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February 27, 2014

VIA ELECTRONIC FILING

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

Re: *Expanding the Economic and Innovation Opportunities of Spectrum through Incentive Auctions, Docket No. 12-268*
Policies Regarding Mobile Spectrum Holdings, Docket No. 12-269

Dear Ms. Dortch:

The successful auction of the H Block (1915-1920 MHz and 1995-2000 MHz) spectrum in Auction 96 has raised \$1.564 billion for purposes of funding the First Responder Network Authority (“FirstNet”).¹ These proceeds represent a significant down payment towards the realization of an interoperable nationwide public safety broadband network.

As T-Mobile USA, Inc. (“T-Mobile”)² has previously explained,³ the H Block Auction is just the first of several auctions that will ensure FirstNet is fully funded well in advance of the broadcast incentive auction. As shown in the attached graphic, by February 22, 2015, the Commission is required to auction 25 MHz of spectrum at 2155-2180 MHz, 15 MHz of spectrum at 1695-1710 MHz, and an additional 15 MHz whose precise location has yet to be specified.⁴ Revenues from auctioning each of these bands will go towards funding FirstNet,⁵ and T-Mobile predicts that revenues from the auction of the 2155-2180 MHz band alone will be sufficient to ensure that FirstNet is fully funded.⁶ Revenues from the 1695-1710 band and the unspecified additional 15

¹ See, e.g., Federal Communications Commission, *Summary for Auction 96: H Block* (last accessed Feb. 27, 2014), <http://fcc.us/1eVrkUp>.

² T-Mobile USA, Inc. is a wholly-owned subsidiary of T-Mobile US, Inc., a publicly traded company.

³ See, e.g., T-Mobile, *Incentive Auction Issues*, Presentation at 7 (Jan. 13, 2014), *attached to Ex Parte Letter* from Trey Hanbury, Counsel to T-Mobile USA, Inc., to Marlene H. Dortch, Secretary, FCC, Docket Nos. 12-268, 12-269 (Jan. 15, 2014).

⁴ See 47 U.S.C. § 1451(b).

⁵ See 47 U.S.C. §§ 309(j)(8)(D)(ii), 309(j)(8)(F), 1451(b).

⁶ See attached.

MHz simply provide additional assurance that FirstNet funding will be met well in advance of the incentive auction.

By auctioning just 10 MHz of spectrum in Auction 96, the Commission, as T-Mobile predicted, raised more than one-fifth of the roughly \$7 billion required to fully fund FirstNet.⁷ With 55 MHz of spectrum yet to be auctioned before the incentive auction begins, FirstNet is well on its way to being fully funded prior to the commencement of the incentive auction. Any arguments that the Commission's design for the incentive auction may somehow jeopardize FirstNet funding⁸ should be recognized for what they are: disingenuous distractions.

Consistent with section 1.1206(b)(2) of the Commission's rules, please associate this letter with the above-referenced dockets.

Respectfully submitted,

/s/ Kathleen O'Brien Ham

Kathleen O'Brien Ham
Vice President, Federal Regulatory Affairs

⁷ See Middle Class Tax Relief and Job Creation Act of 2012, Pub. L. No. 112-96, § 6413(b), 125 Stat. 156 (2012) (providing that \$135,000,000 will be deposited in the State and Local Implementation Fund before all of the \$7,000,000,000 can be deposited in the FirstNet Network Construction Fund).

⁸ See, e.g., Letter from Leora Hochstein, Executive Director, Federal Regulatory Affairs, Verizon, to Marlene H. Dortch, Docket No. 12-268 at 2 (Jan. 27, 2014) (arguing that conducting the incentive auction with spectrum aggregation limits "will raise less revenue to fund FirstNet").