

Tamara Preiss  
Vice President  
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March 21, 2014

**Ex Parte**

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

**Re: 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; Policies Regarding Mobile Spectrum Holdings, GN Docket No. 12-269**

Dear Ms. Dortch:

Please find attached a revised version of an *ex parte* letter filed earlier today, which corrects a typographical error on page 2 of the document.

This letter is being filed pursuant to Section 1.1206 of the Commission's Rules. Should you have any questions, please contact the undersigned.

Sincerely,

A handwritten signature in black ink, appearing to read "Tamara Preiss".

Attachment

cc: (via e-mail)

Commissioner Ajit Pai  
Nicholas Degani  
Brendan Carr

Commissioner Michael O'Rielly  
Erin McGrath

Ruth Milkman  
Renee Gregory



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March 21, 2014

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

**Re: 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; Policies Regarding Mobile Spectrum Holdings, WT Docket No. 12-269**

Dear Ms. Dortch:

On March 19, Kathleen Grillo and Michael Glover from Verizon met with Commissioner Ajit Pai, and Nicholas Degani and Brendan Carr, Legal Advisors to the Commissioner, to discuss the above-referenced proceedings. On March 21, Ms. Grillo and Mr. Glover met separately with Commissioner Michael O'Rielly and his legal advisor Erin McGrath, and with Ruth Milkman, Chief of Staff, and Renee Gregory, Legal Advisor, to Chairman Wheeler.

During the meetings, we discussed Verizon's previous filings in the spectrum holdings proceeding, which demonstrated that Sprint's Broadband Radio Service (BRS) and Educational Broadband Service (BRS) spectrum in the 2.5 GHz band is suitable and available for use and should be added to the spectrum screen.<sup>1</sup> We stated that, given that the AWS-3 auction will begin as soon as September 2014, potential bidders need certainty well in advance of that date about the applicable spectrum aggregation rules. The Commission should act quickly to add the remaining 2.5 GHz spectrum to the screen, as well as the AWS-4 and H block spectrum.

We stated that we support the proposed band plan for the AWS-3 auction (with two 10x10 MHz blocks licensed on an EA basis and one 5x5 MHz block with smaller licenses) as a reasonable compromise between licensing the spectrum based on REAGs, which would be the most efficient licensing scheme, and the use of smaller licenses as some other parties have urged. Licensing the spectrum using EAs is more efficient than smaller licenses, will allow the spectrum to be deployed more quickly to benefit consumers, and will produce more revenues to cover the cost of clearing the spectrum and to fund the public safety network. In

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<sup>1</sup> Letter from Kathleen Grillo, Verizon, to Marlene H. Dortch, FCC, WT Docket No. 12-269, at Attachment: The Evolution of the 2.5 GHz Band and Its Success for Mobile Broadband Demand a Spectrum Screen Refresh (filed Mar. 5, 2014).

addition, the proposal to auction a 5x5 MHz block with smaller geographic licenses provides an opportunity to purchase smaller licenses in the current auction, and the band plan proposed for the incentive auction by a cross section of the industry would make additional 5x5 MHz blocks available.

We also discussed the importance of 10x10 MHz blocks for the AWS-3 auction. LTE equipment is optimized for 20x20 MHz, and wider channels (10x10 MHz and higher) enable licensees to provide greater throughput to more customers. For this reason, companies deploying LTE on AWS-1 spectrum have generally done so on blocks that are 10x10 MHz or greater. In addition, carrier aggregation allows wireless providers to bond non-contiguous spectrum bands to create wider channels, but there are limits on the number of carriers that can be aggregated. Requiring carrier aggregation within the AWS-3 band to create a 10x10 MHz channel would limit the ability to aggregate other spectrum bands. We also noted that in the AWS-1 auction, the largest licenses auctioned there produced nearly double the revenues measured on a per MHz/POPs basis as the smallest licenses (\$.67 per MHz/POP for 10x10 MHz blocks on a REAG basis compared to \$.37 per MHz/POP for licenses on a CMA basis). The FCC should not further fragment the AWS-3 band and instead should license it in two 10x10 MHz blocks on an EA basis and one 5x5 MHz block with smaller license sizes.

We also urged the Commission to allow package bidding in the auction. Further, if the Commission were to adopt smaller license area sizes, such as CMAs, package bidding is all the more imperative.

We also addressed potential shared use of the AWS-3 spectrum by federal users. We stated that the FCC should promote sharing in bands explicitly identified for shared use, such as the broadcast auxiliary spectrum (BAS) band, 1780-1850 MHz, and the 3.5 GHz band, and not require sharing in bands licensed for exclusive, flexible use. Moreover, Verizon addressed Oceus' claims that military bases are underserved by CMRS operators because carriers decline to deploy in those areas.<sup>2</sup> We made clear that in fact access to military bases and processes to gain approval to construct and operate wireless facilities on bases make siting there more difficult. Verizon Wireless is currently working with the Administration's Federal Property Working Group to improve access to federal lands and policies that currently make siting on Federal lands difficult. The Working Group, established pursuant to Executive Order, is considering a number of measures designed to facilitate wired and wireless broadband infrastructure deployment on Federal lands.

Finally, we stated that Verizon supports technical rules for the AWS-3 spectrum that are consistent with the rules for the AWS-1 band. This consistency will facilitate use of the AWS-3 spectrum and interoperability across the AWS-1 and AWS-3 bands. As a result, it is not necessary to adopt an interoperability mandate.

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<sup>2</sup> See, e.g., Letter from Jay Chauhan, Oceus Networks, to Marlene H. Dortch, Secretary, FCC, GN Docket No. 13-185 (filed March 12, 2014), Attachment at 9.

Ms. Marlene Dortch

March 21, 2014

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This letter is being filed pursuant to Section 1.1206 of the Commission's Rules. Should you have any questions, please contact the undersigned.

Sincerely,

A handwritten signature in black ink that reads "Kathleen Grillo". The signature is written in a cursive style with a large initial 'K' and a distinct 'G'.

cc: (via e-mail)

Commissioner Ajit Pai  
Nicholas Degani  
Brendan Carr

Commissioner Michael O'Rielly  
Erin McGrath

Ruth Milkman  
Renee Gregory