

January 26, 2007

VIA ELECTRONIC FILING

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

Re: WT Docket 02-55
Progress Report for 800 MHz Band Reconfiguration

Dear Mr. Furth:

Sprint Nextel Corporation (“Sprint Nextel”) hereby provides the Federal Communications Commission (“Commission”) with its report on the status of 800 MHz band reconfiguration, including its compliance with the Commission’s December 26, 2006, 18-month progress benchmark.

The Commission required Sprint Nextel to retune all Phase I (channels 1-120) incumbents in at least 20 NPSPAC regions by December 26, 2006 (18 months from the band reconfiguration start date of June 27, 2005) and to initiate retuning negotiations with all NPSPAC channel incumbents in each of those 20 regions.¹ Since the start of 800 MHz band reconfiguration, Sprint Nextel has worked diligently and in good faith with all incumbent licensees to expeditiously complete Phase I 800 MHz incumbent retuning in every NPSPAC region.

I. Phase I Progress Report

A. Phase I of 800 MHz Band Reconfiguration is Complete in 26 NPSPAC Regions

As of December 26, 2006, all non-Sprint Nextel, non-SouthernLINC channel 1-120 incumbents were completely retuned to comparable replacement channels in the 809-817 MHz/854-862 MHz channel block in 26 NPSPAC regions, including a number of the largest and

¹ *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, ¶ 346 (2004) (“800 MHz R&O”); Supplemental Order and Order on Reconsideration, 19 FCC Rcd 25120, ¶ 53 (2004) (“800 MHz Supplemental Order”).

most heavily populated areas of the country.² Specifically, all Phase I incumbents have retuned in each of the following NPSPAC regions:

Alabama	Lubbock, TX
Alaska	Minnesota
Arkansas	Montana
Colorado	Nebraska
Dallas, TX	Nevada
Hawaii	North Dakota
Houston, TX	Oklahoma
Idaho	South Dakota
Illinois	Utah
Indiana	Virgin Islands
Iowa	West Virginia
Kansas	Wisconsin
Kentucky	Wyoming

To accomplish this result, in each of the 26 NPSPAC regions, Sprint Nextel and affected incumbent licensees have negotiated and executed hundreds of FRAs, and have obtained prior 800 MHz Transition Administrator (“TA”) approval for all of these agreements. Sprint Nextel and incumbent licensees have also filed, and the Commission has granted, all necessary license modifications to authorize the incumbent licensees to operate on their new channel assignments, and to assign or delete the affected incumbent’s former channels in the 1-120 channel block.³ Sprint Nextel has retuned its network to clear its commercial wireless operations off incumbent’s replacement channels, and incumbent licensees have retuned to their assigned replacement channels.

These 26 completed NPSPAC regions include a mix of NPSPAC regions taken from each of the TA’s four designated negotiating waves. Phase I retuning was completed prior to December 26, 2006 in seven of the 15 Wave 1 regions; 16 of the 19 Wave 2 regions; two of the nine Wave 3 regions; and one of the 12 Wave 4 regions. Appendix A provides a chart listing the number of licenses cleared in each of these 26 NPSPAC regions and the TA’s Wave designation for each region. As expected, most of the regions in which Phase I is now complete were included in Waves 1 and 2 of the TA’s prioritization plan; fewer licensees had sufficient time to

² Consistent with the Commission’s orders permitting Economic Area (“EA”) licensees the option of retuning to the cellularized ESMR block portion of the 800 MHz band, some eligible incumbents opted to retune above 862 MHz.

³ In some instances, Sprint Nextel and incumbent licensees are still working to complete Commission licensing of channel retunes by deleting particular 1-120 channels from the retuned incumbent’s 800 MHz licenses. In addition, the parties are still completing transaction closing requirements for some of the retunes. As a result, the Commission’s Universal Licensing System (“ULS”) database may not yet reflect the completion of every channel swap. *In every case, however, the incumbent has completed retuning its system off of channels 1-120.*

complete the retuning process in the more recently initiated regions in Waves 3 and 4.⁴ Retuning remains in the early stages for Wave 4, Phase I licensees located in the U.S. – Canada and U.S. – Mexico border areas pending Commission adoption of revised 800 MHz channel plans for these areas pursuant to international negotiations.

B. Sprint Nextel Has Fulfilled its Responsibilities to Complete Phase I Band Reconfiguration in Nine Additional NPSPAC Regions

Phase I is nearly complete in nine additional NPSPAC regions, six in Wave 1 and three in Wave 2. In each of the nine regions, as of December 26, 2006, Sprint Nextel had met all of its responsibilities to effectuate timely completion of band reconfiguration, including entering into FRAs with all affected Phase I incumbents,⁵ providing retuning funding pursuant to such FRAs, and providing, where necessary, replacement equipment and technical assistance.⁶ *Significantly,*

⁴ Wave 3 of 800 MHz band reconfiguration began on January 3, 2006 and was followed by a three month voluntary and three month mandatory negotiation period, which ended on July 2, 2006. Following that period, the TA-supervised Alternative Dispute Resolution (“ADR”) process began. Wave 4 of 800 MHz band reconfiguration began on July 3, 2006, and was followed by a three- month voluntary and three-month mandatory negotiation period, which ended on January 2, 2007. On December 27, 2006, the Bureau issued a *Public Notice* extending the three-month mandatory negotiation period for three additional months to April 1, 2007 for licensees in the U.S. - Canada and U.S. – Mexico Border Areas whose retuning plans cannot be finalized until 800 MHz border area band plans are established. For Wave 4 NPSPAC region non-border area licensees, TA-supervised mediation began on January 3, 2007.

⁵ Sprint Nextel does not have a signed FRA with Preferred Acquisitions, Inc. -- a purported Phase I incumbent licensee in Northern California, Oregon, and Virginia, among other jurisdictions. Sprint Nextel believes that the 800 MHz licenses awarded to Preferred more than five years ago automatically cancelled due to the company’s failure to construct and place in operation any facilities authorized by those licenses. *See* 47 C.F.R. § 90.685(b). By an Opposition to Request for Rule Waiver dated January 27, 2006, Sprint Nextel opposed Preferred’s requests for waiver of the Commission’s construction rules and asked the Commission to acknowledge that the licenses previously awarded to Preferred have cancelled and that Preferred is not entitled to replacement channels. On May 11, 2006 and August 2, 2006, Sprint Nextel filed two separate requests with the TA Mediator to suspend the TA mediation for all of Preferred’s EA licenses and site-specific licenses until the Commission ruled on this threshold issue. Preferred concurred in both of these requests. On June 19, 2006 and August 24, 2006, the TA Mediator’s Recommended Resolutions requested that the FRA negotiations be suspended until after the Commission’s ruling on Preferred’s waiver request. The Commission has not yet ruled upon Preferred’s request.

⁶ Specifically, Sprint Nextel has negotiated in good faith with affected incumbent licensees in executing both these FRAs and, in some cases, Planning Funding Agreements (“PFAs”). Sprint Nextel has taken responsibility for obtaining TA approval of these agreements and in many cases has assisted in the preparation of incumbents’ modification applications and made available its operational and technical expertise to assist incumbent licensees. In eight of these NPSPAC regions, Sprint Nextel has entirely cleared its commercial wireless network of the necessary channels to provide comparable replacement channels for incumbents at 809-817

273 of 294 licensees -- a retune rate of 93 percent of all Phase I incumbents in these nine regions -- completed their retunes by December 26, 2006; only one licensee had not completed its retune in three of the regions. As of today, only 19 out of the nearly 300 Phase I incumbents in these nine regions have not completed their retunes.

The nine additional NPSPAC regions are:

Austin, TX	Northern California
Eastern Pennsylvania	Oregon
Great Lakes (Chicago)	Tennessee
Missouri	Virginia (Southern)
New York	

Appendix B includes a chart providing details on the status of retuning in these nine NPSPAC regions as of December 26, 2006. The chart provides the TA's Wave designation of the region, the number of licensees that had completed retuning, and the number and names of licensees that had not completed their retunes, including a brief summary of the particular facts and circumstances involved in those instances. Most of these remaining incumbents are well into the retuning process; only a few are not in compliance with their contractual retuning obligations, as described in Appendix B.

Sprint Nextel respectfully submits that it has taken all reasonable steps within its control to complete Phase I band reconfiguration in these nine additional regions. Under the Commission's reconfiguration plan, incumbent licensees are responsible for undertaking the physical retuning of their systems or overseeing or arranging for such activity; Sprint Nextel is allowed no access to an incumbent's facilities during the retuning process.⁷ In practice, retuning typically requires that incumbents hire vendors or contractors to perform the necessary work on handsets, mobile units, and system infrastructure. Sprint Nextel has no direct involvement in the actual performance of an incumbent's physical retuning and cannot *compel* an incumbent to complete the retuning process. Indeed, the Commission has recognized that factors outside Sprint Nextel's control can prevent the expeditious completion of 800 MHz retuning in a given region, and has made clear that Sprint Nextel should not be accountable for retuning delays if they are the result of such circumstances.⁸

C. Sprint Nextel Has Also Made Substantial Progress in the Two Remaining Wave 1 NPSPAC Regions

As discussed above, all Phase I incumbents have been retuned in seven of the 15 Phase I, Wave I regions. In addition, all Phase I incumbents have signed FRAs in six additional Wave 1 regions, and nearly all Phase I incumbents in these six regions have been retuned: Eastern Pennsylvania (1 licensee remaining), Great Lakes (Chicago) (1 licensee remaining), New York

MHz/854-862 MHz, and in the remaining region, Oregon, Sprint Nextel will do so in early February when the final incumbent licensee is ready to begin its physical retune.

⁷ 800 MHz R&O at ¶ 198; 800 MHz Supplemental Order at ¶ 74.

⁸ 800 MHz R&O at ¶ 332.

(2 licensees remaining), Northern California (3 licensees remaining), Oregon (2 licensees remaining), and Southern Virginia (5 licensees remaining).⁹

Sprint Nextel has been unable to reach FRAs with every Phase I incumbent licensee in the two remaining Wave 1 regions: New England (Region 19) and Washington, DC/Northern Virginia/Baltimore (Region 20). Sprint Nextel has, however, made substantial progress in each region. In New England, Sprint Nextel and incumbents have signed 95 percent of the necessary FRAs and have completed retuning 33 of the 37 licensees required to be retuned. In Washington, DC/Northern Virginia/Baltimore, Sprint Nextel and incumbents have signed 80 percent of the necessary FRAs, and 23 of the affected 30 licensees have been cleared from channels 1-120.

In the New England NPSPAC region, the City of Boston ("Boston") has not yet entered into an FRA with respect to radio systems operated by the Boston Police Department ("BPD") and the Boston 800 MHz Trunking and Transportation System ("BTT"). Following extensive planning funding, negotiations, and mediations, the City is seeking *de novo* review by a Commission Administrative Law Judge of the Homeland Security and Public Safety Bureau's ("Bureau") denial of Boston's request that Sprint Nextel fund Boston's purchase of a specific third-party proprietary software package for the management and tracking of mobile and portable radios involved in the reconfiguration process.¹⁰ While Sprint Nextel hoped that the Bureau's resolution of these issues would lead to FRAs with Boston for these two radio systems in the near

⁹ Since December 26, 2006, one licensee in Northern California and one licensee in Eastern Pennsylvania have each completed their retunes. The licensees listed are those remaining as of the date of this report.

¹⁰ During the voluntary and mandatory negotiation periods in 2005, Boston failed to provide cost estimates which would have provided the parties information necessary to negotiate FRAs. Instead, at the initiation of the TA Mediation in December 2005, Boston announced its desire to enter into a PFA to conduct planning activities prior to negotiating an FRA. After a PFA was reached and a four month planning period, Sprint Nextel and Boston worked towards negotiating FRAs for each system, but could not resolve Boston's request that Sprint Nextel purchase the third-party proprietary asset tracking software. After extensive mediation of this disputed issue, the TA mediator forwarded a recommended resolution of the BPD dispute to the Bureau on July 31, 2006, and sent a similar recommendation to the Bureau for the same dispute with the BTT on October 10, 2006. On December 20, 2006, the Bureau denied Boston's requests. *City of Boston, Massachusetts and Sprint Nextel*, Memorandum Opinion and Order, WT Docket No. 02-55 (rel. Dec. 20, 2006). The Bureau in this order also ruled in Sprint Nextel's favor with respect to a disagreement on contractual language governing the change order process for the BTT system.

future, the City has appealed the decision.¹¹ As a result, Phase I retuning in Boston is unlikely to be completed in the near future.¹²

NPSPAC Region 20 includes the National Capital Region (“NCR”), the largest coalition of interoperable public safety licensees in the United States. The NCR is composed of more than 25 separately licensed town, city, county, and state systems, each of which is capable of interoperating with another NCR system; approximately 50,000 radios are capable of operating on any of the affiliated systems. Accordingly, the NCR is taking more time to plan, coordinate, and implement its retuning. To that end, in 2006, Sprint Nextel provided planning funding for a number of the individual jurisdictions within the NCR, and the main NCR representatives are diligently planning the complex interoperability retuning. As of December 26, 2006, Sprint Nextel had not entered into FRAs with six of the NCR constituents: The County of Baltimore, the District of Columbia, Fairfax County, Manassas Public Schools, the State of Maryland and Montgomery County.¹³ Sprint Nextel continues to meet regularly with the NCR, its members,

¹¹ Even if the City of Boston had not appealed the Bureau’s decision, the retune would not have been completed by December 26, 2006.

¹² Two other 800 MHz incumbents did not complete their retune by December 26, 2006: The State of Connecticut (“Connecticut”) and the City of Cambridge, MA (“Cambridge”). Cambridge is expected to complete its retune by the end of January 2007, and Connecticut is expected to complete the retune of its 22-site statewide Department of Corrections system during the first quarter of 2007. Connecticut’s uncompleted state-wide system retune also prevents Sprint Nextel from certifying that the adjacent New York Metropolitan Area NPSPAC region is completed because the Connecticut system crosses both NPSPAC regions.

One remaining licensee in New England holds 800 MHz licenses for 1-120 channels that have not been removed from the Commission’s licensing database: Winsome Paging, Inc. (“Winsome”). Winsome is licensed for two Economic Area (“EA”) licenses, one five-channel license in Burlington, VT (Call sign WPRQ901) and the other in Bangor, ME (Call sign WPRQ900). Based on the Commission’s ULS database, Winsome has never reported any construction for these two licenses, as was required both at its third-year benchmark in 2003 and its five-year benchmark in 2005. Based on this failure to report construction, Winsome’s two licenses should already be null and void as a matter of law. Accordingly, Sprint Nextel formally requests that the Commission cancel the Winsome licenses and expeditiously remove them from the ULS database.

¹³ Baltimore, the District of Columbia and Fairfax County have done significant retuning planning, have each signed PFAs, and are making significant progress towards FRAs with Sprint Nextel. The negotiations between the Manassas Public Schools, the State of Maryland, and Montgomery County were each forwarded to the Bureau for *de novo* review following recommended resolutions by the TA Mediators. The Bureau issued decisions in each of these matters in October 2006. The Bureau’s decision in the Montgomery County case has been appealed by Sprint Nextel to an Administrative Law Judge and is awaiting further action. Sprint Nextel and Manassas have signed an FRA. With the State of Maryland, a new dispute has arisen, and on January 22, 2007, the TA Mediator forwarded a second recommended resolution to the Bureau for *de novo* review.

their vendors and consultants, and all affected parties to facilitate completing Phase I in Region 20.

Appendix C provides additional detail on the status of retuning in Regions 19 and 20.

D. Substantial Progress in Remaining Phase I NPSPAC Regions

The preceding sections of this report provide the Commission a comprehensive update on the status of Phase I 800 MHz band reconfiguration for all 15 Wave 1 markets, and all 19 Wave 2 markets. This Section briefly addresses the Phase I 800 MHz band reconfiguration status for all remaining markets in Wave 3 and Wave 4.

Sprint Nextel has made substantial progress in the remaining Wave 3 and Wave 4 NPSPAC regions. In the eight remaining Wave 3 NPSPAC regions, Sprint Nextel and incumbent licensees have negotiated signed FRAs with 232 out of 271 licensees, in transactions comprising 82 percent of the channels that need to be retuned.¹⁴ Of these Wave 3 signed transactions, 44 percent of the channels have been completely cleared of non-Sprint Nextel incumbents, while the remaining 56 percent of the channels are currently being retuned.

Wave 4 is also showing significant progress despite a major gating factor, the resolution of 800 MHz band plans for the Border Area portions of the Wave 4 NPSPAC regions. Because the Commission has not established reconfigured 800 MHz band plans for the Border Areas, a large number of Wave 4 800 MHz incumbents cannot yet negotiate their retunes. In the *non*-Border areas of the 12 Wave 4 NPSPAC regions, however, substantial progress has been made. In the 12 Wave 4 NPSPAC regions, Sprint Nextel has signed 113 FRAs and has already retuned 77 of these licensees (68 percent).

The chart in Appendix D shows the remaining Wave 3 and Wave 4 NPSPAC regions, the TA's Wave designation, the number of signed FRAs, the number of FRAs remaining to be signed, the number of completed retunes and the number of retunes that remain to be completed.¹⁵

¹⁴ In Wave 3, there are 232 signed FRAs out of 271 total FRA negotiations covering 784 channels out of 958 total channels to be retuned. Accordingly, 39 FRA negotiations are still ongoing and 174 channels are not included in a signed FRA.

¹⁵ For the Wave 4 NPSPAC regions, Appendix D includes some licensees that are located close to but outside the border area. Because of their close proximity, these licensees cannot be issued proposed channel assignments, their FRAs cannot be negotiated, and the retunes cannot occur. At the same time, Appendix D does not include data for some Wave 4 border area licensees that will likely have to be retuned; until band plans are provided, determinations regarding which licensees must be retuned cannot be made. In other words, for the Wave 4 NPSPAC regions, Appendix D indicates what retuning work has been done, but not necessarily all of the retuning work yet to come.

II. Initiation of Phase II NPSPAC Negotiations

As of December 26, 2006, Sprint Nextel had initiated Phase II retuning negotiations with every NPSPAC licensee in 37 regions, including all 15 regions in Wave 1 and all 19 regions in Wave 2. Indeed, in many regions Sprint Nextel and incumbent NPSPAC licensees have gone significantly beyond the initiation of negotiations. Sprint Nextel entered mediation with over 300 Wave 1 NPSPAC licensees under the TA's Alternative Dispute Resolution process. These mediations, which began on November 1, 2006, demonstrate that Sprint Nextel has initiated active retuning negotiations with these parties. The status of these mediations is verifiable by both Sprint Nextel and the TA, given that Sprint Nextel and participating licensees must submit written documentation with the TA, take part in joint conference calls with the TA, and exchange written and verbal communications.

For Wave 1 NPSPAC incumbents not in mediation, and for Wave 2 and 3 NPSPAC incumbents still in the voluntary and mandatory negotiating windows, retuning negotiations between Sprint Nextel and Phase II NPSPAC licensees include a number of benchmarks that establish that negotiations between these parties had been initiated and substantial progress achieved by December 26, 2006. First, Sprint Nextel has entered into FRAs as well as PFAs with a number of Phase II licensees. These agreements confirm that retuning negotiations were initiated with the covered incumbent licensees well before December 26, 2006. Second, in a number of cases where the parties have not yet executed FRAs or PFAs, Sprint Nextel has internally approved certain transaction terms and the appropriate legal documents are being prepared or have already been forwarded to the Phase II licensee. Sprint Nextel in these instances can document that meaningful negotiations commenced prior to December 26, 2006. Third, in those cases in which Sprint Nextel's (typically PFA) negotiations with Phase II licensees have not proceeded to agreement on material terms, the incumbent licensees themselves have taken actions that evidence the start of that process, such as submitting a Request for Planning Funding ("RFPF") to the TA which is forwarded to Sprint Nextel for its review and subsequent negotiation.

To demonstrate compliance with the FCC's Phase II requirement in the case of the more than one hundred Phase II licensees that do not fall into any of the above-described categories, Sprint Nextel has transmitted a letter to these licensees seeking basic system information, a retuning quote by a date certain, and a countersignature to confirm the initiation of retuning negotiations. Between November 20 and November 24, 2006, Sprint Nextel mailed these letters to 127 licensees, with return receipt requested. As of December 14, 2006, 79 of these licensees confirmed the initiation of retuning negotiations by countersignature, the remainder had not responded. As of the date of this report, 88 licensees have confirmed the initiation of retuning negotiations, and 39 licensees have not responded. Sprint Nextel will, of course, continue attempting to contact and engage the remaining 39 licensees.¹⁶

¹⁶ In addition, Sprint Nextel has attempted to contact by telephone representatives of these NPSPAC licensees.

III. Conclusion

Consistent with the Commission's requirements, Sprint Nextel will continue to work diligently to complete Phase I and Phase II retuning in all NPSPAC regions. Sprint Nextel respectfully submits that it has satisfied the Commission's 18-month progress benchmark.

Sprint Nextel reaffirms its commitment to completing all of its obligations and responsibilities under the Commission's 800 MHz reconfiguration decisions. We look forward to working cooperatively with the Commission, the Transition Administrator, public safety leadership, and public safety agencies and their consultants and vendors to complete this essential undertaking.

Sincerely,

/s/ Lawrence R. Krevor

Lawrence R. Krevor
Vice President – Spectrum

James B. Goldstein
Director – Spectrum Reconfiguration
Sprint Nextel Corporation

cc: Michelle Carey, Legal Advisor to Chairman Martin
Michael Wilhelm, Public Safety and Homeland Security Bureau
Brett Haan, 800 MHz Transition Administrator
John Bush, 800 MHz Transition Administrator

Appendix A

Completed NPSPAC Regions

NPSPAC Region	Wave	Number of Site Licensees Retuned
Alabama	Wave 3	All 7
Alaska	Wave 4	All 13
Arkansas	Wave 2	All 17
Colorado	Wave 1	All 21
Dallas, TX	Wave 2	All 23
Hawaii	Wave 1	All 32
Houston, TX	Wave 2	All 23
Idaho	Wave 2	All 12
Illinois	Wave 1	All 30
Indiana	Wave 1	All 19
Iowa	Wave 2	All 10
Kansas	Wave 2	All 16
Kentucky ^{1, 2}	Wave 2	All 16
Lubbock, TX	Wave 2	All 25
Minnesota	Wave 2	All 51
Montana	Wave 2	All 11
Nebraska	Wave 2	All 7
Nevada ³	Wave 1	All 45
North Dakota ⁴	Wave 2	All 8
Oklahoma	Wave 2	All 11
South Dakota	Wave 2	All 9
Utah	Wave 1	All 10
Virgin Islands ⁵	Wave 3	All 8
West Virginia ⁶	Wave 2	All 5
Wisconsin	Wave 1	All 15
Wyoming	Wave 2	All 3

Appendix A

Completed NPSPAC Regions

¹ One operating 800 MHz incumbent, the City of Cincinnati, Ohio, has requested that the City's base station facility physically located at the Louisville International airport in Kentucky have its retuning delayed until the remainder of the City's 800 MHz system is retuned in 2007. Sprint Nextel has agreed to this request. This is the City of Cincinnati's only channel 1-120 facility located outside Ohio, a Wave 4 NPSPAC region.

² As explained in footnote 5 of the report, Preferred holds an unconstructed Economic Area ("EA") license that, if not cancelled, includes the right to construct facilities in a limited number of counties located in the Kentucky NPSPAC region. As of December 26, 2006, however, the Kentucky NPSPAC region had been cleared of all operational incumbent facilities.

³ Sprint Nextel is currently transitioning approximately 6,000 Airpeak customers from Airpeak's Nevada iDEN system to Sprint Nextel's iDEN network as part of an Asset Purchase Agreement in which Sprint Nextel acquired all 160 of Airpeak's Commission licenses. The Commission granted its consent to the transaction on December 11, 2006, and the parties closed the transaction on January 9, 2007. On an expedited basis over the next few months, Airpeak's customers will be transitioned to the Sprint Nextel iDEN network. Once that orderly transition is completed, Airpeak's network will be decommissioned, including its 1-120 channels in Nevada.

⁴ Stones Mobile Radio holds an EA license for Bismarck, ND (Call Sign WPRQ897). This license includes the right to construct and operate facilities in North Dakota and a small portion of neighboring Minnesota. Stones Mobile has requested that its retune be performed as part of a consolidated retune of its 800 MHz site licenses during Wave 4 of 800 MHz band reconfiguration, once 800 MHz Border Area band plans are finalized.

⁵ As explained in footnote 5 of the report, Preferred holds an unconstructed EA license that, if it is not cancelled, includes the right to construct facilities in this NPSPAC region; however, because the Commission has not ruled on whether the license has been cancelled, Preferred's retuning rights for any site licenses are uncertain. Sprint Nextel and Preferred have agreed that their FRA negotiation be held in abeyance until the Commission rules on Preferred's construction waiver request. The Virgin Islands NPSPAC region has been cleared of all other operational incumbent facilities.

⁶ As explained in footnote 5 of the report, Preferred holds an unconstructed EA license that, if it is not cancelled, includes the right to construct facilities in a limited number of counties located in this NPSPAC region; however, there were no operational facilities to be retuned, and thus, the West Virginia NPSPAC region has been cleared of all operational incumbent facilities.

Appendix B
Nearly Completed NPSPAC Regions
As of December 26, 2006

NPSPAC Region	Wave	Number of Completed Retunes	Number of Remaining Retunes	Licensees Remaining
Austin, TX	Wave 2	7	1	William Morgan ¹
Eastern Pennsylvania	Wave 1	30	2	City of Reading ² Township of Berkley ³
Great Lakes (Chicago)	Wave 1	34	1	City of Chicago ⁴
Missouri	Wave 2	22	1	Quicksilver Express Courier ⁵
Northern California	Wave 1	59	4	Chevron USA ⁶ Ray's Radio ⁷ LaRue Communications ⁸ Fresno Mobile Radio ⁹
Oregon	Wave 1	22	2	State of Washington ¹⁰ and WCCCA ¹¹
New York	Wave 1	47	2	State of Connecticut ¹² and the City of Passaic, NJ ¹³
Tennessee	Wave 2	28	3	Ron and Barbara Gossett ¹⁴ Cartwright Communications ¹⁵ and Central Communications ¹⁶
Virginia (Southern)	Wave 1	24	5	Henrico County Public Schools ¹⁷ County of Roanoke ¹⁸ City of Virginia Beach ¹⁹ City of Richmond ²⁰ Newport News ²¹
Totals		273	21	

Appendix B

Nearly Completed NPSPAC Regions

As of December 26, 2006

¹ William Morgan, licensee of six 1-120 channels in the Austin, TX NPSPAC region, signed an FRA with Sprint Nextel on July 14, 2006. Over Sprint Nextel's objection during TA Mediation, Morgan's FRA entitled him to 180 days from assignment of the replacement channels (October 12, 2006) to complete the retune. As a result, Morgan is not contractually required to complete the retune until April 10, 2007.

² *The City of Reading, PA completed its retune on December 29, 2006.*

³ The Township of Berkley, licensee of two 1-120 channels in the Eastern Pennsylvania NPSPAC region, signed its FRA with Sprint Nextel on February 8, 2006. Berkley expected to complete its retune by September 29, 2006, but encountered difficulties with its Verizon data line. Berkley expects to complete its retune by the end of January 2007.

⁴ Chicago signed an FRA with Sprint Nextel on April 24, 2006, and filed applications with the Commission for its replacement channels in September 2006. To date, Chicago has not signed an agreement with a vendor for retuning. To facilitate action on the part of Chicago, Sprint Nextel requested TA mediation assistance in October 2006. Chicago appears close to amending its FRAs with new Statements of Work ("SOWs"). Once those agreements are agreed to and approved by the TA, Chicago will have 130 days to complete its retunes.

⁵ Quicksilver Express Courier, licensee of two 1-120 channels in the Missouri NPSPAC region, signed its FRA with Sprint Nextel on May 12, 2006 and it was expected to complete its retune by August 7, 2006. Quicksilver has experienced significant difficulties with its legacy mobile data equipment after the retune and may require alternative replacement channels.

⁶ *Chevron USA completed its retune on January 22, 2007.* Chevron's retune was delayed due to a dispute over retuning Chevron's mobile-only licensee. The TA Mediator forwarded its recommended resolution to the Commission on February 21, 2006 and the Bureau issued its Order on October 6, 2006, finding in favor of Sprint Nextel. Upon issuance of the Order, the parties signed an FRA on November 2, 2006, and Chevron completed its retune expeditiously.

⁷ Ray's Radio, licensee of twelve 1-120 channels in the Northern California NPSPAC region, signed its FRA with Sprint Nextel on April 3, 2006 and was expected to complete its retune by December 14, 2006. All of its channels have been retuned. However, snow has made one of its base station sites inaccessible, and one of its old channels has not yet been deactivated. Ray's Radio expects to take all steps necessary to certify completion of its retune by the end of January 2007.

Appendix B

Nearly Completed NPSPAC Regions

As of December 26, 2006

⁸ LaRue Communications, licensee of nine 1-120 channels in the Northern California NPSPAC region, signed its FRA with Sprint Nextel on February 24, 2006 and was expected to complete its retune by October 7, 2006. Eight of its nine channels have been retuned. LaRue expects to complete its retune by the end of January 2007.

⁹ Fresno Mobile Radio, licensee of 29 1-120 channels in the Northern California NPSPAC region, signed its FRA with Sprint Nextel on April 18, 2006. Pursuant to the terms of Fresno's FRA, Fresno is entitled to 180 days from the date it was notified to start retuning to complete its retune. Sprint Nextel objected to this lengthy period during the TA mediation process. Fresno is not contractually required to complete its retune until April 2007.

¹⁰ The State of Washington used most of the Wave 1 implementation period to conduct planning for its retune pursuant to a PFA. On December 7, 2006, the State of Washington signed its FRA. It is expected to start its retune in February 2007 on a 120 day schedule.

¹¹ The Washington County Consolidated Communications Agency ("WCCCA") conducted significant planning for the retune of its system through much of 2006. On October 31, 2006 it signed its FRA with Sprint Nextel and immediately commenced performing its retune. WCCCA is expected to complete its retune by mid-February 2007.

¹² The State of Connecticut is licensee of a state-wide 22 site system for its Department of Corrections facilities. While Connecticut signed its FRA on May 22, 2006, the retune has taken much longer than anticipated. Pursuant to its FRA, Connecticut was obligated to complete its retune by October 27, 2006. Due to the complexities of retuning so many sites, Connecticut has requested an extension and expects to complete its retune in March 2007.

¹³ The City of Passaic, NJ has retuned its base station infrastructure and is no longer operating on its sole 1-120 channel. Passaic, however, has identified the need for additional replacement mobile radios. When those radios are delivered and programmed onto the new system, Passaic will certify completion of the retune.

¹⁴ Ron and Barbara Gossett are the joint licensees of a one channel license in Tennessee. On May 22, 2006, the TA Mediator forwarded a Recommended Resolution to the Bureau recommending the involuntary retune of the Gossetts' license at their own expense. One month later, the Gossetts signed an FRA and agreed to complete the retune by September 15, 2006. The Gossetts failed to retune, however. Sprint Nextel contacted the TA Mediator who, on January 18, 2007, forwarded a second Recommended Resolution to the Bureau recommending that the Bureau issue a show cause order and initiate a revocation proceeding.

Appendix B
Nearly Completed NPSPAC Regions
As of December 26, 2006

¹⁵ Cartwright Communications Technology, Inc. is the licensee of twenty 1-120 channels in Tennessee. It signed its FRA on May 31, 2006. Pursuant to the terms of Cartwright's FRA, Cartwright is entitled to 180 days from the date it is notified to begin retuning to complete it. This long period was agreed to over Sprint Nextel's objection during the TA mediation process. Cartwright was notified to begin the retune in August 2006, and while Sprint Nextel attempted to provide incentives for Cartwright to complete the retune faster, it is not contractually obligated to complete its retune prior to March 2007.

¹⁶ Central Communications and Electronics signed its FRA with Sprint Nextel on June 12, 2006 and was expected to complete its retune by September 22, 2006. Sprint Nextel expects Central to complete its retune by the end of February 2007.

¹⁷ Henrico County Public Schools, licensee of one 1-120 channel, signed its FRA on June 30, 2006, after planning its retune in direct coordination with the neighboring jurisdictions of the City of Richmond and Chesterfield County. Pursuant to the FRA, Henrico was scheduled to complete its retune in October 2006; however, it has experienced tower and equipment delays. Sprint Nextel expects Henrico's retune to be completed by the end of March 2007.

¹⁸ The County of Roanoke, licensee of two 1-120 channels, signed its FRA on July 11, 2006 after planning its retune pursuant to a PFA. Pursuant to the FRA, Roanoke was scheduled to complete its retune in December 2006. Roanoke has started retuning.

¹⁹ The City of Virginia Beach signed its FRA on September 27, 2006 and was entitled to 60 days from receiving notice to start retuning to complete the process. Virginia Beach was notified on November 24, 2006 to begin the retune and it expects to complete it by the end of January. Pursuant to the FRA, the parties agreed that two of its 1-120 channels would be permitted to remain operational on its existing channel assignments until the second retune of the Virginia Beach system as part of Phase II NPSPAC reconfiguration. Virginia Beach will operate its remaining 1-120 channels pursuant to an STA.

²⁰ The City of Richmond signed its FRA on November 2, 2006, after conducting a coordinated planning effort with Henrico County Schools and Chesterfield County. Pursuant to the FRA, Richmond is to complete its retune within 60 days, by the end of February 2007.

²¹ The City of Newport News completed the Phase I retune of two of its three channels in May 2006. Pursuant to the FRA, the parties agreed that the remaining 1-120 channel (Channel 11 or 851.2625 MHz) would be permitted to remain operational on its existing channel assignment until the second retune of the Newport News system as part of Phase II NPSPAC reconfiguration. Newport News operates its remaining 1-120 channel pursuant to an STA.

Appendix C
Other Wave 1 NPSPAC Regions
As of December 26, 2006

NPSPAC Region	Wave	Number of Signed FRAs	Number of Unsigned FRAs	Number of Completed Retunes	Number of Remaining Retunes	Remaining Licensees to be Retuned
New England (Region 19)	Wave 1	35	2	33	4	City of Boston Trunking and Transportation System ¹ , City of Boston Police Department, State of Connecticut Department of Corrections ² , City of Cambridge, MA ³
DC/Northern Virginia/Baltimore (Region 20)	Wave 1	24	6	23	7	Baltimore County ⁴ , District of Columbia ⁵ , Fairfax County ⁶ , City of Manassas Public Schools ⁷ , State of Maryland ⁸ , Montgomery County ⁹ and FOB, Inc. ¹⁰

Appendix C

Other Wave 1 NPSPAC Regions

As of December 26, 2006

¹ The City of Boston has not yet entered into an FRA with respect to radio systems operated by the Boston Police Department (“BPD”) and the Boston 800 MHz Trunking and Transportation System (“BTT”). Following extensive planning funding, negotiations and mediations, the City is seeking *de novo* Commission review of the Bureau’s denial of Boston’s request that Sprint Nextel fund Boston’s purchase of a specific third-party proprietary software package for the management and tracking of mobile and portable radios involved in the reconfiguration process.

² The State of Connecticut is licensee of a state-wide 22 site system for its Department of Corrections facilities. While Connecticut signed its FRA on May 22, 2006, the retune of the system has taken much longer than anticipated. Pursuant to its FRA, Connecticut was obligated to complete its retune by October 27, 2006. Due to the complexities of retuning so many sites, Connecticut has requested an extension and expects to complete its retune in March 2007.

³ The City of Cambridge, MA, licensee of two 1-120 channels, signed its FRA on March 28, 2006 and was scheduled to be retuned by early October 2006. Cambridge expects to complete its retune by the end of January 2007.

⁴ Baltimore County (“Baltimore”) is the licensee of nine 1-120 channels. Baltimore has been planning for the retuning of its system, pursuant to a PFA, and the parties have been working diligently on the FRA. Signing of an FRA, however, will be dependent upon resolution of a number of major coordination issues within the larger NCR.

⁵ The District of Columbia (“DC”) is the licensee of eight 1-120 channels. DC has been planning for the retuning of its system, pursuant to a PFA, and the parties have been working diligently on the FRA. Signing of an FRA, however, will be dependent upon resolution of a number of major coordination issues within the larger NCR.

⁶ Fairfax County (“Fairfax”) is the licensee of nine 1-120 channels. Fairfax has been planning for the retuning of its system, pursuant to a PFA, and the parties have been working diligently on the FRA. Signing of an FRA, however, will be dependent upon resolution of a number of major coordination issues within the larger NCR.

⁷ The City of Manassas Public Schools (“Manassas”) is the licensee of one 1-120 channel. Sprint Nextel and Manassas were unable to reach an agreement on the FRA during the voluntary and mandatory negotiation period, and had their negotiation referred to the Bureau for *de novo* review in February 2006. The Bureau issued its decision on October 24, 2006. *On January 15, 2007, Sprint Nextel and Manassas signed an FRA.*

⁸ The State of Maryland (“Maryland”) is the licensee of four 1-120 channels. Sprint Nextel and Maryland were unable to reach an agreement on the FRA during the voluntary and mandatory negotiation period, and had their negotiation referred to the

Appendix C
Other Wave 1 NPSPAC Regions
As of December 26, 2006

Bureau for *de novo* review in March 2006. The Bureau issued its decision on October 24, 2006; however, the parties have been unable to reach an FRA. As a result, on January 22, 2007, the TA mediator has forwarded a second recommended resolution to the Bureau for *de novo* review.

⁹ Montgomery County, MD (“Montgomery”) is the licensee of one 1-120 channel. Sprint Nextel and Montgomery were unable to reach an agreement on the FRA during the voluntary and mandatory negotiation period, and had their negotiation referred to the Bureau for *de novo* review in March 2006. Sprint Nextel has appealed the Bureau’s November 3, 2006 decision to an Administrative Law Judge, where it remains pending.

¹⁰ FOB, Inc. (“FOB”), licensee of two 1-120 channels, signed its FRA on February 1, 2006 and was obligated to complete its retune by September 30, 2006. FOB did not complete its retune during 2006, despite Sprint Nextel’s repeated requests to do so. Sprint Nextel anticipates that FOB will complete its retune by the end of March 2007.

Appendix D

Status of Remaining NPSPAC Regions

NPSPAC Region	Wave	Number of Signed FRAs	Number of Unsigned FRAs	Number of Completed Retunes	Number of Remaining Retunes
Florida	Wave 3	95	10	71	34
Georgia	Wave 3	38	4	31	11
Louisiana	Wave 3	27	16	24	19
North Carolina	Wave 3	29	2	24	7
South Carolina	Wave 3	13	1	10	4
Mississippi	Wave 3	14	3	13	4
Puerto Rico	Wave 3	9	3 ^a	9	3
Arizona	Wave 4	39	24	27	36
Southern California	Wave 4	3	31	2	32
Michigan (including Western Michigan portion of Region 54 (Chicago))	Wave 4	1	9	1	9
New Mexico	Wave 4	21	4	10	15
New York (Albany)	Wave 4	3	5	2	6
New York (Western)	Wave 4	n/a	n/a	n/a	n/a
Ohio	Wave 4	9	15	7	17
Western Pennsylvania	Wave 4	5	2	4	3
Washington	Wave 4	9	5	7	7
Texas (El Paso)	Wave 4	12	4	11	5
Texas (San Antonio)	Wave 4	11	3	6	8

^a The three licensees who have not signed FRAs are Preferred Acquisitions, Gemini, and Kang Lee. The TA Mediator has recommended that the Preferred FRA negotiation be held in abeyance until the Commission rules on Preferred's December 2005 request for waiver of the Commission's construction rules. Gemini and Kang Lee were each found not to have negotiated in good faith and referred to the Bureau by the TA Mediator in August 2006. All other licensees in Puerto Rico have been retuned.