

COVINGTON & BURLING

1201 PENNSYLVANIA AVENUE NW WASHINGTON, DC
WASHINGTON, DC 20004-2401 NEW YORK
TEL 202.662.6000 LONDON
FAX 202.662.6291 BRUSSELS
WWW.COV.COM SAN FRANCISCO

CHRISTINE E. ENEMARK
TEL 202.662.5136
FAX 202.778.5136
CENEMARK@COV.COM

February 16, 2006

BY ELECTRONIC FILING

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

Re: Oral and Written *Ex Parte* Presentations
WT Docket No. 05-211

Dear Ms. Dortch:

In accordance with Section 1.1206 of the Commission's rules, 47 C.F.R. § 1.1206, Cook Inlet Region, Inc. ("Cook Inlet") hereby gives notice of oral and written *ex parte* presentations in the above-referenced proceeding. The substance of Cook Inlet's oral presentations is summarized in the enclosed written material, which was also furnished as part of these presentations.

Cook Inlet's presentations were made on February 15, 2006, by Margie Brown, the President and CEO of Cook Inlet, William D. Phillips of Ryan Phillips Utrect & MacKinnon, and me to the following individuals at the Commission: Chairman Martin and his legal advisor Fred Campbell; Commissioner Adelstein and his legal advisor Barry Ohlson; Commissioner Copps and his legal advisor John Giusti; and Commissioner Tate and her legal advisor Aaron Goldberger.

Respectfully submitted,



Christine E. Enemark
Counsel for
Cook Inlet Region, Inc.

Enclosure

The Designated Entity Program
Should Not Be Revised
As Council Tree Proposes

Cook Inlet Region, Inc.
February 15, 2005

Cook Inlet supports an examination of the efficacy of the Commission's designated entity program and a rulemaking to resolve actual problems with the program.

- Cook Inlet is a successful, qualified designated entity. It has invested hundreds of millions of dollars in PCS licenses, and was the first designated entity to launch commercial PCS service (in Tulsa, Oklahoma in June 1997).
- In Auction 58, Cook Inlet contributed \$80 million of its own cash to its designated entity applicant.
- Cook Inlet has partnered with T-Mobile in the PCS industry for over a decade.

There has been no demonstration of any failure in the current “controlling interest” standard used to evaluate the eligibility of designated entities.

- The “controlling interest” standard is a robust, fact-based, analytical tool, developed over decades of agency experience, that evaluates when a limited investor or other third party exercises an impermissible level of control over a designated entity.
- There has been no showing that the “controlling interest” standard is deficient.
- The question of control is not a “one size fits all” analysis. If the Commission truly has concerns that designated entity licensees are “fronts” for large carriers, then it should reform its control rules, not simply preclude participation by these carriers.

One alternative avenue for reform:
identify and evaluate additional factors as
part of the “controlling interest” analysis of
designated entities.

For example, establishing a minimum equity investment to be
made by the controlling designated entity could go a long way to
resolving any problems – perceived or actual – with the
designated entity program.

Cook Inlet opposes the arbitrary revisions to the designated entity program proposed by Council Tree and the Commission.

- The Council Tree proposal is not designed to address a particular, identified failure with the designated entity program. Instead, it discriminates against a particular class of carrier and those small businesses who have a relationship with that class of carrier.
- The abuses and problems the reform proposal is designed to address have not been described in the record – so the decision to adopt the Council Tree proposal is arbitrary.
- Cook Inlet's applications have never been disqualified by the Commission – why is its relationship with T-Mobile now suspect?

Limiting “material relationships” with large wireless carriers could have retroactive consequences.

- Will Cook Inlet be barred from future auctions because of its past relationship with T-Mobile?
- Will Council Tree be barred from future auctions because of its relationship with AT&T Wireless in Auction 35?

The proposal to limit participation by large wireless carriers fails to target the “problem” alleged by Council Tree.

- There is no attempt by the Commission to address Council Tree’s main concern – the participation by wealthy individuals as designated entities (because of the personal net worth exclusion). Why are large wireless carriers the target of the Commission’s reform proposal and these wealthy individuals completely ignored?
- Eliminating participation by large wireless carriers will severely restrict access to capital for designated entities who are trying to succeed in a competitive, capital-intensive industry, reducing overall participation in the program.