

Leora Hochstein  
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**Ex Parte**

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Marlene H. Dortch  
Secretary  
Federal Communications Commission  
445 12<sup>th</sup> Street, SW  
Washington, DC 20554

**Re: Expanding the Economic and Innovation Opportunities of Spectrum Through Incentive Auctions, GN Docket No. 12-268**

Dear Ms. Dortch:

On May 2, 2013, Charla Rath, Christopher Oatway and I met with Commissioner Ajit Pai, his Chief of Staff, Matthew Berry, legal advisors Nicholas Degani and Courtney Reinhard and intern Benjamin Tarbell. We discussed band plan and auction design issues in the incentive auction proceeding.

We urged the Commission to maximize the amount of spectrum available for auction and expressed support for the Commission's alternative "down from Channel 51" band plan proposal, which separates wireless operations from broadcast services. In addition, we supported a band plan that could allow for varying the amounts of spectrum in different parts of the country, but also discussed the challenges presented by that approach given the potential for co-channel interference between broadcasters and wireless providers operating on the same channel in adjacent markets. We stated that we would examine this issue more closely once we have more information about expected clearing scenarios. We reiterated our support for unlicensed operations in the guard bands (including duplex gap) provided such services do not cause harmful interference to licensed services.

On auction design, we urged that the Commission not adopt bidding eligibility or spectrum aggregation limits, which would restrict the ability of parties to participate fully in the forward auction, artificially depress auction revenues, and protect some bidders from competition. In addition, we expressed support for licensing spectrum on an economic area basis and stated our preference for a simultaneous auction. Furthermore, we explained that allowing package bidding would enable bidders to reflect the value of a license as part of a regional aggregation, which ensures that the license's value is included in the auction bid price and thus would help to maximize auction revenues.

Finally, because understanding the results of broadcaster repacking is critical to a number of issues, including to determining the optimal approach to the band plan, Verizon encouraged the Commission to promptly establish the methodology and process it will use.

Sincerely,

A handwritten signature in black ink, appearing to read "Leora Hochstein".