company does not market to individual subscribers and has none on its System. All of its customers have dispatch fleets of various sizes and configurations and every unit on the System is dispatch-enabled. The average fleet on the System has eighteen units; the majority operate twenty-five to thirty units. Dispatch messages generally are between a dispatcher at a fixed control location and one or more units within the fleet as directions and other business directives are exchanged among employees. Typically, the owner or managers of such fleets may elect the interconnect option while limiting the rest of the drivers in the fleet to dispatch-only mode. It even is not uncommon for customers to rely on this type of system for their more abbreviated business communications while using iDEN or a cellular or PCS system for personal or lengthier calls.

meeting these criteria. That plan will need to be revisited should the FCC determine that the system does not satisfy the requirements of FCC Rule Section 20.18(k).

⁸ The Company's Reno system is Motorola's first commercial application of Harmony.

⁹ Nevada's System was the first commercial Harmony launch in the United States and went live with Beta software in December, 2001. Because the software still is in test mode, the System has not yet been "accepted" for commercial use by Nevada.

¹⁰ Currently, System customers include a mix of state and local governmental entities, school districts, U.S. governmental entities, a range of commercial businesses such as ski resorts, construction companies, and service-related companies, disaster relief organizations with more than two hundred units in operation, as well as certain local Indian Colonies. For example, the Reno Sparks Indian Colony uses the System as its primary means of communications for its police, fire, utility and other governmental operations.

¹¹ Consolidating the needs of many small users on a single, technologically advanced system has the additional benefit of being highly spectrum efficient. *See, Public Notice*, Spectrum Policy Task Force Seeks Public Comment on Issues Related to Commission's Spectrum Policies, DA 02-1311 (rel. June 6, 2002).

B. The Harmony System is Designed with Dispatch as its Priority Function.

The ancillary nature of interconnection on a Harmony System is dictated by a number of factors. First, the Harmony switch does not provide the full functionality of switches used in the iDEN network or, to the best of the Company's knowledge, in any cellular or PCS systems. For example, it does not offer a number of advanced features routinely available on other Commercial Mobile Radio Service (CMRS) systems such as roaming, call waiting, 3-way calling or wireless Internet. Those who expect their cellular telephones to function essentially like a landline instrument likely would not be satisfied with the capabilities of the Harmony System and are not among the businesses in Nevada Wireless' customer base.

Second, because dispatch communications are primary, a Harmony system is functionally limited in the number of lines that can be used for interconnect communications. The system relies on what is identified as a Multi-frequency (MF) or Primary Rate Interface (PRI), rather than SS7 signaling, for its interface with the telephone network, an interface commonly associated with private internal rather than commercial systems. Each telco T1 span can handle twenty-four (24) lines and the Harmony switch can accommodate only four (4) telco or voice mail spans. Typically, one (1) span is used for voice mail leaving only seventy-two (72) interconnect lines available on a Harmony network at any time. This network design deliberately favors dispatch over interconnect transmissions; interconnect capability is capped even if dispatch capacity is available at a particular moment. The great majority of capacity is reserved for dispatch service because that is deemed the priority function for the customers on a Harmony System. In fact, the subscriber capacity model provided to the Company by Motorola is based on an assumption that sixty percent (60%) of the subscribers will use both the dispatch and interconnect features, while forty percent (40%) will use dispatch only.¹² That assumption has proved accurate.

¹² Historically, something less than half of the transmissions on the System are interconnected calls. See Attachment A.

II. NEVADA INTENDS TO SATISFY ITS E911 OBLIGATIONS IN ACCORDANCE WITH THE SECTION 20.18(k) CRITERIA ESTABLISHED FOR COVERED CARRIERS PROVIDING DISPATCH SERVICE.

A. The Rules Provide an Alternative E911 Approach for Covered Carriers Providing Dispatch Service.

The Company recognizes the importance of providing wireless as well as wireline users with the ability to deliver messages relating to emergency situations to an appropriate individual. The Commission's wireless E911 rules are intended to create that capability by enabling mobile telephone subscribers to have such calls delivered to a local Public Safety Answering Point (PSAP) along with the caller's call-back number and the unit's physical location with a high degree of accuracy.¹³

The FCC already has determined that not all CMRS systems should be subject to the full panoply of E911 requirements. It recognized as early as the first Order in that proceeding that the public interest did not require all for-profit systems with interconnection capability to assume E911 obligations. The Commission instead decided that the requirements should be applicable to cellular and broadband PCS carriers, and to those interconnected SMR licensees that compete with them in providing mobile telephone service to the public.¹⁴

The FCC's initial definition of "covered" versus non-covered SMRs, separating SMR systems that were "covered" by the E911 rules and those that were not, was revisited in a later Commission Order in the E911 proceeding.¹⁵ On reconsideration, the FCC reaffirmed that "...a distinction was warranted between SMR providers that will compete directly with cellular and PCS providers, and SMR providers that offer mainly dispatch services in a localized non-cellular system configuration."¹⁶ It agreed that "...the 'covered SMR' definition should be narrowed to include only those systems that will directly compete with cellular and PCS in providing comparable public

¹³ See 47 C.F.R. § 20.18(b) - (h).

¹⁴ *Report and Order and Further Notice of Proposed Rulemaking*, CC Docket No. 94-101, 11 FCC Red 18676 (1996).

¹⁵ *Memorandum Opinion and Order*, CC Docket No. 94-101, 12 FCC Red 22665 (1997) at ¶¶ 79 - 80 ("MO&O").

¹⁶ *Id.* at ¶ 75.

mobile interconnected service.”¹⁷ It thus adopted the current definition of a covered carrier¹⁸ that identifies in-network switching capability as the “best indicator” of an SMR licensee’s ability to compete with cellular and broadband PCS.

However, in that same Order, the FCC expressly acknowledged a fundamental distinction between cellular phone systems in which a subscriber communicates exclusively with other wireless handsets or wireline telephone instruments and “covered carrier” systems that also provide dispatch capability, and recognized an alternative method for handling emergency calls on systems with the latter:

In adopting this definition of “covered” service, we note that some “covered” SMR providers that utilize in-network switching and provide seamless handoff may also provide their customers with dispatch capability. We agree with Geotek and Nextel that in such instances, customers’ emergency needs may be as well served by the dispatcher as by providing 911 dialing access. We therefore conclude that “covered” SMR systems that offer dispatch services to customers may meet their E911 obligations to their dispatch customers either by providing customers with direct capability for E911 purposes, or alternatively, by routing dispatch customer emergency calls through a dispatcher.¹⁹

This Commission decision is reflected in FCC Rule Section 20.18 (k) which states the following:

Dispatch service. A service provider covered by this section who offers dispatch service to customers may meet the requirements of this section with respect to customers who utilize dispatch service either by complying with the requirements set forth in paragraphs (b) through (e) of this section, or by routing the customer’s emergency calls through a dispatcher. If the service provider chooses the latter alternative, it must make every reasonable effort to explicitly notify its current and potential dispatch customers and their users that they are not able to directly reach a PSAP by calling 911 and that, in the event of an emergency, the dispatcher should be contacted.

¹⁷ *Id.* at ¶ 78.

¹⁸ 47 C.F.R. § 20.18(a).

¹⁹ *Id.* at ¶ 79.

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A. All of Nevada's Customers Have Dispatch Capability; Their Emergency Requirements Will be Satisfied in Accordance with the E911 Requirements of FCC Rule Section 20.18(k).

Nevada's System is precisely the type of system contemplated by this provision of the Commission's rules. It has the in-network switching capability that the FCC identified as presumptively indicative of an ability (and an intention) to compete directly with cellular and broadband PCS, but is, at its core, a dispatch operation with ancillary interconnection. As detailed above, the Harmony system has been designed with a dispatch priority. Every customer on the System uses dispatch capability. None are individual subscribers; all units operate as part of a larger dispatch fleet and have the capability of communicating with other members of that fleet in an emergency.

Moreover, the Commission's expectation that dispatch customers would continue to rely on their dispatcher to transmit any emergency messages has been confirmed on the System. In addition to quantifying the number of dispatch versus interconnect transmissions on Nevada's System for the months from May, 2002 through August, 2002, Attachment A also identifies the number of 911 calls made by the Company's customers in those same months. The **highest** percentage of 911 transmissions in any given month was .045%. It is clear that, as the FCC anticipated, the relationship between users and dispatchers means that, almost uniformly, users communicate emergency information by calling their dispatchers, not by dialing 911. FCC Rule Section 20.18(k) accurately reflects the practice of subscribers on dispatch systems, even those using networks such as Nevada's Harmony System that meet the "covered carrier" definition.

Nevada will notify all current and potential customers that the dispatcher should be contacted in the event of an emergency since the System will not be able to deliver geographically precise location information to a PSAP. This notification will be accomplished with an insert in billing statements, newsletters, disclosure prior to entering into service agreements, in-service-training, or other means, and will not be a surprise to Nevada's system who view their service as providing dispatch capability, not a cellular telephone service. In the highly unlikely event that an existing customer expected full E911 capability and is not prepared to use its dispatcher to relay emergency messages, Nevada will release that customer from any contractual obligation to remain on the System.

III. CONCLUSION

The FCC rules acknowledge the difference between the needs and practices of customers on dispatch systems versus those receiving cellular service. Unless the Commission advises us to the contrary within forty-five (45) days of receipt of this letter, we will assume that the FCC agrees that

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Page 9

Nevada will satisfy the E911 obligations for its Harmony System by meeting the requirements of FCC Rule Section 20.18(k) as described above.

Kindly refer any questions or correspondence regarding this matter to the undersigned.

Very truly yours,

A handwritten signature in black ink, appearing to read "Elizabeth R. Sachs". The signature is written in a cursive style with a large, sweeping initial "E".

Elizabeth R. Sachs

cc: Barry J. Ohlson, Chief, Policy Division, Wireless Telecommunications Bureau (via e-mail)
Jared Carlson, Deputy Chief, Policy Division, WTB (via e-mail)
Gregory W. Guice, Attorney Advisor, Policy Division, WTB (via-e-mail)
James D. Boyer, Nevada Wireless, LLC (via facsimile)

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* NOT ADMITTED IN D.C.

February 4, 2003

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RECEIVED

FEB - 4 2003

FEDERAL COMMUNICATIONS COMMISSION
 OFFICE OF THE SECRETARY

**RE: Further Supplement to
 Clarification of Compliance with E911 Rules
 Nevada Wireless, LLC**

Dear Ms. Barton:

Following up on our meeting last Thursday, this letter will provide additional information in respect to the October 31, 2002 Clarification of Compliance with E911 Rules ("Clarification") filed by Nevada Wireless, LLC ("Nevada" or "Company"). We believe this supplemental data in response to the FCC's further questions will reaffirm that the Company's decision to satisfy its E911 obligations by routing dispatch customers' calls through a dispatcher, as provided for in FCC Rule Section 20.18(k), is consistent with the Commission's requirements and protection of the Company's customers' safety.

1. The Harmony network operated by the Company was designed for use by large industrial customers with primary dispatch and ancillary interconnect requirements. Its scope and capabilities reflect that heritage and are distinctly more limited than even small cellular and PCS systems designed to serve the consumer marketplace.
 - a) Nevada currently operates its Harmony system in the Reno, NV area. The following cellular or PCS operators already are deployed in that market: AT&T, Verizon, Cingular, T-Mobile, Nextel, Sprint PCS, Western Wireless and Leap.

The Company is not familiar with the specific capabilities and offerings of each of these operators, but there are certain fundamental differences that clearly differentiate its system from those of consumer-based offerings. In addition to the differences

identified in the Clarification, one key distinction is the amount of spectrum available to each. As the Commission is aware, each cellular operator is authorized for 30 MHz of contiguous spectrum over a defined geographic area. PCS licenses are awarded in 10 MHz or 30 MHz contiguous blocks, again throughout a specific market area. Nextel has declared average nationwide 800 MHz holdings of approximately 18.5 MHz per market.

By contrast, the Company is authorized for approximately 100 generally non-contiguous 25 kHz channels in Reno, or just 5 MHz. Moreover, unlike so-called "broadband CMRS" licensees that have the right to use all of their spectrum anywhere within their authorized markets, the great majority of Nevada's channels are assigned on a site-specific basis with severely limited opportunities for frequency reuse. As there is no realistic possibility of acquiring additional capacity because of Nextel's dominant 800 MHz market position, the Company's spectrum position is capped.

These spectrum constraints are a significant defining factor in the potential scale and scope of the Company's service. Even if it wished to serve the consumer mobile phone market, which is not its targeted customer base as detailed in the Clarification and below, the Company does not have sufficient spectrum or the ability to deploy what it does have intensively enough to pursue that market on any reasonably competitive basis.

Instead, Nevada's focus is entirely on meeting the needs of the dispatch user community of businesses and governmental entities, some of which have an ancillary need for telephone interconnect capability. Its Harmony network was designed to serve large industrial users with those requirements. The Company has extended the digital capabilities of Harmony to smaller dispatch users that could not justify such a system on their own. The network design and associated switch limit the number of sites and units the system can support. As detailed in the Clarification, it has a "bias" toward dispatch over interconnect transmissions which would not be tolerated in a consumer-oriented wireless telephone operation. It also is incapable of providing features such as roaming, call waiting, 3-way calling and wireless Internet access that now are offered routinely on the cellular and PCS networks with which Nevada is familiar, but which are not available on its dispatch-centric system.

- b) The Company is exploring the possibility of deploying Harmony networks in the following markets: Albuquerque, NM, Santa Fe, NM, Anchorage, AK, and Spokane, WA. Nevada believes two cellular systems, at least two PCS systems and, with the exception of Anchorage, Nextel operate in each. It also assumes that the capabilities of those systems, and the distinctions between them and the Company's operation, will not differ from its experience in Reno.

2. See No. 1 above.

3. The Company has no specific knowledge of the number of its customers that also subscribe to a cellular or PCS system, but it believes a significant number do. In general, its customers limit the use of mobile telephone service to owners and managers with a business need for public switched network access, and do not activate that capability for their general employee base. However, given the growing ubiquity of cell phones throughout the general population, Nevada assumes many of those employees subscribe to a cellular-like service on an individual basis for personal rather than business communications.
4. The Company has not maintained data delineating the number of dispatch versus interconnect calls for units capable of both. Based on a preliminary review of the data it has, it appears the percentage varies significantly from customer to customer but that, on average, something less than 27% of all calls attempted are interconnect calls. A significant number of those calls are between units on the Company's system, typically within the same fleet, a pattern Nevada will need to investigate further.
5. Nevada does not market to consumers and its employees are instructed to refer individuals seeking mobile telephone only service to the cellular systems mentioned above. All of the Company's customers have radios with dispatch capability; some also activate the telephone interconnect feature in these radios. The Company understands that a majority of its customers do not even allow employees to carry their radios during off-duty hours. Since all customers are parts of user fleets rather than individual subscribers, Nevada has no reason to believe that any use the system's interconnect capability exclusively.
6. The Company currently operates 16 transmitter locations in the Reno market. That is the maximum number of sites that can be operated on the current Harmony network. Although Nevada does not have specific information on the number of sites in the Nevada market operated by cellular or PCS operators, it believes the number likely ranges from hundreds to thousands, depending on the maturity of the system, the amount of spectrum held, the geographic scope of coverage and any particular consumer segment it is seeking to serve.
7. The Company offers a "business-to-business" communications tool. It targets precisely the same customer base that it did when it operated analog, single-site, non-switched SMR facilities in this same market. Approximately 20% of its current customer base are public safety and other governmental users. The remaining 80% are a cross-section of industrial and service businesses with a need for two-way radio dispatch and, in some instances, a limited interconnection capability.

These customers want easy to use, push-to-talk radio service to enhance their operating efficiency at a price point that will improve their bottom line. They typically have a defined geographic area in which they conduct their business and, therefore, over which

they need to travel. They often are familiar with the advantages and limitations of two-way radio service and do not view it as an extension of their wireline telephone, but rather as a conduit for communicating with an office dispatcher and others in their fleet. Unlike the general consumer who has come to expect effectively seamless mobile phone coverage, the Company's customers do not necessarily expect to be able to use their units in every basement, elevator and parking garage, and typically are prepared to drive down the road to a better location if coverage is unavailable.

Nevada's service is not a substitute for cellular or PCS service, much less for the landline network. It serves a more limited, but nonetheless, useful role in enabling business and government employees to communicate with one another and to stay in touch with their offices. Features such as roaming, 3-way conferencing, and "buckets" of minutes are not necessary in their operations and some are viewed as unnecessarily complicated and distracting for employees.

8. Although classified as a "covered carrier" pursuant to FCC Rule Section 20.18(a), the Company's Harmony system shares a number of characteristics with those "traditional" dispatch providers the FCC elected to exempt from the E911 obligations altogether.

As detailed in the Clarification, the system is functionally limited in the number of lines that can be used for interconnect communications. The system relies on what is identified as a Multi-frequency (MF) or Primary Rate Interface (PRI), rather than SS7 signaling, for its interface with the telephone network, an interface commonly associated with private internal rather than commercial systems. Each telco T1 span can handle 24 lines and the Harmony switch can accommodate only 4 telco or voice mail spans. Typically, 1 span is used for voice mail, leaving only 72 interconnect lines available on a Harmony network at any time. This network design deliberately favors dispatch over interconnect transmissions; interconnect capability is capped even if dispatch capacity is available at a particular moment. Thus, although the current network can support up to 5,000 subscriber units, less than 2% would be able to use the telephone interconnect feature simultaneously.

- a) The Company has deployed its maximum available 16 sites in a mixed high-site lower-site system configuration. While Nevada has succeeded in providing Basic 911 service with source directed routing to the nearest PSAP, it is doubtful that the network would be able to support the triangulation needed to satisfy the E911 network-based location accuracy or reliability requirements.

A further problem in making the Harmony network E911 capable is that, as noted above, the system relies on MF or PRI, rather than SS7 signaling, for its interface with the telephone network. The Company has been advised by the single local PSAP capable of supporting even Phase I requirements that its system, and those of other PSAPs with which it is familiar, are not capable of receiving calls delivered via

MF or PRI signaling. It is not clear when or if Motorola will convert the Harmony switch to SS7 signaling, or what the associated cost of doing so would be.

- b) The system provides a business-to-business tool with a user base of 113 typically good-sized fleets in the Reno market. There are very few customers with a small number of units and no individual subscribers. Each radio has an individual telephone number if the interconnect capability is activated, but only approximately 60% of the units on the Company's system have been activated.
 - c) See above.
9. Prior to identifying the subsection (k) alternative for satisfying its E911 obligations, the Company had numerous discussions with Motorola, its sole-source equipment supplier, regarding the extent of Motorola's support in this area. While Nevada is not in a position to provide specific technical, economic and/or other problems Motorola might have identified, the Company assumes that the very limited domestic, commercial deployment of the product would make achieving E911 compliance economically infeasible, other than through compliance with subsection (k) as proposed herein.

As we discussed, we believe the Company's operation and its E911 compliance plan fit squarely within the alternative provision of FCC Rule Section 20.18(k) and respectfully request prompt confirmation that the FCC agrees with our determination. Please feel free to contact me if you have any further questions on this matter.

Respectfully submitted,



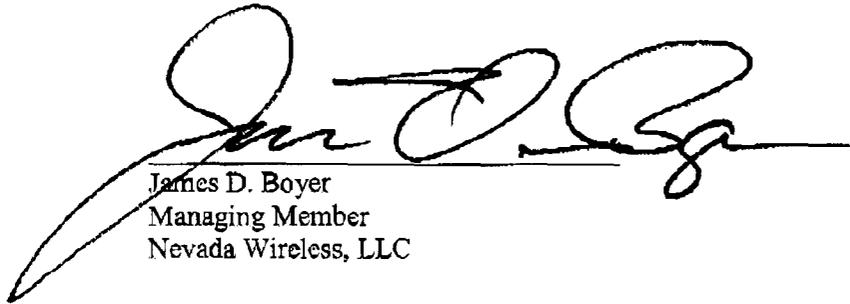
Elizabeth R. Sachs
Counsel for Nevada Wireless, LLC

cc: Jared M. Carlson
Patrick Forster

CERTIFICATION

I, James D. Boyer, say under penalty of perjury, that the following is true and correct:

1. That I have read the attached "E911 Interim Report";
2. That all of the information contained therein is true and correct to the best of my knowledge, information and belief.



James D. Boyer
Managing Member
Nevada Wireless, LLC

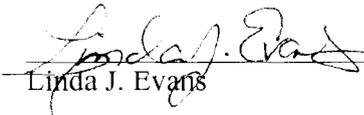
8-1-03
Date

CERTIFICATE OF SERVICE

I, Linda J. Evans, a secretary in the law office of Lukas, Nace, Gutierrez & Sachs, Chartered, hereby certify that I have on this 1st day of August, 2003 caused to be delivered via courier a copy of the foregoing to the following:

John Muleta, Chief
Wireless Telecommunications Bureau
Federal Communications Commission
445 12th St., S.W., Rm. 3-C252
Washington, D.C. 20554

David Solomon, Chief
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Linda J. Evans