

August 27, 2004

BY ELECTRONIC FILING

Ms. Marlene H. Dortch, Secretary
Federal Communications Commission
The Portals
445 Twelfth Street, S.W.
Washington, D.C. 20554

Re: ET Docket No. 00-258
Ex Parte Presentation

Dear Ms. Dortch:

On Friday, August 27, 2004, Larry Krevor, Michael Ha, and I of Nextel Communications spoke with Jennifer Manner, legal advisor to Commissioner Kathleen Abernathy. We reviewed the attached presentation and discussed Nextel's position that licensees can use the proposed H Block channels without causing harmful interference. Nextel explained that the Commission can adopt reasonable operating parameters to assure that H Block use does not interfere with other licensed operations in adjacent spectrum blocks. Prospective H Block auction participants can and will take these parameters into account in their bidding decisions.

Consistent with section 1.1206(b)(2) of the Commission's rules, 47 C.F.R. § 1.1206(b)(2), please include this letter in ET Docket No. 00-258.

Sincerely,

Trey Hanbury

Trey Hanbury
Senior Counsel
Nextel Communications

CC: Jennifer Manner

H Block: Alleviating Spectrum Scarcity While Protecting Incumbent Licensees

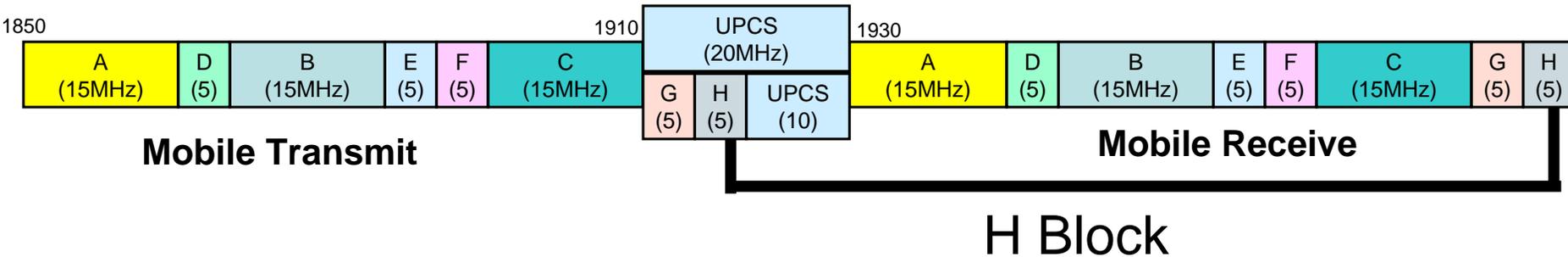
Nextel Communications

Presentation to the Federal Communications Commission

H Block Moves Spectrum to Market

- Spectrum scarcity remains a critical problem for all wireless carriers.
 - Verizon Wireless 10-K dated as of March 12, 2004: “we anticipate that we will need additional spectrum to meet future demand”
 - Cingular Wireless 10-K dated as of February February 24, 2004: “We anticipate needing access to additional spectrum throughout our network to provide full 3G services”
- The answer: “Auction it, get it out of the way, and let the market drive technology deployment” - Bill Stone, Executive Director of Network Strategy, Verizon Wireless, FCC Wireless Broadband Forum, May 19, 2004
- Allocating an H Block for PCS use will help alleviate the chronic spectrum shortage, provided that there are sufficient protections for incumbent licensees.

H Block Overview



- H Block is 10 MHz (5 MHz x 5 MHz) of paired spectrum at 1915-1920 MHz and 1995-2000 MHz
- H Block spectrum would be subject to constraints to protect A Block at 1930-1945 MHz and MSS and MSS ATC at 2000-2020 MHz

H Block Promotes Competition

- Recent filings from both T-Mobile Communications and Agilent Technologies support Nextel's position that licensees can use the H-Block frequencies today without creating harmful interference to incumbent licensees.
 - T-Mobile has concluded that an H Block allocation is feasible with appropriate technical rules.
 - Agilent Technologies has confirmed the limited potential for interference to other operators in the PCS band.
- Rather than allow the spectrum-rich incumbents at CTIA to keep competition at bay, the Commission should move spectrum to market and accommodate the burgeoning demand for PCS.
 - Reasonable service rules are necessary to ensure incumbents are protected from potential interference.
 - An "anything goes" approach is unwarranted, but any limits must rely on a rational, fact-based standard consistent with the Commission's longstanding practices for protecting the PCS bands.
 - Potential licensees can reduce their bid amounts by the value of any constraints necessary.

Protecting Against Interference

- None of the possible interference scenarios at H Block are new or unusual; they should not pose a problem for either new entrants or the incumbent licensees.
 - Precisely the same types of issues exist in today's PCS and SMR bands.
 - Even CTIA has apparently recognized the gross error of its earlier position that "nothing can be done" about possible interference scenarios.
 - Interference is highly unlikely; even if this were not the case, however, relatively modest constraints common to the PCS bands can ensure interference-free operation.
- While encumbrances may constrain potential use of the H Block somewhat, bidders can simply figure the value of these encumbrances into their auction bids and reduce their bids accordingly.

Mobile-to-Mobile Scenario

- Mobile-to-mobile interference could only occur if all of the following events happened simultaneously:
 - The interfering mobile transmits at maximum power; and
 - The victim mobile operates at maximum sensitivity (because it receives poor coverage); and
 - Both the victim and interfering mobile are simultaneously active; and
 - Both victim and interfering mobiles are in close proximity (one meter or less).
- The highest probability locations where mobile-to-mobile interference might occur, such as train stations, airport lounges, and stadiums, are also the lowest probability locations to have the type of poor coverage that remains a necessary precursor for potential mobile-to-mobile interference to exist in the first instance.
- None of the claims of potential interference account for much more forgiving real-world conditions that come from, among other things, body blockage/body loss; actual separation distance; and atmospheric attenuation.

Other Possible Considerations

- With today's technology, Agilent can manufacture a partial-band duplexer that includes H Block with out-of-band-emissions performance identical to the duplexers used in existing PCS handsets.
- While Agilent cannot produce with today's technology a full-band A-H Block duplexer, a prospective H Block licensee can simply use a second duplexer and discount their auction bids by the cost of this additional hardware.
- Nothing is unusual about using a partial-band duplexer.
 - The initial PCS handsets were designed with two duplexers and the current dual-band handsets also include two duplexers.
 - While H Block may initially require two duplexers, technology continues to advance and should permit a single, full-band duplexer over time.

Summary

- Carriers have managed various types of interference issues for years without difficulty.
- The additional “testing” that CTIA now demands is an attempt at delay.
 - CTIA’s proposed “tests” ignore the exceedingly low probability that all of the events necessary to create a potential interference scenario would actually happen simultaneously.
- H Block is entirely feasible for PCS use and does not present any new or novel issues that carriers and manufacturers have not solved before.
 - Any interference issues are, at most, variations on existing situations.
 - Carriers can manage these issues with reasonable service rules and standard industry practices.