



PUBLIC NOTICE

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DA 09-422

February 27, 2009

DOCKET FILE COPY ORIGINAL

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**Auction of FM Broadcast Construction Permits
Scheduled for September 1, 2009**

MAR 10 2009

**Comment Sought on Competitive Bidding Procedures
for Auction 79**

AU Docket No. 09-21

Comments Due: March 20, 2009

Reply Comments Due: April 1, 2009

Report No. AUC-09-79-A (Auction 79)

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I. INTRODUCTION

1. By this Public Notice, the Wireless Telecommunications Bureau ("WTB") and the Media Bureau ("MB") (collectively, the "Bureaus") announce an auction of certain FM broadcast construction permits. This auction, which is designated Auction 79, is scheduled to commence on September 1, 2009. By this Public Notice, the Bureaus also seek comment on a variety of auction-specific procedures for Auction 79.

II. CONSTRUCTION PERMITS IN AUCTION 79

2. As discussed in greater detail herein, Auction 79 will offer 122 construction permits in the FM broadcast service as listed in Attachment A.

3. Attachment A lists vacant FM allotments, reflecting FM channels assigned to the Table of FM Allotments, 47 C.F.R. § 73.202(b), pursuant to the Commission's established rulemaking procedures, designated for use in the indicated community. Pursuant to the policies established in the *Broadcast First Report and Order*, applicants may apply for any vacant FM allotment, as specified in Attachment A.¹ If two or more short-form (FCC Form 175) applications specify the same FM allotment they will be considered mutually exclusive and, that construction permit for the FM allotment will be awarded by competitive bidding procedures.² The reference coordinates for each vacant FM allotment are also listed in Attachment A.³

III. BUREAUS SEEK COMMENT ON AUCTION PROCEDURES

4. Section 309(j)(3)(E)(i) of the Communications Act of 1934, as amended, requires the Commission to "ensure that, in the scheduling of any competitive bidding under this subsection, an adequate period is allowed . . . before issuance of bidding rules, to permit notice and comment on proposed auction procedures . . ."⁴ Consistent with the provisions of Section 309(j)(3) and to ensure that

¹ See Implementation of Section 309(j) of the Communications Act – Competitive Bidding for Commercial Broadcast and Instructional Television Fixed Service Licenses, *First Report and Order* in MM Docket No. 97-234, GC Docket No. 92-52 and GEN Docket No. 90-264, 13 FCC Rcd 15920, 15961, 15974-15975 (1998) ("*Broadcast First Report and Order*"), on recon., *Memorandum Opinion and Order*, 14 FCC Rcd 8724 (1999) ("*Broadcast First Reconsideration Order*"), on further recon., *Memorandum Opinion and Order*, 14 FCC Rcd 14521 (1999), *aff'd*, *Orion Communications Ltd. v. FCC*, 221 F.3d 196, No. 98-1424, slip op. (D.C. Cir. June 13, 2000) (unpublished opinion available at 2000 WL 816046 (D.C. Cir.); *aff'd*, *Orion Communications Ltd. v. FCC*, 213 F.3d 761 (D.C. Cir. 2000). See also Implementation of Section 309(j) of the Communications Act – Competitive Bidding, PP Docket No. 93-253, *Second Report and Order*, 9 FCC Rcd 2348, 2376 ¶ 165 (1994) ("*Second Report and Order*").

² When two or more short-form applications (FCC Forms 175) are accepted for filing for a construction permit within the same MX group in Auction 79, mutual exclusivity exists for auction purposes. See *Broadcast First Report and Order*, 13 FCC Rcd at 15978-80. Once mutual exclusivity exists for auction purposes, then, even if only one applicant for a particular construction permit in Auction 79 submits an upfront payment, that applicant is required to submit a bid in order to obtain the construction permit. Any applicant that submits a short-form application that is accepted for filing but fails to timely submit an upfront payment will retain its status as an applicant in Auction 79 and will remain subject to the anti-collusion rules, but, having purchased no bidding eligibility, will not be eligible to bid.

³ With regard to the FM service, in the *Broadcast First Report and Order*, the Commission gave applicants the opportunity to submit a set of preferred site coordinates as an alternative to the reference coordinates for the vacant FM allotment upon which they intend to bid. Detailed instructions for specifying preferred site coordinates will be given in a future Public Notice announcing the procedures for Auction 79, which will provide guidelines for completing FCC Form 175 and exhibits. See *Broadcast First Report and Order*, 13 FCC Rcd at 15974 and n.153.

⁴ 47 U.S.C. § 309(j)(3)(E)(i).

potential bidders have adequate time to familiarize themselves with the specific rules that will govern the day-to-day conduct of an auction, the Commission directed the Bureaus, under delegated authority, to seek comment on a variety of auction-specific procedures prior to the start of each auction.⁵ The Bureaus therefore seek comment on the following issues relating to Auction 79.

A. Auction Structure

1. Simultaneous Multiple-Round Auction Design

5. The Bureaus propose to auction all construction permits included in Auction 79 using the Commission's standard simultaneous multiple-round ("SMR") auction format.⁶ As described further below, this type of auction offers every construction permit for bid at the same time and consists of successive bidding rounds in which eligible bidders may place bids on individual construction permits. Typically, bidding remains open on all construction permits until bidding stops on every construction permit. The Bureaus seek comment on this proposal.

2. Round Structure

6. The Commission will conduct Auction 79 over the Internet, and telephonic bidding will be available as well. The toll-free telephone number for the Auction Bidder Line will be provided to qualified bidders. The initial bidding schedule will be announced in a public notice to be released at least one week before the start of the auction.

7. The auction will consist of sequential bidding rounds, each followed by the release of round results. Details on viewing round results, including the location and format of downloadable round results files, will be included in the same public notice.

8. The Bureaus propose to retain the discretion to change the bidding schedule in order to foster an auction pace that reasonably balances speed with the bidders' need to study round results and adjust their bidding strategies. Under this proposal, the Bureaus may change the amount of time for the bidding rounds, the amount of time between rounds, or the number of rounds per day, depending upon bidding activity and other factors. The Bureaus seek comment on this proposal. Commenters may wish to address the role of the bidding schedule in managing the pace of the auction and the tradeoffs in managing auction pace by bidding schedule changes, by changing the activity requirements or bid amount parameters, or by using other means.

⁵ See Amendment of Part 1 of the Commission's Rules — Competitive Bidding Procedures, Allocation of Spectrum Below 5 GHz Transferred from Federal Government Use, 4660-4685 MHz, *Third Report and Order and Second Further Notice of Proposed Rule Making*, 13 FCC Rcd 374, 448 ¶¶ 124-25 (1997) ("*Part 1 Third Report and Order*") (directing the Wireless Telecommunications Bureau (WTB) to seek comment on specific mechanisms related to day-to-day auction conduct including, for example, the structure of bidding rounds and stages, establishment of minimum opening bids or reserve prices, minimum acceptable bids, initial maximum eligibility for each bidder, activity requirements for each stage of the auction, activity rule waivers, criteria for determining reductions in eligibility, information regarding bid withdrawal and bid removal, stopping rules, and information relating to auction delay, suspension or cancellation); see also *Broadcast First Report and Order*, 13 FCC Rcd at 15967-15968 (consistent with the Part 1 rules, the Commission delegated authority to the Mass Media Bureau [now Media Bureau] to seek comment on and establish an appropriate auction design methodology prior to the start of each broadcast auction). See generally 47 C.F.R. § 0.131; Amendment of Part 1 of the Commission's Rules — Competitive Bidding Proceeding, *Order, Memorandum Opinion and Order, and Notice of Proposed Rule Making*, 12 FCC Rcd 5686, 5697-98 ¶ 16 (1997) ("*Part 1 Order*").

⁶ See *Second Report and Order*, 9 FCC Rcd at 2378-79 ¶¶ 171-76 for a general discussion of competitive bidding design.

3. Stopping Rule

9. The Bureaus have discretion "to establish stopping rules before or during multiple round auctions in order to terminate the auction within a reasonable time."⁷ For Auction 79, the Bureaus propose to employ a simultaneous stopping rule approach. A simultaneous stopping rule means that all construction permits remain available for bidding until bidding closes simultaneously on all construction permits. More specifically, bidding will close simultaneously on all construction permits after the first round in which no bidder submits any new bids, applies a proactive waiver, or withdraws any provisionally winning bids (if bid withdrawals are permitted).⁸ Thus, unless the Bureaus announce alternative procedures, bidding will remain open on all construction permits until bidding stops on every construction permit. Consequently, it is not possible to determine in advance how long the auction will last.

10. Further, the Bureaus propose to retain the discretion to exercise any of the following options during Auction 79:

- a) Use a modified version of the simultaneous stopping rule. The modified stopping rule would close the auction for all construction permits after the first round in which no bidder applies a waiver, withdraws a provisionally winning bid (if permitted), or places any new bids on any construction permit for which it is not the provisionally winning bidder. Thus, absent any other bidding activity, a bidder placing a new bid on a construction permit for which it is the provisionally winning bidder would not keep the auction open under this modified stopping rule.
- b) Declare that the auction will end after a specified number of additional rounds ("special stopping rule"). If the Bureaus invoke this special stopping rule, they will accept bids in the specified final round(s) after which the auction will close.
- c) Keep the auction open even if no bidder places any new bids, applies a waiver, or withdraws any provisionally winning bids (if permitted). In this event, the effect will be the same as if a bidder had applied a waiver. The activity rule will apply as usual, and a bidder with insufficient activity will either lose bidding eligibility or use a waiver.

11. The Bureaus propose to exercise these options only in certain circumstances, for example, where the auction is proceeding unusually slowly or quickly, there is minimal overall bidding activity, or it appears likely that the auction will not close within a reasonable period of time or will close prematurely. Before exercising these options, the Bureaus are likely to attempt to change the pace of the auction by, for example, changing the number of bidding rounds per day and/or changing minimum acceptable bids. The Bureaus propose to retain the discretion to exercise any of these options with or without prior announcement during the auction. The Bureaus seek comment on these proposals.

4. Information Relating to Auction Delay, Suspension, or Cancellation

12. For Auction 79, the Bureaus propose that, by public notice or by announcement during the auction, the Bureaus may delay, suspend, or cancel the auction in the event of natural disaster, technical obstacle, administrative or weather necessity, evidence of an auction security breach or unlawful bidding activity, or for any other reason that affects the fair and efficient conduct of competitive bidding.⁹

⁷ 47 C.F.R. § 1.2104(e).

⁸ Proactive waivers are described in Section III.B.3. "Activity Rule Waivers and Reducing Eligibility," provisionally winning bids are defined in Section III.B.6. "Provisionally Winning Bids," and bid withdrawals are described in Section III.B.7. "Bid Removal and Bid Withdrawal," below.

⁹ 47 C.F.R. § 1.2104(i).

In such cases, the Bureaus, in their sole discretion, may elect to resume the auction starting from the beginning of the current round, resume the auction starting from some previous round, or cancel the auction in its entirety. Network interruption may cause the Bureaus to delay or suspend the auction. The Bureaus emphasize that exercise of this authority is solely within the discretion of the Bureaus, and its use is not intended to be a substitute for situations in which bidders may wish to apply their activity rule waivers. The Bureaus seek comment on this proposal.

B. Auction Procedures

1. Upfront Payments and Bidding Eligibility

13. The Bureaus have delegated authority and discretion to determine an appropriate upfront payment for each FM construction permit being auctioned, taking into account such factors as the efficiency of the auction process and the potential value of similar spectrum.¹⁰ As described further below, the upfront payment is a refundable deposit made by each bidder to establish eligibility to bid on construction permits. Upfront payments related to the specific spectrum subject to auction protect against frivolous or insincere bidding and provide the Commission with a source of funds from which to collect payments owed at the close of the auction.¹¹ With these considerations in mind, the Bureaus propose the upfront payments set forth in Attachment A to this Public Notice. The Bureaus seek comment on this proposal.

14. The Bureaus further propose that the amount of the upfront payment submitted by a bidder will determine the bidder's initial bidding eligibility in bidding units. The Bureaus propose that each construction permit be assigned a specific number of bidding units equal to the upfront payment listed in Attachment A, on a bidding unit per dollar basis. The number of bidding units for a given construction permit is fixed and does not change during the auction as prices change. A bidder's upfront payment is not attributed to specific construction permits. Rather, a bidder may place bids on any of the construction permits it selected on its short-form application (FCC Form 175) as long as the total number of bidding units associated with those construction permits does not exceed its current eligibility. Eligibility cannot be increased during the auction; it can only remain the same or decrease. Thus, in calculating its upfront payment amount and hence its initial bidding eligibility, an applicant must determine the maximum number of bidding units on which it may wish to bid (or hold provisionally winning bids) in any single round, and submit an upfront payment amount covering that total number of bidding units. Provisionally winning bids are bids that would become final winning bids if the auction were to close in that given round.¹²

2. Activity Rule

15. In order to ensure that the auction closes within a reasonable period of time, an activity rule requires bidders to bid actively throughout the auction, rather than wait until late in the auction before participating. A bidder's activity in a round will be the sum of the bidding units associated with any construction permits upon which it places bids during the current round and the bidding units associated with any construction permits for which it holds provisionally winning bids. Bidders are required to be active on a specific percentage of their current bidding eligibility during each round of the auction. Failure to maintain the requisite activity level will result in the use of an activity rule waiver, if any remain, or a reduction in the bidder's eligibility, possibly curtailing or eliminating the bidder's ability to

¹⁰ See *Part 1 Order*, 12 FCC Rcd at 5697-98 ¶ 16. See also *Part 1 Third Report and Order*, 13 FCC Rcd at 425 ¶ 86; *Second Report and Order*, 9 FCC Rcd at 2378-79 ¶¶ 171-75.

¹¹ See *Second Report and Order*, 9 FCC Rcd at 2378-79 ¶¶ 171-76.

¹² See Section III.B.6. "Provisionally Winning Bids," below.

place additional bids in the auction.¹³

16. The Bureaus propose to divide the auction into at least two stages, each characterized by a different activity requirement.¹⁴ The auction will start in Stage One. The Bureaus propose to advance the auction to the next stage by announcement during the auction. In exercising this discretion, the Bureaus will consider a variety of measures of auction activity, including but not limited to the percentage of construction permits (as measured in bidding units) on which there are new bids,¹⁵ the number of new bids, and the increase in revenue. The Bureaus seek comment on this proposal.

17. The Bureaus propose the following activity requirements, while noting again that the Bureaus retain the discretion to change stages unilaterally by announcement during the auction:

Stage One: In each round of the first stage of the auction, a bidder desiring to maintain its current bidding eligibility is required to be active on construction permits representing at least 75 percent of its current bidding eligibility. Failure to maintain the required activity level will result in the use of an activity rule waiver or a reduction in the bidder's bidding eligibility for the next round of bidding. During Stage One, a bidder's reduced eligibility for the next round will be calculated by multiplying the bidder's current round activity by four-thirds (4/3).

Stage Two: In each round of the second stage, a bidder desiring to maintain its current bidding eligibility is required to be active on 95 percent of its current bidding eligibility. Failure to maintain the required activity level will result in the use of an activity rule waiver or a reduction in the bidder's bidding eligibility for the next round of bidding. During Stage Two, a bidder's reduced eligibility for the next round will be calculated by multiplying the bidder's current round activity by twenty-nineteenths (20/19).

18. Under this proposal, the Bureaus will retain the discretion to change the activity requirements during the auction. For example, the Bureaus could decide to add an additional stage with a higher activity requirement, not to transition to Stage Two if they believe the auction is progressing satisfactorily under the Stage One activity requirement, or to transition to Stage Two with an activity requirement that is higher or lower than the 95 percent proposed herein.¹⁶ If the Bureaus exercise this discretion, they will alert bidders by announcement in the FCC Auction System.

3. Activity Rule Waivers and Reducing Eligibility

19. Use of an activity rule waiver preserves the bidder's eligibility despite the bidder's activity in the current round being below the required minimum level. An activity rule waiver applies to an entire round of bidding, not to a particular construction permit. Activity rule waivers can be either proactive or automatic and are principally a mechanism for auction participants to avoid the loss of bidding eligibility in the event that exigent circumstances prevent them from bidding in a particular

¹³ See Section III.B.3. "Activity Rule Waivers and Reducing Eligibility," below.

¹⁴ See 47 C.F.R. § 1.2104(g).

¹⁵ For example, when monitoring activity for determining when to change stages, the Bureaus may consider the percentage of bidding units of the construction permits receiving new provisionally winning bids, excluding and FCC-held construction permits. In past auctions, the Bureaus have generally changed stages when this measure was approximately twenty percent or below for three consecutive rounds of bidding.

¹⁶ If the Bureaus implement stages with activity requirements other than the ones listed above, a bidder's reduced eligibility for the next round will be calculated by multiplying the bidder's current round activity by the reciprocal of the activity requirement. For example, with a 98 percent activity requirement, the bidder's current round activity would be multiplied by 50/49; with a 100 percent activity requirement, the bidder's current round activity would become its bidding eligibility (current round activity would be multiplied by 1/1).

round.

20. The FCC Auction System assumes that a bidder that does not meet the activity requirement would prefer to use an activity rule waiver (if available) rather than lose bidding eligibility. Therefore, the system will automatically apply a waiver at the end of any bidding round in which a bidder's activity level is below the minimum required unless (1) the bidder has no activity rule waivers remaining; or (2) the bidder overrides the automatic application of a waiver by reducing eligibility, thereby meeting the activity requirement. If a bidder has no waivers remaining and does not satisfy the required activity level, its eligibility will be permanently reduced, possibly curtailing or eliminating the bidder's ability to place additional bids in the auction.

21. A bidder with insufficient activity may wish to reduce its bidding eligibility rather than use an activity rule waiver. If so, the bidder must affirmatively override the automatic waiver mechanism during the bidding round by using the "reduce eligibility" function in the FCC Auction System. In this case, the bidder's eligibility is permanently reduced to bring the bidder into compliance with the activity rule as described above. Reducing eligibility is an irreversible action. Once eligibility has been reduced, a bidder will not be permitted to regain its lost bidding eligibility, even if the round has not yet closed.

22. Under the proposed simultaneous stopping rule, a bidder may apply an activity rule waiver proactively as a means to keep the auction open without placing a bid. If a bidder proactively applies an activity rule waiver (using the "apply waiver" function in the FCC Auction System) during a bidding round in which no bids are placed or withdrawn (if permitted), the auction will remain open and the bidder's eligibility will be preserved. An automatic waiver applied by the FCC Auction System in a round in which there are no new bids, withdrawals (if permitted), or proactive waivers will not keep the auction open. A bidder cannot apply a proactive waiver after bidding in a round, and applying a proactive waiver will preclude a bidder from placing any bids in that round.¹⁷ Applying a waiver is irreversible; once a proactive waiver is submitted, that waiver cannot be unsubmitted, even if the round has not yet closed.

23. The Bureaus propose that each bidder in Auction 79 be provided with three activity rule waivers that may be used as set forth above at the bidder's discretion during the course of the auction. The Bureaus seek comment on this proposal.

4. Reserve Price or Minimum Opening Bids

24. Section 309(j) calls upon the Commission to prescribe methods for establishing a reasonable reserve price or a minimum opening bid amount when FCC licenses or construction permits are subject to auction, unless the Commission determines that a reserve price or minimum opening bid amount is not in the public interest.¹⁸ Consistent with this mandate, the Commission has directed the Bureaus to seek comment on the use of a minimum opening bid amount and/or reserve price prior to the start of each auction.¹⁹

25. Normally, a reserve price is an absolute minimum price below which an item will not be sold in a given auction. Reserve prices can be either published or unpublished. A minimum opening bid, on the other hand, is the minimum bid price set at the beginning of the auction below which no bids are accepted. It is generally used to accelerate the competitive bidding process. It is possible for the

¹⁷ In general, once a bidder places a proactive waiver during a round, the FCC Auction System does not allow the bidder to take any other bidding-related action in that round, including placing bids or withdrawing bids (if permitted).

¹⁸ 47 U.S.C. § 309(j)(4)(F). See also 47 C.F.R. §§ 1.2104(c) and (d).

¹⁹ *Broadcast First Report and Order*, 13 FCC Rcd at 15971 ¶ 134; *Part 1 Third Report and Order*, 13 FCC Rcd at 454-55 ¶ 141. See 47 C.F.R. § 1.2104(c).

minimum opening bid and the reserve price to be the same amount.

26. In light of Section 309(j)'s requirements, the Bureaus propose to establish minimum opening bid amounts for Auction 79. The Bureaus believe a minimum opening bid amount, which has been used in other auctions, is an effective bidding tool for accelerating the competitive bidding process.²⁰ *The Bureaus do not propose to establish a separate reserve price for the construction permits to be offered in Auction 79.*

27. For Auction 79, the Bureaus propose minimum opening bid amounts determined by taking into account the type of service and class of facility offered, market size, population covered by the proposed FM broadcast facility, and recent broadcast transaction data. This proposed minimum opening bid amount for each construction permit available in Auction 79 is set forth in Attachment A of this Public Notice.²¹ The Bureaus seek comment on these proposals.

28. If commenters believe that these minimum opening bid amounts will result in unsold construction permits, are not reasonable amounts, or should instead operate as reserve prices, they should explain why this is so, and comment on the desirability of an alternative approach. Commenters are advised to support their claims with valuation analyses and suggested amounts or formulas for reserve prices or minimum opening bids. In establishing the minimum opening bid amounts, the Bureaus particularly seek comment on factors that could reasonably have an impact on valuation of the broadcast spectrum, including the type of service and class of facility offered, market size, population covered by the proposed FM broadcast facility and any other relevant factors.

5. Bid Amounts

29. The Bureaus propose that, in each round, eligible bidders be able to place a bid on a given construction permit in any of up to nine different amounts.²² Under this proposal, the FCC Auction System interface will list the acceptable bid amounts for each construction permit.²³

30. The first of the acceptable bid amounts is called the minimum acceptable bid amount. The minimum acceptable bid amount for a construction permit will be equal to its minimum opening bid amount until there is a provisionally winning bid for the construction permit. After there is a provisionally winning bid for a construction permit, the minimum acceptable bid amount will be a certain percentage higher. That is, the minimum acceptable bid amount will be calculated by multiplying the provisionally winning bid amount times one plus the minimum acceptable bid percentage. If, for example, the minimum acceptable bid percentage is 10 percent, the minimum acceptable bid amount will equal (provisionally winning bid amount) * (1.10), rounded.²⁴ If bid withdrawals are permitted in this auction, in the case of a construction permit for which the provisionally winning bid has been withdrawn,

²⁰ See, e.g., Auction of 800 MHz SMR Upper 10 MHz Band, Minimum Opening Bids or Reserve Prices, *Order*, 12 FCC Rcd 16354 (1997); Auction of the Phase II 220 MHz Service Licenses, Auction Notice and Filing Requirements for 908 Licenses Consisting of Economic Area (EA), Economic Area Grouping (EAG), and Nationwide Licenses, Scheduled for September 15, 1998, Minimum Opening Bids and Other Procedural Issues, *Public Notice*, 13 FCC Rcd 16445 (1998).

²¹ See note 24 (concerning rounding), below.

²² Bidders must have sufficient eligibility to place a bid on the particular construction permit. See Section III.B.1. "Upfront Payments and Bidding Eligibility," above.

²³ In the event of duplicate bid amounts due to rounding, the FCC Auction System will omit the duplicates and will list fewer than nine acceptable bid amounts for the construction permit.

²⁴ Results are rounded using the Commission's standard rounding procedure for auctions: results above \$10,000 are rounded to the nearest \$1,000; results below \$10,000 but above \$1,000 are rounded to the nearest \$100; and results below \$1,000 are rounded to the nearest \$10.

the minimum acceptable bid amount will equal the second highest bid received for the construction permit.²⁵

31. The eight additional bid amounts are calculated using the minimum acceptable bid amount and a bid increment percentage, which need not be the same as the percentage used to calculate the minimum acceptable bid amount. The first additional acceptable bid amount equals the minimum acceptable bid amount times one plus the bid increment percentage, rounded. If, for example, the bid increment percentage is 5 percent, the calculation is (minimum acceptable bid amount) * (1 + 0.05), rounded, or (minimum acceptable bid amount) * 1.05, rounded; the second additional acceptable bid amount equals the minimum acceptable bid amount times one plus two times the bid increment percentage, rounded, or (minimum acceptable bid amount) * 1.10, rounded; etc. The Bureaus will round the results using the Commission's standard rounding procedures for auctions.²⁶

32. For Auction 79, the Bureaus propose to use a minimum acceptable bid percentage of 10 percent. This means that the minimum acceptable bid amount for a construction permit will be approximately 10 percent greater than the provisionally winning bid amount for the construction permit. To calculate the additional acceptable bid amounts, the Bureaus propose to use a bid increment percentage of 5 percent.

33. The Bureaus retain the discretion to change the minimum acceptable bid amounts, the minimum acceptable bid percentage, the bid increment percentage, and the number of acceptable bid amounts if the Bureaus determine that circumstances so dictate. Further, the Bureaus retain the discretion to do so on a construction permit-by-construction permit basis. The Bureaus also retain the discretion to limit (a) the amount by which a minimum acceptable bid for a construction permit may increase compared with the corresponding provisionally winning bid, and (b) the amount by which an additional bid amount may increase compared with the immediately preceding acceptable bid amount. For example, the Bureaus could set a \$10,000 limit on increases in minimum acceptable bid amounts over provisionally winning bids. Thus, if calculating a minimum acceptable bid using the minimum acceptable bid percentage results in a minimum acceptable bid amount that is \$12,000 higher than the provisionally winning bid on a construction permit, the minimum acceptable bid amount would instead be capped at \$10,000 above the provisionally winning bid. The Bureaus seek comment on the circumstances under which the Bureaus should employ such a limit, factors we should consider when determining the dollar amount of the limit, and the tradeoffs in setting such a limit or changing other parameters, such as changing the minimum acceptable bid percentage, the bid increment percentage, or the number of acceptable bid amounts. If the Bureaus exercise this discretion, they will alert bidders by announcement in the FCC Auction System during the auction. The Bureaus seek comment on these proposals.

6. Provisionally Winning Bids

34. Provisionally winning bids are bids that would become final winning bids if the auction were to close in that given round. At the end of a bidding round, a provisionally winning bid for each construction permit will be determined based on the highest bid amount received for the construction permit. In the event of identical high bid amounts being submitted on a construction permit in a given round (i.e., tied bids), the Bureaus will use a random number generator to select a single provisionally winning bid from among the tied bids. (Each bid is assigned a random number, and the tied bid with the highest random number wins the tiebreaker.) The remaining bidders, as well as the provisionally winning bidder, can submit higher bids in subsequent rounds. However, if the auction were to end with no other bids being placed, the winning bidder would be the one that placed the provisionally winning bid. If any bids are received on the construction permit in a subsequent round, the provisionally winning bid again

²⁵ See Section III.B.7. "Bid Removal and Bid Withdrawal," below.

²⁶ See note 24 (concerning rounding), above.

will be determined by the highest bid amount received for the construction permit.

35. A provisionally winning bid will remain the provisionally winning bid until there is a higher bid on the construction permit at the close of a subsequent round, unless the provisionally winning bid is withdrawn (if permitted). Bidders are reminded that provisionally winning bids count toward activity for purposes of the activity rule.²⁷

7. Bid Removal and Bid Withdrawal

36. For Auction 79, the Bureaus propose the following bid removal procedures. Before the close of a bidding round, a bidder has the option of removing any bid placed in that round. By removing selected bids in the FCC Auction System, a bidder may effectively "unsubmit" any bid placed within that round. In contrast to the bid withdrawal provisions described below, a bidder removing a bid placed in the same round is not subject to a withdrawal payment. Once a round closes, a bidder may no longer remove a bid. The Bureaus seek comment on this bid removal proposal.

37. The Bureaus also seek comment on whether bid withdrawals should be permitted in Auction 79. Where permitted in an auction, bid withdrawals provide a bidder with the option of withdrawing bids placed in prior rounds that have become provisionally winning bids. A bidder may withdraw its provisionally winning bids using the "withdraw bids" function in the FCC Auction System. If permitted, a bidder that withdraws its provisionally winning bid(s) is subject to the bid withdrawal payment provisions of the Commission rules.²⁸

38. In the *Part 1 Third Report and Order*, the Commission explained that allowing bid withdrawals facilitates efficient aggregation of licenses and construction permits and the pursuit of backup strategies as information becomes available during the course of an auction.²⁹ The Commission noted, however, that in some instances bidders may seek to withdraw bids for improper reasons. The Bureaus, therefore, have discretion in managing the auction to limit the number of withdrawals to prevent any bidding abuses. The Commission stated that the Bureaus should exercise their discretion, consider limiting the number of rounds in which bidders may withdraw bids, and prevent bidders from bidding on a particular market if the Bureaus find that a bidder is abusing the Commission's bid withdrawal procedures.³⁰

39. Based on this guidance and on our experience with past auctions of FM broadcast construction permits, the Bureaus propose to prohibit bidders from withdrawing any bids after the round in which bids were placed has closed. This proposal is made in recognition of the site-specific nature and wide geographic dispersion of the permits available in this auction, which suggests that potential applicants for this auction may have fewer incentives to aggregate permits through the auction progress (as compared with bidders in many auctions of wireless licenses). Thus, the Bureaus believe that it is unlikely that bidders will have a need to withdraw bids in this auction. We also remain mindful that bid withdrawals, particularly those made in late stages of this auction, could result in delays in licensing new FM stations and attendant delays in the offering of new broadcast service to the public.

²⁷ See Section III.B.2. "Activity Rule," above.

²⁸ 47 C.F.R. §§ 1.2104(g) and 1.2109.

²⁹ *Part 1 Third Report and Order*, 13 FCC Rcd at 459-60 ¶ 150.

³⁰ *Id.*

C. Post-Auction Payments

1. Interim Withdrawal Payment Percentage

40. If withdrawals are allowed in this auction, the Bureaus seek comment on the appropriate percentage of a withdrawn bid that should be assessed as an interim withdrawal payment, in the event that a final withdrawal payment cannot be determined at the close of the auction. In general, the Commission's rules provide that a bidder that withdraws a bid during an auction is subject to a withdrawal payment equal to the difference between the amount of the withdrawn bid and the amount of the winning bid in the same or a subsequent auction.³¹ However, if a construction permit for which a bid has been withdrawn does not receive a subsequent higher bid or winning bid in the same auction, the final withdrawal payment cannot be calculated until a corresponding construction permit receives a higher bid or winning bid in a subsequent auction. When that final payment cannot yet be calculated, the bidder responsible for the withdrawn bid is assessed an interim bid withdrawal payment, which will be applied toward any final bid withdrawal payment that is ultimately assessed.³²

41. The Commission's rules provide that, in advance of each auction, the Commission shall establish a percentage between three percent and twenty percent of the withdrawn bid to be assessed as an interim bid withdrawal payment.³³ The Commission has indicated that the level of the interim withdrawal payment in a particular auction will be based on the nature of the service and the inventory of the construction permits being offered.³⁴ The Commission noted that it may impose a higher interim withdrawal payment percentage to deter the anti-competitive use of withdrawals when, for example, bidders likely will not need to aggregate construction permits offered, such as when few construction permits are offered, the construction permits offered are not on adjacent frequencies or in adjacent areas, or there are few synergies to be captured by combining construction permits.³⁵

42. Applying the reasoning that a higher interim withdrawal payment percentage is appropriate when aggregation of construction permits is not expected, as with the construction permits subject to competitive bidding in Auction 79, if the Bureaus allow bid withdrawals in this auction, the Bureaus propose the maximum interim withdrawal payment allowed under the current rules. Specifically, the Bureaus propose to establish an interim bid withdrawal payment of twenty percent of the withdrawn bid for this auction. The Bureaus seek comment on this proposal.

2. Additional Default Payment Percentage

43. Any winning bidder that defaults or is disqualified after the close of an auction (i.e., fails to remit the required down payment within the prescribed period of time, fails to submit a timely long-form application, fails to make full payment, or is otherwise disqualified) is liable for a default payment under 47 C.F.R. § 1.2104(g)(2). This payment consists of a deficiency payment, equal to the difference between the amount of the bidder's bid and the amount of the winning bid the next time a construction

³¹ 47 C.F.R. § 1.2104(g)(1). The withdrawal payment amount is deducted from any upfront payments or down payments that the withdrawing bidder has deposited with the Commission. No withdrawal payment is assessed for a withdrawn bid if either the subsequent winning bid or any of the intervening subsequent withdrawn bids equals or exceeds that withdrawn bid. *Id.*

³² *Id.*

³³ See 47 C.F.R. § 1.2104(g)(2), as amended by Implementation of the Commercial Spectrum Enhancement Act and Modernization of the Commission's Competitive Bidding Rules and Procedures, WT Docket No. 05-211, *Report and Order*, 21 FCC Rcd 891, 903 ¶ 30 (2006) ("CSEA/Part 1 Report and Order").

³⁴ *Id.*

³⁵ *Id.*

permit covering the same spectrum is won in an auction, plus an additional payment equal to a percentage of the defaulter's bid or of the subsequent winning bid, whichever is less.

44. Section 1.2104(g)(2) establishes a limit on the additional default payment for non-combinatorial auctions of twenty percent of the defaulter's bid or of the subsequent winning bid, whichever is less.³⁶ Under this rule, the Commission will, in advance of each non-combinatorial auction, establish an additional default payment for that auction of three percent up to a maximum of twenty percent.³⁷ As the Commission has indicated, the level of this payment in each case will be based on the nature of the service and the inventory of the construction permits being offered.³⁸

45. For Auction 79, the Bureaus propose to establish an additional default payment of twenty percent. As noted in the *CSEA/Part 1 Report and Order*, defaults weaken the integrity of the auction process and may impede the deployment of service to the public, and an additional default payment of more than the previous three percent will be more effective in deterring defaults.³⁹ In light of these considerations for Auction 79, the Bureaus propose an additional default payment of twenty percent of the relevant bid. The Bureaus seek comment on this proposal.

IV. DUE DILIGENCE

46. Potential bidders are reminded that they are solely responsible for investigating and evaluating all technical and marketplace factors that may have a bearing on the value of the broadcast facilities they are seeking in this auction. **The FCC makes no representations or warranties about the use of this spectrum for particular services. Applicants should be aware that an FCC auction represents an opportunity to become an FCC construction permittee in the broadcast service, subject to certain conditions and regulations. An FCC auction does not constitute an endorsement by the FCC of any particular service, technology, or product, nor does an FCC construction permit or license constitute a guarantee of business success.** Applicants should perform their individual due diligence before proceeding, as they would with any new business venture.

47. In particular, potential bidders are strongly encouraged to review all underlying Commission orders, such as the specific *Report and Order* amending the FM Table of Allotments and allotting the FM channel(s) on which they plan to bid.⁴⁰ *Reports and Orders* adopted in FM allotment rulemaking proceedings often include anomalies such as site restrictions or expense reimbursement requirements.⁴¹ Additionally, potential bidders should perform technical analyses sufficient to assure them that, should they prevail in competitive bidding for a given FM construction permit, they will be able to build and operate facilities that will fully comply with the Commission's technical and legal requirements. **Applicants are strongly encouraged to inspect any prospective transmitter sites located in, or near, the service area for which they plan to bid, and also to familiarize themselves with the Commission's rules regarding the National Environmental Policy Act.**⁴²

³⁶ *Id.*

³⁷ See 47 C.F.R. § 1.2104(g)(2).

³⁸ See *CSEA/Part 1 Report and Order*, 21 FCC Rcd at 903 ¶ 30

³⁹ *Id.* at ¶ 29.

⁴⁰ See 47 C.F.R. § 73.202.

⁴¹ See, e.g., *Charlotte Amalie, Frederiksted, and Christiansted, US Virgin Islands*, 19 FCC Rcd 30 (MB 2004); *Cheyenne, Wyoming and Gering, Nebraska*, 15 FCC Rcd 7528 (MMB 2000); *Circleville, Ohio*, 9 FCC 2d 159 (1967).

⁴² 47 C.F.R. Chapter 1, Part 1, Subpart I.

48. Applicants are strongly encouraged to conduct their own research prior to Auction 79 in order to determine the existence of pending administrative or judicial proceedings, including pending allocations rulemaking proceedings, that might affect their decisions regarding participation in the auction. Participants in Auction 79 are strongly encouraged to continue such research throughout the auction.

V. DEADLINES AND FILING PROCEDURES

49. Comments are due on or before March 20, 2009, and reply comments are due on or before April 1, 2009. All filings related to this auction of FM broadcast construction permits should refer to AU Docket No. 09-21. Comments may be submitted using the Commission's Electronic Comment Filing System ("ECFS") or by filing paper copies.⁴³ The Bureaus strongly encourage interested parties to file comments electronically. The Bureaus also request submission of a copy of comments via the Auction 79 e-mail box (auktion79@fcc.gov).

50. *Electronic Filers:* Comments may be filed electronically using the Internet by accessing the ECFS at <http://www.fcc.gov/cgb/ecfs>. Filers should follow the instructions provided on the website for submitting comments. In completing the transmittal screen, filers should include their full name, U.S. Postal Service mailing address, and the applicable docket number, AU Docket No. 09-21. Parties may also submit an electronic comment by e-mail. To get filing instructions, filers should send an e-mail to ecfs@fcc.gov, and include the following words in the body of the message: "get form." A sample form and directions will be sent in response.

51. *Paper Filers:* Parties who choose to file by paper must file an original and four copies of each filing. Filings can be sent by hand or messenger delivery, by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail (although the Bureaus continue to experience delays in receiving U.S. Postal Service mail). All filings must be addressed to the Commission's Secretary Attn: WTB/ASAD, Office of the Secretary, Federal Communications Commission.

- Contractor will receive hand-delivered or messenger-delivered paper filings for the Commission's Secretary at 236 Massachusetts Avenue, NE, Suite 110, Washington, DC 20002. The filing hours at this location are 8:00 a.m. to 7:00 p.m. Eastern Time (ET). All hand deliveries must be held together with rubber bands or fasteners. Any envelopes must be disposed of before entering the building.
- Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9300 East Hampton Drive, Capitol Heights, MD 20743.
- U.S. Postal Service first-class, Express, and Priority mail should be addressed to 445 12th Street, SW, Washington DC 20554.

52. *Auction 79 E-mail Box:* The Bureaus also request that a copy of all comments and reply comments be submitted electronically to the following address: auktion79@fcc.gov.

53. Copies of comments and reply comments will be available for public inspection between 8:00 a.m. and 4:30 p.m. ET Monday through Thursday, or 8:00 a.m. to 11:30 a.m. ET on Fridays in the FCC Reference Information Center, Room CY-A257, 445 12th Street, SW, Washington, DC 20554, and will also be accessible through the search function on the ECFS web page at <http://www.fcc.gov/cgb/ecfs>.

54. This proceeding has been designated as a "permit-but-disclose" proceeding in accordance with the Commission's *ex parte* rules.⁴⁴ Persons making oral *ex parte* presentations are reminded that

⁴³ See Electronic Filing of Documents in Rulemaking Proceedings, *Report and Order*, 13 FCC Red 11322 (1998).

⁴⁴ 47 C.F.R. §§ 1.1200(a), 1.1206.

memoranda summarizing the presentations must contain summaries of the substance of the presentations and not merely a listing of the subjects discussed. More than a one or two sentence description of the views and arguments presented is generally required. Other rules pertaining to oral and written *ex parte* presentations in permit-but-disclose proceedings are set forth in Section 1.1206(b) of the Commission's rules.

55. To request materials in accessible formats (Braille, large print, electronic files, audio format) for people with disabilities, send an e-mail to fcc504@fcc.gov or call the Consumer and Government Affairs Bureau at (202) 418-0530 or (202) 418-0432 (TTY).

VI. CONTACTS

56. For further information concerning this proceeding, contact the Wireless Telecommunications Bureau or the Media Bureau, as listed below:

Audio Division, Media Bureau

For service rules questions: Lisa Scanlan or Tom Nessinger at (202) 418-2700

Auctions and Spectrum Access Division, Wireless Telecommunications Bureau

For general auction questions: Debbie Smith or Linda Sanderson at (717) 338-2868

For auctions legal questions: Howard Davenport or Lynne Milne at (202) 418-0660

- FCC -

Auction 79 — FM Broadcast

DA 09-422

Attachment A

Construction Permit	Market Name		Channel	Class	Coordinates								Bidding Units	Upfront Payment	Minimum Opening Bid
	State	City			Latitude				Longitude						
MM-FM185-A	MT	Whitehall	274	A	45	56	11	N	112	13	51	W	20,000	\$20,000	\$20,000
MM-FM396-C3	MI	Cheboygan	249	C3	45	34	45	N	84	15	5	W	30,000	\$30,000	\$30,000
MM-FM407-C2	MT	Browning	234	C2	48	35	3	N	112	59	42	W	7,500	\$7,500	\$7,500
MM-FM411-C2	MT	Ennis	254	C2	45	16	41	N	111	26	57	W	40,000	\$40,000	\$40,000
MM-FM626-A	AL	Boligee	297	A	32	48	34	N	88	6	27	W	10,000	\$10,000	\$10,000
MM-FM627-A	AL	Maplesville	292	A	32	41	6	N	86	53	30	W	15,000	\$15,000	\$15,000
MM-FM628-A	AR	Cove	232	A	34	21	0	N	94	30	0	W	10,000	\$10,000	\$10,000
MM-FM629-C3	AR	Daisy	293	C3	34	21	49	N	93	54	48	W	20,000	\$20,000	\$20,000
MM-FM630-A	AR	Sparkman	259	A	33	55	0	N	92	50	53	W	7,500	\$7,500	\$7,500
MM-FM631-C1	AZ	Grand Canyon Village	273	C1	36	2	47	N	112	9	13	W	2,500	\$2,500	\$2,500
MM-FM632-C3	AZ	Peach Springs	268	C3	35	33	46	N	113	27	12	W	1,500	\$1,500	\$1,500
MM-FM633-A	CA	Amboy	237	A	34	36	0	N	115	40	52	W	5,000	\$5,000	\$5,000
MM-FM634-A	CA	Big Sur	240	A	36	15	28	N	121	49	28	W	30,000	\$30,000	\$30,000
MM-FM635-A	CA	Buttonwillow	265	A	35	23	56	N	119	29	52	W	40,000	\$40,000	\$40,000
MM-FM636-A	CA	Cambria	287	A	35	33	14	N	121	5	15	W	90,000	\$90,000	\$90,000
MM-FM637-A	CA	Kernville	289	A	35	46	29	N	118	22	9	W	15,000	\$15,000	\$15,000
MM-FM638-A	CA	Lamont	247	A	35	12	23	N	118	52	57	W	200,000	\$200,000	\$200,000
MM-FM639-A	CA	Murrieta	281	A	33	32	55	N	117	9	26	W	200,000	\$200,000	\$200,000
MM-FM640-A	CA	Portola	269	A	39	49	59	N	120	28	54	W	7,500	\$7,500	\$7,500
MM-FM641-A	CA	Ridgecrest	252	A	35	39	19	N	117	48	6	W	30,000	\$30,000	\$30,000
MM-FM642-A	CA	Susanville	264	A	40	24	59	N	120	39	7	W	20,000	\$20,000	\$20,000
MM-FM643-A	CA	Trona	247	A	35	45	46	N	117	22	19	W	30,000	\$30,000	\$30,000
MM-FM644-C3	CO	Crawford	274	C3	38	38	9	N	107	34	43	W	10,000	\$10,000	\$10,000
MM-FM645-C3	CO	Genoa	291	C3	39	15	35	N	103	17	15	W	5,000	\$5,000	\$5,000
MM-FM646-A	FL	Eastpoint	283	A	29	44	11	N	84	52	42	W	7,500	\$7,500	\$7,500
MM-FM647-A	FL	Jasper	298	A	30	31	49	N	82	57	58	W	30,000	\$30,000	\$30,000
MM-FM648-A	FL	Okeechobee	291	A	27	20	30	N	80	54	8	W	30,000	\$30,000	\$30,000
MM-FM649-A	FL	Palm Coast	254	A	29	29	38	N	81	9	45	W	90,000	\$90,000	\$90,000
MM-FM650-C3	FL	Port St. Joe	270	C3	29	47	45	N	85	17	27	W	15,000	\$15,000	\$15,000
MM-FM651-C3	GA	Alamo	287	C3	32	17	38	N	82	42	55	W	70,000	\$70,000	\$70,000
MM-FM652-A	GA	Crawfordville	234	A	33	31	18	N	82	56	52	W	20,000	\$20,000	\$20,000
MM-FM653-A	GA	Dexter	276	A	32	25	59	N	83	1	33	W	50,000	\$50,000	\$50,000
MM-FM654-A	GA	Tallapoosa	255	A	33	39	20	N	85	15	27	W	90,000	\$90,000	\$90,000
MM-FM655-C3	ID	McCall	293	C3	44	57	54	N	116	3	0	W	10,000	\$10,000	\$10,000
MM-FM656-A	IL	Grayville	229	A	38	21	56	N	88	3	38	W	30,000	\$30,000	\$30,000
MM-FM657-A	LA	Clayton	266	A	31	44	48	N	91	31	16	W	40,000	\$40,000	\$40,000
MM-FM658-A	LA	Florien	242	A	31	26	37	N	93	27	26	W	20,000	\$20,000	\$20,000
MM-FM659-A	LA	Lake Providence	224	A	32	48	32	N	91	5	58	W	15,000	\$15,000	\$15,000
MM-FM660-A	LA	Oak Grove	289	A	29	43	41	N	93	0	5	W	1,500	\$1,500	\$1,500
MM-FM661-A	LA	Opelousas	279	A	30	28	18	N	92	3	14	W	150,000	\$150,000	\$150,000
MM-FM662-C3	LA	St. Joseph	257	C3	31	47	48	N	91	16	12	W	70,000	\$70,000	\$70,000
MM-FM663-C3	LA	Wisner	300	C3	32	5	28	N	91	28	57	W	30,000	\$30,000	\$30,000
MM-FM664-A	MI	Harrison	280	A	43	53	33	N	84	49	6	W	50,000	\$50,000	\$50,000
MM-FM665-A	MI	McBain	300	A	44	12	9	N	85	6	2	W	30,000	\$30,000	\$30,000
MM-FM666-C2	MI	Onaway	292	C2	45	26	28	N	84	0	37	W	40,000	\$40,000	\$40,000
MM-FM667-A	MI	Pentwater	280	A	43	46	30	N	86	26	24	W	30,000	\$30,000	\$30,000
MM-FM668-A	MO	Alton	290	A	36	44	39	N	91	24	28	W	10,000	\$10,000	\$10,000
MM-FM669-A	MO	Moberly	223	A	39	27	49	N	92	33	14	W	30,000	\$30,000	\$30,000
MM-FM670-A	MS	Varden	271	A	33	18	3	N	89	42	54	W	20,000	\$20,000	\$20,000
MM-FM671-C2	MS	Walnut Grove	244	C2	32	42	50	N	89	23	48	W	120,000	\$120,000	\$120,000
MM-FM672-A	MT	Roundup	248	A	46	26	58	N	108	31	44	W	2,500	\$2,500	\$2,500
MM-FM673-C1	NE	Arthur	300	C1	41	37	10	N	101	45	57	W	10,000	\$10,000	\$10,000
MM-FM674-C2	NE	Hartington	232	C2	42	39	40	N	97	23	58	W	50,000	\$50,000	\$50,000
MM-FM675-C3	NM	Grants	244	C3	35	9	8	N	107	50	33	W	15,000	\$15,000	\$15,000
MM-FM676-A	NM	Milan	270	A	35	10	11	N	107	53	24	W	15,000	\$15,000	\$15,000

Construction Permit	Market Name		Channel	Class	Coordinates								Bidding Units	Upfront Payment	Minimum Opening Bid
	State	City			Latitude				Longitude						
MM-FM677-A	NM	Taos	228	A	36	28	20	N	105	28	22	W	20,000	\$20,000	\$20,000
MM-FM678-A	NY	Indian Lake	290	A	43	46	57	N	74	16	20	W	2,500	\$2,500	\$2,500
MM-FM679-A	OH	McConnelsville	279	A	39	38	48	N	81	50	43	W	40,000	\$40,000	\$40,000
MM-FM680-C2	OK	Buffalo	224	C2	36	50	36	N	99	24	30	W	20,000	\$20,000	\$20,000
MM-FM681-A	OK	Clayton	241	A	34	27	28	N	95	22	1	W	2,500	\$2,500	\$2,500
MM-FM682-C2	OK	Erick	259	C2	35	4	1	N	99	52	52	W	20,000	\$20,000	\$20,000
MM-FM683-A	OK	Haileyville	290	A	34	56	29	N	95	34	30	W	40,000	\$40,000	\$40,000
MM-FM684-A	OK	Haworth	294	A	33	45	33	N	94	41	6	W	15,000	\$15,000	\$15,000
MM-FM685-C2	OK	Hollis	274	C2	34	32	55	N	99	56	12	W	20,000	\$20,000	\$20,000
MM-FM686-A	OK	Kiowa	254	A	34	42	23	N	95	58	48	W	7,500	\$7,500	\$7,500
MM-FM687-A	OK	Leedey	297	A	35	56	36	N	99	23	48	W	20,000	\$20,000	\$20,000
MM-FM688-C2	OK	Mooreland	300	C2	36	27	59	N	99	14	27	W	20,000	\$20,000	\$20,000
MM-FM689-A	OK	Muldrow	286	A	35	29	47	N	94	36	4	W	150,000	\$150,000	\$150,000
MM-FM690-A	OK	Rattan	258	A	34	7	58	N	95	23	57	W	20,000	\$20,000	\$20,000
MM-FM691-C2	OK	Reydon	264	C2	35	23	11	N	99	52	38	W	20,000	\$20,000	\$20,000
MM-FM692-A	OK	Stuart	228	A	34	54	18	N	96	6	0	W	7,500	\$7,500	\$7,500
MM-FM693-A	OK	Taloga	226	A	35	57	57	N	98	59	11	W	30,000	\$30,000	\$30,000
MM-FM694-A	OK	Thomas	288	A	35	49	46	N	98	45	9	W	50,000	\$50,000	\$50,000
MM-FM695-C3	OK	Valliant	234	C3	34	1	10	N	95	1	10	W	30,000	\$30,000	\$30,000
MM-FM696-A	OK	Vici	249	A	36	8	59	N	99	17	52	W	5,000	\$5,000	\$5,000
MM-FM697-A	OK	Wapanucka	298	A	34	21	54	N	96	23	47	W	15,000	\$15,000	\$15,000
MM-FM698-A	OK	Wright City	226	A	34	5	58	N	94	58	34	W	20,000	\$20,000	\$20,000
MM-FM699-A	SC	Quinby	237	A	34	10	23	N	79	37	11	W	120,000	\$120,000	\$120,000
MM-FM700-C2	SD	Sisseton	258	C2	45	34	49	N	97	7	38	W	20,000	\$20,000	\$20,000
MM-FM701-A	TN	Lynchburg	230	A	35	21	58	N	86	17	18	W	90,000	\$90,000	\$90,000
MM-FM702-A	TX	Asherton	284	A	28	22	58	N	99	45	0	W	7,500	\$7,500	\$7,500
MM-FM703-A	TX	Big Lake	246	A	31	11	33	N	101	20	53	W	2,500	\$2,500	\$2,500
MM-FM704-A	TX	Buffalo Gap	227	A	32	16	55	N	99	53	54	W	120,000	\$120,000	\$120,000
MM-FM705-C	TX	Channing	284	C	35	58	15	N	102	33	43	W	40,000	\$40,000	\$40,000
MM-FM706-C2	TX	Detroit	282	C2	33	47	21	N	95	33	7	W	70,000	\$70,000	\$70,000
MM-FM707-A	TX	Dickens	294	A	33	40	43	N	100	45	0	W	2,500	\$2,500	\$2,500
MM-FM708-A	TX	Elkhart	265	A	31	34	7	N	95	41	52	W	40,000	\$40,000	\$40,000
MM-FM709-A	TX	Escobares	284	A	26	26	29	N	98	54	14	W	40,000	\$40,000	\$40,000
MM-FM710-A	TX	Floydada	255	A	34	0	54	N	101	18	29	W	7,500	\$7,500	\$7,500
MM-FM711-A	TX	George West	250	A	28	14	7	N	98	9	43	W	7,500	\$7,500	\$7,500
MM-FM712-A	TX	Goliad	282	A	28	42	35	N	97	23	2	W	7,500	\$7,500	\$7,500
MM-FM713-A	TX	Goree	275	A	33	30	0	N	99	30	0	W	5,000	\$5,000	\$5,000
MM-FM714-A	TX	Groom	223	A	35	10	49	N	101	1	46	W	2,500	\$2,500	\$2,500
MM-FM715-A	TX	Hooks	231	A	33	28	30	N	94	21	32	W	50,000	\$50,000	\$50,000
MM-FM716-C2	TX	Iraan	269	C2	30	53	44	N	101	56	34	W	5,000	\$5,000	\$5,000
MM-FM717-A	TX	Junction	292	A	30	29	21	N	99	46	18	W	2,500	\$2,500	\$2,500
MM-FM718-A	TX	La Pryor	278	A	28	58	9	N	99	56	5	W	2,500	\$2,500	\$2,500
MM-FM719-A	TX	Leaky	275	A	29	41	30	N	99	50	7	W	2,500	\$2,500	\$2,500
MM-FM720-C2	TX	Menard	265	C2	30	44	0	N	99	44	0	W	5,000	\$5,000	\$5,000
MM-FM721-C1	TX	Ozona	289	C1	30	25	54	N	101	27	42	W	5,000	\$5,000	\$5,000
MM-FM722-C2	TX	Pampa	277	C2	35	42	7	N	100	50	28	W	30,000	\$30,000	\$30,000
MM-FM723-C3	TX	Rankin	229	C3	31	11	24	N	101	48	39	W	5,000	\$5,000	\$5,000
MM-FM724-A	TX	Refugio	291	A	28	19	44	N	97	24	59	W	15,000	\$15,000	\$15,000
MM-FM725-C3	TX	Rocksprings	235	C3	30	7	6	N	100	19	18	W	1,500	\$1,500	\$1,500
MM-FM726-A	TX	San Diego	273	A	27	46	29	N	98	20	4	W	15,000	\$15,000	\$15,000
MM-FM727-A	TX	San Isidro	247	A	26	45	0	N	98	26	0	W	1,500	\$1,500	\$1,500
MM-FM728-C3	TX	Snyder	235	C3	32	42	25	N	101	5	36	W	20,000	\$20,000	\$20,000
MM-FM729-A	TX	Sonora	272	A	30	28	7	N	100	36	53	W	2,500	\$2,500	\$2,500
MM-FM730-A	TX	Spur	254	A	33	28	7	N	100	51	15	W	1,500	\$1,500	\$1,500
MM-FM731-C3	TX	Weinert	266	C3	33	12	15	N	99	37	35	W	10,000	\$10,000	\$10,000
MM-FM732-A	TX	Westbrook	272	A	32	22	24	N	101	4	58	W	10,000	\$10,000	\$10,000
MM-FM733-C	UT	Salina	239	C	38	50	58	N	112	0	28	W	40,000	\$40,000	\$40,000
MM-FM734-A	VA	Belle Haven	252	A	37	33	14	N	75	49	14	W	20,000	\$20,000	\$20,000
MM-FM735-A	VA	Lynchburg	229	A	37	21	33	N	79	9	37	W	150,000	\$150,000	\$150,000

Construction Permit	Market Name		Channel	Class	Coordinates								Bidding Units	Upfront Payment	Minimum Opening Bid
	State	City			Latitude				Longitude						
MM-FM736-A	VI	Charlotte Amalie	257	A	18	21	25	N	64	58	0	W	50,000	\$50,000	\$50,000
MM-FM737-A	VI	Frederiksted	258	A	17	42	48	N	64	53	0	W	50,000	\$50,000	\$50,000
MM-FM738-A	VT	Albany	233	A	44	45	26	N	72	20	9	W	30,000	\$30,000	\$30,000
MM-FM739-A	WA	Union Gap	285	A	46	31	48	N	120	27	18	W	150,000	\$150,000	\$150,000
MM-FM740-C3	WI	Boscobel	244	C3	43	8	4	N	90	42	19	W	40,000	\$40,000	\$40,000
MM-FM741-C3	WI	Owen	242	C3	45	3	8	N	90	29	21	W	50,000	\$50,000	\$50,000
MM-FM742-A	WI	Tigerton	295	A	44	50	7	N	88	56	41	W	30,000	\$30,000	\$30,000
MM-FM743-C3	WY	Pine Bluffs	238	C3	41	0	23	N	104	0	34	W	5,000	\$5,000	\$5,000

Auction Total 122 Construction Permits