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Via Electronic Filing

Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street, S.W., Room TW-A325
Washington, D.C. 20554

Re: *Notice of Ex Parte Presentation: Competitive Bidding Procedures for Broadcast Incentive Auction 1000, Including Auctions 1001 and 1002, AU Docket No. 14-252; Expanding the Economic and Innovation Opportunities of Spectrum Through Incentive Auctions, GN Docket No. 12-268*

Dear Ms. Dortch:

In accordance with sections 1.1203(a)(1), 1.1204(a)(10), and 1.1206 of the Commission's rules, I write to inform you of an oral *ex parte* presentation regarding the above-captioned proceedings. On August 3, 2015, Louis Peraertz, Senior Legal Advisor to Commissioner Mignon Clyburn, contacted me by phone. We discussed the problems identified with the current implementation process for the spectrum reserve under the Commission's Public Notice soliciting comment on competitive bidding procedures for the auction.¹

Sprint has raised concerns about implementation aspects of the Commission's spectrum reserve from the very outset of this proceeding.² These concerns, shared by a large number of prospective forward auction participants, relate to ways in which the timing of the reserve's implementation, as well as conditioning of the reserve on satisfaction of the 'cost component' of the Final Stage Rule, reintroduce foreclosure risk from strategic bidding by dominant incumbents. Commenters have offered a number of different proposals to correct this substantial

¹ *Comment Sought on Competitive Bidding Procedures for Broadcast Incentive Auction 1000, Including Auctions 1001 and 1002, Public Notice, AU Docket No. 14-252, GN Docket No. 12-268, 29 FCC Rcd 15750 (2014) ("Comment Public Notice").*

² Comments of Sprint Corporation, AU Docket No. 14-252, GN Docket No. 12-268 (Feb. 20, 2015); Reply Comments of Sprint Corporation, AU Docket No. 14-252, GN Docket No. 12-268 (March 13, 2015).

foreclosure risk, including implementing the reserve at the start of the auction,³ modifying the ‘trigger’ for initiating reserve bidding,⁴ or adopting bid entry (or bid processing) rules that eliminate opportunities for disingenuous and strategic bidding (while incentivizing *all* bidders to bid more straightforwardly).⁵

During the call, I noted Sprint’s continued support for Commission adoption of any of these potential fixes to this avoidable foreclosure risk. I also highlighted support by CCA and other stakeholders for adoption of any of these fixes, including, notably, the use of bid acceptance or bid processing limitations to curb disingenuous and strategic bidding prior to satisfaction of the Final Stage Rule.⁶ I observed, as CCA and T-Mobile have noted, that each of these mechanisms is well within the Commission’s authority, as well as procedurally within the ambit of the current proceeding.⁷

Pursuant to Section 1.1206 of the Commission’s rules, this letter is being electronically filed with your office. Please let me know if you have any questions regarding this filing.

Respectfully submitted,

/s/ Rafi Martina

Rafi Martina

Counsel

Legal and Government Affairs

Sprint Corporation

cc: (via e-mail)
Louis Peraertz

³ Letter from Lawrence R. Krevor, Vice President, Legal and Government Affairs – Spectrum, Sprint Corporation, to Marlene H. Dortch, Secretary, FCC, AU Docket No. 14-252 (filed May 20, 2015).

⁴ Letter from Trey Hanbury, Counsel to T-Mobile USA, Inc., to Marlene H. Dortch, Secretary, FCC, AU Docket No. 14-252 (June 30, 2015).

⁵ *See, e.g.*, Letter from Lawrence R. Krevor, Vice President, Legal and Government Affairs – Spectrum, Sprint Corporation, to Marlene H. Dortch, Secretary, FCC, AU Docket No. 14-252, at 3 (filed July 9, 2015); Letter from Rafi Martina, Counsel, Sprint Corporation, to Marlene H. Dortch, Secretary, FCC, at 6 (filed July 30, 2015).

⁶ Letter from Rebecca Murphy Thompson, General Counsel, Competitive Carriers Association, to Marlene H. Dortch, Secretary, FCC, GN Docket No. 12-268, AU Docket No. 14-252, at 2-3 (filed July 31, 2015) (“*CCA Letter*”).

⁷ Letter from Kathleen O’Brien Ham, Vice President, Federal Regulatory Affairs, T-Mobile USA, Inc., to Marlene H. Dortch, Secretary, FCC, GN Docket No. 12-268, WT Docket No. 12-269, AU Docket No. 14-252 (filed July 31, 2015); *CCA Letter* at 2-3.