

**Before the  
Federal Communications Commission  
Washington, D.C. 20554**

<b>In the Matter of</b>	)	
	)	
<b>Service Rules for the 698-746, 747-762 And 777-792 MHz Bands</b>	)	<b>WT Docket No. 06-150</b>
	)	
<b>Revision of the Commission’s Rules to Ensure Compatibility with Enhanced 911 Emergency Calling Systems</b>	)	<b>CC Docket No. 94-102</b>
	)	
<b>Section 68.4(a) of the Commission’s Rules Governing Hearing Aid- Compatible Telephones</b>	)	<b>WT Docket No. 01-309</b>
	)	

**To: The Commission**

**REPLY COMMENTS OF THE BLOOSTON RURAL CARRIERS**

The Law Firm of Blooston, Mordkofsky, Dickens, Duffy & Prendergast, LLP, on behalf of its rural telephone carrier clients (hereinafter the “Blooston Rural Carriers”), hereby submits these reply comments in response to the Commission’s *Notice of Proposed Rule Making, Fourth Further Notice of Proposed Rule Making, and Second Further Notice of Proposed Rule Making* (“NPRM”) in the above referenced proceedings, FCC 06-114, released August 10, 2006. As discussed below, the Blooston Rural Carriers support the adoption of the consensus plan (“Balanced Consensus Plan”) proposed by several small, mid-sized and rural carriers, as well as rural telecommunications trade associations and governmental entities.<sup>1</sup>

---

<sup>1</sup> The Balanced Consensus Plan proponents include numerous rural telephone interests; mid-sized carriers such as MetroPCS Communications, Inc., United States Cellular Corporation, and Aloha Partners, L.P.; and governmental entities such as the Vermont Department of Public Service.

The Balanced Consensus Plan proposes to create two additional Cellular Market Area (CMA)-sized license blocks in the 700 MHz band, to foster continued participation of rural telephone carriers and small businesses in the acquisition of spectrum at auction and provision of advanced wireless services to less populated areas in America. The Plan also proposes to create Economic Area (EA)-sized licenses, which will allow mid-sized carriers to obtain license areas appropriate to their objectives. The introduction of these smaller license sizes will not frustrate the ability of large, nationwide carriers to obtain spectrum, since the Balanced Consensus Plan retains a proposal for multiple Regional Economic Area Group (REAG) frequency blocks; and large carriers can assemble needed spectrum by bidding on smaller licenses as well, as demonstrated in Auction No. 66.

The Balanced Consensus Plan will create a balanced mix of license sizes, in furtherance of Congress' mandate (in Sections 309(j)(3)(B) and 309(j)(4)(A) of the Communications Act of 1934, as amended) to "disseminate licenses among a *wide variety* of applicants, including small businesses, rural telephone companies, and businesses owned by members of minority groups and women." (*Emphasis added*) The current allocation of the remaining 700 MHz forecloses participation in the auction to all but the largest bidders. The Balanced Consensus Plan is also consistent with the band plan changes proposed in the Blooston Rural Carriers' September 29, 2006 Comments in this proceeding. Accordingly, the Blooston Rural Carriers have signed on to the Balanced Consensus Plan, which is being filed simultaneously herewith.

The record in this proceeding supports the Blooston Rural Carriers' observation (at page 2 of its Comments) that the use of CMA-sized licenses has proven to be one of the most effective ways to ensure rural telephone company participation in spectrum auctions, as mandated by Congress in Section 309(j) of the Act. See, e.g., Comments of National Telecommunications Cooperative Association (NTCA) at pp. 5-6; Comments of the Organization for the Promotion and Advancement of Small Telecommunications Companies (OPASTCO) at pp. 2-3.

The Blooston Rural Carriers also support the suggestion by NTCA, OPASTCO and Rural Telecommunications Group (RTG) that the Commission should set aside portions of the 700 MHz spectrum for bidding by designated entities only.<sup>2</sup> A number of the Blooston Rural Carriers were unable to obtain even CMA-sized licenses in the recently completed Auction No. 66 due to the dominance of larger carriers in bidding on certain markets. The creation of designated entity spectrum blocks would help to ensure that small and rural bidders have a reasonable chance of obtaining spectrum, as demonstrated in the use of "entrepreneur block" licenses in earlier Personal Communications Service (PCS) auctions. While the PCS entrepreneur block auctions suffered setbacks, due to last-minute rule changes brought about by Supreme Court restrictions on minority/women-based benefits and the use of installment payments, these factors would not be present in the 700 MHz auction.

---

<sup>2</sup> See NTCA Comments at pp.8-10; OPASTCO Comments at pp. 3-4; RTG Comments at pp. 8-9.

**Conclusion**

The Blooston Rural Carriers request the Commission to modify the rules governing the Upper and Lower 700 MHz bands in the manner described above, so as to advance the opportunity for rural telephone companies to participate in the provision of advanced wireless services.

Respectfully submitted,

**The Blooston Rural Carriers**

By: \_\_\_\_\_  
John A. Prendergast  
Their Attorney

Blooston, Mordkofsky, Dickens,  
Duffy & Prendergast, LLP  
2120 L Street, N.W.  
Suite 300  
Washington, D.C. 20037  
Tel: 202-828-5540

Filed: October 20, 2006