

## **Exhibit A: Renewal Request Background**

### FCC Form 405 Application for Renewal of Radio Station License

This renewal application seeks renewal of the license for call sign WA2XRG (File no. 0041-EX-ML-1999) for an additional 3-year period. This renewal period will permit the continuation of basic “last resort” telephone service to approximately 237 subscribers on the Salt River Pima Maricopa Indian Community (the “Community”) until such time as the incumbent telephone service provider, Saddleback Communications<sup>1</sup>, is able to complete a build-out of wireline service to the wireless customers. The public interest will be served by a grant of this application. Failure to grant the application will cause many households in the Community to go without basic telephone service for many years.

The applicant originally deployed the experimental service to conduct limited market and interference studies for a promising wireless local loop technology in the frequency band identified in the license. In October 2000, the Commission determined that co-primary usage of the spectrum by non-governmental users would be incompatible with the needs of incumbent government users.<sup>2</sup> Understanding that this determination meant that the wireless local loop technology used to serve the Community never would be viable, the Community began to explore alternate service arrangements. Following a detailed review, the Community determined that upon consummation of the sale of the telephone exchange serving the Community from Qwest to Salt River, the system would be upgraded and expanded to serve these formerly unserved households. This sale was finalized in December 2001, well behind schedule. Since that time, Saddleback Communications has worked to upgrade the badly deteriorated facilities and extend services to the entire reservation community.

The long negotiation period for the sale of the exchange coupled with the extremely poor condition of the purchased facilities has greatly delayed the Community’s ability to complete an extension of services to formerly unserved areas. In the interim, the wireless local loop service provided via the experimental license has been the only access many community members have had to basic telephone and emergency services. A grant of this renewal will serve the public interest by ensuring that these people are not left without vital basic communications while Saddleback completes its build out efforts. Importantly, during the entire period of operation of the wireless local loop system, there have been no interference complaints from incumbent government users, nor has the system suffered interference from government users. Indeed, in a letter to the NTIA, the Department of Defense (“DoD”) noted that there is little or no use of the relevant DoD

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<sup>1</sup> Saddleback Communications is a division of the Salt River Pima-Maricopa Indian Community.

<sup>2</sup> *Amendment of the Commission’s Rules with Regard to the 3650-3700 Mhz Government Transfer Band; The 4.9 Ghz Band Transferred from Federal Government Use*, Et Docket No 98-237; WT Docket No 00-32, FCC 00-363, ¶ 14 (FCC Oct. 24, 2000).

systems in the Scottsdale, Arizona area.<sup>3</sup> Therefore, grant of this application will create no danger of interference.<sup>4</sup>

The current authorization is limited to 400 total subscriber units. There are 237 existing users of the wireless local loop system. The system will see declining use over the period of the renewed license as Saddleback completes its service extensions. Attached to this application is a project plan detailing the required service extensions, their cost, and expected completion dates. Thus, the need for the experimental license has a definite sunset. The Applicant will produce a final report summarizing the experiment, as well as describing the requirements for and value of wireless services as transition services for high-cost rural areas.

Grant of this application is consistent with the Commission's formal policy goals for Indian country. Of particular relevance here is the following statement by the Commission:

The Commission will endeavor to work with Indian Tribes on a government-to-government basis consistent with the principles of Tribal self-governance to ensure, through its regulations and policy initiatives, and consistent with Section 1 of the Communications Act of 1934, that Indian Tribes have adequate access to telecommunications services.<sup>5</sup>

For good cause shown, therefore, Mountain Telecommunications requests that the Office of Engineering Technology renew the referenced experimental license for an additional, and final, three-year period. In the alternative, if the Office determines that it cannot grant the full additional three years, the Applicant requests that the Office renew the license for the greatest period possible to minimize the negative impacts of a loss of telephone service to tribal community members.

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<sup>3</sup> Letter from Arthur L Money, Department of Defense, to Gregory L. Rohde, Assistant Secretary for Communications and Information, U.S. Department of Commerce, March 13, 2000 (ET Docket No. 98-237).

<sup>4</sup> Of course, Mountain Telecommunications is obliged to shut the system down in the event of interference.

<sup>5</sup> *In the Matter of Statement of Policy on Establishing a Government-to-Government Relationship with Indian Tribes*, 20 Comm. Reg. (P&F) 1316, 1318 (2000).