

**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 Opportunities of Spectrum Through Incentive Auctions)	GN Docket No. 12-268
)	
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 OF AT&T TO PETITION FOR RECONSIDERATION

AT&T Services Inc. (“AT&T”), on behalf of the subsidiaries and affiliates of AT&T Inc. (collectively, “AT&T”), hereby submits this response to the Petition for Reconsideration filed by the Rural-26 DE Coalition (“Rural-26”) in the above-captioned proceedings.¹ In its Petition, Rural-26 asks the Federal Communications Commission (“FCC” or “Commission”) to permit an individual attorney to serve as an authorized bidder for more than one auction applicant where those applicants share no common ownership and are not qualified to bid for licenses in the same or overlapping geographic areas.² AT&T supports this proposal, and indeed believes that it will

¹ Petition for Reconsideration of the Rural-26 DE Coalition, WT Docket Nos. 14-170 and 05-221, GN Docket No. 12-268, RM-11395 (Oct. 19, 2015) (“Rural-26 Petition”).

² *Id.* at 1-2.

broaden participation in the auction while preserving the Commission’s overarching goal of preventing collusion and anti-competitive behavior in spectrum auctions.

In its Petition, Rural-26 asks the Commission to permit an individual attorney to serve as an authorized bidder for more than one auction applicant under certain limited circumstances – namely, where there is no overlap in either the bidders’ ownership or the geographic markets where they seek spectrum. The Commission’s amended rule Section 1.2105(a)(2)(iii) prohibits any person from serving as an authorized bidder for more than one auction applicant.³ This rule serves a very important function—to prevent auction participants from colluding through the use of a shared authorized bidder. This not only prevents the use of a shared authorized bidder to form and carry out agreements not to compete, but also to prevent the sort of coordinated bid stacking and eligibility parking strategies carried out by the DISH entities in Auction 97.

AT&T believes, however, that the changes proposed by Rural-26 would not undermine the purposes of the “one applicant, one authorized bidder” rule because sharing an authorized bidder would only be permitted when (i) the applicants who would share the authorized bidder have no common ownership; (ii) the applicants who would share the authorized bidder have not applied to bid for licenses in the same geographic areas; and (iii) the shared authorized bidder has a pre-existing attorney-client relationship with both applicants. The first two conditions—no common ownership and no common geographic areas—ensure that the two applicants would not have been competing against one another in the auction in any event. The third condition provides further assurance that the purpose of the anti-collusion rules would not be undermined because an attorney is ethically bound not to share the confidences of one client with another, or

³ See 47 C.F.R. § 1.2015(a)(2)(iii).

to violate FCC rules. Without such an exception, small and rural carriers may be less likely to participate in auctions, as explained by Rural-26 in its Petition.

AT&T supports the Commission's overarching goals of promoting auction participation by small and rural companies and preventing collusive behavior in Commission spectrum auctions. By granting the Rural-26 Petition, the Commission will take great strides toward achieving one goal while not sacrificing the other in any way. By allowing an individual attorney to serve as an authorized bidder for multiple applicants where such applicants have no common ownership and are not bidding on any of the same licenses, the Commission will help to preserve "long-established relationships" between small and rural bidders and their regulatory counsel, which will promote informed and robust auction participation.

For the reasons stated above, AT&T supports the Rural-26 Petition for Reconsideration.

Respectfully submitted,

By: /s/ Michael Goggin

Michael Goggin
Alex Starr
Gary L. Phillips
David L. Lawson
1120 20th Street, N.W.
Suite 1000
Washington, DC 20036
(202) 457-2040
Counsel for AT&T Services, Inc.

Dated: November 25, 2015

CERTIFICATE OF SERVICE

I, Kim Riddick, do hereby certify that on this 25th day of November, 2015, I caused copies of the foregoing to be served on the following, First Class Mail, postage pre-paid:

Donald L. Herman, Jr.
Herman & Whiteaker, LLC
6720-B Rockledge Drive, Suite 150
Rockville, MD 20817
Counsel to the Rural-26 DE Coalition

Kim. M. Keenan, Esq.
Multicultural Media, Telecom and Internet
Council
3636 16th Street, NW, Suite B-366
Washington, DC 20010

D. Cary Mitchell
Blooston, Mordkofsky, Dickens, Duffy &
Prendergast, LLP
2120 L Street, NW, Suite 300
Washington, DC 20037
Counsel to the Blooston Rural Carriers

By: /s/ Kim Riddick