



MADISON DEARBORN PARTNERS, LLC

February 24, 2006

**Via Electronic Mail**

Marlene H. Dortch  
Secretary  
Federal Communications Commission  
445 Twelfth Street, S.W.  
Room TW-B204  
Washington, DC 20554

Re: Implementation of the Commercial Spectrum Enhancement Act and Modernization of the Commission's Competitive Bidding Rules and Procedures -WT Docket No. 05-211

Dear Ms. Dortch:

By this letter, Madison Dearborn Partners, LLC ("Madison Dearborn") comments on the docket referenced above. Madison Dearborn supports the Commission's tentative conclusion outlined in the Further Notice of Proposed Rule Making that there should be a prohibition against providing bid credits to designated entities that have material relationships with "large in-region incumbent wireless service providers."

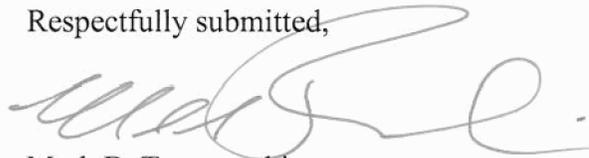
Madison Dearborn is a manager of private equity investment funds focused on a variety of industries, including a significant presence in the telecommunications and media sectors. We have historically backed small- and mid-sized companies, and we have a particular expertise in wireless, including having made significant early investments in such companies as Omnipoint (became VoiceStream), Clearnet Communications in Canada (became Telus Mobility), WNP Communications (one of the largest successful bidders in the LMDS auction), Wireless One Networks (now part of Cingular), Nextel Partners, and MetroPCS Communications. We have actively reviewed opportunities to invest in designated entities and we will seek to provide capital to one or more designated entities in connection with upcoming Advanced Wireless Services auction.

The number one problem with the Commission's auction rules today is that they permit large national wireless carriers to extend their influence and dominance in the wireless industry through their partnerships with designated entities. Rather than promote the diversification of license ownership, this trend has only helped the large national wireless carriers to become more entrenched. The result is that legitimate designated entities – those that truly merit government assistance to become licensees – are less able to compete effectively in auctions and in the market. This also serves to further limit access to capital for legitimate designated entities, businesses that already face steeper challenges in accessing the capital needed to build their businesses to compete against the national wireless carriers. In short, the current designated entity rules, in light of those national carrier partnerships with designated entities, serve only to exacerbate capital formation challenges for smaller wireless carriers.

With the prohibition outlined in the Further Notice of Proposed Rule Making, providers of capital such as Madison Dearborn will be more likely to continue to finance designated entities as they have in the past because those designated entities will be more likely to have meaningful opportunities to acquire spectrum, grow their businesses and compete. As a result, the changes to the program outlined in the Further Notice of Proposed Rule Making will help promote competition and ensure diversity of ownership in the wireless industry, benefiting carriers and consumers alike. We also do not support the idea of expanding the prohibition to include designated entity relationships with other communications service providers given that this will only serve to further limit access to capital for designated entities. We believe that our recommendations are highly consistent with the Commission's intent in forming the designated entity program under the direction of Congress in Section 309(j) of the Communications Act.

We ask the Commission to amend the current auction rules ahead of the upcoming Advanced Wireless Services auctions to preserve real competition in the wireless industry and to advance the Commission's work regarding Section 309(j).

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Mark B. Tresnowski', written over a horizontal line.

Mark B. Tresnowski  
Managing Director and General Counsel