

October 29, 2019

VIA ELECTRONIC FILING

Marlene H. Dortch
Secretary, Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Re: Expanding Flexible Use of the 3.7 to 4.2 GHz Band, GN Docket No. 18-122

Dear Ms. Dortch:

The undersigned parties have a deep interest in a timely, fair process for reallocating C-Band spectrum for terrestrial mobile use. As a result of ongoing discussions, and in an effort to highlight areas of consensus, we submit the attached set of principles upon which we agree regarding a reasonable process for auctioning off terrestrial rights to C-Band spectrum. These principles should help guide an auction, regardless of the ultimate outcome of this proceeding, as the Commission moves to repurpose this critical piece of mid-band spectrum as quickly as possible.

While we may not agree on all facets of how this proceeding should be resolved, there is strong consensus that all potential, qualified bidders should be welcome to participate and have clarity on the rules and procedures that will govern the sales and licensing process. Openness and transparency are critical to achieving a successful transition for all interested parties. We urge the Commission to use the principles set forth below to give certainty to interested stakeholders through a swift resolution to this proceeding.

Sincerely,

/s/
Hank Hultquist
Vice President of Federal Regulatory
AT&T Services, Inc.

/s/
Ron Smith
President and CEO
Bluegrass Cellular

/s/
Peter Pitsch
Vice President
Advocacy & Government Relations
C-Band Alliance

/s/
John C. Nettles
President
Pine Belt Wireless

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_____/s/_____
Grant Spellmeyer
Vice President - Federal Affairs & Public Policy
U.S. Cellular

_____/s/_____
William H. Johnson
Senior Vice President -- Federal
Regulatory & Legal Affairs
Verizon

Attachment

FCC Guidance for a 3.7-4.2 GHz Auction

- Prior to any spectrum auction, the following should take place:
 - Auction procedures made public and transparent with FCC oversight
 - Reasonable bidder education efforts held consistent with prior spectrum auctions
- Joint bidding agreements prohibited and ownership and agreement disclosures made public. The auction should be open to all qualified bidders consistent with FCC practice
- The band plan should consist of at least 280 MHz of interoperable spectrum, divided into 20 MHz blocks based on PEAs
- To ensure an efficient auction that is familiar and fair to all participants:
 - The bidding process must be transparent:
 - No sealed bids at any point in the auction
 - No combinatorial or package bidding
 - Release of bid data round-by-round consistent with recent FCC auction information practice
 - Use of the FCC's limited information disclosure procedures to safeguard against anticompetitive conduct
 - The auction should include all proposed cleared spectrum regardless of clearing timing or tranche
 - The auction should use a multi-round ascending clock auction format conducted by an experienced and qualified auctioneer that offers substantially the same online functionality as FCC Auction 102
 - The clock phase should be followed by a traditional assignment phase with substantially the same bid assessment formula as Auction 102
 - The auction should be conducted expeditiously with a speedy rounds-per-day schedule to ensure rapid completion
 - The auction should have enforceable penalty provisions to address winning bidder or seller defaults following completion of the auction
 - An assignment phase, with a format similar to Auction 102, shall determine final block assignments. The algorithm for final assignments shall ensure contiguity of block assignments for any bidder winning multiple blocks in a license area. Provisional assignment of spectrum cleared in any early tranche shall be made proportionally based on total blocks with winning bids, with licensees moving to final assignment positions at the end of the transition period, when all spectrum is available.
- All applicants must agree to be bound by the FCC's prohibited communication rules, including reporting obligations to, and enforcement by, the FCC
- A reasonable aggregate reserve price should be set that will ensure that the sale of repurposed spectrum will generate enough revenue to (1) recoup the costs of conducting the auction, and (2) fairly compensate incumbent satellite providers authorized to use the C-Band as well as effectuate reasonable relocation/reconfiguration/modification costs for

themselves and all C-Band earth station users (including reimbursing programmer costs associated with procuring, testing, and installing new encoders)

- A portion of auction proceeds, in excess of those needed to cover the costs for the auction and the transition of the spectrum, should be returned to the U.S. Treasury
- The auction process must be completed expeditiously, with all spectrum subject to the auction cleared for use by winning bidders with any early tranche of spectrum cleared within 18 months of the FCC order and all spectrum cleared within 36 months from the time of the auction. Auction final payments should be reasonably timed to balance the provision of sufficient funding for clearing the C-Band with enforceable penalties for lack of timely completion.