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April 30, 2015

**EX PARTE VIA ECFS**

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

**Re: Expanding the Economic and Innovation Opportunities of Spectrum through Incentive Auctions, GN Docket No. 12-268**

Dear Ms. Dortch:

On April 28, 2015, Brian Benison and I met with Priscilla Argeris of Commissioner Rosenworcel's office. During the meeting we presented and discussed the Study of Border Impairments filed by AT&T in the record on April 14, 2015. The study is designed to quantify the impairment to 600 MHz licenses in Partial Economic Areas near the Mexican and Canadian borders that would result from the set of television channel allotments currently held by Mexico and Canada. The study is based on the Commission's current proposals to allow impairments in up to 20 percent of the total MHz/pops in the 600 MHz band from television broadcasters and uses the proposed ISIX methodology to calculate the degree of impairments to individual blocks within each PEA. The study was limited to current TV allotments in TV Study (without regard to whether these may change prior to the auction as a result of negotiations with Canada or Mexico), but the study also examined the impairments that would result from only those stations that are operating in Canada and Mexico currently (as opposed to vacant allotments).

We discussed the results of the study along with the proposals that AT&T has made in its filings in this proceeding, particularly AT&T's recommendation that the Commission should avoid repacking any U.S. based broadcasters in the 600 MHz band. The unavoidable impairments represented by the TV allotments held by Canada and Mexico already will cover a substantial percentage of the MHz/pops in the 600 MHz band. The clock auction proposed by the Commission for the incentive auction rests on the assumption that the blocks offered will be fungible, with bids to be made on quantities demanded at a given price level. Accordingly, AT&T has proposed that the Commission offer only one class of spectrum in the clock phase, with no or very modest

impairments, to make the objects in the clock phase workably fungible. More significantly impaired blocks, like those in many border cities, could be sold via a SMRA after the successful close of the clock auction.

We also argued that the Commission should not further reduce the amount of unimpaired spectrum by repacking broadcasters in the 600 MHz band and creating separate categories of spectrum to be offered in the clock phase. As AT&T has detailed in its filings, I explained that such an approach would complicate the clock auction phase and would risk suppressing valuations and demand.

In accordance with the Commission's rules, this letter is being filed electronically with the Secretary for inclusion in the public record.

Sincerely,

A handwritten signature in black ink, appearing to be 'JM', followed by a horizontal line extending to the right.

Joan Marsh

cc: Priscilla Argeris