



Ex Parte

July 9, 2015

Ms. Marlene Dortch
Secretary
Federal Communications Commission
455 12th Street, S.W.
Washington, D.C. 20554

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Re: Expanding the Economic and Innovation Opportunities of Spectrum Through Incentive Auctions, GN Docket No. 12-268; Competitive Bidding Procedures for Broadcast Incentive Auction 1000, Including Auctions 1001 and 1002, AU Docket No. 14-252; Policies Regarding Mobile Spectrum Holdings, WT Docket No. 12-269; Updating Part 1 Competitive Bidding Rules, WT Docket No. 14-170

Dear Ms. Dortch:

On July 8, 2015, Leora Hochstein, Tamara Preiss, and John Scott of Verizon met with Jessica Almond and Renee Gregory (by phone), legal advisors to Chairman Wheeler, to discuss the above-referenced proceedings. On July 9, 2015, we had a separate meeting with David Strickland of Commissioner Clyburn's office, during which we addressed only T-Mobile's requests to change the Commission's set-aside of spectrum.

We discussed T-Mobile's petition for reconsideration of the Commission's decision to adopt a 30 MHz spectrum set-aside. Consistent with Verizon's previous filings,¹ we stated that there is no factual or legal basis for the Commission to consider T-Mobile's request or similar requests to increase the set-aside.² To the contrary, as Verizon has said before, there is a stronger case for eliminating the set-aside than increasing it. T-Mobile's most recent filing merely repeats arguments as to the value of low-band spectrum that it made prior to the May 2014 order, and supplies no reason to increase the set-aside.³ We also stated that we oppose T-Mobile's additional

¹ See, e.g., Opposition of Verizon to Petitions for Reconsideration, WT Docket No. 12-269, filed September 24, 2014; Letter to Marlene Dortch from Kathleen Grillo, GN Docket No. 12-268 and WT Docket No. 12-269, filed June 16, 2015.

² Letter to Chairman Wheeler from Phillip Berenbroick, Public Knowledge and Todd O'Boyle, Common Cause, AU Docket No. 14-252, filed June 30, 2015. While this proposal would increase the set-aside at higher clearing levels than T-Mobile requests, it too offers no reason for the Commission to increase the set-aside. There is in fact less basis for a set-aside at higher clearing targets because there will be more licenses available for all bidders.

³ Letter to Marlene Dortch from Trey Hanbury, Counsel to T-Mobile, GN Docket No. 12-268, filed July 6, 2015. The paper included with this letter reiterates the same claims, from the same author, about the benefits of low-band spectrum's propagation characteristics that the Commission addressed in the May 2014 Report and Order. See William Lehr, "Benefits of Competition in Mobile Broadband Services," attached to Letter to Marlene Dortch from Rebecca Murphy Thompson, CCA, WT Docket No. 13-135, filed March 24, 2014.

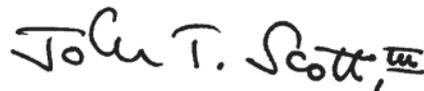
request to modify the trigger for the set-aside so that it would take effect before the Commission ensures it can recover broadcaster-related and other expenses.⁴

We also discussed procedures for the upcoming incentive auction. As we explained in our comments, there are actions the Commission can take to promote simplicity and encourage participation in the forward auction.⁵ First, the Commission should make licenses offered in the forward auction more fungible by adopting a near-nationwide clearing target and by limiting the amount that a license can be impaired by a relocated U.S. broadcast station. Second, given that this will be the first ever incentive auction, the Commission should release bidder packages, file formats and other information, and hold mock auctions, as soon as possible and well in advance of the auction start date. Third, we noted the benefits of enabling winning bidders to secure contiguous licenses in the assignment round of the auction.

Finally, we discussed the pending rulemaking proceeding on the Commission's designated entity and general competitive bidding rules. Consistent with Verizon's comments, we noted our support for changes to those rules that would prohibit joint bidding agreements, except where two or more applicants form a joint venture or consortium to bid through a single applicant.⁶ We also noted that the rules for interests in multiple applicants should account for the wireline cellular partnerships that were established through the original cellular licensing regime.

This letter is being filed pursuant to Section 1.1206 of the Commission's Rules. Should you have any questions please contact the undersigned.

Sincerely,

Handwritten signature of John T. Scott, III in black ink.

John T. Scott, III

cc: Jessica Almond
Renee Gregory
David Strickland

⁴ See Letter to Marlene Dortch from John T. Scott, III, Verizon, GN Docket 12-268, filed July 8, 2015.

⁵ Comments of Verizon, AU Docket No. 14-252, GN Docket No. 12-268, filed February 20, 2015; Reply Comments of Verizon, AU Docket No. 14-252, GN Docket No. 12-268, filed March 13, 2015.

⁶ See Reply Comments of Verizon, WT Docket No. 14-170, filed May 21, 2015.