

October 26, 2017

Chairman Ajit Pai, Commissioner Mignon Clyburn, Commissioner Michael O'Rielly,
Commissioner Brendan Carr, and Commissioner Jessica Rosenworcel
Federal Communications Commission
445 12th St SW
Washington, D.C. 20554

Dear Chairman Pai and Commissioners Clyburn, O'Rielly, Carr, and Rosenworcel,

On August 29th, 2017, the United States Court of Appeals for the District of Columbia Circuit determined that plaintiffs in *SNR Wireless vs. Federal Communications Commission* must be given "an opportunity to cure" the Commission's concerns with the business arrangements these designated entities made in connection with the 2015 AWS-3 spectrum auction. One of the plaintiffs, Northstar Wireless, is a subsidiary of Alaska-based and Native-owned Doyon, Limited. The Court directed the matter back to the FCC for further consideration. While we make no recommendation on the specific result the FCC may reach, we strongly believe SNR Wireless and Northstar Wireless are entitled to a fair opportunity to negotiate a cure that address the commission's concerns as they seek to have their Designated Entity status reinstated.

Competition in the wireless sector is critically important. Indeed, the intended purpose of the designated entity program is to boost competition in the marketplace. By that measure, the program has achieved its goals over the last two decades. It has brought new small and/or minority-owned entrants into the marketplace, many of which had strong Native and Tribal involvement. The program spawned now-established carriers such as T-Mobile and LEAP. In an industry with understandably high barriers to entry, the designated entity program creates an avenue for historically disadvantaged entities to compete in a sector that will drive the 21st Century economy.

The designated entity program was also a major factor in the success of the AWS-3 auction. The auction finished with a record \$41.7 billion in total bids, far exceeding initial estimates that predicted total bids of less than \$20 billion. Analysts credited the increased competition from designated entities a major factor in the results of the auction. In contrast, while viewed as a success by most, total winning bids in the recent Broadcast Incentive Auction totaled approximately \$20 billion. Clearly, in the case of the AWS-3 Auction, robust competition by designated entities benefited both the taxpayer and the federal treasury.

However, these results won't reach their full benefit if many of these wireless spectrum licenses are not deployed in markets across the country. As you know, Northstar Wireless was forced to return some of the licenses it initially won in the auction after the FCC retroactively revoked the company's 25% bid discount. The company did this to

maintain the original financial commitment it made to the auction. While such a decision was understandable given the billion-dollar additional financial commitment at stake, it also means that these licenses are sitting on the sidelines and unavailable for deployment while demand for wireless continues to increase. The FCC should have every reason to resolve this matter as quickly and equitably as possible.

Thank you for your consideration of this important matter. It helps to ensure that all Americans benefit from a robust and growing wireless sector.

Sincerely,

A handwritten signature in blue ink that reads "Don Young". The signature is stylized with a large, sweeping "Y" and a long, trailing underline.

DON YOUNG
Congressman for All Alaska

A handwritten signature in blue ink that reads "Lisa Murkowski". The signature is elegant and cursive, with a large, flowing "L" and a long, trailing underline.

LISA MURKOWSKI
United States Senator



FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

OFFICE OF
THE CHAIRMAN

January 19, 2018

The Honorable Don Young
U.S. House of Representatives
2314 Rayburn House Office Building
Washington, D.C. 20515

Dear Congressman Young:

Thank you for your letter urging that the Commission expeditiously implement the United States Court of Appeals for the District of Columbia Circuit's directive that SNR Wireless and Northstar Wireless have the opportunity to cure defects in their applications for Designated Entity status in the 2014 Advanced Wireless Services (AWS-3) auction. On October 24, 2017, the Court issued its formal mandate regarding its ruling in *SNR Wireless v. FCC*. While it would be inappropriate for me to comment on a pending adjudicatory proceeding, I assure you that we take the Court's decision very seriously and that we are working on a process that will give the parties an opportunity to bring the matter to a resolution.

I can also assure you that bringing the benefits of advanced broadband services—whether fixed or mobile, wired or wireless—to all Americans is one of my highest priorities. Spectrum policy is an important tool for delivering coverage, capacity, and competition nationwide and continuing our global leadership as we move into a 5G wireless world. As such, I share your goal of ensuring that wireless spectrum is made available in a timely manner.

I appreciate your interest in this matter. Please let me know if I can be of any further assistance.

Sincerely,

A handwritten signature in blue ink, which appears to read "Ajit V. Pai", is written over a printed name.

Ajit V. Pai



FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

OFFICE OF
THE CHAIRMAN

January 19, 2018

The Honorable Lisa Murkowski
United States Senate
709 Hart Senate Office Building
Washington, D.C. 20510

Dear Senator Murkowski:

Thank you for your letter urging that the Commission expeditiously implement the United States Court of Appeals for the District of Columbia Circuit's directive that SNR Wireless and Northstar Wireless have the opportunity to cure defects in their applications for Designated Entity status in the 2014 Advanced Wireless Services (AWS-3) auction. On October 24, 2017, the Court issued its formal mandate regarding its ruling in *SNR Wireless v. FCC*. While it would be inappropriate for me to comment on a pending adjudicatory proceeding, I assure you that we take the Court's decision very seriously and that we are working on a process that will give the parties an opportunity to bring the matter to a resolution.

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Ajit V. Pai