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December 4, 2015

Via ECFS

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

RE: EX PARTE PRESENTATION

- WT Docket No. 14-170:** *Updating Part 1 Competitive Bidding Rules*
- GN Docket No. 12-268:** *Expanding the Economic and Innovation Opportunities of Spectrum Through Incentive Auctions*
- RM-11395:** *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*
- WT Docket No. 05-211:** *Implementation of the Commercial Spectrum Enhancement Act and Modernization of the Commission's Competitive Bidding Rules and Procedures*

Dear Ms. Dortch,

The Rural Carrier Coalition, a coalition of rural telephone companies and wireless service providers,¹ respectfully files this *ex parte* in support of two petitions for reconsideration in the above captioned proceedings dealing with authorized bidders.²

¹ The Rural Carrier Coalition consists of DTC Communications; Limitless Mobile, LLC; Panhandle Telephone Cooperative, Inc.; Pine Belt Communications, Inc.; Pineland Telephone Cooperative, Inc.; Pioneer Communications, Inc.; Sagebrush Cellular, Inc.; SRT Communications, Inc.; United Wireless Communications, Inc.; Wilkes Communications, Inc. and RiverStreet Networks.

² *In the Matter of Updating Part 1 Competitive Bidding Rules, Expanding the Economic and Innovation Opportunities of Spectrum Through Incentive Auctions, 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, Implementation of the Commercial Spectrum Enhancement Act and Modernization of the Commission's Competitive Bidding Rules and Procedures; Petition for Clarification and/or Reconsideration of The Blooston Rural Carriers; WT Docket Nos. 14-*

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The Rural Carrier Coalition supports the Rural-26's request that the Federal Communications Commission ("FCC" or "Commission") reconsider the adoption of newly amended rule 1.2105(a)(2)(iii), which prohibits any individual from serving as an authorized bidder for more than one applicant in a spectrum auction. The Rural Carrier Coalition further supports the Rural-26's request that the Commission amend this rule so that an individual attorney may serve as an authorized bidder for more than one applicant where those applicants: (1) share no common ownership; and (2) are not qualified to bid for licenses in the same or overlapping geographic areas.³ Similarly, the Rural Carrier Coalition supports the Blooston Rural Carriers' request that the Commission: (1) clarify that individuals who do not have ownership interest in any auction applicant and who are employed as bidding agents are not precluded from providing similar services to multiple auction applicants to the extent that these entities do not have eligibility to bid for licenses in the same or overlapping geographic markets; or (2) create an exception to the exclusive bidder prohibition that is applicable to rural carriers.⁴

Rural carriers like those that comprise the Rural Carrier Coalition have limited personnel resources. Small staffs already manage a substantial workload, and many lack the manpower, resources, or expertise to devote to full-time auction participation over a lengthy and unpredictable time period. In past spectrum auctions, small and rural mobile wireless service providers have relied on their established regulatory counsel to assist them with the auction process and to serve as their bidding representatives, either as the primary authorized bidder or as a "back-up" secondary authorized bidder. Such participation by counsel has been commonplace, and has not prompted concerns regarding abuse, bidding irregularities, or anticompetitive behavior.

Unfortunately, because members of the Rural Carrier Coalition are represented by the same telecommunications law firm and members of other rural carrier groups are represented, respectively, by a single telecommunications law firm, the newly amended Section 1.2105(a)(2)(iii) will have the effect of prohibiting most members of the Rural Carrier Coalition and many other rural carriers from using their current trusted counsel to serve as an authorized bidder during the Incentive Auction – the most complex spectrum auction that the Commission has overseen to date. The Rural Carrier Coalition shares the concern voiced by the Blooston Rural Carriers and the Rural-26 that, unchanged, the rule would have the unintended consequence of deterring rural carrier participation in the upcoming 600 MHz Incentive Auction.

The Rural Carrier Coalition is appreciative of the Commission's efforts to facilitate rural and small carrier participation in the Incentive Auction, pursuant to its mandate under Section 309(j) of the

170, 05-211, GN Docket No. 12-268, RM-11395 (Oct. 16, 2015) (the "Blooston Rural Carriers"). See also *In the Matter of Updating Part 1 Competitive Bidding Rules, Expanding the Economic and Innovation Opportunities of Spectrum Through Incentive Auctions, 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, Implementation of the Commercial Spectrum Enhancement Act and Modernization of the Commission's Competitive Bidding Rules and Procedures*; *Petition for Reconsideration of The Rural-26 DE Coalition*; WT Docket Nos. 14-170, 05-211, GN Docket No. 12-268, RM-11395 (Oct. 16, 2015) (the "Rural-26").

³ *Rural-26 Petition* at pp. 1-2.

⁴ *Blooston Rural Carriers Petition Summary*.

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Communications Act.⁵ The new rural service provider bidding credit and reasonable bidding credit caps should help to promote competition from small and rural carriers. The Commission should not reduce the efficacy of these efforts by allowing a rule which deters rural carrier auction participation to go into effect. For the foregoing reasons, the Commission should reconsider its adoption of Section 1.2105(a)(2)(iii) and modify the rule as suggested herein.

Pursuant to Section 1.1206 of the Commission's Rules,⁶ this *ex parte* presentation is being filed electronically with the Office of the Secretary.

Sincerely,

/s/ Erin P. Fitzgerald

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⁵ 47 U.S.C. § 309(j) (mandating that the FCC promote “economic opportunity and competition...by avoiding excessive concentration of licenses and by disseminating licenses among a wide variety of applicants, including small businesses [and] rural telephone companies....”).

⁶ 47 C.F.R. § 1.1206.