



AMERICAN PETROLEUM INSTITUTE

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**Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554**

In the Matter of )  
 ) GN Docket No. 17-258  
Promoting Investment in the 3550-3700 MHz Band; )

The Telecommunications Subcommittee of the American Petroleum Institute (“API”) submits this comment to the joint comments of the Rural Wireless Association (“RWA”) in response to FCC 17-258, a Notice of Proposed Rulemaking (“NPRM”) of Petitions for Rulemaking Regarding the Citizens Broadband Radio Service (“CBRS”).

API is a national trade association representing more than 625 companies involved in all phases of the petroleum and natural gas industries, including exploration, production, refining, marketing and transportation of petroleum, petroleum products and natural gas. Among its many activities, API acts on behalf of its members before federal and state regulatory agencies. The API Telecommunications Subcommittee evaluates and develops responses to state and federal proposals affecting telecommunications facilities used in the oil and gas industries. API is supported and sustained by companies that make use of a wide variety of wireline, wireless and satellite communications services on both a private and commercial basis. All wireless services used by our membership require RF spectrum resources, of both narrowband and broadband varieties.

API supports most of RWA’s position in regards with the retention of licensing area by census tract and not by Partial Economic Area (PEA), as it mirrors the joint response from API and ENTELEC to 17-258. Similar to API and ENTELEC’s suggestion, RWA also argues that for rural areas they would support a county-wide license system. API proposed a similar alternative as well for rural counties only, but not for urban counties where PAL’s would be so large and populous to be unobtainable due to economics for all but major telecommunication companies. Thus, API does not fully agree that RWA’s alternative that licensing for 10-years by census tract or 5-years by county is a solution, without a distinction in county size or type.

API does want to comment that just as RWA has mentioned, API recognizes a similar spectrum disuse situation in many remote areas, where current broadband licenses are not in operation. API members who have approached licensees about leases to this spectrum have been told that due to “future plans”, the owner of the license either will not lease the spectrum, or the terms of the lease are based on an extremely high valuation that averages the value over the population base of the entire market area beyond the bounds of the use. API has suggested an initial 5-year term with renewal expectancies

provided reasonable build-out requirements are met, would be an alternative to a 10-year term scheme. This scheme allows the Commission to ensure progress in a licensee's build-out. We feel this is in the spirit of what RWA wants as well, as their main concern is that a 10-year proposal for license terms "will result in spectrum lying fallow in rural areas", effectively placing PAL's in the hands of entities who will not provide service.

Lastly, RWA further emphasize that their constituents, such as Indigo, have invested in the CBRS band since its inception, including after the first NPRM in 2015. Significant changes now would result in losses to money invested to the detriment of not only their company, but to the residents within their rural service area who likely have one or no other broadband choice. Similar to RWA, Critical Infrastructure entities, including Oil & Gas, and Utilities (collectively "CII") that are members of API have also spent hundreds of hours each preparing for CBRS impact to their existing 3.65 GHz infrastructure, plus many additional hours and investment for future planning for PAL acquisitions to support many private broadband needs, both "last mile" and backhaul. So API empathizes with RWA, the plight of Indigo, and rural residence that major rule changes at this stage would significantly disrupt and reduce CBRS infrastructure investment from CII. We cannot agree more that major rule changes at this point for CBRS would stifle the innovative business plans that API and RWA members have created in anticipation of a CBRS offering, counter to the foundation of CBRS being a band for innovation and for "Citizens". We hope that the Commission will consider this in its final rulemaking.

Respectfully submitted,

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