

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of)	
)	
Expanding the Economic and Innovation Opportunities of Spectrum Through Incentive Auctions)	GN Docket No. 12- 268
)	
Amendment of the Commission’s Rules with Regard to Commercial Operations in the 1695-1710 MHz, 1755-1780 MHz, and 2155-2180 MHz Bands)	GN Docket No. 13-185
)	

**REPLY COMMENTS OF
SANDHILL TELEPHONE COOPERATIVE, INC.**

Sandhill Telephone Cooperative, Inc. (“SHTC”), by its attorneys, and in response to Public Notice DA 13-2351,¹ hereby submits these reply comments urging the Federal Communications Commission (“FCC” or “Commission”) to adopt Cellular Market Areas (“CMAs”) for licensing in the upcoming 600 MHz band incentive auction.² However, in the alternative, SHTC urges the Commission to adopt Partial Economic Areas (“PEAs”) to better serve the needs of rural carriers, but requests that the Commission modify PEA 71 (Rock Hill City) as explained herein.

¹ Public Notice, “Wireless Telecommunications Bureau Seeks Comment on a Proposal To License the 600 MHz Band Using ‘Partial Economic Areas,’” GN Docket Nos. 12-268 and 13-185, DA 13-2351 (rel. Dec. 11, 2013) (“Public Notice”). SHTC filed comments together with Atlantic Telephone Membership Corporation, FTC Management Group, Inc., Horry Telephone Cooperative, Inc., and Piedmont Rural Telephone Cooperative, Inc. (collectively, the “Carolina Companies”) in response to the Public Notice. *See* Comments of the Carolina Companies, GN Docket No. 12-268 (Jan. 9, 2014) (“Carolina Companies Comments”).

² *See generally Expanding the Economic and Innovation Opportunities of Spectrum Through Incentive Auctions*, Notice of Proposed Rulemaking, GN 12-268 (rel. Oct. 2, 2012) (“*Incentive Auction NPRM*”).

SHTC continues to support the use of CMAs to license the 600 MHz band, particularly because all five counties that SHTC serves -- Chesterfield, Marlboro, Kershaw, Darlington, and Dillon -- make up a single Rural Service Area (CMA 628, South Carolina 4 Chesterfield). These counties are divided into three different Economic Areas (“EAs”) (the three EAs include major markets such as Charlotte, NC, Columbia, SC, and Wilmington, NC) and four different proposed “rural” PEAs (PEAs 53, 61, 68, and 71). The record in this proceeding supports the continued use of CMAs as the appropriate license size for encouraging participation in the incentive auction and aligning spectrum with geographic areas to best serve the public interest.³ CMAs are critical to help companies like SHTC participate in the auction and actually acquire spectrum that they can deploy in rural portions of the United States.

However, should the Commission decline to license the band on the basis of CMAs, SHTC continues to support the use of PEAs as the best alternative to maintain some of the benefits of small geographic license sizes but requests that the Commission make modifications to one PEA in the Competitive Carriers Association (“CCA”) PEA proposal. SHTC requests that the Commission partition PEA 71 (Rock Hill City) by moving three counties – Chesterfield, Marlboro, and Anson – into a newly created PEA (Chesterfield City). The new PEA would still nest within the current EA boundary.

These three rural counties are included in the same PEA as other counties that are noticeably more suburban in their make-up based on their proximity to the Charlotte metropolitan area. While there are many carriers that may desire to serve the more suburban

³ See, e.g., Comments of United States Cellular Association, GN Docket No. 12-268 at 9-14 (Jan. 9, 2014); Comments of the Wireless Internet Service Providers Association, GN Docket No. 12-268 at 2-5 (Jan. 9, 2014); Comments of Competitive Carriers Association, GN Docket No. 12-268 at 3-4 (Jan. 9, 2014); Carolina Companies Comments at 3; and Comments of Public Service Wireless Services, Inc., GN Docket No. 12-268 at 3 (Jan. 9, 2014).

parts of PEA 71, there are considerably few that are interested in serving the rural counties that SHTC proposes to partition. Importantly, the proposed new PEA would closely correlate to the portion of the current PEA 71 that SHTC serves. Creating the proposed new PEA would also facilitate SHTC's participation in the incentive auction by enabling SHTC to focus its limited funds on areas that it already serves and would increase the likelihood that it may be successful in bidding for licenses to serve an area in which it has a vested interest. This partitioning would serve the public interest by helping to ensure that consumers in Chesterfield, Marlboro, and Anson counties are served.⁴

For the foregoing reasons, SHTC supports modification of PEA 71, as proposed herein, as an alternative basis for licensing the 600 MHz band if the Commission determines not to use CMAs. This modification to CCA's PEA proposal will enable SHTC to target its limited funds towards serving counties where it has a vested interest, keep geographically relevant counties

⁴ Keeping Anson county together with Chesterfield and Marlboro counties in a new PEA also makes economic sense because the three counties are adjacent to each other and similarly rural.

together, and increase the likelihood that a winning bidder will deploy the acquired spectrum for the benefit of rural consumers in Chesterfield, Marlboro, and Anson counties.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'D. L. Herman, Jr.', with a long, sweeping flourish extending to the right.

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