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September 8, 2015

EX PARTE VIA ECFS

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

Re: *In the Matter of Expanding the Economic and Innovation Opportunities of Spectrum Through Incentive Auctions*, GN Docket No. 12-268; AU Docket No. 14-252.

Dear Ms. Dortch:

On September 2, 2015, representatives of AT&T and I met with members of the Incentive Auction Task Force, the Wireless and Media Bureaus, and the Office of Engineering and Technology.¹ Attending the meeting on behalf of the FCC staff were Roger Sherman, Gary Epstein, Howard Symons, Margaret Wiener, Jean Kiddoo, Mary Margaret Jackson, Melissa Dunford, Martha Stancill, Rachel Kazan and William Scher. Terry Chevalier, Neeti Tandon, Brian Benison, Alex Starr and Michael Goggin of AT&T, as well as Allan Ingraham and James Bono, consultants to AT&T, accompanied me to the meeting.

The purpose of the meeting was to seek clarification on a number of issues concerning the auction procedures. First, AT&T stressed the need for complete and reliable information regarding spectrum impairments, well in advance of forward auction rounds. We discussed with staff both the timing and the form of such information, and staff confirmed that the impairment information may change between auction stages—if it becomes necessary to establish a new clearing target—but that the impairments will be set prior to the start of the reverse auction stage, and will not be revised at the end of the reverse stage (but prior to the forward stage). AT&T also indicated that it would be helpful to understand any plans the Commission might have for “category 3” licenses—licenses so impaired that they will not be offered for sale in the forward auction.

AT&T also asked for additional clarity regarding the manner in which reserve eligibility will be determined and noted that implementation of the reserve was a significant step in the auction and would require additional time to evaluate its impact before the next round commences. Further, because the bidding increment in any extended round may be significantly high—as much 33 percent higher than the increment necessary to satisfy the Final Stage Rule--AT&T asked that the Commission allow at least 24 hours between the end of a forward auction round and the time bids in an extended round would be due. In view of the “no excess supply”

¹ This letter is being filed today as the FCC’s ECFS and other systems have been unavailable from the evening of September 2 until today.

rule that may inhibit efficient bid withdrawals, AT&T reiterated its request for a “flag” in the auction software that would indicate when there is a party who wishes to reduce demand in a given PEA but cannot do so because of the “no excess supply” rule.

AT&T also asked the staff to consider holding more than one practice auction prior to the planned “mock auction.” Although such practice auctions might occur prior to the public notice naming the eligible bidders (and therefore would not constitute a full “dress rehearsal” including testing of security protocols), such practice auctions would allow applicants to become familiar with the Commission’s auction software and complete the development of their own tools.

Respectfully submitted,

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

Joan Marsh

cc: Roger Sherman
Gary Epstein
Howard Symons
Margaret Wiener
Jean Kiddoo
Mary Margaret Jackson
Melissa Dunford
Martha Stancill
Rachel Kazan
William Scher
Terry Chevalier
Neeti Tandon
Brian Benison
Alex Starr
Michael Goggin