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November 1, 2007

57739-000020

Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Re: Service Rules for the 698-746, 747-762 and 777-792 MHz Bands (WT Docket Nos. 06-150, 01-309, 03-264, 06-169, 96-86, 07-166, CC Docket No. 94-102, and PS Docket No. 06-229)

Dear Ms. Dortch:

On October 31, 2007, Carl Northrop of Paul, Hastings, Janofsky & Walker LLP and Justin Lilley of TeleMedia Policy Corp, representing MetroPCS Communications, Inc. ("MetroPCS"), participated in a meeting with Fred Campbell, Margaret Wiener, Paul Murray and Nese Guendelsberger. The oral presentation in this meeting was consistent with the pleadings and *ex partes* filed on behalf of MetroPCS in the above-referenced proceedings.

In addition, MetroPCS made an oral presentation as summarized in the attached handouts, copies of which were distributed.

Kindly refer any questions in connection with this letter to the undersigned.

Respectfully submitted,

/s/ Michael Lazarus

Michael Lazarus
of PAUL, HASTINGS, JANOFSKY & WALKER LLP

cc: (via email) Fred Campbell (fred.campbell@fcc.gov)
Margaret Wiener (Margaret.wiener@fcc.gov)
Paul Murray (paul.murray@fcc.gov)
Nese Guendelsberger (nese.guendelsberger@fcc.gov)

**PRESENTATION OF
METROPCS COMMUNICATIONS, INC.**

Reconsideration of the 700 MHz Service Rules

WT DOCKET NO. 06-150
WT DOCKET NO. 06-169
PS DOCKET NO. 06-229
WT DOCKET NO. 96-86
CC DOCKET NO. 94-102
WT DOCKET NO. 01-309
WT DOCKET NO. 03-264
WT DOCKET NO. 07-166

The Commission Should Clarify the Circumstances in Which Licensees Will be Subject to Additional Monetary Fines and License Forfeitures

27.14(g)(1) should be revised to read as follows (new language in bold) - If an EA or CMA licensee holding an authorization in these particular blocks fails to provide signal coverage and offer service over at least 35 percent of the geographic area of its license authorization by no later than February 17, 2013 (or within four years of initial license grant, if the initial authorization in a market is granted after February 17, 2009), the term of that license authorization will be reduced by two years. Such license may be subject to enforcement action, including forfeitures, or may lose authority to operate in part of the remaining unserved areas of the license, **if the licensee has not taken meaningful steps toward service implementation sufficient to demonstrate an ability to meet the applicable construction standard at the end of the license term.**

27.14(g)(2) should be revised to read as follows (new language in bold) - If any such EA or CMA licensee fails to provide signal coverage and offer service to at least 70 percent of the geographic area of its license authorization by the end of the license term, that licensee's authorization will terminate automatically without Commission action for those geographic portions of its license in which the licensee is not providing service, and those unserved areas will become available for reassignment by the Commission. In addition, an EA or CMA licensee that provides signal coverage and offers service at a level that is below the end-of-term benchmark may also be subject to enforcement action, including forfeitures, and may be subject to license termination, **if the licensee has failed to provide substantial service in the geographic area of the license authorization by the end of the license term.**

The Commission Should Further Refine the Areas That Must be Counted in Calculating Geographic Coverage

- **Bodies of water**
- **State lands**
- **Historic districts**
- **Areas completely surrounded by licensee's system**
- **Zip codes with population density less than 5 persons per square mile**
 - **These low density areas include only approximately 0.7 % of the population**

The “Keep What You Use” Rule Should be Modified to Allow Carriers to Retain a Small Expansion Area

- **Licensee should be able to define an expansion area of no greater than 15% larger than the calculated service area of the existing network**

“Keep What You Use” Should be Modified to Avoid License Forfeitures Unless an Alternative Service Provider Is Willing and Able to Serve the Unserved Area

- The original licensee would only lose unserved areas after the applicable 8 or 10 year benchmark was missed if a credible third party application was filed for the unserved areas
- The incumbent license would be entitled to continue to expand its coverage until an unserved area application was filed and would retain all areas it is serving
- Unserved area application procedures should require prospective applicants to submit a meaningful upfront payment that is sufficiently large to deter speculators.
- The incumbent should be allowed to participate in any auction of spectrum in unserved areas

The Reserve Prices for Any Subsequent 700 MHz Auction Should Not be Set at the Same Levels as in the Initial Auction

The Anti-Collusion Rule Should be Applied for as Limited a Period as Possible

ATTACHMENT 2

27.14(g)(1) If an EA or CMA licensee holding an authorization in these particular blocks fails to provide signal coverage and offer service over at least 35 percent of the geographic area of its license authorization by no later than February 17, 2013 (or within four years of initial license grant, if the initial authorization in a market is granted after February 17, 2009), the term of that license authorization will be reduced by two years. ~~and~~ Such licensee may be subject to enforcement action, including forfeitures. ~~In addition, such an EA or CMA licensee or~~ may lose authority to operate in part of the remaining unserved areas of the license, if the licensee has not taken meaningful steps toward service implementation sufficient to demonstrate an ability to meet the applicable construction standard at the end of the license term. -

27.14(g)(2) If any such EA or CMA licensee fails to provide signal coverage and offer service to at least 70 percent of the geographic area of its license authorization by the end of the license term, that licensee's authorization will terminate automatically without Commission action for those geographic portions of its license in which the licensee is not providing service, and those unserved areas will become available for reassignment by the Commission. ~~Such licensee may also be subject to enforcement action, including forfeitures.~~ In addition, an EA or CMA licensee that provides signal coverage and offers service at a level that is below the end-of-term benchmark may also be subject to enforcement action, including forfeitures, and may be subject to license termination, if the licensee has failed to provide substantial service in the geographic area of the license authorization at the end of the license term. ~~In the event that a licensee's authority to operate in a license area terminates automatically without Commission action, such areas will become available for reassignment pursuant to the procedures in paragraph (j) of this subsection.~~

27.14(h)(1) If a licensee holding a Block C authorization fails to provide signal coverage and offer service over at least 40 percent of the population in each EA comprising the REAG license area by no later than February 17, 2013 (or within four years of initial license grant if the initial authorization in a market is granted after February 17, 2009), the term of the license authorization will be reduced by two years. ~~and~~ In addition, a licensee that provides signal coverage and offers service at a level that is below the interim benchmark such licensee may be subject to enforcement action, including forfeitures, or may lose authority to operate in part of the remaining unserved areas of the license, if the licensee has not taken meaningful steps toward service implementation sufficient to demonstrate an ability to meet the applicable construction standard at the end of the license term. ~~In addition, a licensee that provides signal coverage and offers service at a level that is below the interim benchmark may lose authority to operate in part of the remaining unserved areas of the license.~~

27.14(h)(2) If a licensee holding a Block C authorization fails to provide signal coverage and offer service over at least 75 percent of the population in any EA comprising the REAG license area by the end of the license term, for each such EA that licensee's authorization will terminate automatically without Commission action for those geographic portions of its

license in which the licensee is not providing service. In addition, a REAG licensee that provides signal coverage and offers service at a level that is below the end-of-term benchmark within any EA. Such licensee may also be subject to enforcement action, including forfeitures, and may be subject to license termination within that EA, if the licensee has failed to provide substantial service in the geographic area of the license authorization by the end of the license term. ~~—In the event that a licensee’s authority to operate in a license area terminates automatically without Commission action, such areas will become available for reassignment pursuant to the procedures in paragraph (j) of this subsection. In addition, a REAG licensee that provides signal coverage and offers service at a level that is below the end-of-term benchmark within any EA may be subject to license termination within that EA.~~

27.14(i)(1) If a licensee holding a cellular market area or EA authorization subject to this paragraph (i) fails to provide signal coverage and offer service over at least 40 percent of the population in its license area by no later than February 17, 2013 (or within four years of initial license grant, if the initial authorization in a market is granted after February 17, 2009), the term of that license authorization will be reduced by two years. In addition, a licensee that provides signal coverage and offers service at a level that is below the interim benchmark and such licensee may also be subject to enforcement action, including forfeitures, or ~~—In addition, such licensee that provides signal coverage and offers service at a level that is below the interim benchmark may lose authority to operate in part of the remaining unserved areas of the license, if the licensee has not taken meaningful steps toward service implementation sufficient to demonstrate an ability to meet the applicable construction standard at the end of the license term.~~ ~~—For purposes of compliance with this requirement, licensees should determine population based on the most recently available U.S. Census Data.~~

27.14(i)(2) If a licensee holding a cellular market area or EA authorization subject to this paragraph (i) fails to provide signal coverage and offer service over at least 75 percent of the population in its license area by the end of the license term, that licensee’s authorization will terminate automatically without Commission action for those geographic portions of its license in which the licensee is not providing service, and those unserved areas will become available for reassignment by the Commission. In addition, Such licensee such a licensee that provides signal coverage and offers service at a level that is below the end-of-term benchmark may also be subject to enforcement action, including forfeitures, and may be subject to license termination, if the licensee has failed to provide substantial service in the geographic area of the license authorization by the end of the license term. ~~—In the event that a licensee’s authority to operate in a license area terminates automatically without Commission action, such areas will become available for reassignment pursuant to the procedures in paragraph (j) of this subsection. In addition, such a licensee that provides signal coverage and offers service at a level that is below the end-of-term benchmark may be subject to license termination. For purposes of compliance with this requirement, licensees should determine population based on the most recently available U.S. Census Data.~~