



KEYON COMMUNICATIONS HOLDINGS, INC.

11742 Stonegate Circle
Omaha, NE 68164
402.998.4000 402.998.4111 FAX

KEYON.COM

June 24, 2008

The Honorable Kevin J. Martin
Chairman
Federal Communications Commission
445 12th Street, SW
Washington, D.C. 20554

VIA ELECTRONIC MAIL

Dear Chairman Martin:

I am writing to urge the Commission to conclude the rulemaking pursuant to which final technical rules are under consideration for the Wireless Communications Service ("WCS") and the Satellite Digital Audio Service ("SDARS").¹ As the largest wireless broadband service provider in rural markets, KeyOn Communications Holdings, Inc. ("KeyOn") is eager to use WCS spectrum for future deployments.

The WCS-SDARS rulemaking has been pending for more than 10 years. While we understand the Commission's focus on the XM-Sirius merger, the Commission cannot overlook that XM, Sirius, WCS licensees and wireless broadband service providers need an end to the rulemaking so that WCS and SDARS spectrum can be actively and lawfully used to serve the public.

KeyOn is a leading provider of wireless broadband services to rural and underserved markets that contain, generally, fewer than 250,000 residents. KeyOn uses all unlicensed spectrum to provide wireless broadband VoIP and satellite video services to residential and business subscribers across 11 states: Nevada, Idaho, Colorado, South Dakota, Nebraska, Kansas, Texas, Iowa, Illinois, Indiana and Ohio. Our strong subscriber base should serve as a testament to the need for wireless broadband services in rural areas, and the need for more wireless broadband spectrum for deployments, particularly WCS spectrum.

WCS spectrum, unlike 700 MHz spectrum, is unencumbered and is positioned to become a key international band that will provide companies like KeyOn with greater

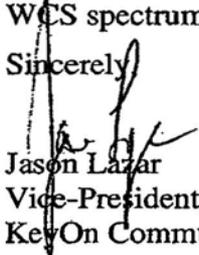
¹ *Amendment of Part 27 of the Commission's Rules to Govern the Operation of Wireless Communications Services in the 2.3 GHz Band; Establishment of Rules and Policies for the Digital Audio Radio Satellite Service in the 2310-2360 MHz Frequency Band*, Notice of Proposed Rulemaking and Second Further Notice of Proposed Rulemaking, FCC 07-215 (rel. Dec. 18, 2007).

opportunities, including roaming. By harmonizing the technical rules for WCS with international spectrum use, the Commission can ensure that these advantages are realized.

While the FCC has made great strides in making spectrum available for the proliferation of wireless broadband, alternate bands have had their own unique challenges. For example, while KeyOn was an approved applicant for Auction 73, it ultimately declined to participate because of the anticipated costs. KeyOn has taken advantage of the newly licensed 3.65 GHz band by constructing a network in one of its existing markets, however, the existing power limitations result in increased capital expenditures. As it relates to the WCS band specifically, the Commission can greatly enhance the rural opportunity by finalizing out-of-band emission mask rules that will allow for the deployment of mobile devices.

For these reasons, KeyOn respectfully requests that the Commission conclude the WCS-SDARS rulemaking so that KeyOn and other providers may realize the full value of the WCS spectrum.

Sincerely,



Jason Lazar

Vice-President, Corporate Development and General Counsel
KeyOn Communications Holdings, Inc.

Cc: The Honorable Daniel K. Inouye
Chairman, Senate Commerce, Science and Transportation Committee

The Honorable Edward J. Markey
Chairman, Telecommunications and the Internet Subcommittee
House Energy and Commerce Committee