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December 15, 2006

## VIA ELECTRONIC FILING

Marlene H. Dortch, Secretary  
Federal Communications Commission  
445 12th Street, S.W.  
Room TW-B204  
Washington, DC 20554

**Re: Notice of Oral *Ex Parte* Communication,  
WT Docket No. 06-150 – Service Rules for the 698-746, 747-762 and 777-792  
MHz Bands**

Dear Madam Secretary:

In accordance with Section 1.1206 of the Commission's rules, 47 C.F.R. Section 1.1206, we hereby provide you with notice of oral *ex parte* presentations in connection with the above-captioned proceeding. The meetings occurred on December 14, 2006 with the following:

Commissioner Jonathan S. Adelstein and Barry J. Ohlson, Senior Legal Advisor

Office of Chairman Martin: Fred B. Campbell, Advisor for Wireless Issues

Office of Commissioner Tate: Aaron Goldberger and Ian Dillner, Legal Advisors

Office of Commissioner Copps: John Branscome, Legal Advisor

Wireless Telecommunications Bureau: Jim Schlichting, Paul Murray, Blaise Scinto,  
Wayne Leighton and Paul D'Ari

The meetings were attended by the undersigned on behalf of the Rural Cellular Association ("RCA"). Also present at the meetings were John Burke, Commissioner, Vermont Public

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Service Board; and Christopher Campbell, Director of Telecommunications, Vermont Department of Public Service.

The undersigned discussed positions as presented in RCA's Reply Comments filed October 20, 2006 in WT Docket No. 06-150, as summarized in the attached material that was provided to Commission personnel attending the meetings.

Sincerely,

A handwritten signature in black ink, appearing to read "David L. Nace". The signature is fluid and cursive, with a prominent initial "D" and a long, sweeping underline.

David L. Nace  
Counsel for Rural Cellular Association

cc: Best Copy and Printing, Inc. (by email)

# **RURAL CELLULAR ASSOCIATION**

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## **Ex Parte Presentation on Service Rules for the Lower and Upper 700 MHz Bands –Docket 06–150**

**David L. Nace, Counsel**

**December 14, 2006**

# **Smaller Service Areas are Needed to Promote Service to Rural Markets**

- RCA members, about 90 nationwide, need 700 MHz spectrum to deliver the next generation of wireless services to rural America.
- But under the Commission's current licensing plan with large regional service areas it is very unlikely that any RCA member would succeed in securing a 700 MHz license at the auction.

- RCA asks the Commission to reconfigure the Lower and Upper 700 MHz band plans to make spectrum available with a variety of service area sizes
- Of the various band plan possibilities the most important change in RCA's view would be a change of Block B (704-710 MHz and 734-740 MHz) in the Lower 700 MHz Band so that licenses would be granted to serve the nation's 734 Cellular Market Areas ("CMAs")

- A large group of commenters including RCA have been able to agree upon a plan called the “Balanced Consensus Plan.”
- That plan provides for a mix of licenses of varying sizes and geographic regions.

# **Strict Performance Requirements Will Promote Use of the Spectrum**

- RCA asks the FCC to adopt performance requirements based upon the geographic area served by licensees, with interim construction requirements during the initial licensee term for all 700 MHz licenses to be auctioned.

- In particular, RCA suggests that all 700 MHz Band licenses to be acquired at auction be subject to the following requirements during the initial ten-year (or longer) license term:
  - (1) By the three-year anniversary of license grant, the licensee must cover at least 25% of the license area;
  - (2) By the five-year anniversary of license grant, the licensee must cover at least 50% of the license area;
  - (3) By the eight-year anniversary of license grant, the licensee must cover at least 75% of the license area; and
  - (4) At the end of the ten-year license term, the licensee must submit a map and supporting data to the Commission depicting the areas where reliable service is provided. All unserved area rights would be forfeited by the licensee and the Commission would auction licenses for the unserved areas.

- As to the first three benchmarks, if construction occurs but is less than sufficient to meet the interim coverage requirement, the licensee could retain a portion of its license area and surrender its rights to a portion of the market as needed in order to meet the applicable benchmark.
- The surrendered area, preferably according to entire counties, would become available for re-licensing to others who have a business plan to serve the area. In this way rural unserved areas need not remain unserved.

- The Commission should seize this one-time opportunity to adopt rules that best assure that wireless services of the most advanced nature reach rural and metropolitan areas alike.
- Both license service areas and performance requirements need to be changed to achieve that goal.