

**STATEMENT OF
COMMISSIONER MICHAEL O'RIELLY**

Re: *Use of Spectrum Bands Above 24 GHz For Mobile Radio Services*, GN Docket No. 14-177

When conversations started about expanding use of the millimeter waves for next generation wireless technologies, related industry expressed the greatest interest in three bands: 28, 37, and 39 GHz. Therefore, I was disappointed when the initial announcement was made that the first millimeter wave auctions – starting this November – would not include the much sought after 37 and 39 GHz bands. While I would have preferred this auction to happen sooner, I am pleased with the Chairman's announcement that the 37, 39, and 47 GHz bands will be auctioned in the second half of 2019. This should provide potential bidders the opportunity to plan ahead for this auction.

Today's Notice of Proposed Rulemaking (NPRM) makes some rule tweaks to harmonize licensing across these three bands, but the majority of the item will facilitate discussion about the best means to rationalize – or reduce encumbrances in – the 39 GHz band. The NPRM proposes a mechanism using an incentive auction, vouchers, and a repacking process to enable the greatest amount of clean, contiguous spectrum to be auctioned for 5G networks. Of course, if it were only as easy as it sounds.

Some of the possible voucher and repacking concepts are novel, complex, or just a tad confusing. To analogize, this effort is a little like trying to trade Monopoly properties. Here, it is not only trading with your co-players, but also with the bank. And, to make things even more complicated, an entity may currently hold only a portion of some of these properties, because current licensees do not hold their licenses in 100 MHz blocks, as proposed in this item, in Partial Economic Area market sizes. So, if an entity tries to trade 25 percent interest in St. James Place, half of New York Avenue, and 75 percent of Illinois Avenue, does that equate to all of Boardwalk? While this is very simplified, these are the types of questions that confront the Commission. Obviously, we still have a lot of work to do to solidify all of the necessary details.

As we figure out the specifics, we must ensure that incumbents are made whole, the maximum amount of contiguous spectrum is available for auction, and the process is as simple as possible so that we can finish this review, obtain any required software, and take the necessary pre-auction steps in time to meet the 2019 timeline.

I approve of this item and look forward to discussing these issues with interested parties in the coming months.