

**Testimony to Federal Communications Commission Public Hearing:
"Overcoming Obstacles to Telephone Service to Indians on Reservations"
BO Docket No. 99-11**

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Thank you for this opportunity to address this hearing.

I am Rhonda McKenzie, founder and President/CEO of two companies whose core business is providing telecommunications services. McKenzie Telecommunications Group, Inc. dba "MTG, Inc." is a full service, telecommunications systems integration/consulting Company. Aircom Consultants, dba "InAirNet" is a Local Multipoint Distributions Systems "LMDS" licensed carrier with licenses in four western states of the United States. These licenses could offer tribal lands with basic telephone service, high speed Internet, and distance-learning and telemedicine applications.

Background:

I have 25 years experience working in the communications industry. See my curriculum vitae for my education and experience. During that time, I have been responsible for working with various tribal councils and communities. I have observed in many instances the telecommunications service on these lands have been substandard to the services provided to more densely populated areas. In fact, some communities have had no telephone service at all. I have observed that the lack of telecommunications in some cases has resulted in the community not only being underserved with basic voice, but in education and medical services as well. One could liken the situations similar to third world countries. There are other tribes, generally closer to a major population area, who have become quite progressive. The leaders of these communities have developed their own telecommunications systems. These systems can be enhanced with advanced communications services very cost effectively. These tribes have experienced economic growth, improved living standards, and enhanced educational opportunities and better medical services as a result.

My testimony will involve sharing my experiences, technical expertise in telecommunications technologies available today, and solutions to delivering services to remote areas. I will focus on these basic principles:

Objective:

To provide low cost basic voice telecommunications, with advanced services, which will establish parity in medical and educational standards. Also, to create a basic infrastructure that will enable the residents to enter e-commerce, own and operate their own telecommunications company thereby creating new jobs. By spurring economic development, the residents of each reservation can realize promising job opportunities and technology to "keep up with the world of technology". This will enable these communities to maintain their culture while expanding their knowledge and life spans through improved communications. As well, there is much to be learned by many Native American holistic

medical processes, languages, and history. This can also be shared with the rest of the world (if the tribe has an interest in doing so) via Internet and distance learning. For example, I have already interfaced with a Shaman from Tibet who would be interested in sharing holistic medical practices with the Native American tribes.

How do my companies get compensated?

By leasing a portion of my licenses (LMDS) to the reservation residents, and contracting our expertise (MTG).

How can one reduce cost on reservation land?

To reduce the cost of serving the tribal land, an assessment of existing telecommunications facilities on the land or close to the reservation needs to be conducted. A hybrid system design can be deployed utilizing existing towers, conduits, cable capacities, or wireless alternatives. In many cases, especially in Arizona, there are existing tribal, state, and private facilities and equipment that can be used to develop or supplement telecommunications services to the reservations. Utilization of "legacy plant" will reduce the costs of delivering services to remote areas having very low population densities.

Why Advanced Services?

Advanced communications systems can be provided simultaneously with basic voice systems via the use of LMDS or other high bandwidth frequency licenses. By providing high-speed data, video conferencing, and basic voice service, a tribal community could rapidly realize parity in communications. This could include distance learning and telemedicine applications. Even more important, many wireless solutions can reduce the cost by close to 30%-40% of traditional analog or direct buried fiber.

LMDS:

One of the nicest features of LMDS is the ability offer point-to-multi-point service via wireless and/or hybrid plant. The same high data speeds of fiber can be realized at a fraction of the cost of traditional systems. A system could be designed and constructed within one year.

Telemedicine:

Services offered to a tribal community could include basic telephone service to residents, video transfer of medical/educational information. Medical clinics can be tied to specialists in far away locations offering "real time consultation" and medical counseling through video/data links.

We have already established strategic relationships with terminal equipment manufacturers who interface with medical devices. Remote telemedicine can help reduce infant mortality, and improve treatment of many medical conditions.

Education and Job Opportunities:

As well, schools can be linked to advanced training institutes, universities, and junior colleges to offer distance-learning opportunities. Finally, access to the Internet will enable residents to "keep up with technology".

Economic Development:

Opportunities for economic development could include e-commerce. This obviously will have a very positive effect on low income and high unemployment levels on reservations.

LMDS could offer quality telephone service, high speed Internet, telemedicine, and distance learning. As an additional feature, wireless CATV could be offered enhancing the educational levels through so many public broadcast systems and the evolution of web TV.

Funding:

Federal Grants are available through the Federal Money Reserve to develop telecommunications systems on tribal lands if the tribal community meet certain requirements. As well, Rural Universal Service funding is available to most tribes. If the FCC could assist carriers like Aircom and our strategic partners to speed up the application processes, service can be provided quicker to the reservations.

Which tribes could we serve?

As a telecommunications expert, and a licensee I hope to assist all tribes in Arizona, New Mexico, Texas, and some portions of California, Oregon and Washington with my licenses and/or the licenses of my strategic alliances. We are currently in the design phase of our LMDS systems and are currently working with 6 "test bed" tribes. The tribes we are working with are confidential until we have permission to release the information. We are still in the "needs analysis" phase of the development, then we will move into the business plan phase that will be presented for Federal Grant monies.

Our intent is to assist any tribe that could be served by our licenses. We will train the residents to own and operate their own advanced telecommunications system through a partnering arrangement with the license. We can also assist by entering into the reauction of LMDS licenses partnering with the tribes who would be interested. There are currently nationwide licensees willing to assist with this project.

Universal service support:

The ability to receive universal service support would definitely enable wireless carriers to a lower cost alternative. We intend to serve unserved and underserved areas on Indian reservations at prices affordable to reservation residents if the residents want the service.

Our preliminary basic service package to the local tribal communities would be assessed based on the individual tribal community needs that must be done "one-on-one". Each tribe has a very specific cultural and religious belief structure that must be respected and considered. Some groups may desire the enhancement technology can offer, and some may not. Everyone should focus on learning the culture of our Native American Indian neighbors.

One should not "cookie cutter" a process globally for tribal communities from my experience.

Technological Breakthroughs:

Technological breakthroughs will soon give LMDS a competitive advantage over wireline service on reservations where wireline is currently the low-cost technology. The high speed Internet capabilities and the integration of wireless CATV can be supported with the bandwidth of the LMDS licenses. Web TV will offer employment opportunities through e-commerce, educational opportunities, and medical training. Once economic development is spurred in the underserved areas, more money will be spent for advanced services like wireless Internet in the home.

FCC Rules and Policies:

FCC rules and policies whose modification or elimination would permit us to provide service to Indian reservations more efficiently and effectively: Speed up the regulatory processes and offer incentives to carriers who are willing to assist the tribal communities to own and operate their own communications systems.

Assist in developing a nationwide network of educational and medical institutes who would participate in these types of projects. Provide a one-stop resource center for the carriers to access so the services can be expedited.

Providing separate licenses might provide some incentive to improve service to Native American Indian reservations if the spectrum was compatible with the technologies in the surrounding areas allowing a hybrid system design. Also, interoperability would be an important issue to consider when attempting to link with major institutes such as Universities and Hospitals in metropolitan areas close by.

Tribal Lands:

Many tribal lands have sacred burial/ceremonial grounds that must be honored and respected. Wireless systems offers alternative methods of providing service without disrupting these sites. Rough terrain on many reservations is a deterrent while designing telecommunications systems. Lack of electricity can in many instances be solved by the use of solar powered alternatives in Arizona and New Mexico.

Tribal Relationships:

My company's relationships with tribal governments have been exceptionally amiable, team oriented. Some government's move slower than traditional American businesses, but it is generally because of the cultural belief structures and business practices established by the leaders. If one takes the time to learn the cultural differences and respects them, business transactions take place in an orderly and thorough manner.