



Transition
Administrator

The Official Reconfiguration Manager

800 MHz Reconfiguration Program: Planning and Reconfiguration Costs

The Federal Communications Commission (FCC) has charged Sprint Nextel with funding 800 MHz relocation costs for affected licensees. You will be paid according to the terms of your Planning Funding Agreement or Frequency Reconfiguration Agreement with Sprint Nextel. This Fact Sheet provides information to clarify the Request for Planning Funding and Cost Estimating steps within the Planning and Negotiations Phase of the Reconfiguration Process.

For further guidance on reconfiguration, please visit our website (www.800TA.org).

Planning Costs – Request for Planning Funding

If you require funding for activities associated with planning for reconfiguration, you should submit a Request for Planning Funding (RFPF) Form to the TA, including a formal Statement of Work (SOW) in support of the request, and enter into a Planning Funding Agreement (PFA) with Sprint Nextel. The TA encourages licensees to submit RFPFs, if necessary, as early as possible.

Specific planning activities required may be performed by internal or external resources, and will vary based on the size and scope of your existing system. The TA believes that many licensees will incur minimal to no planning costs and can include their planning costs with actual reconfiguration costs in their Cost Estimate, if agreed to by Sprint Nextel. For additional guidance for determining whether or not you need to submit an RFPF, please visit the TA's website. The recommended tasks for requesting planning funding include:

1. Select vendors to assist with planning activities and obtain firm bids and quotes.
2. Estimate the time and associated cost your internal personnel will spend on planning.
3. Complete Request for Planning Funding (RFPF) and supporting Statement of Work (SOW). Sample forms and associated guidance can be found on the TA's website at <http://www.800ta.org/content/resources/processes.asp#rfpf>.
4. **Submit the RFPF to the TA via fax at 888-701-4380 or via email at Comments@800TA.org. Information on the PFA Fast Track Option and deadlines for RFPF submission are available on the TA's website.**
5. The TA will validate the RFPF submissions to verify that they conform to TA instructions and use the published template, and forward the request to Sprint Nextel to begin negotiation of a Planning Funding Agreement. The TA requests that a negotiation schedule be developed within five business days.
6. The TA will contact both the licensee and Sprint Nextel on a regular basis to monitor progress of negotiations. If the process appears to be stalled, the TA will seek to obtain additional information and determine whether additional steps are warranted (i.e. Request for TA to Communicate or Mediation).
7. Once an agreement is reached, sign a Planning Funding Agreement with Sprint Nextel authorizing planning funding.

Planning costs may include:

- Legal fees associated with negotiating contract with Sprint Nextel
- Analysis of proposed new frequencies
- Inventorying subscriber equipment and infrastructure facilities
- Interoperability planning, if applicable
- Engineering and implementation planning
- Project management required in the Planning & Negotiation Phase

Planning costs should not include:

- Costs associated with actual reconfiguration

If the licensee and Sprint Nextel do not reach an agreement within 60 calendar days from Sprint Nextel's receipt of the RFPF, the TA will recommend that the parties pursue mediation.

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Reconfiguration Costs – Cost Estimate

To obtain funding for your actual reconfiguration, you should submit a Cost Estimate to Sprint Nextel. Agreed-upon Cost Estimates become a part of your final Frequency Reconfiguration Agreement (FRA) with Sprint Nextel.

Specific tasks and level of detail will vary based on the size and scope of your system. If you have a complex system, you should also prepare a separate Statement of Work (SOW) to accompany the Cost Estimate. The SOW will define the scope and description of planned activities, schedule, milestones and deliverables as well as required resources. The recommended tasks for preparing a cost estimate include:

1. Select vendors to assist with reconfiguration and obtain firm bids and quotes.
2. Estimate time and associated cost your internal personnel will spend on reconfiguration. For more information on internal labor rates, please refer to the Incumbent Labor Rate Reimbursement Policy, available on the TA's website.
3. Prepare Statement of Work for complex systems. (This SOW is separate from any prepared in support of a Request for Planning Funding / Planning Funding Agreement.)
4. Prepare a Cost Estimate.
5. Submit the Cost Estimate and SOW (if prepared) to Sprint Nextel.
6. Sign a Frequency Reconfiguration Agreement with Sprint Nextel authorizing funding for your reconfiguration.

The TA reviews each Cost Estimate submitted as part of a PFA or FRA to determine if the costs are reasonable, prudent and directly related to a system reconfiguration. To facilitate timely and efficient review of your Cost Estimate, it is critical that you provide an appropriate level of detail (i.e., number of hours, hourly rates, etc.) for each task and subtask. Licensees must document all their costs and services and certify that their costs are the "minimum necessary" to provide facilities comparable to those presently in use in a manner that is reasonable, prudent, and timely.

Cost Estimates should define:

- Equipment costs
- Engineering, consulting, legal fees
- Internal labor costs
- Vendor costs
- All other costs required to reconfigure your system
- Task/subtask details provided by number of hours and rate per hour

Cost Estimates may include:

- Planning costs where an RFPF was not required (due to the minimal nature of the needed funds, if mutually agreed to with Sprint Nextel).

Transactional costs (expenses associated with relocation, but that do not fall within the definition of a hard cost - e.g., labor associated with negotiation of agreements and analysis of "comparable facilities" proposals) should not be excessive or unreasonable and should generally not exceed 2% of hard costs (actual costs associated with providing a replacement system - e.g., equipment and engineering expenses). For more information on hard and transactional costs, please refer to the Cost Classification Policy, available on the TA's website.

For further guidance on reconfiguration, please visit our website (www.800TA.org).

About the 800 MHz Transition Administrator

800 MHz Transition Administrator, LLC ("TA LLC") is the Transition Administrator ("TA") for the reconfiguration of the 800 MHz band mandated by the Federal Communications Commission ("FCC"). TA, LLC has contracted with Deloitte Consulting LLP, Squire, Sanders & Dempsey L.L.P., and Baseline Telecom, Inc. to perform the duties of the TA. Among its duties, the TA establishes reconfiguration guidelines, specifies replacement channels, reviews reconfiguration cost estimates, monitors payment of reconfiguration costs, manages the relocation schedule, facilitates issue resolution and administers the alternative dispute resolution process. TA LLC uses information it receives solely for the purposes of administering the 800 MHz reconfiguration process and may disclose such information to the FCC or other authorized parties pursuant to the requirements of the 800 MHz Order or other applicable law.