

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

In the Matter of	)	
	)	
Updating Part 1 Competitive Bidding Rules	)	WT Docket No. 14-170
	)	
Expanding the Economic and Innovation	)	GN Docket No. 12-268
Opportunities of Spectrum Through Incentive	)	
Auctions	)	
	)	
Petition of DIRECTV Group, Inc. and	)	RM-11395
EchoStar LLC for Expedited Rulemaking to	)	
Amend Section 1.2105(a)(2)(xi) and 1.2106(a)	)	
of the Commission's Rules and/or for Interim	)	
Conditional Waiver	)	
	)	
Implementation of the Commercial Spectrum	)	WT Docket No. 05-211
Enhancement Act and Modernization of the	)	
Commission's Competitive Bidding Rules and	)	
Procedures	)	

**REPLY COMMENTS OF AT&T**

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Expanding the Economic and Innovation Opportunities of Spectrum Through Incentive Auctions	)	GN Docket No. 12-268
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Petition of DIRECTV Group, Inc. and EchoStar LLC for Expedited Rulemaking to Amend Section 1.2105(a)(2)(xi) and 1.2106(a) of the Commission’s Rules and/or for Interim Conditional Waiver	)	RM-11395
	)	
Implementation of the Commercial Spectrum Enhancement Act and Modernization of the Commission’s Competitive Bidding Rules and Procedures	)	WT Docket No. 05-211
	)	

**REPLY COMMENTS OF AT&T**

**I. INTRODUCTION AND SUMMARY**

AT&T Services Inc. (“AT&T”), on behalf of the subsidiaries and affiliates of AT&T Inc. (collectively, “AT&T”), hereby submits these comments in response to the Federal Communications Commission’s (“Commission”) Public Notice seeking additional comment on a number of proposed changes to the Commission’s Part 1 competitive bidding rules.<sup>1</sup> Both the results of the Commission’s recent AWS-3 auction (“Auction 97”) and the record in this proceeding make clear that the Commission’s existing designated entity (“DE”) rules are no

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<sup>1</sup> *Request for Further Comment on Issues Related to Competitive Bidding Proceeding, Updating Part 1 Competitive Bidding Rules*, Public Notice, FCC 15-49 (April 17, 2015) (“*Public Notice*”).

longer serving their intended purposes or beneficiaries – small businesses and new entrants in the wireless market. Thus, substantial reform of the DE rules is necessary.

In its opening comments, AT&T outlined a series of proposed reforms that effectuate the original intent of the DE program. AT&T urged the Commission to, among other actions, adopt the Joint Proposal supported by AT&T and the Rural-26 Coalition.<sup>2</sup> The opening comments in this proceeding reveal that AT&T’s concerns are broadly shared and offer a range of possible reforms to the FCC’s Part 1 competitive bidding rules. *First*, several commenters support reforms to the DE program aimed at reducing incentives for gamesmanship and ensuring that DE benefits flow to their intended recipients. Many of these commenters supported a cap on DE benefits similar to that proposed by AT&T and the Rural-26 Coalition. *Second*, commenters agree that the Commission should take steps to prevent coordinated or collusive behavior by auction bidders by prohibiting coordinated bidding and adopting an anti-collusion certification that will better enable the Commission to prevent collusive behavior during an auction. *Third*, the record demonstrates that the Commission should eliminate or significantly reform its former defaulter rule.

## **II. THE RECORD IN THIS PROCEEDING CONFIRMS THAT THE COMMISSION MUST ACT TO REFORM ITS DESIGNATED ENTITY RULES.**

One commenter states that the Commission must “demand detailed, data-based analysis from proponents of changes to the current DE Rules.”<sup>3</sup> Assuming, *arguendo*, that such an obligation exists, it has been robustly satisfied here. Specifically, numerous parties in this

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<sup>2</sup> Comments of AT&T, WT Docket Nos. 14-170 and 05-211, GN Docket No. 12-268, RM-11395, at 3 (May 14, 2015) (“AT&T Comments”).

<sup>3</sup> Comments of Council Tree Investors, Inc. in Response to Public Notice Request for Further Comment on Issues Related to Competitive Bidding Procedures, WT Docket Nos. 14-170 and 05-211, GN Docket No. 12-268, RM-11395, at 2 (May 14, 2015) (“Council Tree Comments”).

proceeding *have* supplied substantial evidence and analysis of both flaws in the existing DE program and the potential impact of proposed changes. Both the outcome of Auction 97 and the comments in this proceeding make clear that the Commission’s DE program has strayed from its original purpose – to provide opportunities for small businesses, rural telephone companies, and businesses owned by minority groups and women to participate in the provision of spectrum-based services.<sup>4</sup> The record is replete with data, first-hand accounts, and other evidence of a clear failure of the existing DE rules to disseminate licenses to these enumerated classes of applicants. The Commission cannot ignore this record evidence and must promptly act to address this obvious policy failure.

Not only have numerous commenters expressed disappointment with the conduct of DISH and its DEs during Auction 97, but rural carriers and small businesses have supplied first-hand accounts of how DISH and its DEs’ behavior prevented them from acquiring spectrum at auction. For example, Cerberus Communications Limited Partnership discussed how DISH-affiliated DEs outbid rural carriers in Indiana to the point that only one license was won by a small business and/or rural communications provider.<sup>5</sup> Meanwhile, VTel explained how the actions of the DISH DEs – namely triple-bidding on the same license and distorting demand – was the direct cause of its decision to drop out of the auction.<sup>6</sup> Put simply, small and rural carriers agree that “[t]he fact that Dish and others were able to utilize the DE program to qualify

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<sup>4</sup> See, e.g., 47 U.S.C. § 309(j)(4)(D).

<sup>5</sup> Comments of Cerberus Communications Limited Partnership, WT Docket Nos. 14-170 and 05-211, GN Docket No. 12-268, at 2-3 (Feb. 20, 2015) (“Cerberus February 2015 Comments”).

<sup>6</sup> Letter from Bennett L. Ross, Wiley Rein LLP to Marlene H. Dortch, FCC, WT Docket No. 14-170, at 2 (Mar. 26, 2015) (“VTel *Ex Parte* Letter”).

for a 25 percent bidding credit, to the disadvantage of legitimate small and rural business, shows without ambiguity, a broken system that needs fixing.”<sup>7</sup>

Where, as here, substantial record evidence points undoubtedly to a failure in the Commission’s existing rules and procedures, the only course for the Commission is to cure such failures. The Commission cannot ignore this record evidence and permit the current, clearly broken, DE regime to remain in place. Indeed, courts have found agency action to be arbitrary and capricious where an agency fails to “account for evidence in the record that may dispute the agency’s findings,”<sup>8</sup> and/or “fail[s] to consider an important aspect of the problem” involved in the rulemaking proceeding.<sup>9</sup>

### **III. THE COMMISSION SHOULD REMEDY THE DESIGNATED ENTITY PROGRAM TO ENSURE IT CONTINUES TO SERVE ITS INTENDED BENEFICIARIES.**

Commenters in this proceeding have advanced a variety of proposals to reform the DE program so that it conforms to its original purpose and serves the statutorily enumerated beneficiaries. Many commenters echo the AT&T/Rural-26 Coalition call for a cap on total bidding credits. While not all commenters agree as to the appropriate size of such a cap, it is clear that adopting a limit on benefits received is a simple, effective, and easily administrable way to significantly reduce incentives for gamesmanship by large, established entities and ensure the flow of benefits to true small businesses and new entrants.

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<sup>7</sup> Comments of the Rural-26 DE Coalition, WT Docket Nos. 14-170 and 05-211, GN Docket No. 12-268, RM-11395, at 3 (May 14, 2015) (“Rural-26 Comments”).

<sup>8</sup> *Motor Vehicle Mfrs. Ass'n of U.S., Inc. v. State Farm Mut. Auto. Ins. Co.*, 463 U.S. 29, 43 (1983).

<sup>9</sup> *Id.*

A Commission-imposed cap on the discounts a DE can receive through bidding credits “could help to ensure that the amounts DEs are bidding are consistent with the smaller size and revenues of a small business.”<sup>10</sup> As Tristar License Group observed, a cap “assists in protecting the integrity of the DE program and the auction itself.”<sup>11</sup> Further, a cap “should be the same for all DEs and not tied to a complex formula which could be prone to manipulation.”<sup>12</sup> Numerous commenters representing the interests of designated entity bidders, while not all agreeing on the appropriate size for a cap on benefits, believe that some form of cap is an appropriate means of DE program reform.<sup>13</sup> For its part, AT&T continues to believe that a \$10 million cap is the best way to ensure that the designated entity program will not be abused by large firms for unfair auction advantage at the expense of other, smaller DEs.

Not only is the \$10 million cap set forth in the Joint Proposal of AT&T and the Rural-26 Coalition an easily-administered means of preventing gamesmanship, but it is also clear from recent auction data that this cap will not serve to exclude designated entities from receiving the

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<sup>10</sup> Comments of the Competitive Carriers Association, WT Docket Nos. 14-170 and 05-211, GN Docket No. 12-268, RM-11395, at 15 (May 14, 2015) (“CCA Comments”).

<sup>11</sup> Comments of Tristar License Group, LLC, WT Docket Nos. 14-170 and 05-211, GN Docket No. 12-268, RM-11395, at 5 (May 14, 2015) (“Tristar Comments”).

<sup>12</sup> *Id.*

<sup>13</sup> Comments of the Blooston Rural Carriers, WT Docket Nos. 14-170 and 05-211, GN Docket No. 12-268, RM-11395, at 9, 12-13 (May 14, 2015) (“Blooston Comments”) (proposing a \$10 million cap for its proposed Rural Telephone Company Bidding Credit and a \$25 million cap for its Small Business Bidding Credit); Rural-26 Comments at 10-11 (supporting a strict cap of \$10 million per bidding entity); Comments of the Rural Carrier Coalition, WT Docket Nos. 14-170 and 05-211, GN Docket No. 12-268, RM-11395, at 7 (May 14, 2015) (“Rural Carrier Coalition Comments”) (proposing a \$10 million cap for their proposed Rural Telco Bidding Credit and assuming, for discussion purposes, a \$25 million cap on the small business bidding credit); Comments of the Rural Wireless Association, Inc. and NTCA – The Rural Broadband Association, WT Docket Nos. 14-170 and 05-211, GN Docket No. 12-268, RM-11395, at 8 (May 14, 2015) (“RWA/NTCA Comments”) (same); Tristar Comments at 5 (proposing a \$35 million cap).

credit in the vast majority of cases. AT&T examined data from the three most recent major auctions where DEs won licenses: the 2006 AWS-1 auction, the 2008 700 MHz auction, and the 2014-2015 AWS-3 auction. In these three auctions, 127 designated entities won licenses. Had the Joint Proposal's \$10 million cap been in place at the time of these auctions, only 11 designated entities would have been affected. As detailed in the attached Appendix, these 11 entities include the two DISH DEs from Auction 97, three entities backed by U.S. Cellular, one entity backed by Cricket, one entity backed by TerreStar, and four strategic investors.<sup>14</sup> In other words, the \$10 million cap proffered in the Joint Proposal of AT&T and the Rural-26 Coalition would have had little impact on independent small businesses and no impact on rural providers. This data makes clear that a cap on DE benefits is an efficient, highly effective means of preserving DE benefits for the program's intended beneficiaries while excluding bidders who seek to employ gamesmanship as a "back door" into discounts that were not intended for them.

#### **IV. COMMENTERS SUPPORT THE ADOPTION OF MEASURES TO PREVENT GAMESMANSHIP AND COORDINATED BIDDING.**

As described below, commenters also echoed AT&T's concerns regarding the harmful effects of coordinated bidding and the need for rules that prevent coordinated bidding and collusive behavior. In Auction 97, DISH and its two affiliated bidders engaged in gamesmanship and coordinated behavior that gave the DISH entities an unmatched advantage, caused other bidders to drop out of the auction, threatened the integrity of the auction, and distorted auction results to the detriment of all other stakeholders. AT&T agrees with those commenters that have

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<sup>14</sup> See Appendix.

decried the foregoing conduct in Auction 97<sup>15</sup> and called for the Commission to prevent this outcome in future auctions.<sup>16</sup>

AT&T and other commenters have observed that the Commission can achieve this result via various means, including by limiting (and in AT&T's view, banning entirely) coordinated bidding and adopting some form of anti-collusion certification that will better enable the Commission to prevent collusive behavior during an auction.<sup>17</sup> Certain other commenters proposed similar approaches. Tristar, for example, called for a prohibition on joint bidding unless bidding is conducted through a single entity, and noted the need for close scrutiny by the Commission of such arrangements prior to auctions.<sup>18</sup> Meanwhile, Sprint stated that the Commission should prohibit joint bidding arrangements between certain commonly-controlled entities.<sup>19</sup> CCA asked the Commission to adopt a certification that: (i) bidders' disclosable interest holders are not involved in or privy to the bidding strategy of multiple bidders, (ii) authorized bidders on a short-form application be unique to that applicant, and (iii) any parties to

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<sup>15</sup> Tristar Comments at 12; Comments of United States Cellular Corporation, WT Docket Nos. 14-170 and 05-211, GN Docket No. 12-268, RM-11395, at 3 (May 14, 2015) ("USCC Comments"). *See also* Comments of King Street Wireless, L.P., WT Docket Nos. 14-170 and 05-211, GN Docket No. 12-268, RM-11395, at iii (May 14, 2015) ("King Street Comments") (criticizing the collusive behavior – made possible by joint bidding agreements – in Auction 97).

<sup>16</sup> Tristar Comments at 12 (arguing that prevention of improper collusive bidding prior to an auction is "far better" than addressing the "great mischief" of coordinated bidding after the fact).

<sup>17</sup> *See, e.g.*, AT&T Comments at 12-17; Tristar Comments at 12; CCA Comments at 19; USCC Comments at 10; King Street Comments at 10.

<sup>18</sup> Tristar Comments at 12 ("The prohibition should be designed to allow joint bidding of entities through a single bidding entity. However, the bidding arrangement should be carefully scrutinized before the auction begins to ensure that coordinated bidding will not be used to achieve improper goals.").

<sup>19</sup> Comments of Sprint Corporation, WT Docket Nos. 14-170 and 05-211, GN Docket No. 12-268, RM-11395, at 6-7 (May 14, 2015) ("Sprint Comments").

a joint bidding arrangement be prohibited from bidding separately on licenses in the same geographic market.<sup>20</sup> U.S. Cellular has similarly suggested a requirement that those persons with knowledge of or involvement in the bidding strategy of one applicant should not have knowledge of, or involvement in, the bidding strategy of any other applicant in the same auction.<sup>21</sup> T-Mobile endorsed a similar requirement.<sup>22</sup>

These proposals made by AT&T and others share a common theme – that reform of the Commission’s rules regarding collusion and joint bidding be tailored toward preventing collusion *before* it happens and that no benefits are evident from allowing a single party to influence or direct multiple parties in an auction. AT&T once again asks that the Commission adopt a wholesale prohibition on coordinated bidding by different applicants. As King Street observed, “[s]uch agreements, if ever really necessary, have now been shown to present a far greater opportunity for mischief than for public interest benefit.”<sup>23</sup> AT&T agrees, and notes that the Commission can maintain the benefits of joint bidding while foreclosing gamesmanship by permitting entities to form joint ventures or consortia that make use of a single bidding entity. The Commission can further protect the integrity of the auction process by requiring a pre-auction certification from applicants that they are not privy to other applicants’ bids or bidding strategy. These actions will create an easily-administered framework for preventing gamesmanship and collusive behavior in the auction process, plainly benefiting the public interest.

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<sup>20</sup> CCA Comments at 19.

<sup>21</sup> USCC Comments at 10.

<sup>22</sup> Comments of T-Mobile USA, Inc., WT Docket Nos. 14-170 and 05-211, GN Docket No. 12-268, RM-11395, at 10 (May 14, 2015) (“T-Mobile Comments”).

<sup>23</sup> King Street Comments at 15.

**V. COMMENTERS SUPPORT ELIMINATION OR REFORM OF THE COMMISSION’S FORMER DEFAULTER RULE.**

The Commission can facilitate auction participation and equitable treatment of bidders through reform or elimination of its former defaulter rule. In its opening comments, AT&T expressed its support for elimination of, or in the alternative reform to, the Commission’s former defaulter policies.<sup>24</sup> The objective of the former defaulter rule – to ensure that bidders are credit-worthy and unlikely to default on their license payments – can be met through other, less restrictive means. Commenters in this proceeding agree that the former defaulter rule “serves no useful purpose” and “actually impedes auction participation.”<sup>25</sup>

Commenters in this proceeding have demonstrated that there is no need for the Commission to maintain the former defaulter rule. As NTCH observed, in past auctions where bidders defaulted, “there was no indication that the upfront payment obligation served as any deterrent at all to defaulting.”<sup>26</sup> NTCH concluded that “the former defaulter premium is worse than useless: it does nothing to accomplish its intended purpose while at the same time preventing former defaulters from being able to bid on the full array of licenses that they might otherwise have wanted.”<sup>27</sup> AT&T agrees that the Commission can abolish the former defaulter rule without undermining the rules’ policy objectives. In its opening comments, AT&T noted that the Commission has alternative, less punitive means of ensuring that winning bidders do not

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<sup>24</sup> AT&T Comments at 17-19.

<sup>25</sup> Comments of NTCH, Inc., WT Docket Nos. 14-170 and 05-211, GN Docket No. 12-268, RM-11395, at 2 (May 14, 2015) (“NTCH Comments”).

<sup>26</sup> *Id.* at 6.

<sup>27</sup> *Id.* at 7.

default on their licenses.<sup>28</sup> The Commission already employs the DCIA red light rules to ensure that *current* defaulters do not participate in spectrum auctions. Further, the Commission should consider whether to adopt a rule allowing it to require larger upfront payments in specific cases that so warrant it.<sup>29</sup>

To the extent that the Commission believes the former defaulter rule must be maintained, the record reflects widespread support for codifying the former defaulter policies adopted in connection with Auction 97.<sup>30</sup> By taking this action, the Commission will “eliminate small and very dated defaults that have no predictive significance whatsoever for future defaults.”<sup>31</sup> Indeed, “the proposed exclusions would balance ensuring that bidders are capable of meeting their financial obligations with avoiding burdensome costs and overbroad application of the rule.”<sup>32</sup> Finally, as AT&T indicated in its initial comments, the Commission should consider adopting an exemption from the former defaulter rule based on an applicant’s credit rating.<sup>33</sup> This is another step the Commission can take to create assurance that applicants are financially sound while ensuring that credit-worthy applicants are not unnecessarily penalized.

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<sup>28</sup> AT&T Comments at 17-18.

<sup>29</sup> *Id.* at 18.

<sup>30</sup> *See, e.g.*, NTCH Comments at 7; Comments of Sprint Corporation, WT Docket Nos. 14-170 and 05-211, GN Docket No. 12-268, RM-11395, at 7-8 (Mar. 6, 2015); Comments of CTIA – The Wireless Association, WT Docket Nos. 14-170 and 05-211, GN Docket No. 12-268, RM-11395 (Feb. 20, 2015); Comments of the Competitive Carriers Association, WT Docket Nos. 14-170 and 05-211, GN Docket No. 12-268, RM-11395, at 11-13 (Feb. 20, 2015).

<sup>31</sup> NTCH Comments at 7.

<sup>32</sup> CCA Comments at 17.

<sup>33</sup> AT&T Comments at 19.

## VI. CONCLUSION

Many of the opening comments in this proceeding share several key themes. Small and rural communications providers – the intended beneficiaries of the Commission’s DE program – have expressed concern that gamesmanship of the existing framework is harming their ability to compete. The Commission must take action to refocus its designated entity rules so that they produce the results envisioned by Congress. One simple means of achieving this outcome is to adopt a limit on the amount of designated entity benefits any one entity can receive. The Commission can also promote fairness in the auction process by prohibiting joint bidding and taking steps to prevent collusive behavior prior to Commission auctions. Finally, the Commission should revise or eliminate the former defaulter rule, which is unnecessary and has the potential to limit auction participation by qualified bidders.

Respectfully submitted,

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# Appendix

Winning Bidder	Total Winning Bids	Bidding Credit	Total Net Bids	Total Credit
Northstar Wireless, LLC	\$7,845,059,400.00	25%	\$5,883,794,550.00	\$1,961,264,850.00
SNR Wireless LicenseCo, LLC	\$5,482,364,300.00	25%	\$4,111,773,225.00	\$1,370,591,075.00
Advantage Spectrum, L.P.	\$451,072,000.00	25%	\$338,304,000.00	\$112,768,000.00
2014 AWS Spectrum Bidco Corporation	\$389,080,000.00	25%	\$291,810,000.00	\$97,270,000.00
Tristar License Group, LLC	\$62,808,000.00	25%	\$47,106,000.00	\$15,702,000.00
Sofio, Joseph A	\$17,978,000.00	25%	\$13,483,500.00	\$4,494,500.00
Cypress Cellular, LP	\$13,579,000.00	25%	\$10,184,250.00	\$3,394,750.00
Orion Wireless LLC	\$10,410,000.00	25%	\$7,807,500.00	\$2,602,500.00
KURIAN, BEAULAH T	\$2,906,000.00	25%	\$2,179,500.00	\$726,500.00
Geneseo Communications Services, Inc.	\$2,332,000.00	15%	\$1,982,200.00	\$349,800.00
Emery Telcom-Wireless, Inc.	\$1,237,000.00	15%	\$1,051,450.00	\$185,550.00
Sandhill Communications, LLC	\$1,063,000.00	15%	\$903,550.00	\$159,450.00
Northern Valley Communications, LLC	\$694,000.00	15%	\$589,900.00	\$104,100.00
Spotlight Media Corp., Inc.	\$371,000.00	25%	\$278,250.00	\$92,750.00
Chester Telephone Company	\$483,000.00	15%	\$410,550.00	\$72,450.00
AT&T Wireless Services 3 LLC	\$18,189,285,000.00	0%	\$18,189,285,000.00	\$0.00
Cellco Partnership d/b/a Verizon Wireless	\$10,430,017,000.00	0%	\$10,430,017,000.00	\$0.00
T-Mobile License LLC	\$1,774,023,000.00	0%	\$1,774,023,000.00	\$0.00
Puerto Rico Telephone Company, Inc.	\$170,901,300.00	0%	\$170,901,300.00	\$0.00
NE Colorado Cellular, Inc.	\$30,718,000.00	0%	\$30,718,000.00	\$0.00
Smith Bagley, Inc.	\$10,293,000.00	0%	\$10,293,000.00	\$0.00
Central Texas Telephone Investments, LP	\$3,321,000.00	0%	\$3,321,000.00	\$0.00
FTC Management Group, Inc.	\$2,696,000.00	0%	\$2,696,000.00	\$0.00
Nsight Spectrum, LLC	\$1,499,000.00	0%	\$1,499,000.00	\$0.00
Docomo Pacific, Inc.	\$1,386,000.00	0%	\$1,386,000.00	\$0.00
Pioneer Telephone Cooperative, Inc.	\$991,000.00	0%	\$991,000.00	\$0.00
Ligtel Communications, Inc.	\$861,000.00	0%	\$861,000.00	\$0.00
Michigan Wireless, LLC	\$829,000.00	0%	\$829,000.00	\$0.00
Gila River Telecommunications, Inc.	\$818,000.00	0%	\$818,000.00	\$0.00
Triangle Communication System, Inc.	\$221,600.00	0%	\$221,600.00	\$0.00
RigNet Satcom, Inc.	\$155,000.00	0%	\$155,000.00	\$0.00
FCC	\$0.00	0%	\$0.00	\$0.00

Winning Bidder	Total Winning Bids	Bidding Credit	Total Net Bids	Total Credit
King Street Wireless, L.P.	\$400,638,000.00	25%	\$300,478,500.00	\$100,159,500.00
Continuum 700 LLC	\$88,179,000.00	25%	\$66,134,250.00	\$22,044,750.00
Cavalier Wireless, LLC	\$61,803,000.00	25%	\$46,352,250.00	\$15,450,750.00
Triad 700, LLC	\$22,694,000.00	25%	\$17,020,500.00	\$5,673,500.00
MCBRIDE SPECTRUM PARTNERS, LLC	\$8,490,000.00	25%	\$6,367,500.00	\$2,122,500.00
Redwood Wireless Corp.	\$7,845,000.00	25%	\$5,883,750.00	\$1,961,250.00
Miller, David	\$7,812,000.00	25%	\$5,859,000.00	\$1,953,000.00
Manti Telephone Company	\$4,099,000.00	25%	\$3,074,250.00	\$1,024,750.00
KTC AWS Limited Partnership	\$3,864,000.00	25%	\$2,898,000.00	\$966,000.00
Whidbey Telephone Company	\$5,496,000.00	15%	\$4,671,600.00	\$824,400.00
Blue Valley Tele-Communications, Inc.	\$3,079,000.00	25%	\$2,309,250.00	\$769,750.00
PCS Partners, L.P.	\$2,821,000.00	25%	\$2,115,750.00	\$705,250.00
LL License Holdings, LLC	\$3,812,000.00	15%	\$3,240,200.00	\$571,800.00
Club 42 CM Limited Partnership	\$2,227,000.00	25%	\$1,670,250.00	\$556,750.00
PVT Networks, Inc.	\$3,605,000.00	15%	\$3,064,250.00	\$540,750.00
VentureTel 700, Inc.	\$1,940,000.00	25%	\$1,455,000.00	\$485,000.00
Worldcall Inc.	\$1,918,000.00	25%	\$1,438,500.00	\$479,500.00
Cable Montana LLC	\$1,770,000.00	25%	\$1,327,500.00	\$442,500.00
Glenwood Telephone Membership, Corporation	\$1,527,000.00	25%	\$1,145,250.00	\$381,750.00
Midwest AWS Limited Partnership	\$1,519,000.00	25%	\$1,139,250.00	\$379,750.00
Agri-Valley Communications, Inc.	\$2,508,000.00	15%	\$2,131,800.00	\$376,200.00
Kurian, Thomas K	\$1,479,000.00	25%	\$1,109,250.00	\$369,750.00
Chariton Valley Communication Corporation, Inc.	\$2,335,000.00	15%	\$1,984,750.00	\$350,250.00
Star Telephone Membership Corporation	\$1,968,000.00	15%	\$1,672,800.00	\$295,200.00
Buggs Island Telephone Cooperative	\$1,132,000.00	25%	\$849,000.00	\$283,000.00
Small Ventures USA, L.P.	\$1,055,000.00	25%	\$791,250.00	\$263,750.00
Pine Cellular Phones, Inc.	\$1,646,000.00	15%	\$1,399,100.00	\$246,900.00
Vermont Telephone Company, Inc.	\$1,597,000.00	15%	\$1,357,450.00	\$239,550.00
Sandhill Communications, LLC	\$1,590,000.00	15%	\$1,351,500.00	\$238,500.00
Bascom Long Distance, Inc.	\$925,000.00	25%	\$693,750.00	\$231,250.00
Toba Inlet PCS, LLC	\$871,000.00	25%	\$653,250.00	\$217,750.00
MTN3B Consortium	\$1,409,000.00	15%	\$1,197,650.00	\$211,350.00
Broadband Wireless Unlimited, LLC	\$1,239,000.00	15%	\$1,053,150.00	\$185,850.00
Great American Broadband, Inc.	\$699,000.00	25%	\$524,250.00	\$174,750.00
Dragon Arch, Inc.	\$538,000.00	25%	\$403,500.00	\$134,500.00
AWS Spectrum, LLC	\$887,000.00	15%	\$753,950.00	\$133,050.00
Columbia Cellular, Inc.	\$793,000.00	15%	\$674,050.00	\$118,950.00
Data-Max Wireless LLC	\$434,000.00	25%	\$325,500.00	\$108,500.00
Gold Radio Group, LLC	\$710,000.00	15%	\$603,500.00	\$106,500.00
BPS Telephone Company	\$421,000.00	25%	\$315,750.00	\$105,250.00
Miles Communications Corp	\$392,000.00	25%	\$294,000.00	\$98,000.00
USA Choice Internet Services Company LLC	\$387,000.00	25%	\$290,250.00	\$96,750.00
BEK Communications Cooperative	\$383,000.00	25%	\$287,250.00	\$95,750.00
Buffalo-Lake Erie Wireless Systems Co., L.L.C.	\$375,000.00	25%	\$281,250.00	\$93,750.00
Hemingford Cooperative Telephone Company	\$282,000.00	25%	\$211,500.00	\$70,500.00
Piedmont Rural Telephone Cooperative, Inc.	\$418,000.00	15%	\$355,300.00	\$62,700.00
West Carolina Communications, LLC	\$406,000.00	15%	\$345,100.00	\$60,900.00
maxima international llc	\$208,000.00	25%	\$156,000.00	\$52,000.00
WUE, Inc.	\$189,000.00	25%	\$141,750.00	\$47,250.00
James Valley Cooperative Telephone Company	\$306,000.00	15%	\$260,100.00	\$45,900.00
GreenFly LLC	\$159,000.00	25%	\$119,250.00	\$39,750.00
Chester Telephone Company	\$254,000.00	15%	\$215,900.00	\$38,100.00
Spectrum Acquisitions, Inc.	\$238,000.00	15%	\$202,300.00	\$35,700.00
C&W Enterprises, Inc.	\$129,000.00	25%	\$96,750.00	\$32,250.00

Winning Bidder	Total Winning Bids	Bidding Credit	Total Net Bids	Total Credit
The S&T Telephone Cooperative Association, Inc.	\$192,000.00	15%	\$163,200.00	\$28,800.00
Reiter, Scott D	\$55,000.00	25%	\$41,250.00	\$13,750.00
AlasConnect, Inc.	\$560,000.00	0%	\$560,000.00	\$0.00
AST Telecom, LLC	\$20,000.00	0%	\$20,000.00	\$0.00
AT&T Mobility Spectrum, LLC	\$6,636,658,000.00	0%	\$6,636,658,000.00	\$0.00
Bend Cable Communications, LLC	\$6,745,000.00	0%	\$6,745,000.00	\$0.00
Bluegrass Wireless LLC	\$3,272,000.00	0%	\$3,272,000.00	\$0.00
Bresnan Communications, Inc.	\$3,859,000.00	0%	\$3,859,000.00	\$0.00
Cellco Partnership d/b/a Verizon Wireless	\$4,741,807,000.00		\$4,741,807,000.00	\$0.00
Cellco Partnership d/b/a Verizon Wireless	\$4,621,353,000.00	0%	\$4,621,353,000.00	\$0.00
Cellular South Licenses, Inc.	\$191,533,000.00	0%	\$191,533,000.00	\$0.00
Central Texas Telephone Investments, LP	\$6,347,000.00	0%	\$6,347,000.00	\$0.00
CenturyTel Broadband Wireless LLC	\$148,964,000.00	0%	\$148,964,000.00	\$0.00
CHEVRON USA INC.	\$1,663,000.00	0%	\$1,663,000.00	\$0.00
Choice Phone LLC	\$1,003,000.00	0%	\$1,003,000.00	\$0.00
Churchill County Telephone d/b/a CC Communications	\$210,000.00	0%	\$210,000.00	\$0.00
Cincinnati Bell Wireless LLC	\$2,829,000.00	0%	\$2,829,000.00	\$0.00
Comporium Wireless, LLC	\$2,350,000.00	0%	\$2,350,000.00	\$0.00
Cox Wireless, Inc.	\$304,633,000.00	0%	\$304,633,000.00	\$0.00
Cross Telephone Company, LLC	\$2,051,000.00	0%	\$2,051,000.00	\$0.00
East Kentucky Network, LLC	\$406,000.00	0%	\$406,000.00	\$0.00
FCC	\$0.00	0%	\$0.00	\$0.00
Frontier Wireless LLC	\$711,871,000.00	0%	\$711,871,000.00	\$0.00
Horry Telephone Cooperative, Inc.	\$8,469,000.00	0%	\$8,469,000.00	\$0.00
I-700, LLC	\$5,960,000.00	0%	\$5,960,000.00	\$0.00
Iowa Intelegra Consortium, LLC	\$1,696,000.00	0%	\$1,696,000.00	\$0.00
Iowa Telecommunications Services, Inc.	\$5,894,000.00	0%	\$5,894,000.00	\$0.00
Ligtel Communications, Inc.	\$1,219,000.00	0%	\$1,219,000.00	\$0.00
MetroPCS 700 MHz, LLC	\$313,267,000.00	0%	\$313,267,000.00	\$0.00
MTA Communications, Inc.	\$239,000.00	0%	\$239,000.00	\$0.00
N.E. Colorado Wireless Technologies, Inc.	\$2,022,000.00	0%	\$2,022,000.00	\$0.00
NSIGHTTEL WIRELESS, LLC	\$3,359,000.00	0%	\$3,359,000.00	\$0.00
Panhandle Telecommunication Systems, Inc.	\$435,000.00	0%	\$435,000.00	\$0.00
Paul Bunyan Rural Telephone Cooperative, Inc.	\$175,000.00	0%	\$175,000.00	\$0.00
PBP Bidco LLC	\$326,000.00	0%	\$326,000.00	\$0.00
Pioneer Telephone Cooperative, Inc.	\$252,000.00	0%	\$252,000.00	\$0.00
PTI Pacifica, Inc.	\$1,293,000.00	0%	\$1,293,000.00	\$0.00
Public Service Wireless Services, Inc.	\$1,039,000.00	0%	\$1,039,000.00	\$0.00
Puerto Rico Telephone Company, Inc.	\$31,402,000.00	0%	\$31,402,000.00	\$0.00
QUALCOMM Incorporated	\$1,030,184,000.00	0%	\$1,030,184,000.00	\$0.00
Red River Rural Telephone Association, Inc.	\$267,000.00	0%	\$267,000.00	\$0.00
Rural Telephone Service Company, Inc.	\$107,000.00	0%	\$107,000.00	\$0.00
SAL Spectrum, LLC	\$2,941,000.00	0%	\$2,941,000.00	\$0.00
Sky Com 700 MHZ, LLC	\$2,227,000.00	0%	\$2,227,000.00	\$0.00
The Chillicothe Telephone Company	\$1,038,000.00	0%	\$1,038,000.00	\$0.00
The World Company	\$1,495,000.00	0%	\$1,495,000.00	\$0.00
Union Telephone Company	\$4,385,000.00	0%	\$4,385,000.00	\$0.00
Vulcan Spectrum LLC	\$112,793,000.00	0%	\$112,793,000.00	\$0.00
Wireless Communications Venture	\$8,055,000.00	0%	\$8,055,000.00	\$0.00

Winning Bidder	Total Winning Bids	Bidding Credit	Total Net Bids	Total Credit
Denali Spectrum License, LLC	\$365,445,000.00	25%	\$274,083,750.00	\$91,361,250.00
Barat Wireless, L.P.	\$169,520,000.00	25%	\$127,140,000.00	\$42,380,000.00
Atlantic Wireless, L.P.	\$100,392,000.00	25%	\$75,294,000.00	\$25,098,000.00
Cavalier Wireless, LLC	\$19,943,000.00	25%	\$14,957,250.00	\$4,985,750.00
Daredevil Communications LLC	\$13,441,000.00	25%	\$10,080,750.00	\$3,360,250.00
Triad AWS, Inc.	\$3,193,000.00	25%	\$2,394,750.00	\$798,250.00
KTC AWS Limited Partnership	\$3,108,000.00	25%	\$2,331,000.00	\$777,000.00
Hill Country Telephone Cooperative, Inc.	\$4,700,000.00	15%	\$3,995,000.00	\$705,000.00
Palmetto Rural Telephone Cooperative, Inc.	\$4,483,000.00	15%	\$3,810,550.00	\$672,450.00
Manti Telephone Company	\$2,421,000.00	25%	\$1,815,750.00	\$605,250.00
Mediapolis Telephone Company	\$2,392,000.00	25%	\$1,794,000.00	\$598,000.00
Spotlight Media Corp	\$2,192,000.00	25%	\$1,644,000.00	\$548,000.00
LL License Holdings II, LLC	\$3,435,000.00	15%	\$2,919,750.00	\$515,250.00
Vermont Telephone Company, Inc.	\$2,911,000.00	15%	\$2,474,350.00	\$436,650.00
Hemingford Cooperative Telephone Company	\$1,660,000.00	25%	\$1,245,000.00	\$415,000.00
Wittenberg Telephone Company	\$1,519,000.00	25%	\$1,139,250.00	\$379,750.00
CROSS TELEPHONE COMPANY	\$2,450,000.00	15%	\$2,082,500.00	\$367,500.00
Chequamegon Communications Cooperative, Inc.	\$2,419,000.00	15%	\$2,056,150.00	\$362,850.00
Command Connect, LLC	\$2,210,000.00	15%	\$1,878,500.00	\$331,500.00
FMTC Wireless, Inc.	\$2,197,000.00	15%	\$1,867,450.00	\$329,550.00
NEIT Wireless, LLC	\$1,315,000.00	25%	\$986,250.00	\$328,750.00
Blackfoot Telephone Cooperative, Inc.	\$1,798,000.00	15%	\$1,528,300.00	\$269,700.00
West Carolina Piedmont Bidding Consortium	\$1,642,000.00	15%	\$1,395,700.00	\$246,300.00
Fidelity Communications Company	\$1,501,000.00	15%	\$1,275,850.00	\$225,150.00
CTC Telcom, Inc.	\$1,407,000.00	15%	\$1,195,950.00	\$211,050.00
Space Data Spectrum Holdings, LLC	\$777,000.00	25%	\$582,750.00	\$194,250.00
Blue Valley Tele-Communications, Inc.	\$711,000.00	25%	\$533,250.00	\$177,750.00
Sandhill Communications, LLC	\$1,179,000.00	15%	\$1,002,150.00	\$176,850.00
Chester Telephone Company	\$1,100,000.00	15%	\$935,000.00	\$165,000.00
Southeastern Indiana Rural Telephone Coop., Inc.	\$658,000.00	25%	\$493,500.00	\$164,500.00
Hancock Rural Telephone Corporation	\$629,000.00	25%	\$471,750.00	\$157,250.00
AGRI-VALLEY COMMUNICATIONS, INC.	\$1,045,000.00	15%	\$888,250.00	\$156,750.00
LCDW Wireless Limited Partnership	\$514,000.00	25%	\$385,500.00	\$128,500.00
Midwest AWS Limited Partnership	\$489,000.00	25%	\$366,750.00	\$122,250.00
18th Street Spectrum, LLC	\$751,000.00	15%	\$638,350.00	\$112,650.00
Alenco Communications, Inc.	\$437,000.00	25%	\$327,750.00	\$109,250.00
Stayton Cooperative Telephone Company	\$391,000.00	25%	\$293,250.00	\$97,750.00
James Valley	\$373,000.00	25%	\$279,750.00	\$93,250.00
BEK COMMUNICATIONS COOPERATIVE	\$312,000.00	25%	\$234,000.00	\$78,000.00
ETCOM, LLC	\$283,000.00	25%	\$212,250.00	\$70,750.00
La Ward Cellular Telephone Company, Inc.	\$273,000.00	25%	\$204,750.00	\$68,250.00
Big River Telephone Company, LLC	\$243,000.00	25%	\$182,250.00	\$60,750.00
Mt. Vernon. Net, Inc.	\$227,000.00	25%	\$170,250.00	\$56,750.00
Ligtel Communications, Inc.	\$319,000.00	15%	\$271,150.00	\$47,850.00
Chariton Valley Communication Corporation, Inc.	\$268,000.00	15%	\$227,800.00	\$40,200.00
BPS Telephone Company	\$228,000.00	15%	\$193,800.00	\$34,200.00
CCTN BIDDING CONSORTIUM	\$228,000.00	15%	\$193,800.00	\$34,200.00
C&W Enterprises INC.	\$226,000.00	15%	\$192,100.00	\$33,900.00
Dakota Wireless Group, LLC	\$222,000.00	15%	\$188,700.00	\$33,300.00
Green Hills Area Cellular Telephone, Inc.	\$213,000.00	15%	\$181,050.00	\$31,950.00
Reservation Telephone Cooperative, Inc.	\$92,000.00	25%	\$69,000.00	\$23,000.00
Route 66 Wireless, LLC	\$72,000.00	25%	\$54,000.00	\$18,000.00
Three River Telco	\$72,000.00	25%	\$54,000.00	\$18,000.00
Farmers Telecommunications Cooperative, Inc.	\$85,000.00	15%	\$72,250.00	\$12,750.00

Winning Bidder	Total Winning Bids	Bidding Credit	Total Net Bids	Total Credit
The S&T Telephone Cooperative Association, Inc.	\$72,000.00	15%	\$61,200.00	\$10,800.00
Northeast Missouri Rural Telephone Company	\$28,000.00	15%	\$23,800.00	\$4,200.00
WUE INC	\$8,000.00	25%	\$6,000.00	\$2,000.00
3 Rivers Telephone Cooperative, Inc.	\$1,066,000.00	0%	\$1,066,000.00	\$0.00
American Cellular Corporation	\$65,880,000.00	0%	\$65,880,000.00	\$0.00
AST Telecom, LLC	\$34,000.00	0%	\$34,000.00	\$0.00
Atlantic Seawinds Communications, LLC	\$1,477,000.00	0%	\$1,477,000.00	\$0.00
AWS Wireless Inc.	\$115,503,000.00	0%	\$115,503,000.00	\$0.00
Bend Cable Communications, LLC	\$528,000.00	0%	\$528,000.00	\$0.00
Big Bend Telecom, LTD	\$129,000.00	0%	\$129,000.00	\$0.00
Cable One, Inc.	\$22,148,000.00	0%	\$22,148,000.00	\$0.00
Carolina West Wireless, Inc.	\$4,621,000.00	0%	\$4,621,000.00	\$0.00
Cellco Partnership d/b/a Verizon Wireless	\$2,808,599,000.00	0%	\$2,808,599,000.00	\$0.00
Cellular South Licenses, Inc.	\$33,025,000.00	0%	\$33,025,000.00	\$0.00
Centennial Michiana License Company LLC	\$9,134,000.00	0%	\$9,134,000.00	\$0.00
Central Texas Telephone Investments, LP	\$4,940,000.00	0%	\$4,940,000.00	\$0.00
CenturyTel Broadband Wireless LLC	\$468,000.00	0%	\$468,000.00	\$0.00
Churchill County Telephone d/b/a CC Communications	\$60,000.00	0%	\$60,000.00	\$0.00
Cincinnati Bell Wireless LLC	\$37,071,000.00	0%	\$37,071,000.00	\$0.00
Cingular AWS, LLC	\$1,334,610,000.00	0%	\$1,334,610,000.00	\$0.00
City of Ketchikan dba Ketchikan Public Utilities	\$157,000.00	0%	\$157,000.00	\$0.00
Comporium Wireless, LLC	\$295,000.00	0%	\$295,000.00	\$0.00
Cricket Licensee (Reauction), Inc.	\$710,214,000.00	0%	\$710,214,000.00	\$0.00
FCC	\$0.00	0%	\$0.00	\$0.00
FTC Management Group, Inc.	\$1,380,000.00	0%	\$1,380,000.00	\$0.00
Grand River Communications, Inc.	\$103,000.00	0%	\$103,000.00	\$0.00
Horry Telephone Cooperative, Inc.	\$925,000.00	0%	\$925,000.00	\$0.00
Innovative Communication Corporation	\$184,000.00	0%	\$184,000.00	\$0.00
Iowa Telecommunications Services, Inc.	\$11,473,000.00	0%	\$11,473,000.00	\$0.00
Lynch AWS Corporation	\$485,000.00	0%	\$485,000.00	\$0.00
MetroPCS AWS, LLC	\$1,391,410,000.00	0%	\$1,391,410,000.00	\$0.00
MTA Communications, Inc.	\$2,251,000.00	0%	\$2,251,000.00	\$0.00
MTPCS License Co., LLC	\$2,348,000.00	0%	\$2,348,000.00	\$0.00
Mutual Telephone Company	\$312,000.00	0%	\$312,000.00	\$0.00
North Dakota Network Company	\$177,000.00	0%	\$177,000.00	\$0.00
Northwest Missouri Cellular Limited Partnership	\$26,000.00	0%	\$26,000.00	\$0.00
NSIGHTTEL WIRELESS, LLC	\$2,099,000.00	0%	\$2,099,000.00	\$0.00
NTELOS Inc.	\$2,295,000.00	0%	\$2,295,000.00	\$0.00
Paul Bunyan Rural Telephone Cooperative	\$329,000.00	0%	\$329,000.00	\$0.00
PetroCom License Corporation	\$70,000.00	0%	\$70,000.00	\$0.00
Pine Cellular Phones, Inc.	\$601,000.00	0%	\$601,000.00	\$0.00
Plateau Telecommunications, Inc.	\$4,200,000.00	0%	\$4,200,000.00	\$0.00
Public Service Wireless Services, Inc.	\$5,480,000.00	0%	\$5,480,000.00	\$0.00
Red Rock Spectrum Holdings, LLC	\$7,466,000.00	0%	\$7,466,000.00	\$0.00
SKT, Inc.	\$774,000.00	0%	\$774,000.00	\$0.00
Smithville Spectrum, LLC	\$2,011,000.00	0%	\$2,011,000.00	\$0.00
SpectrumCo LLC	\$2,377,609,000.00	0%	\$2,377,609,000.00	\$0.00
Telephone Electronics Coporation	\$559,000.00	0%	\$559,000.00	\$0.00
T-Mobile License LLC	\$4,182,312,000.00	0%	\$4,182,312,000.00	\$0.00
Union Telephone Company	\$1,948,200.00	0%	\$1,948,200.00	\$0.00
Volcano Internet Provider	\$105,000.00	0%	\$105,000.00	\$0.00