

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

In the Matter of:)	
)	
Wireless Telecommunications Bureau Seeks)	WT Docket No. 18-104
Comment on Status of Federal Government)	
Relocation from AWS-3 Bands)	

COMMENTS OF CTIA

CTIA¹ respectfully submits these comments in response to the Public Notice seeking comment on whether to extend the initial license term and associated build-out deadlines for AWS-3 licenses due to the status of Federal government relocation from the 1695-1710 MHz and 1755-1780 MHz bands.²

I. INTRODUCTION.

CTIA applauds the Federal Communications Commission (“Commission”) for proactively seeking comment on the Federal relocation process for the AWS-3 band and considering whether an extension of license terms and associated build-out requirements is warranted. Importantly, the Commission and NTIA should continue to work collaboratively toward expeditiously clearing the AWS-3 band. The record auction revenue generated by

¹ CTIA® (www.ctia.org) represents the U.S. wireless communications industry and the companies throughout the mobile ecosystem that enable Americans to lead a 21st century connected life. The association’s members include wireless carriers, device manufacturers, suppliers as well as apps and content companies. CTIA vigorously advocates at all levels of government for policies that foster continued wireless innovation and investment. The association also coordinates the industry’s voluntary best practices, hosts educational events that promote the wireless industry and co-produces the industry’s leading wireless tradeshow. CTIA was founded in 1984 and is based in Washington, D.C.

² *Wireless Telecommunications Bureau Seeks Comment on Status of Federal Government Relocation from AWS-3 Bands*, Public Notice, WT Docket No. 18-104, DA 18-346 (rel. Apr. 6, 2018) (“AWS-3 Extension Public Notice”).

bidders in the AWS-3 Auction evidences the importance of this spectrum to ensuring that the U.S. can continue to lead the world in wireless innovation.

However, because the Federal relocation process remains ongoing, CTIA supports a modest three-year extension of the initial license term and interim build-out requirements for certain AWS-3 licenses. Because these licensees may not have the access necessary to deploy their AWS-3 spectrum, it is critical for the Commission to provide extra time to ensure that the investment and planning already undertaken to deploy this spectrum is not undermined by the continuing relocation process. This additional time would provide much-needed certainty to AWS-3 licensees, but it should not undercut or delay the continuing efforts to rapidly move Federal incumbents and to bring the relocation process to an end.

II. THE COMMISSION AND FEDERAL AGENCIES SHOULD CONTINUE TO PRIORITIZE INCUMBENT RELOCATION OF THE AWS-3 SPECTRUM.

As the highest-revenue generating auction in the more than 20-year history of Commission spectrum auctions, the AWS-3 auction significantly exceeded expectations. The auction raised more than \$40 billion for valuable spectrum that can be used to serve consumers and businesses across the country, more than doubling the previous benchmark of \$19.6 billion raised by the 700 MHz auction.³ As Chairman (then Commissioner) Pai recognized at the time, the “historic success” of the auction would “help the wireless industry meet exploding consumer demand.”⁴

³ See Coleman Bazelon, *The Next Wave of Spectrum Reallocation: The Value of Additional Mid-Band Spectrum Reallocations*, THE BRATTLE GROUP, at 7 (Nov. 14, 2017), <https://docs.house.gov/meetings/IF/IF16/20171116/106636/HHRG-115-IF16-20171116-SD005-U5.pdf>; *Auction of 700 MHz Band Licenses Closes*, Public Notice, 23 FCC Rcd 4572 (2008).

⁴ Statement of Commissioner Ajit Pai on the Completion of the AWS-3 Auction (rel. Jan. 29, 2015), <https://docs.fcc.gov/public/attachments/DOC-331762A1.pdf>.

With nearly \$45 billion in bids, the auction was yet another illustration of the significant economic impact that exclusive use, licensed spectrum provides taxpayers and the U.S. economy. America's wireless companies stand ready to invest \$275 billion into building next-generation 5G networks, potentially resulting in significant economic benefits for the U.S., including adding an anticipated three million new jobs and boosting the gross domestic product by \$500 billion.⁵ With recent research indicating that the United States currently trails both China and South Korea in 5G-readiness, freeing up spectrum – particularly, spectrum already auctioned and licensed – should be a government priority.⁶ AWS-3 spectrum, with its positive capacity and coverage attributes, will help to further the deployment and delivery of next-generation services and ensure that America takes a leading role in the race to 5G.

Given the importance of the AWS-3 band to the wireless industry's spectrum portfolio, the Commission and NTIA should maintain their focus on the incumbent relocation process to ensure these bands can be put to use for the benefit of the U.S. economy, businesses, and consumers. For example, the government should consider expanded use of the Spectrum Relocation Fund ("SRF") to help expedite the existing relocation process. Because Federal entities often do not have adequate budgets to cover all the costs associated with modifying their communications systems to use a different spectrum band, Congress created the SRF to help defray some of the costs associated with relocation.⁷ Providing additional funding to current Federal users in the AWS-3 band, as well as continued dialogue between the commercial

⁵ See *Smart Cities: How 5G Can Help Municipalities Become Vibrant Smart Cities*, ACCENTURE STRATEGY, at 1 (Jan. 2017), <https://api.ctia.org/docs/default-source/default-document-library/how-5gcan-help-municipalities-become-vibrant-smart-cities-accenture.pdf>.

⁶ See *The Global Race to 5G*, CTIA, at 3, (Apr. 2018), <https://api.ctia.org/wp-content/uploads/2018/04/Raceto-5G-Report.pdf>.

⁷ See 47 U.S.C. § 928(c).

wireless industry and the Federal government, may help to expedite the relocation process and unleash needed spectrum resources for 5G.

III. THE INITIAL LICENSE TERM AND INTERIM BUILD-OUT REQUIREMENTS FOR CERTAIN AWS-3 LICENSES SHOULD BE EXTENDED THREE YEARS.

As the Public Notice details, the Commission has typically adopted 10-year license terms, with longer initial terms in some circumstances.⁸ For AWS-3, the Commission adopted an initial 12-year license term to accommodate the complexities and timing of clearing Federal government operations.⁹ At the same time, the Commission directed the Wireless Telecommunications Bureau to seek comment three years after initial AWS-3 licenses were granted on whether an extension of up to three years would be warranted.¹⁰

While NTIA, the Commission, and affected agencies should redouble their efforts to relocate existing operations and permit licensees to deploy the spectrum, CTIA urges the Commission to proactively add three years to certain AWS-3 license terms and build-out requirement deadlines. Specifically, extensions should be authorized for licensees that have entered market-specific Coordination Requests into the Early Entry Portal system but were subsequently denied because the Federal system has not transitioned out and will not transition out in the expected timeframe. While the vast majority of AWS-3 license terms are set to expire in April 2027, a large portion of Federal operations are not scheduled to be relocated until

⁸ *AWS-3 Extension Public Notice* at 1.

⁹ *Amendment of the Commission's Rules with Regard to Commercial Operations in the 1695-1710 MHz, 1755-1780 MHz, and 2155-2180 MHz Bands*, Report and Order, 29 FCC Rcd 4610, 4657-58 ¶¶ 131-132 (2014) (“AWS-3 Order”).

¹⁰ *Id.*

2025.¹¹ Moreover, many AWS-3 licensees will have interim build-out requirements due in April 2021. As a result, AWS-3 licensees that have had their Coordination Requests denied have no ability to construct and test facilities before the end of their existing license and interim build-out terms.

A three-year extension is the right approach. First, commenters suggested during the rule making proceeding that a 15-year license term would be necessary to accommodate the transition of Federal incumbents.¹² Indeed, the Commission even noted that “a longer initial license term is appropriate” due to the complexities associated with incumbent government operations.¹³ Adding three years to the initial 12-year license term would therefore be consistent with the original record before the Commission. Second, adding three years to these terms would ensure that AWS-3 licensees have time after the expected clearing of Federal users from the band in 2025 to undertake network deployment activities. As the majority of AWS-3 license terms expire in 2027, a three year extension for those markets where the Federal government has denied early access would provide AWS-3 licensees a more reasonable amount of time to plan, construct, and deploy their networks once all incumbent uses have transitioned.¹⁴

¹¹ U.S. Department of Commerce, *Commercial Spectrum Enhancement Act (CSEA) Annual Progress Report for 2016*, at II-1 (Apr. 2017), https://www.ntia.doc.gov/files/ntia/publications/ntia_2016_csea_report-72417.pdf.

¹² *AWS-3 Order*, 29 FCC Rcd at 4657-58 ¶ 131.

¹³ *Id.*

¹⁴ A three-year extension to interim build-out deadlines may not provide sufficient relief for licensees, as some interim build-out deadlines may pass before Federal users are cleared and licensees have access to the spectrum. The Commission should continue efforts with NTIA and other Federal agencies to clear incumbent users from the spectrum, but may need to further adjust interim build-out deadlines for licensees that have not been able to access spectrum.

Additionally, the AWS-3 Order, AWS-3 Auction Public Notice, and AWS-3 Coordination Public Notice indicated that licensees would have some immediate access to the spectrum through coordination agreements while Federal agencies relocated their operations.¹⁵ In reality, AWS-3 coordination has not yielded access to the spectrum where Coordination Requests have been denied. Given these realities, the Commission should grant a three-year license term and interim build-out requirement extension to any licensee that can demonstrate that it has not had the necessary early access to the spectrum. While this approach may make the extension process slightly more cumbersome for both licensees and the Commission, it would target extensions to those licensees that are actively involved in early entry deployment activities.

The Commission could establish a streamlined process by which AWS-3 license extension requests are automatically approved, provided the licensee demonstrates that it made a Coordination Request that was denied and provides documentation that the systems have not yet transitioned out of the spectrum in question. This approach would provide relief to licensees that have demonstrated an intent to build out their AWS-3 spectrum, while minimizing the administrative burden on the Commission. CTIA cautions, however, that any such extension should not diminish efforts by the Commission, NTIA, and other Federal agencies, both here and in future auctions, to maintain focus on the incumbent relocation process and ensure that the

¹⁵ AWS-3 Order, 29 FCC Rcd at 4692-93 ¶¶ 219-222; *Auction of Advanced Wireless Services (AWS-3) Licenses Scheduled for November 14, 2014; Notice of Filing Requirements, Reserve Prices, Minimum Opening Bids, Upfront Payments, and Other Procedures for Auction 97*, Public Notice, 29 FCC Rcd 8386, 8400-01 ¶ 38 (2014); *The Federal Communications Commission and the National Telecommunications and Information Administration: Coordination Procedures in the 1695-1710 MHz and 1755-1780 MHz Bands*, Public Notice, 29 FCC Rcd 8527, 8535 (2014).

spectrum for which the wireless industry spent billions of dollars to acquire can be put to use promptly to serve American businesses and consumers.

IV. CONCLUSION.

The AWS-3 auction provided the wireless industry with a tremendous opportunity to obtain much-needed spectrum resources that are expected to facilitate the deployment of next-generation 5G services. However, it is critical that the Commission ensure American wireless consumers experience the countless benefits and opportunities that these services will create. By modestly extending the term and build-out requirements of certain AWS-3 licenses by three years, the Commission can provide licensees with increased certainty and flexibility, allowing them to make the investment necessary to unlock the economic and societal benefits of 5G connectivity.

Respectfully Submitted,

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Dated: June 5, 2018