

September 21, 2017

Ex Parte

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

Re: Amendment of the Commission's Rules with Regard to Commercial Operations in the 3550-3650 MHz Band, GN Docket No. 12-354

Dear Ms. Dortch,

On September 20, 2017, Professor Paul Milgrom (via telephone), Stephen Coran (via telephone), representing the Wireless ISP Association (WISPA), and I met with Don Stockdale, Dana Shaffer, Nese Guendelsberger, Margaret Wiener (via telephone), Martha Stancill, Gary Michaels, Jessica Greffenius, Becky Schwartz, Steve Kauffman, and Craig Bomberger of the Wireless Telecommunications Bureau; Jerry Ellig, Chief Economist; and Evan Kwerel, of the Office of Strategic Planning and Policy. Professor Milgrom described his August 7, 2017 filing with the Commission, which provided his recommendations on how the FCC could structure the CBRS PAL auction. As a courtesy to Professor Milgrom, I am summarizing the contents of this joint meeting.

As explained more fully in the filing, he stated that CBRS auctions using the current rules' census-tract-sized licenses can be far simpler than the FCC's recent complex auctions, given the characteristics of CBRS licenses, including the band plan and the likely uses. Simultaneous ascending clock CBRS auctions would allow the Commission to administer an auction of a large number of licenses, which would be fast to implement and easy for bidders to use. This format would make participation easier, encourage competition, and lead to outcomes that are more efficient.

Professor Milgrom also expanded on one feature of his paper, stating that the FCC's current three-year CBRS license term, with a mechanism to give incumbent licensees a bidding credit in future auctions, could help enable the twin goals of protecting incumbent value-enhancing investments and providing good opportunities for innovative entrants with valuable uses of the band. Extending the license term to ten years with an expectation of renewal risks blocking new uses and discouraging innovators. He discussed how to arrive at a particular bidding credit level, how the CBRS rules mitigate the lack of complementarity that leads to more complex auction designs in other services, and the relationship between this concept and buildout requirements.

Pursuant to the FCC's rules, we have filed a copy of this notice electronically in the above-referenced docket. If you require any additional information, please contact the undersigned.

Sincerely,



Paul Margie
Counsel to Google Inc.

cc: meeting participants