

In the Matter of )  
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Review of the Commission's Rules ) WT Docket No. 17-200  
Governing the 896-901/935-940 MHz Band )

Caesars Entertainment Corporation, on behalf of its subsidiaries (collectively, “Caesars”), hereby files its Reply Comments regarding the Commission’s Notice of Proposed Rulemaking in the above-captioned proceeding.<sup>1</sup>

In the *NPRM*, the Commission sought comment regarding its proposal to reconfigure the 896-901/935-940 MHz Band (“900 MHz band”), currently designated for narrowband private land mobile communications and specialized mobile radio service, to create a segment dedicated to broadband use. Initial commenters generally support the Commission’s proposal. However, numerous commenters expressed a concern about the impact of the 900 MHz band realignment on incumbent licensees. Specifically, those commenters want to ensure that incumbent licensees are not forced to relocate to alternative frequencies, receive reimbursement for all relocation costs, and are protected from interference from potential broadband licensees. As described in these Reply Comments, Caesars, an incumbent 900 MHz band licensee, shares those concerns. Therefore, Caesars requests the Commission not to take any action that would jeopardize the ability of incumbent licensees to use their licenses or receive full reimbursement for costs associated with the relocation of licensed frequencies.

<sup>1</sup> See *Review of the Commission's Rules Governing the 896-901/935-940 MHz Band*, Notice of Proposed Rulemaking, WT Docket No. 17-200, FCC 19-8 (Mar. 14, 2019) (“*NPRM*”).

## **BACKGROUND**

Caesars is a national and global leader in gaming, hospitality, dining, entertainment, conventions, and shopping, operating resorts and casinos in the United States and in foreign countries. Caesars prioritizes the safety of its guests and employees and provides high-quality service throughout its properties. Caesars relies on wireless communications systems at all of its locations to enable employees to communicate with each other regarding operational and security issues, and, as such, facilitate effective, efficient, and safe operations while providing guests with superior service.

Caesars currently holds nine licenses that operate in the 900 MHz band, seven of which are used in Las Vegas, Nevada, which is Caesars's primary place of operations in the United States. Each of those licenses utilizes one or more frequency pairs that fall within the portion of the 900 MHz band that the Commission proposes to assign to broadband licensees. If Caesars is required to relocate any of the frequencies used by its 900 MHz band licenses, whether on a voluntary or mandatory basis, it will impact each of these licenses, and require modifications to all radios, transmitters, repeaters, and related communications equipment. In just those nine locations, Caesars has a total of over 4,700 radios. Moreover, two of its locations have 1,000 radios each. Given that fully functional communications systems are an integral part of Caesars's operations, it is imperative that the Commission's reconfiguration of the 900 MHz band (1) does not have a negative effect on Caesars's ability to conduct its business in a consistent and uninterrupted manner and (2) does not require Caesars to incur any costs associated with the spectrum realignment.

**I. The Commission Should Adopt a Voluntary Process to Implement the 900 MHz Band Realignment.**

The Commission proposes a voluntary frequency exchange process to accomplish the 900 MHz band reconfiguration. However, the Commission also asked commenters to address the possibility of mandatory relocation in the event that relevant parties are unable to reach an agreement. Caesars agrees with those commenters that support solely using a voluntary negotiation process to realign the 900 MHz band. As the Lower Colorado River Authority (“LCRA”) stated, the “Commission should only implement a voluntary realignment process that gives incumbent site-based and geographic-based licensees in each individual market the flexibility to determine whether to realign the band, and if so, the best way to realign the 900 MHz band.”<sup>2</sup> NextEra Energy, Inc. (“NextEra”) accurately pointed out that because the Commission has not decided to clear the entire 900 MHz band for broadband use, the “marketplace alone should determine if the benefits of reconfiguration exceed the costs through the voluntary agreement process.”<sup>3</sup>

Caesars also agrees with Oncor Electric Delivery Company LLC (“Oncor”) that there is a risk that incumbents will not be fully compensated by an agreement with a potential broadband licensee to relocate if the Commission adopts a voluntary process followed by a mandatory process. Namely, “[s]uch a process would be voluntary in name only in that all narrowband licensees would be compelled to accept potentially unfavorable negotiated agreements early in the process rather than hold out for an equitable relocation agreement and thereby risk being forced into the mandatory process.”<sup>4</sup> Caesars fully supports a requirement that parties negotiate

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<sup>2</sup> See LCRA Comments, at 16-17.

<sup>3</sup> NextEra Comments, at 16; *see also* FirstEnergy Corp. (“FirstEnergy”) Comments, at 9 (“voluntary relocation is the only acceptable method of relocating incumbents”).

<sup>4</sup> Oncor Comments, at 6

in good faith, but, as the American Petroleum Institute (“API”) noted, there should be no obligation to relocate if an agreement cannot be reached.<sup>5</sup>

## **II. New Broadband Licensees Must Compensate Incumbent 900 MHz Licensees for All Costs Associated with Relocating Frequencies.**

Commenters that addressed the costs of relocation unanimously agreed that it is the responsibility of entities wishing to use spectrum assigned to narrowband users “to reach agreements with incumbents whose channels must be exchanged, either on a purely voluntary basis or based on an obligation to provide them with comparable facilities and *to assume all reasonable costs associated with the move.*”<sup>6</sup> As correctly noted by the City of Los Angeles Department of Water and Power (“LADWP”), “incumbents must not be made to bear the burden of the Commission’s policy. While the precise costs occurred [sic] may vary depending upon the degree of impact, those costs must in all cases be borne by those reaping the benefits of 900 MHz broadband operations.”<sup>7</sup>

Although the Commission asked for comment on whether incumbent licensees should be reimbursed for costs associated with relocating its assigned frequencies, it suggested that such costs “may be relatively low given that equipment is interoperable across the entire band and would therefore only require incumbents to return their existing radio equipment.”<sup>8</sup> As noted by several commenters, the Commission significantly underestimates the potential costs that

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<sup>5</sup> See API Comments, at 9.

<sup>6</sup> Enterprise Wireless Alliance, at 5-6 (emphasis added); *see also* Motorola Solutions, Inc. Comments, at 4 (“Incumbents should not be mandated to relocate nor be expected to incur relocation costs.”); National Association of Manufacturers and MRFAC, Inc. Comments, at 6 (“the broadband proponent should bear the costs of the incumbent relocation as the party causing the cost.”); Utilities Technology Council (“UTC”) Comments, at 16 (“incumbents [must] be provided comparable facilities and reimbursement for their relocation costs.”)

<sup>7</sup> LADWP Comments, at 4.

<sup>8</sup> NPRM, ¶ 50.

incumbent licensees would incur if they are required to relocate their frequencies.<sup>9</sup> For example, NextEra stated that relocation costs go beyond retuning equipment to include “coordinating the frequency changes, coordinating the license changes, documenting and developing change procedures, providing additional training as required, implementing the changes, and updating the “as built” documentation.”<sup>10</sup> NextEra also said that “[a]ntenna systems may require replacement to address the closer frequency spacing.”<sup>11</sup>

United Parcel Service, Inc. (“UPS”) recognized that “[i]ncumbent relocation and protection costs will likely be significant.”<sup>12</sup> As described by UPS, relocation costs would include costs for retuning radios and other equipment, such as combiners and filters, as well as costs associated with “substantial coordination activities, potential implementation of interference, mitigation measures to protect other incumbents or to protect the relocated incumbent” and “other costs associated when there is an inability to flash cutover or shut down any operations for any period of time to transition due to the nature of business operations being supported.”<sup>13</sup> Like UPS, Caesars’s communications systems are operational 24 hours a day, every day of the year. “As a result, there is never a down window when the radio system can be

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<sup>9</sup> See, e.g., Oncor Comments, at 8-9 (“Further, the *NPRM* may be incorrect in suggesting that the relocation costs will be relatively low in all cases because existing 900 MHz equipment is interoperable across the entire band and therefore would only require incumbents to retune their existing radio equipment.”).

<sup>10</sup> NextEra Comments, at 20 & n.62; see LCRA Comments at 8 (noting that additional sites and channels may be needed for LCRA to maintain its communications system’s reliability levels); API Comments, at 6 (“The Commission must ensure that incumbents do not bear the cost of relocating such systems.”)

<sup>11</sup> *Id.*

<sup>12</sup> UPS Comments, at 15.

<sup>13</sup> *Id.*

taken offline completely without having a backup in place or creating a significant operational impact.”<sup>14</sup>

Caesars agrees with commenters, such as NextEra and UPS, that incumbents should not be responsible for relocation costs caused by a 900 MHz band reconfiguration and that such costs would extend beyond retuning equipment to include purchasing equipment, renting equipment during the retuning process, and planning and implementing the change in frequencies. These activities would necessarily increase business expenses and labor costs. In addition to considering relocation costs other than retuning, the Commission should also be mindful of the size of the communications systems that would be impacted by relocation costs. Indeed, even if the incumbents’ costs caused by the spectrum reconfiguration were limited to retuning radios<sup>15</sup> (which as detailed above, they are not), such costs would be substantial when a license supports a communications system with a large number of users, as is the case with Caesars. The cost of retuning increases significantly when thousands of radios are involved. Each radio and associated equipment, such as transmitters, must be individually retuned.

### **III. The Commission Should Ensure that Broadband Licensees Do Not Cause Harmful Interference or Diminish the Operation of Incumbent Narrowband Licensees’ Communications Systems.**

Section 303(y) of the Communications Act of 1934, as amended, (47 U.S.C. § 303(y)) authorizes the Commission to allocate spectrum, so long as such allocation meets certain requirements, including that it would not result in harmful interference among users. Several commenters raised specific concerns about protecting incumbent licensees if the Commission realigns the 900 MHz band. As succinctly stated by LADWP, “the transition must minimize

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<sup>14</sup> *Id.* at 16.

<sup>15</sup> See FirstEnergy Comments, at 8 (asserting that the cost of equipment re-tuning “would not be a major concern.”); Ameren Comments, at 5 (all retuning costs should be borne by the broadband licensee).

disruption, and the framework adopted must place incumbent protections first in all instances.”<sup>16</sup> Caesars agrees with commenters that the Commission “must preserve the rights of incumbent narrowband systems and enable such networks to operate without increased potential for interference.”<sup>17</sup> As one way to minimize the potential for interference to incumbent licensees’ operations, Caesars urges the Commission to consider incorporating a guard band, as proposed by Motorola Solutions, Inc. and others.<sup>18</sup> However, Caesars asks that any such guard band between the narrowband and broadband segments not further decrease the amount of spectrum available for narrowband use.

In the event that an incumbent licensee is required to change its frequencies, then it must continue to have the means to operate a communications system with comparable coverage and capacity.<sup>19</sup> For example, it is important that Caesars be able to maintain the same number of channels authorized by its licenses if it is required to relocate. The fact that an incumbent licensee may be able to keep one or two frequency pairs under the Commission’s proposed 900 MHz band realignment when its license has many frequency pairs does not provide the incumbent with comparable coverage and capacity. Current narrowband licensees requested a certain number of channels in their license applications to provide their communications systems with the flexibility to use various channels to address security and coverage issues. Any

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<sup>16</sup> LADWP Comments, at 6-7.

<sup>17</sup> Motorola Solutions, Inc. Comments, at 1-2; *see* Oncor Comments, at 12 (broadband licensees are responsible for resolving interference problems).

<sup>18</sup> *See* LCRA Comments, at 22; *see also* UTC Comments, at 12-13 (the Commission should ensure that there is “sufficient frequency separation between narrowband systems to allow incumbents to continue to use frequency combiners without having to change them out or otherwise alter their operation.”).

<sup>19</sup> *See* NextEra Comments, at 18.

spectrum reconfiguration must not diminish the performance of incumbent licensees' communications systems.


Finally, Caesars agrees with UTC that there should be minimum requirements for private agreements between incumbent narrowband licensees and potential broadband licensees, such as replacement of lost frequency pairs and terms for monetary compensation for rebanding efforts.<sup>20</sup> It is also essential that the broadband licensee demonstrate to the satisfaction of the incumbent 900 MHz licensee that it has provided protection from interference.<sup>21</sup>

### CONCLUSION

Caesars respectfully requests that the Commission consider its views set forth in these Reply Comments as it considers changes to its rules governing the 900 MHz Band.

Respectfully submitted,

**CAESARS ENTERTAINMENT  
CORPORATION**

By:   
Debra McGuire Mercer  
GREENBERG TRAURIG, LLP  
2101 L Street, NW  
Suite 1000  
Washington, D.C. 20037  
(202) 331-3100

*Its Counsel*

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<sup>20</sup> See UTC Comments, at 18.

<sup>21</sup> See NextEra Comments, at 17.