

October 25, 2000

Mr. Robert Simmonds
Chairman and Vice President,
Regulatory/Technology
Clearnet PCS Inc.
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Mr. Willie Grieve
Vice president of Government and
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Gentlemen:

I refer to your letter of October 18, 2000, in which you propose arrangements for the radio authorization amendment process by which TELUS Corporation and Clearnet Communications Inc. would come into compliance with the spectrum aggregation limit.

You have proposed that a portion of the spectrum currently authorized under the PCS special authorizations, issued April 15, 1996, to BC TEL Services Inc., AGT Mobility Inc., Quebec Telephone, and Clearnet PCS Inc. would be returned to the Department so as to comply with the spectrum aggregation limit. Specifically, you proposed that the following spectrum would be returned where authorized in British Columbia, Alberta, and Quebec:

Area	Licensee	PCS Block	Frequency spectrum
British Columbia	BC TEL Services Inc.	D	1865-1870 MHZ / 1945-1950 MHZ
British Columbia	Clearnet PCS Inc.	B3	1880-1885 MHZ / 1960-1965 MHZ
Alberta	Clearnet PCS Inc.	B2	1875-1880 MHZ / 1955-1960 MHZ
Alberta	Clearnet PCS Inc.	B3	1880-1885 MHZ / 1960-1965 MHZ
Quebec	Quebec Telephone	D	1865-1870 MHZ / 1945-1950 MHZ
Quebec	Clearnet PCS	B3	1880-1885 MHZ / 1960-1965 MHZ

In the alternative, you proposed that the following spectrum would be returned where authorized in British Columbia, Alberta, and Quebec:

Area	Licensee	PCS Block	Frequency spectrum
British Columbia	BC TEL Services Inc.	D	1865-1870 MHZ / 1945-1950 MHZ
British Columbia	Cleartel PCS Inc.	B3	1880-1885 MHZ / 1960-1965 MHZ
Alberta	AGT Mobility Inc.	D	1865-1870 MHZ / 1945-1950 MHZ
Alberta	Cleartel PCS Inc.	B3	1880-1885 MHZ / 1960-1965 MHZ
Quebec	Quebec Telephone	D	1865-1870 MHZ / 1945-1950 MHZ
Quebec	Cleartel PCS	B3	1880-1885 MHZ / 1960-1965 MHZ

You have indicated your intent to finalize your determination and advise the Department no later than November 1, 2000. For both scenarios, you had also requested that the Department provide a 12 month transition period to permit an orderly migration of customers and the implementation of the necessary technical modifications to your networks.

After careful review we agree to the measures you propose undertaking to comply with the spectrum aggregation limit and we will provide you with a 12 month transition period to vacate the spectrum. Note that should you confirm that your decision is to return Block D in British Columbia, Alberta, and Quebec the consequential amendment would effectively remove all authorized spectrum from the special authorizations issued to BC TEL Services Inc., Quebec Telephone, and AGT Mobility Inc. Under these circumstances the Department would simply not renew the special authorizations issued to BC TEL Services Inc., Quebec Telephone and AGT Mobility Inc. in April 2001, as might otherwise have been the case. Upon your advising the Department, by November 1, 2000, of your final block determinations, the necessary consequential amendments will be completed for the affected special authorizations reflecting the amended spectrum assignments.

As to the existing site specific radio licences, the affected radio licences in Block D will remain in force during the transition period or until advised that they are no longer required. In any event these radio licences will not be valid beyond October 24, 2001 in the areas where Block D is being returned. The affected site specific radio licences in Block B will be amended on an ongoing basis during the transition period when advised. In any event all affected radio licences in Block B will be amended to reflect your final block determinations by October 24, 2001.

I thank you for your cooperation during our discussions on this matter and your willingness to undertake your best efforts to vacate the affected spectrum, where possible, even in advance of the indicated dates. Please accept my congratulations for the conclusion to your agreement and my best wishes for a successful operation as a strong force in the provision of advanced wireless services to all Canadians.

Sincerely,

ORIGINAL SIGNED BY

Jan Skora
Director General
Radiocommunications and Broadcasting
Regulatory Branch