



Sprint Nextel
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May 27, 2010

BY ELECTRONIC FILING

David Furth, Deputy Bureau Chief
Public Safety and Homeland Security Bureau
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Re: Extension of Irrevocable Letter of Credit for 800 MHz Band Reconfiguration, WT Docket No. 02-55

Dear Mr. Furth:

Nextel Communications, Inc. (“Nextel”), a subsidiary of Sprint Nextel Corporation, is pleased to inform the Federal Communications Commission (“Commission”) that it has extended the term of its 800 MHz Band Reconfiguration Irrevocable Letter of Credit (“LOC”) through October 31, 2013. Extending the LOC assures that incumbent licensees that must retune, pursuant to the Commission’s 800 MHz Reconfiguration Decision (“*R&O*”), will receive the funds necessary to retune their communications systems consistent with the provisions of the *R&O*.¹ The LOC had been set to expire on December 10, 2010.

On March 7, 2005, Nextel submitted a series of documents and certifications pursuant to paragraph 344 of the 800 MHz *R&O* demonstrating that it had secured access to a \$2.5 billion irrevocable LOC. Nextel does not use the LOC for the day-to-day payment of expenses incurred by incumbents and/or their vendors and suppliers for 800 MHz Reconfiguration; rather, the Commission requires Nextel to maintain the LOC as a stand-by funding mechanism or security against Nextel’s unlikely default on these obligations. In other words, the LOC ensures that sufficient funds will be available to meet the retuning costs of 800 MHz incumbents required to retune under the Commission’s rebanding plan, notwithstanding any adverse change in Nextel’s

¹ See *Improving Public Safety Communications in the 800 MHz Band; Consolidating the 800 and 900 MHz Industrial/Land Transportation and Business Pool Channels*, Report and Order, Fifth Report and Order, Fourth Memorandum Opinion and Order, and Order, 19 FCC Rcd 14969, ¶ 344 (2004) (“*R&O*”), as amended by Erratum, WT Docket No. 02-55 (rel. Sep. 10, 2004); Second Erratum, 19 FCC Rcd 19651 (2004); Public Notice, “Commission Seeks Comment on Ex Parte Presentations and Extends Certain Deadlines Regarding the 800 MHz Public Safety Interference Proceeding,” 19 FCC Rcd 21492 (2004); Third Erratum, 19 FCC Rcd 21818 (2004); Supplemental Order and Order on Reconsideration, 19 FCC Rcd 24708, ¶ 9 (2004) (“*Supplemental Order*”); and Erratum, WT Docket No. 02-55 (rel. Jan. 19, 2005).

financial condition. To date, Nextel has paid all qualified incumbent retuning charges such that the Commission has not had to initiate any LOC draw downs.²

In early 2009, Nextel worked with the LOC Issuing Banks to extend the term of the original LOC to December 10, 2010, consistent with the duration of Sprint Nextel's then-existing credit facility.³ While significant progress has been made in completing 800 MHz reconfiguration⁴, a number of large statewide, regional and US – Canada and US – Mexico border area systems have not completed their retunes and some of them have requested, or may soon request, additional time to complete their reconfiguration work. Accordingly, as part of the renegotiation of its overall revolving credit facility, Sprint Nextel has secured modifications to the LOC with an extended term that will cover a substantial portion of the remaining term of the rebanding project.⁵

The revised LOC has been fully executed by the Issuing Banks, and is being held in escrow by JP Morgan Chase Bank, the Issuing Bank's administrative agent. A notice from JP Morgan describing certain changes among the Issuing Banks, and referencing the extended expiration date of October 24, 2013, is attached as Appendix A.⁶ A list of Issuing Banks is also attached as Appendix B.⁷

Nextel greatly appreciates the efforts of the Commission and its staff throughout this proceeding. Nextel remains committed to working cooperatively with the Commission, its staff, and all involved parties to implement 800 MHz band reconfiguration and improve public safety communications in the 800 MHz band.

² Nextel has paid incumbent retuning costs as incurred; accordingly, the Commission has reduced the LOC requirement by \$914 million – from \$2.5 billion to \$1.586 billion, consistent with the provisions of the *R&O* and subsequent Commission decisions.

³ See Letter from James B. Goldstein, Director - Sprint Nextel Corporation to David Furth, Acting Bureau Chief, dated April 27, 2009, filed in WT Docket 02-55.

⁴ See 800 MHz Monthly Report, dated May 3, 2010.

⁵ Nextel will address the need for a further extension of the LOC beyond October 24, 2013, if necessary, at a later date.

⁶ The Bank of Nova Scotia, Societe Generale and The Royal Bank of Scotland plc are no longer LOC Issuing Banks; Wells Fargo Bank, N.A. has been added as an Issuing Bank (as successor in interest to former Issuing Bank, Wachovia Bank, National Association). Aside from the new expiration date, the terms of the LOC are unchanged.

⁷ Each of the Issuing Banks is obligated for the maximum LOC amount as indicated on the signature pages in Attachment A.

This letter is being filed electronically for inclusion in the public record of the above-referenced proceeding.

Respectfully submitted,

/s/ James B. Goldstein
James B. Goldstein
Director - Spectrum

cc: Michael Wilhelm, PSHSB
800 MHz Transition Administrator

Appendix A

Irrevocable Standby Letter of Credit

No. P-622662

May 21, 2010

U.S. Bank National Association, as trustee
1350 Euclid Avenue, 11th Floor
Cleveland, OH 44115
Attention: Elizabeth Thuning

General Counsel
Federal Communications Commission
9300 East Hampton Drive
Capitol Heights, MD 20743

with copy to:

Chief, Public Safety & Critical Infrastructure Division
Wireless Telecommunications Bureau
Federal Communications Commission
9300 East Hampton Drive
Capitol Heights, MD 20743
Fax: (202) 418-0787

Re: L/C NO.: P-622662

Ladies and Gentlemen:

Reference is made to Letter of Credit No. P-622662 (as amended prior to the date hereof, the "Letter of Credit") issued by JPMorgan Chase Bank, N.A.; Citibank, N.A.; Bank of America, N.A.; The Bank of Nova Scotia; Barclays Bank PLC; Wachovia Bank, National Association; Societe Generale; and The Royal Bank of Scotland plc in favor of U.S. Bank National Association, as trustee. Terms defined in the Letter of Credit are used herein as defined therein.

The Letter of Credit provides, inter alia, that (i) an Issuing Bank may cease to be a party thereto, (ii) a new bank may become a party thereto and (iii) the Letter of Credit Percentage of an Issuing Bank may change, so long as no such event will reduce the then available amount under the Letter of Credit. The Letter of Credit further provides that prior to any such changes, JPMorgan Chase Bank, N.A. will provide prompt written notice thereof to U.S. Bank National Association, as trustee and the Commission.

The letter constitutes notice, pursuant to terms of the Letter of Credit, that:

- (i) the following entities shall cease to be Issuing Banks on and as of the date hereof:
 - a. The Bank of Nova Scotia;
 - b. Societe Generale; and

- c. The Royal Bank of Scotland plc;
- (ii) the following Issuing Banks shall continue to be Issuing Banks under the Letter of Credit and each such Issuing Bank's obligations shall continue to be several and not joint with each such Issuing Bank being obligated for the Maximum Letter of Credit Amount and Letter of Credit Percentages set forth on such Issuing Bank's signature pages hereto:
 - a. JPMorgan Chase Bank, N.A.;
 - b. Citibank, N.A.;
 - c. Bank of America, N.A.;
 - d. Barclays Bank PLC; and
 - e. Wells Fargo Bank, N.A. (as successor in interest to Wachovia Bank, National Association).

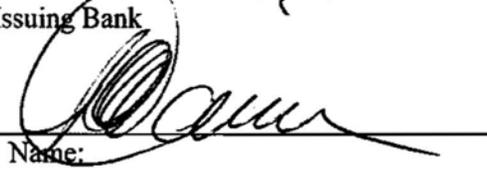
In addition to the foregoing changes, the Ultimate Expiration Date shall be changed to October 24, 2013.

All other terms and conditions of the credit remain unchanged.

[remainder of page intentionally left blank; signature pages follow]

JPMORGAN CHASE BANK, N.A.,
as Issuing Bank

By:



Name:

Title:

RALPH T. DAVIS
ASSISTANT VICE PRESIDENT

Maximum Letter of Credit Amount: \$499,653,000.00

Letter of Credit Percentage: 31.50%

L/C Reference Number: P-622662

This is a signature page by the above Issuing Bank to a notice in respect of Letter of Credit No. P-622662 in favor of U.S. Bank National Association, as trustee. By execution of this signature page, the above Issuing Bank authorizes JPMorgan Chase Bank, N.A. to affix this signature page to the original copy of such notice and the Letter of Credit to be delivered to the Beneficiary.

CITIBANK, N.A.,
as Issuing Bank

By:



Name: Maureen P. Maroney

Title: Vice President

Maximum Letter of Credit Amount: \$499,653,000.00

Letter of Credit Percentage: 31.50%

L/C Reference Number: 61638251

This is a signature page by the above Issuing Bank to a notice in respect of Letter of Credit No. P-622662 in favor of U.S. Bank National Association, as trustee. By execution of this signature page, the above Issuing Bank authorizes JPMorgan Chase Bank, N.A. to affix this signature page to the original copy of such notice and the Letter of Credit to be delivered to the Beneficiary.

BANK OF AMERICA, N.A.,
as Issuing Bank

By:


Name: *Mark Short*
Title: *Senior Vice President*

Maximum Letter of Credit Amount: \$226,430,050.00

Letter of Credit Percentage: 14.275%

L/C Reference Number: 3073253

BARCLAYS BANK PLC,
as Issuing Bank

By:



Name:

Title:

Nicholas A. Bell
Director

Maximum Letter of Credit Amount: \$226,430,050.00

Letter of Credit Percentage: 14.275%

L/C Reference Number: SB00356

This is a signature page by the above Issuing Bank to a notice in respect of Letter of Credit No. P-622662 in favor of U.S. Bank National Association, as trustee. By execution of this signature page, the above Issuing Bank authorizes JPMorgan Chase Bank, N.A. to affix this signature page to the original copy of such notice and the Letter of Credit to be delivered to the Beneficiary.

WELLS FARGO BANK, N.A. (as successor in
interest to Wachovia Bank, National
Association), as Issuing Bank

By:

Kristen B. Hill

Name: Kristen B. Hill

Title: Vice President

Maximum Letter of Credit Amount: \$134,033,900.00

Letter of Credit Percentage: 8.45%

L/C Reference Number: SM212330W

This is a signature page by the above Issuing Bank to a notice in respect of Letter of Credit No. P-622662 in favor of U.S. Bank National Association, as trustee. By execution of this signature page, the above Issuing Bank authorizes JPMorgan Chase Bank, N.A. to affix this signature page to the original copy of such notice and the Letter of Credit to be delivered to the Beneficiary.

Appendix B – List of Issuing Banks

JP Morgan Chase, N.A.	\$499,630,000.00
Citibank, N.A.	\$499,630,000.00
Bank of America, NA	\$226,430,050.00
Barclays Bank, PLC	\$226,430,050.00
Wells Fargo	\$134,033,900.00
Total	\$1,586,154,000.00