



February 12, 2014

VIA ELECTRONIC FILING

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

Re: **Ex Parte Presentation**
GN Docket No. 12-268: *Expanding the Economic and Innovation Opportunities of Spectrum Through Incentive Auctions*
GN Docket No. 13-185: *Amendment of the Commission's Rules with Regard to Commercial Operations in the 1695-1710, 1755-1780, and 1255-2180 MHz Bands*

Dear Ms. Dortch:

On February 10, 2014, Caressa D. Bennet, General Counsel for the Rural Wireless Association ("RWA"),¹ and Jill Canfield, Director of Legal and Industry & Assistant General Counsel for NTCA – The Rural Broadband Association ("NTCA"),² (collectively, "the Associations") met separately with Renee Gregory, Legal Advisor to Chairman Wheeler and Roger Sherman, Acting Chief of the Wireless Telecommunications Bureau; Legal Advisor, Erin McGrath from Commissioner O' Rielly's office; and Commissioner Clyburn, her Legal Advisor, Louis Peraetz and her Law Clerk, Pauline Lee. On February 11, 2014, the Associations met with David Goldman, Senior Legal Advisor to Commissioner Rosenworcel and Jeffrey Neumann, Acting Legal Advisor to Commissioner Pai's. (collectively, the "Commission Representatives").

During the meetings, the Associations' expressed their support for the use of Cellular Market Areas ("CMAs") as the geographic license areas in the 600 MHz Broadcast Incentive Auction. Like the majority of those that filed comments in response to the Wireless

¹ The Rural Wireless Association, Inc. is a 501(c)(6) trade association dedicated to promoting wireless opportunities for rural telecommunications companies who serve rural customers and those consumers traveling to rural America. RWA's members are small businesses serving or seeking to serve secondary, tertiary, and rural markets. RWA's members are comprised of both independent wireless carriers and wireless carriers that are affiliated with rural telephone companies. Each of RWA's member companies serves fewer than 100,000 subscribers.

² NTCA represents nearly 900 rural rate-of-return regulated telecommunications providers. All of NTCA's members are full service local exchange carriers and broadband providers, and many provide wireless, video, satellite, and/or long distance services as well.

Telecommunications Bureau's *Public Notice*³ regarding the Competitive Carriers Association ("CCA") proposal⁴ to adopt Partial Economic Areas ("PEAs") as the geographic license area in the 600 MHz Broadcast Incentive Auction, the Associations discussed their strong preference that the Commission adopt CMAs instead of PEAs. The Associations pointed out that many PEAs, as proposed in the December 23, 2013 CCA Revised PEA Ex Parte,⁵ remain too large to ensure the auction participation level necessary to ensure dissemination of licenses to small businesses and rural telephone companies. For many carriers, the use of PEAs would preclude auction participation in much the same way as Economic Areas ("EAs"). This is particularly true for carriers west of the Mississippi River. The Associations referenced the attached maps.

The Associations and the Commission Representatives discussed the Associations' concerns with the Commission's desire to limit the overall number of licenses being auctioned to limit the length of time it will take to complete the auction. The Associations sought clarification regarding the maximum number of lots the Commission would entertain and discussed options for creating smaller PEAs west of the Mississippi. The Associations informed the Commission Representatives that the Associations continue to have discussions with other representatives of rural telecommunications providers and the industry as a whole to determine if a mutually acceptable alternative licensing mechanism can be developed.

The Associations also shared their concerns regarding package bidding, which would make it extremely difficult for small businesses and rural carriers to win individual licenses because they will be competing against national carriers bidding on packages of licenses. The Associations pointed out that large carriers rarely, if ever, have difficulty out-bidding small businesses and rural carriers for licenses they truly want. The Associations stated they do not believe large carriers would fail to bid on licenses just because the Commission did not adopt package bidding. The Associations also voiced their concern with the Commission's desire to ensure the 600 MHz geographic license areas "nest" within EAs because nesting would enable package bidding. The Associations reiterated the arguments put forth in the joint reply comments that "nesting" is not statutorily required, is not a public interest goal, and is not necessary to ensure a successful auction. The Associations and Commission Representatives also discussed the concept of pre-packaged auction lots, described as defined metropolitan geographic areas that would be packaged together for a single bid.

The Associations stand ready to work with the Commission and other parties as the 600 MHz Broadcast Incentive Auction proceeding moves forward. Pursuant to Section 1.1206 of the

³ *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, Public Notice, DA 13-2351 (WTB, Dec. 11, 2013) ("*Public Notice*").

⁴ Letter from Rebecca Murphy Thompson, General Counsel, Competitive Carriers Association, to Marlene H. Dortch, Secretary, FCC (Nov. 27, 2013) ("CCA PEA Ex Parte"); *see also* Letter from C. Sean Spivey, Competitive Carriers Association, to Marlene Dortch, Secretary, FCC (Dec. 23, 2013) ("CCA Revised PEA Ex Parte").

⁵ CCA submitted Reply Comments in this proceeding that proposed further changes to PEA boundaries. RWA and NTCA are reviewing these proposed changes.

Commission's rules, a copy of this letter is being filed in ECFS. Please do not hesitate to contact the undersigned with any questions.

By: /s/ Caressa D. Bennet

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By: /s/ Jill Canfield

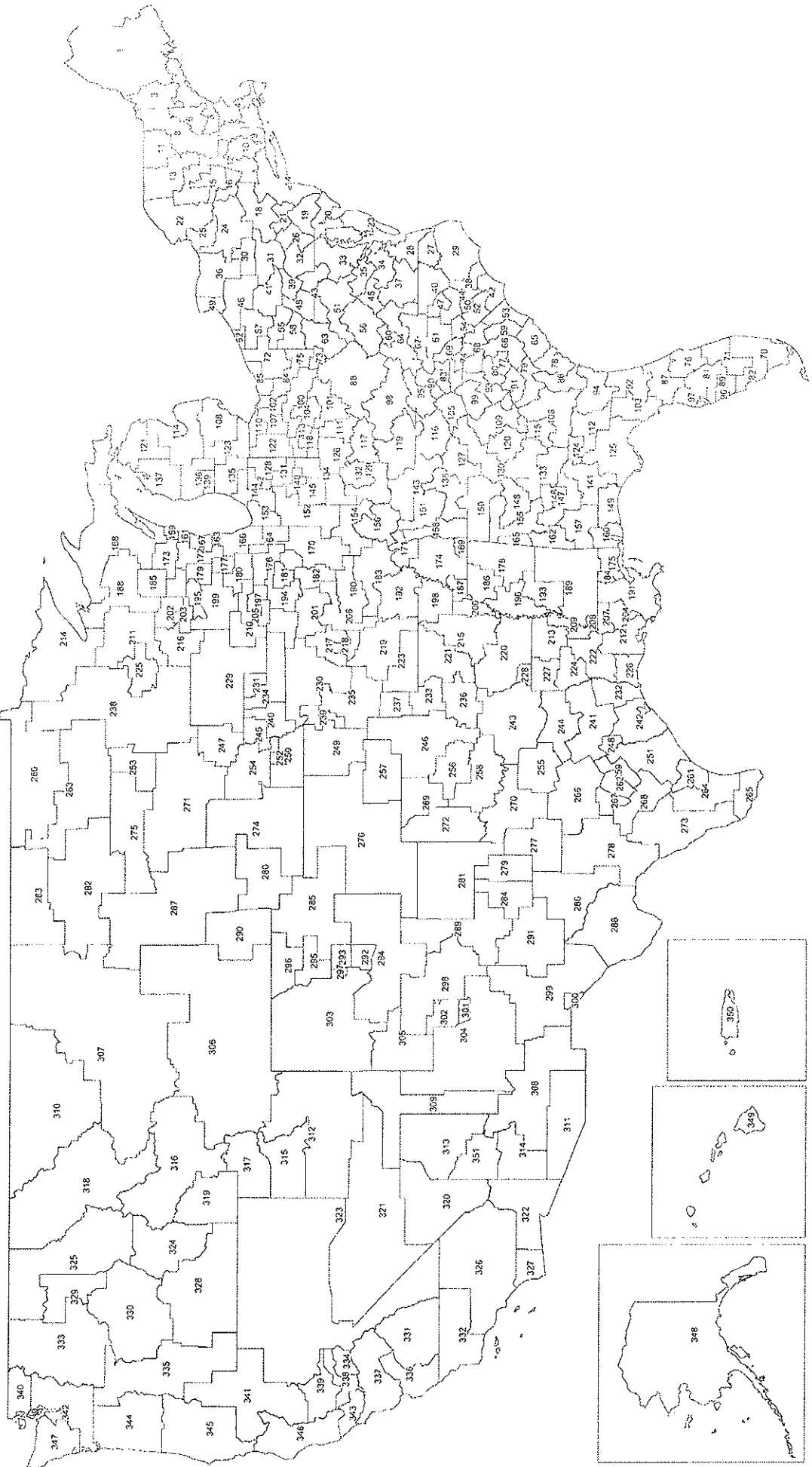
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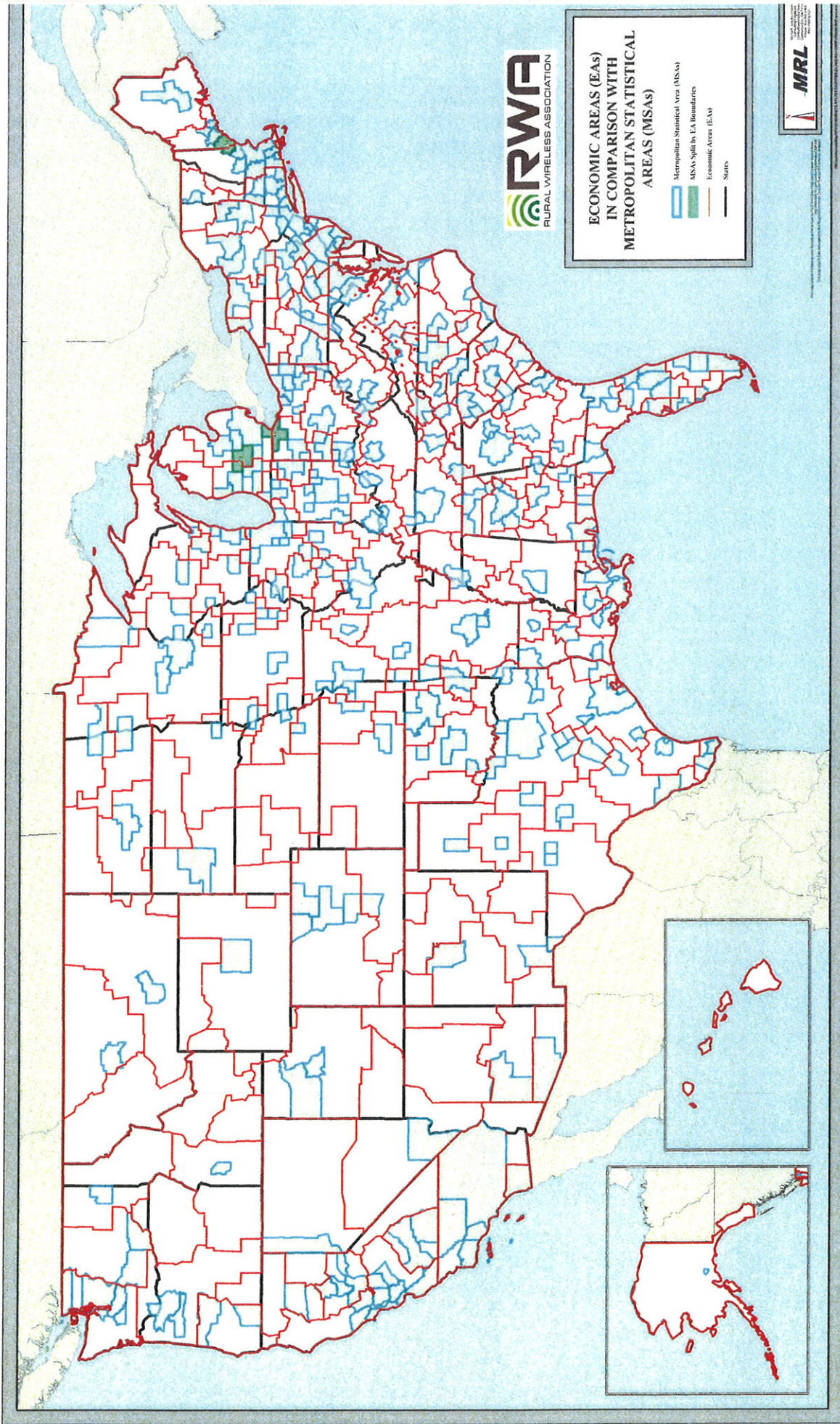
Attachments

CC: Renee Gregory
Roger Sherman
Erin McGrath
Commissioner Mignon Clyburn
Louis Paraetz
Pauline Lee
David Goldman
Jeffrey Neumann

Proposed PEA Boundaries

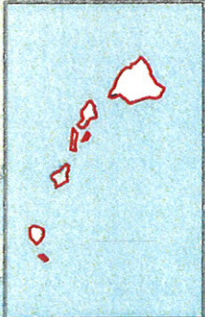
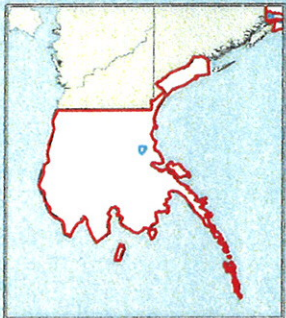
11/27/2013





**ECONOMIC AREAS (EAs)
IN COMPARISON WITH
METROPOLITAN STATISTICAL
AREAS (MSAs)**

- Metropolitan Statistical Area (MSA)
- MSA Split by EA Boundaries
- Economic Area (EA)
- States





**CELLULAR MARKET AREAS (CMAs)
RURAL SERVICE AREAS (RSAs)
IN COMPARISON WITH
METROPOLITAN STATISTICAL
AREAS (MSAs)**

- Metropolitan Statistical Area (MSA)
- Rural Service Area (RSA)
- Economic Area (EA)
- State

