



Federal Communications Commission  
Washington, D.C. 20554

July 10, 2015

Marlene H. Dortch  
Secretary  
Federal Communications Commission  
445 12<sup>th</sup> St SW  
Washington, DC 20554

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

Dear Ms. Dortch:

To promote transparency and provide information about the potential results of the clearing target determination procedure, Commission staff released a public notice in May 2015 showing the results of simulations of the procedure.<sup>1</sup> The *Clearing Target Simulations PN* provided information about simulations that reflected three different broadcaster participation scenarios. For each of the three scenarios, we provided the results based on two approaches to assigning impairing stations to the 600 MHz Band: (1) the approach proposed in the *Comment PN*, under which the optimization software assigns stations within the 600 MHz Band so as to minimize impaired weighted-pops; and (2) an alternative approach that minimizes impaired weighted-pops but restricts the software from assigning stations to channels that could impair the duplex gap.<sup>2</sup>

In response to commenters' requests for more information regarding the staff simulations,<sup>3</sup> the Incentive Auction Task Force is providing the attached Appendix with additional data for each of the six scenarios released in the *Clearing Target Simulations PN*, including:

- (1) the assumptions regarding broadcaster participation;

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<sup>1</sup> *Incentive Auction Task Force Releases Initial Clearing Target Optimization Simulations*, GN Docket No. 12-268, AU Docket No. 14-252, Public Notice, 30 FCC Rcd 4854 (2015) ("*Clearing Target Simulations PN*").

<sup>2</sup> *Id.*; *Comment Sought on Competitive Bidding Procedures for Broadcast Incentive Auction 1000, Including Auctions 1001 and 1002*, GN Docket No. 12-268, AU Docket No. 14-252, Public Notice, FCC 14-191, 29 FCC Rcd 15750, 15765-66, paras. 35-36 (Dec. 17, 2014) ("*Comment PN*").

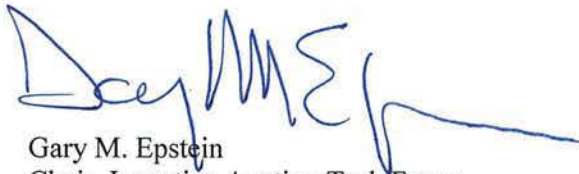
<sup>3</sup> NAB Comments at 2-3 (filed June 3, 2015); CTIA Comments at 4-5 (filed June 3, 2015).

- (2) the specific DMAs in which a television station was assigned a channel in the 600 MHz band;
- (3) the specific DMAs in which a television station was assigned a channel in the duplex gap;<sup>4</sup> and
- (4) the channel to which each impairing was assigned.

The simulations reflect no assumptions about auction outcomes in terms of which reverse auction participants would be selected as winning bidders, the winning bid amounts, the total proceeds of the forward auction, or whether the Commission would be able to close the auction at the initial clearing target.

The Incentive Auction Task Force invites interested parties to comment on the data and analyses in the attached Appendix. Information relating to the Incentive Auction will be posted to and available on the LEARN website at: <http://www.fcc.gov/learn>.

Regards,

A handwritten signature in blue ink, appearing to read 'Gary M. Epstein', with a long horizontal flourish extending to the right.

Gary M. Epstein  
Chair, Incentive Auction Task Force

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<sup>4</sup> In those scenarios which result in the duplex gap being impaired in certain DMAs, we note that whether the duplex gap would be available for white space devices in a given impaired DMA would depend on the station that was actually assigned.