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September 6, 2018

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

Re: Notice of Ex Parte Presentation: Promoting Investment in the 3550-3700
MHz Band – GN Docket No. 17-258

Dear Ms. Dortch:

On September 4, 2018, undersigned counsel for Southern Linc, together with Michael Fitzpatrick and Sophia Niazi (General Electric), Eve O'Toole (Holland & Knight, counsel for the Port of Los Angeles), Frank Korinek (Motorola Solutions), Aryeh Fishman (Edison Electric Institute), Brett Kilbourne (Utilities Technology Council), James Crandall (American Petroleum Institute), and Liz Sachs (Lukas, LaFuria, Gutierrez & Sachs, counsel for the Enterprise Wireless Alliance) (collectively, the "IIoT Coalition") met with Umair Javed, Legal Advisor to Commissioner Jessica Rosenworcel with respect to the above-referenced proceeding.¹

Around the world, innovation in and deployment of 5G services is being driven by industrial and critical infrastructure industry ("CII") applications and use cases. The IIoT Coalition representatives explained that maintaining U.S. leadership in the global race to 5G and bringing the benefits of 5G to all Americans will be best achieved by enabling and encouraging the deployment of multiple networks by multiple participants from multiple sectors throughout the entire country. The IIoT Coalition representatives further explained how the 3.5 GHz band in particular (*i.e.*, the "Innovation Band") can serve as a unique catalyst for accelerated growth in the U.S. industrial, manufacturing, and CII sectors and throughout the American economy more generally, but only if it is made accessible to a broad range of potential users, business models, and use cases. Rather than picking predetermined winners and losers, the Commission should adopt a licensing framework that encourages innovation and broad participation.

¹ See *Promoting Investment in the 3550-3700 MHz Band*, Notice of Proposed Rulemaking and Order Terminating Petitions, 32 FCC Rcd 8071 (2017).



The IIoT Coalition representatives therefore emphasized the need for the Commission to retain at least two Priority Access Licenses (“PAL”) on a census tract basis in every market, as reflected in the compromise proposal submitted to the Commission on May 29, 2018 – a proposal that was supported by virtually every stakeholder in this proceeding other than the large mobile carriers.²

We also discussed the design of the PAL auction and the Commission’s long-standing position that auction policy should drive auction design. Although the auctioning of licenses on a census tract or hybrid basis may involve certain complexities, we observed that the Commission has already successfully designed and managed auctions of similar or greater complexity (such as the recently-concluded CAF II auction), and we referred to the report submitted by economist Paul Milgrom concluding that the Commission can successfully manage a census tract auction.³ To the extent that time may be needed to address software design issues associated with a PAL auction involving census tracts, the IIoT Coalition representatives expressed their willingness to accept the time necessary to make at least two PALs in every market available through auction on a census tract basis.

Pursuant to Section 1.1206 of the Commission’s Rules, this letter is being filed electronically via the Electronic Comment Filing System in the above-referenced proceeding.

Respectfully submitted,

/s/ David D. Rines
David D. Rines

cc: Umair Javed

² Notice of *Ex Parte* Presentation of Frontier Communications, General Electric Company, Google LLC, Motorola Solutions, Inc., NCTA-The Internet & Television Association, NTCA-The Rural Broadband Association, Ruckus Networks, Rural Wireless Association, Inc., Wireless Internet Service Providers Association, GN Docket No. 17-258 (filed May 29, 2018).

³ See Letter from Paul Milgrom, Auctionomics Inc., to Marlene H. Dortch, FCC Secretary, GN Docket No. 12-354 (filed Aug. 7, 2017).