

May 11, 2015

Via ECFS

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

Re: EX PARTE NOTICE

GN Docket No. 12-268: Expanding the Economic and Innovation Opportunities of Spectrum Through Incentive Auctions;
WT Docket No. 12-269: Policies Regarding Mobile Spectrum Holdings;
AU Docket No. 14-252: Comment Sought on Competitive Bidding Procedures for Broadcast Incentive Auction 1000, Including Auctions 1001 and 1002

Dear Ms. Dortch:

On May 7, 2015, Steve Berry, Tim Donovan and Rebecca Thompson of Competitive Carriers Association (CCA); Michael Calabrese of New America's Open Technology Institute; Ben Moncrief of C Spire; Tony Veach of the Rural Wireless Association, Inc.; Hadass Kogan of DISH Network Corporation (DISH); Larry Krevor and Rafi Martina of Sprint Corporation (Sprint); Angie Kronenberg of COMPTEL; Kathleen Ham of T-Mobile USA, Inc. (T-Mobile); Ken Kurokawa of Computer & Communications Industry Association (CCIA); Jill Canfield of NTCA – The Rural Broadband Association; and Trey Hanbury, counsel for T-Mobile (collectively, "SaveWirelessChoice"), met with Louis Peraertz, Senior Legal Advisor to Commissioner Mignon Clyburn, to discuss various aspects of the 600 MHz broadcast incentive auction.

As described in the attached Press Release, SaveWirelessChoice is a broad-based coalition of public interest and technology groups, competitive wireless carriers, consumer, industry and trade groups organized to encourage the Commission to adopt pro-competitive rules



for the upcoming 600 MHz incentive auction.¹ At the start of the meeting, SaveWirelessChoice emphasized the importance of the upcoming 600 MHz auction to the future of wireless competition. The group focused on improvements to the quantity and quality of the reserve and offered two policy recommendations. First, we urged the Commission to conduct the incentive auction in early 2016, as planned, to meet burgeoning consumer demand for wireless broadband services. Second, we urged the Commission to ensure that the quantity and quality of the spectrum reserve is sufficient to promote greater broadband competition and increased bidder certainty.

SaveWirelessChoice explained how increasing the size of the spectrum reserve to at least four blocks (40 megahertz), or 50% of the auctioned spectrum, and allocating only the leastimpaired blocks in each market to the reserve would promote competition and reverse spectrum concentration. In addition, SaveWirelessChoice said the Commission can reduce uncertainty and increase the overall success of the auction by limiting impairments while providing a robust band plan across most of the country. SaveWirelessChoice emphasized that the goal of the auction design should be to strike a balance between producing enough spectrum to support competition, while ensuring that repurposed spectrum is sufficiently clear of impairments to promote rapid and effective deployment. By contrast, a "lowest common denominator" band plan would not only hurt carriers' ability to meet growing consumer demand, but also decrease opportunities for competitive entry by limiting the amount of spectrum recovered.

SaveWirelessChoice also explained that the Commission can promote competition by improving implementation of the reserve so that it does not reintroduce foreclosure risk. Throughout the auction, the Commission's goal should be to limit opportunities for inefficient and potentially harmful bidding practices that would frustrate the pro-competitive purpose of the reserve. The Commission can avoid foreclosure-level pricing that could drive reserve-eligible bidders out of the auction prior to the reserve's implementation by initiating the reserve at the beginning of the forward auction or by eliminating the cost component of the reserve trigger. In summary, SaveWirelessChoice stated that these forward auction refinements would produce an auction result that promotes competition among wireless broadband providers, which in turn produces increased consumer benefits.

¹ Charter members of SaveWirelessChoice include: C Spire, CCA, COMPTEL, Computer & Communications Industry Association (CCIA), the Consumer Federation of America, DISH, Engine Advocacy, NTCA – The Rural Broadband Association, Public Knowledge, RWA, Sprint Corporation, T-Mobile and the Writers Guild of America, West. Additional information about the coalition is available at <u>www.SaveWirelessChoice.com</u>.



This ex parte notification is being filed electronically with your office pursuant to Section 1.1206 of the Commission's Rules.

Sincerely,

/s/ Rebecca Murphy Thompson

Rebecca Murphy Thompson General Counsel Competitive Carriers Association

cc (via e-mail): Louis Peraertz



SaveWirelessChoice.com Champions Fair Rules for Incentive Auction

Broad-based coalition joins fight to promote a competitive wireless market

Washington, D.C., April 27, 2015 - With a call to policymakers across the political divide, SaveWirelessChoice.com – a coalition of public interest groups, wireless carriers, consumer and trade groups – launched today, urging adoption of pro-competitive rules for the upcoming 600 MHz incentive auction. As the last prime spectrum real estate available, it is critical to ensure that smaller wireless providers have fair access to enough low-band spectrum to meaningfully compete against the country's two largest carriers – AT&T and Verizon – who already own nearly three quarters of this valuable spectrum nationwide.

The group's charter members include C Spire, Competitive Carriers Association (CCA), COMPTEL, Computer & Communications Industry Association (CCIA), Consumer Federation of America, Dish, Engine, NTCA – The Rural Broadband Association, Public Knowledge, Rural Wireless Association, Sprint, T-Mobile and Writers Guild of America, West.

"If we want the kind of competition in wireless that creates price wars consumers love, drives carriers to invest in their networks and forces carriers to keep looking for innovative devices and business models, we can't let the two biggest carriers cement their spectrum dominance," said Harold Feld, Senior Vice President, Public Knowledge. "We need to make sure that competitors and would-be competitors get enough high quality low-band spectrum to offset the overwhelming low-band spectrum advantage the legacy Bell operators - AT&T and Verizon - have leveraged to keep their market dominance."

"The members of SaveWirelessChoice are united by a single issue that holds massive consequences for U.S. consumers, businesses and the entire broadband economy - and that is whether the future of wireless will be dominated by a duopoly or by competition," said Steven K. Berry, President and CEO, CCA. "The auction of this valuable low-band spectrum will determine the answer to that question, and we need to make sure that answer is one that provides the greatest benefit to consumers."

SaveWirelessChoice.com has broad support from consumer groups and across industries to encourage the FCC to take two essential actions that help protect consumers: hold the auction in early 2016 as planned and increase the size of the spectrum reserve to 40 MHz, or at least half of the spectrum available in the auction. Creating an adequate reserve of quality spectrum for companies who don't already own more than 1/3 of the low-band spectrum in any given market will go a long way toward leveling the playing field for a competitive market that will benefit consumers for decades to come.



"Both the Department of Justice and the Federal Communications Commission have spoken definitively about the importance of effective policies – especially as to spectrum availability – that support robust wireless broadband competition," said Chip Pickering, CEO, COMPTEL. "The incentive auction is the most critical opportunity yet to deliver on that goal."

SaveWirelessChoice.com will hold a second briefing today on Capitol Hill to educate Members of Congress, their staff, and press on spectrum issues and their impact on competition. For more information about SaveWirelessChoice.com, please visit <u>www.savewirelesschoice.com</u> and follow us @SaveWireless.