



April 20, 2018

VIA ELECTRONIC FILING

Ms. Marlene H. Dortch, Secretary
Federal Communications Commission
445 Twelfth Street, SW
Washington, DC 20554

Re: *Promoting Investment in the 3550-3700 MHz Band*, GN Docket No. 17-258

Dear Ms. Dortch:

Across the globe, there is significant and growing interest in mid-band spectrum – and 3.5 GHz spectrum in particular – for 5G and innovative new wireless broadband offerings. As the Federal Communications Commission (“Commission”) has recognized, the race to 5G is on, and the 3.5 GHz band is a key starting block.¹ For that reason, commenters across industries and interests have stressed the need for the Commission to expeditiously conclude the rulemaking in the above-captioned proceeding and promptly move 3.5 GHz spectrum into the marketplace in a manner that promotes investment and innovation from a variety of stakeholders.²

To facilitate that goal, Competitive Carriers Association (“CCA”) and CTIA submit the following compromise proposal for Priority Access License (“PAL”) geographic license areas in the 3.5 GHz band. Specifically, CCA and CTIA have reached an agreement that the Commission should license PALs using Metropolitan Statistical Areas (“MSAs”) in the top 306 Cellular Market Areas (“CMAs”) and use county-based geographic area licenses in the remaining 428 CMAs.

This compromise proposal paves the way for swift action while balancing the needs of the wide range of stakeholders that are expected to participate in the 3.5 GHz auction. It promotes investment in the band and provides an opportunity for parties to acquire PAL spectrum in areas that best fit their business models and investment plans. And it is a far better solution than the existing census tract licensing framework. In fact, the compromise proposal will reduce the more than 74,000 license areas and more than 500,000 licenses to roughly 2,700 license areas and 19,000

¹ See *Promoting Investment in the 3550-3700 MHz Band*, Notice of Proposed Rulemaking, 32 FCC Rcd 8071, ¶ 2 (2017) (“Notice”).

² See, e.g., AT&T Comments at 11; Charter Ex Parte at 3; Dynamic Spectrum Alliance Comments at 20; NCTA Ex Parte (filed March 27, 2018); Nokia Ex Parte (filed March 15, 2018); Open Technology Institute at New America and Public Knowledge Comments at 33; Ruckus Ex Parte at 1 (filed July 21, 2017); Starry Comments at 2; SouthernLinc Comments at 5; TIA Comments at 2; Verizon Comments at 1; WISPA Comments at 3.

total licenses, which will dramatically reduce auction complexity for the Commission and bidders alike.

Moreover, this compromise, with MSA licenses in larger urban areas, promotes investment across those markets and will largely eliminate the border interference issues posed by census tract licensing in urban areas. For example, as Commissioner Michael O’Rielly has noted, Washington, D.C. has 179 census tracts and New York City has over 2,100 census tracts.³ To extend service to the border areas of census tracts, licensees would be required to severely limit power levels and substantially increase network infrastructure and deployment costs. This proposal dramatically reduces that effect and leads to more efficient use of this sought-after spectrum.

Beyond the MSA markets, the Commission would auction PALs in 2,437 county-based geographic license areas. Under this approach, county-based licensing would cover more than 83 percent of the nation’s land mass and will address interests by many stakeholders for smaller license sizes for rural deployments, without the administrative burdens that census tract licensing creates.

Importantly, the Commission also should adopt its proposal to allow partitioning and disaggregation to encourage a robust secondary market that will support targeted urban deployments and smaller rural builds.⁴

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³ Remarks of FCC Commissioner Michael O’Rielly Before The Policy Forum at AT&T, *The 3.5 GHz Future Innovation Showcase* (Feb. 13, 2018), https://apps.fcc.gov/edocs_public/attachmatch/DOC-349201A1.pdf. The Commission also should consider adopting incentives to improve the secondary market. For example, carriers that choose to disaggregate, partition, or lease a portion of their license should receive additional time to buildout the spectrum. In the alternative, any carrier that fails to meet its buildout obligations will have the portion of the license that has not been built out terminated and returned to the Commission for re-auction.

⁴ See Notice ¶ 31.

CCA and CTIA urge the Commission to quickly finalize the rules for the innovative Citizens Broadband Radio Service band so that this valuable spectrum resource can be put to use by stakeholders across the country. This compromise position on geographic license areas balances the interests of many interested parties and will spur investment and innovation in the band.

Respectfully submitted,

By: /s/ Rebecca Murphy Thompson

By: /s/ Scott K. Bergmann

Rebecca Murphy Thompson
Executive Vice President and General Counsel

Scott K. Bergmann
Senior Vice President, Regulatory Affairs

Competitive Carriers Association

805 15th Street NW, Suite 401
Washington, DC 20005
(202) 449-9866
www.ccamobile.org

CTIA

1400 Sixteenth Street, NW, Suite 600
Washington, DC 20036
(202) 785-0081
www.ctia.org