



Competitive Carriers Association
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March 6, 2014

Via ECFS

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

Re: EX PARTE NOTICE

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;
Expanding the Economic and Innovation Opportunities of Spectrum through Incentive Auctions, GN Docket No. 12-268

Dear Ms. Dortch:

On March 4, 2014, C. Sean Spivey, Assistant General Counsel of Competitive Carriers Association (“CCA”), along with Thomas Struble, law clerk to CCA, spoke by telephone with John Leibovitz, Blaise Scinto, Peter Daronco, Paul Malmud, and Chris Helzer of the Wireless Telecommunications Bureau regarding the above-referenced proceedings.¹ CCA discussed several issues surrounding the AWS-3 auction, including geographic license sizes, spectrum block sizes and band plans for the AWS-3 band, the use of packaged bidding, and an interoperability requirement for the AWS-3 band.

The Commission originally proposed in its NPRM to auction the AWS-3 band using Economic Areas (“EAs”) as the applicable geographic license size.² However, as CCA and others have pointed out, many smaller carriers will likely be unable to participate in both the incentive auction and the AWS-3 auction if EAs are used as the geographic licensing unit.³ CCA referred the

¹ *Amendment of the Commission's Rules with Regard to Commercial Operations in the 1695-1710 MHz, 1755-1780 MHz, and 2155-2180 MHz Bands, Notice of Proposed Rulemaking and Order on Reconsideration, 28 FCC Rcd 11479 (2013) (“AWS-3 NPRM”); Expanding the Economic and Innovation Opportunities of Spectrum through Incentive Auctions, Notice of Proposed Rulemaking, 27 FCC Rcd 12357 (2012) (“Incentive Auctions NPRM”).*

² AWS-3 NPRM at ¶¶ 3, 50-52.

³ See Comments of CCA, GN Docket No. 13-185, at 7-9 (filed Sept. 18, 2013) (“CCA Comments”); accord Comments of Atlantic Telephone Membership Corp., et al., GN Docket No. 13-185, at 3-4 (filed Jan. 9, 2014); Comments of Bluegrass Cellular, GN Docket No. 13-185, at 3-4 (filed Sept. 18,

Bureau to an economic study it filed last year in the incentive auction docket detailing the economic and social benefits of utilizing smaller geographic license sizes for spectrum auctions.⁴ CCA reiterated the findings from that study, including that smaller geographic license sizes, such as Cellular Market Areas (“CMAs”), would increase participation by smaller carriers and could potentially drive up auction returns in the aggregate, and thus would be the preferred choice for the AWS-3 auction. At a minimum, CCA urged the Commission to employ a variety of geographic license sizes, including CMAs or other smaller license sizes, rather than EAs.⁵

Regarding band plans, the Commission originally proposed in its NPRM to auction the AWS-3 band using five-megahertz building blocks.⁶ This proposal has garnered near universal support in the record.⁷ One commenter, however, has suggested that the AWS-3 band be licensed in spectrum blocks of ten megahertz each, or greater.⁸ CCA stated its position that auction participants can aggregate larger spectrum channels by bidding on multiple 5x5 blocks, but that smaller carriers may not be able to access these blocks on a 10x10 basis, particularly if larger geographic license sizes are used. CCA encouraged the Commission to utilize five-megahertz spectrum building blocks for the AWS-3 auction.

Similarly, the majority of commenters who have addressed the issue of package bidding for the AWS-3 auction have been opposed to it.⁹ CCA reiterated its strong opposition to the use of

2013); Comments of Atlantic Seawinds Communications, LLC, GN Docket No. 13-185, at 1-2 (filed Sept. 18, 2013); Comments of Public Service Wireless Services, Inc., GN Docket No. 13-185, at 1-2 (filed Sept. 18, 2013); Comments of RWA, GN Docket No. 13-185, at 3-6 (filed Sept. 18, 2013); Comments of U.S. Cellular Corp., GN Docket No. 13-185, at 27-36 (filed Sept. 18, 2013); Reply Comments of NTCA – The Rural Broadband Association, GN Docket No. 13-185, at 1-4 (filed Oct. 28, 2013); Reply Comments of NTCH, Inc., GN Docket No. 13-185, at 1-2 (filed Oct. 28, 2013); Reply Comments of RWA, GN Docket No. 13-185, at 2-6 (filed Oct. 28, 2013); Reply Comments of Blooston Rural Carriers, GN Docket No. 13-185, at 1-5 (filed Oct. 28, 2013); Reply Comments of Smith Bagley, Inc., et al., GN Docket No. 13-185, at 2-3 (filed Oct. 28, 2013); Reply Comments of U.S. Cellular Corp., GN Docket No. 13-185, at 30-43 (filed Oct. 28, 2013).

⁴ See Dr. William Lehr and Summit Ridge Group, *Right-Sizing Spectrum Auction Licenses: The Case for Smaller Geographic License Areas in the TV Broadcast Incentive Auction* (Dec. 2013) (attached to *Ex Parte* Letter from Steven K. Berry, President and CEO, CCA to The Hon. Tom Wheeler, Chairman, FCC, GN Docket No. 12-268 (filed Nov. 20, 2013)).

⁵ See CCA Comments at 8; Reply Comments of T-Mobile USA, Inc., GN Docket No. 13-185, at 25 (filed Oct. 28, 2013).

⁶ AWS-3 NPRM at ¶ 47.

⁷ See, e.g., Reply Comments of AT&T, GN Docket No. 13-185, at 7 (filed Oct. 28, 2013); Comments of T-Mobile USA, Inc., GN Docket No. 13-185, at 28 (filed Sept. 18, 2013); Reply Comments of U.S. Cellular Corp., GN Docket No. 13-185, at 21-23 (filed Oct. 28, 2013); Comments of Mobile Future, GN Docket No. 13-185, at 15 (filed Sept. 18, 2013).

⁸ See Comments of Verizon Wireless, GN Docket No. 13-185, at 15-16 (filed Sept. 18, 2013).

⁹ See, e.g., Comments of RWA, GN Docket No. 13-185, at 5 (filed Sept. 18, 2013); Comments of U.S. Cellular Corp., GN Docket No. 13-185, at 36-49 (filed Sept. 18, 2013); Reply Comments of Smith Bagley, Inc. et al., GN Docket No. 13-185, at 4 (filed Oct. 28, 2013); Reply Comments of U.S. Cellular Corp., GN Docket No. 13-185, at 43-47 (filed Oct. 28, 2013); *but see* Comments of

package bidding in this auction, as it will add increasing complexity to the auction and fundamentally disadvantage small, midsize, and rural carriers.¹⁰

Finally, CCA urged the Commission to adopt an interoperability requirement for the AWS-3 band. Depending on the band plan ultimately adopted for the AWS-3 spectrum, that band could fall victim to the same interoperability issues that until recently plagued the Lower 700 MHz band. Imposing a clear, *ex ante* interoperability requirement ahead of the AWS-3 auction is the only way to ensure the development of a robust ecosystem of devices capable of operating across the entirety of the band. Creation of a “boutique” band class would hinder the global market for handsets and delay build out for this spectrum. CCA thus urged the Commission to avert this problem by adopting an up-front interoperability rule for the AWS-3 band, such as the proposal offered by U.S. Cellular.¹¹

This notice is being filed pursuant to Section 1.1206(b) of the Commission’s rules. Should you have any questions, please contact the undersigned.

Sincerely,

/s/ C. Sean Spivey

C. Sean Spivey
Assistant General Counsel

cc: John Leibovitz
Chris Helzer
Blaise Scinto
Paul Malmud
Peter Daronco

TIA, GN Docket No. 13-185, at 14 (filed Sept. 18, 2013); Comments of Verizon Wireless, GN Docket No. 13-185, at 16-17 (filed Sept. 18, 2013).

¹⁰ See Supplemental Reply Comments of CCA, GN Docket No. 13-185, at 10-11 (filed Jan. 23, 2014).

¹¹ See Reply Comments of U.S. Cellular Corp., GN Docket No. 13-185, at 27-30 (filed Oct. 28, 2013).