



June 20, 2007

Honorable Kevin Martin
Honorable Deborah Tate
Federal Communications Commission
445 12th St., SW
Washington, DC 20554

Re: WT Docket Nos. 96-86, 06-150, 06-169; PS Docket No. 06-229

Dear Chairman Martin and Commissioner Tate,

Following up on my discussions with each of you, here is a fuller explanation of why I respectfully suggest that licensing the E Block on a regional basis instead of on a nationwide basis would thwart public safety and harm consumers.

The nationwide E Block proposal, as you know, is designed with two main goals in mind: 1) guaranteeing that a firm funded by the private market does provide a built-for-free nationwide, interoperable public safety broadband network for state and local first responders, and 2) assuring that everyone in America has access to a national open platform for new competition and innovation in the wireless industry. I'm strongly of the view that only a national license can give the FCC assurance that these policy goals can and will be accomplished, regardless of who wins the national E block license.

There are at least three reasons. *First*, the NPSL needs to negotiate a uniform network technical design for the nation and that can only be done practically with a single E Block license holder. Multiple regional licensees would almost certainly make different technical choices and offer different technical designs. The history of standards in public safety communication and technology suggests that no uniform standard would emerge. In consumer markets competition among standards can be beneficial, but for public safety multiple standards would raise prices for public safety users and defeat the most important policy goal of all, and one that started the public safety proceeding in the first place: having a single interoperable network so that first responders from different regions can all assemble at moments of crisis at a single point – as they did after the Oklahoma City bombing, 9/11 or Katrina – and all have their devices connect seamlessly to the network that they find at the location of the trouble that brought them together.

Second, the National Public Safety Licensee needs to negotiate a model service contract with a single counterpart holding the E Block license. Multiple regional licensees would surely not offer national “postalized” prices for public safety, but instead would logically charge based on their costs in their own region. As a result, the price of identical service might end up being much higher in Tennessee than in New York, just as

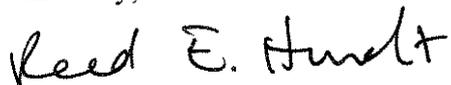
local telephone prices always run the risk of being higher in less dense areas than in more dense areas unless and until other steps are taken to provide for universal coverage at fair prices.

Third, in order to guarantee that local and regional retailers can buy national roaming they need to buy from a single national network provider. Trying to assemble roaming in different regions from different service providers is very difficult, because standards are not uniform. Pricing varies. And a retailer in one region may not wish to improve the ability of a retailer in a different region to obtain national coverage, since today's neighbor may become tomorrow's rival in one's own market. So the competitive purpose in creating an E Block would also be thwarted if the E Block were not national in scope.

Finally, to respond to a different issue, the Commission also can help promote the rigor of the bidding process by adopting anonymous bidding. Anonymous bidding keeps other bidders and the process honest by reducing the chance for the signaling that is part of game theory but is harmful to the policy goals of the auction.

For these reasons, I hope the Commission follows its own lead in the *Ninth NPRM* and adopts a national E Block license plan that delivers to public safety the nationwide interoperable network that it needs and offers consumers and innovators the opportunity for a competitive platform.

Sincerely,

A handwritten signature in black ink that reads "Reed E. Hundt". The signature is written in a cursive, slightly slanted style.

Reed E. Hundt, for Frontline Wireless

cc: Commissioners Copps, Adelstein and McDowell
Marlene Dortch, Secretary