



May 29, 2018

Via ECFS

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street S.W.
Washington, D.C. 20554

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

Dear Ms. Dortch:

Missouri RSA No. 5 Partnership d/b/a Chariton Valley, FTC Management Group, LLC, Horry Telephone Cooperative, Inc., Mark Twain Communications Company, Sandhill Telephone Cooperative, Inc. and NEIT Wireless, LLC are rural operators that provide wireless services in underserved rural communities throughout the United States (“Rural Carriers”). Many of the Rural Carriers have participated in recent Federal Communications Commission (“FCC” or the “Commission”) spectrum auctions and compete against regional and nationwide wireless operators. The Rural Carriers largely depend on wireless technology and licensed spectrum to serve hard to reach customers in remote portions of their service areas. While the Rural Carriers have increasingly found that there is a general lack of affordable licensed spectrum available for small carriers whose territories are more expensive to serve than urban areas, we believe the 70 MHz of Priority Access Licenses (“PALs”) within the 3.5 GHz band will provide us an opportunity to access much needed licensed spectrum and expand our wireless operations.

As such, the Rural Carriers support the use of county-size licenses for PALs in rural areas. By licensing PALs on a county-basis in areas outside of urban centers, the Federal Communications Commission (“FCC” or the “Commission”) will provide small carriers with an opportunity to access PALs that best fit their targeted service area at a price that fits their budget. To license PALs, or even a portion of the PALs, on a census-tract-basis, however, will render the spectrum useless for many small carriers in rural areas. Unless aggregated, census-tract-sized PALs may have interference and coordination issues and in many cases, small carriers may not

be able to aggregate all the census tracts within their service areas. In Horry County, South Carolina, where Horry Telephone Cooperative, Inc. provides service, for example, there are 72 census tracts. In addition to the potential difficulty and uncertainty of acquiring all 72 census-tract PALs in one county at auction, if a carrier is able to acquire all or only a portion of the census tracts in its service area, constructing a network utilizing census tracts would be inefficient and wasteful.

A viable fixed wireless system in rural areas will require at least 20 megahertz of spectrum (or 2 PALs). Therefore, the Rural Carriers strongly prefer *all* 7 PALs in rural areas be licensed on a county-wide basis. Licensing less than 7 PALs on a county basis in rural areas will reduce the opportunities for more than one carrier to acquire two or more PALs in a given geographic area.

While the Rural Carriers support county-size PALs in rural areas, we also appreciate the need for larger sized PALs in urban areas, where regional and national carriers are more likely to bid and provide next-generation wireless services. Different sized PALs in urban and rural areas will allow small and large carriers to effectively participate in the auction and allow small carriers an opportunity to acquire PALs that cover their community without having to compete against national carriers. Accordingly, the Rural Carriers believe that the compromise proposal filed by the Competitive Carriers Association (“CCA”) and CTIA strikes the right balance for PAL license area size: “license PALs using Metropolitan Statistical Area (“MSA”) markets in the top 306 Cellular Market Areas (“CMAs”) and use county-based geographic area license in the remaining 428 CMAs.”¹ The Rural Carriers also recommend the Commission license PALs for a ten-year, renewable term with appropriate performance requirements, consistent with similar FCC spectrum licenses.

The licensing scheme proposed by the CBRS Coalition (5 blocks of county-sized PALs and 2 blocks of census-tract-sized PALs nationwide)² would reduce the opportunities for rural, operational carriers to access PALs. If the Rural Carriers are forced into the census tract blocks because of competition from larger carriers with deeper pockets, real rural deployments will be stymied. As stated above, census-tract-sized PALs will likely have interference, coordination and aggregation issues. Additionally, designating 2 blocks for census-tract-sized PALs, the CBRS Coalition’s proposal in essence will take away 20 MHz of the 70 MHz of spectrum available for licensed use that rural operational carriers badly need.

Accordingly, the Rural Carriers urge the FCC to adopt county-sized PALs in rural areas (CMA markets 307 to 734) and MSAs in more urban areas (CMA markets 1-306).

¹ Letter from Rebecca Murphy Thompson, Executive Vice President and General Counsel, Competitive Carriers Association and Scott K. Bergmann, Senior Vice President, Regulatory Affairs, CTIA, to Marlene H. Dortch, Secretary, Federal Communications Commission, GN Docket No. 17-258, at 1 (filed April 20, 2018).

² Letter from the CBRS Coalition to Marlene H. Dortch, Secretary, Federal Communications Commission, GN Docket No. 17-258 (filed May 9, 2019).

Respectfully Submitted,

**Missouri RSA No. 5 Partnership d/b/a
Chariton Valley**

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**Mark Twain Communications
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By: /s/ Jim Lyon
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**Sandhill Telephone Cooperative,
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By: /s/ Lee Chambers
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