



PUBLIC NOTICE

FEDERAL COMMUNICATIONS COMMISSION
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DA 00-877
April 18, 2000

AUCTION OF ADDITIONAL LICENSES FOR 800 MHz SPECIALIZED MOBILE RADIO (SMR) SERVICE TO BE INCLUDED IN AUCTION NO. 34 SCHEDULED FOR AUGUST 23, 2000

COMMENT SOUGHT ON RESERVE PRICES OR MINIMUM OPENING BIDS AND OTHER AUCTION PROCEDURAL ISSUES

Report No. AUC-00-34-B (Auction No. 34)

This Public Notice provides additional information about the 800 MHz licenses being offered in Auction No. 34.¹ Specifically, Auction No. 34 will include three 800 MHz Upper Band licenses (861-865 MHz). Attachment A contains a listing of the three additional licenses that will be offered in Auction No. 34. This Public Notice also seeks comment on procedural issues related to the auctioning of these licenses in Auction No. 34.

The frequencies and channels numbers associated with each spectrum block are listed below. Spectrum block A is allocated 20 channels, spectrum block B is allocated 60 channels, and spectrum block C is allocated 120 channels.

¹ See "Auction of Licenses for 800 MHz Specialized Mobile Radio (SMR) Service General Category Frequencies in the 851-854 MHz Band Scheduled for August 23, 2000," *Public Notice*, DA 00-667 ("Auction No. 34 Comment Public Notice") (rel. March 23, 2000).

Spectrum Block	Channel Numbers	Frequencies (Base & Mobile)
A	401 - 420	861.0 – 861.5 MHz 816.0 – 816.5 MHz
B	421 - 480	861.5 – 863.0 MHz 816.5 – 818.0 MHz
C	481 - 600	863.0 – 866.0 MHz 818.0 – 821.0 MHz

I. Reserve Price or Minimum Opening Bid

The Bureau proposes to utilize the same minimum opening bids previously established for the 800 MHz Upper Band licenses in Auction No. 16, rounded to the nearest hundred dollars.² A list of the three additional licenses, including the related geographic service area population and minimum opening bid, is attached hereto as Attachment A. The Bureau believes minimum opening bids, rather than reserve prices, will help to regulate the pace of the auction and provide greater flexibility. Comment is sought on this proposal. Alternatively, comment is sought on whether, consistent with the Balanced Budget Act of 1997, the public interest would be served by having no minimum opening bid or reserve price.³

II. Upfront Payments and Initial Maximum Eligibility for Each Bidder

The Bureau proposes to use the same upfront payments as previously established for the 800 MHz Upper Band licenses in Auction No. 16.⁴ A list of these licenses, including the related geographic service area population and upfront payment, is attached hereto as Attachment A. We seek comment on this proposal.

We further propose that the amount of the upfront payment submitted by a bidder will determine the initial maximum eligibility (as measured in bidding units) for each bidder. Upfront payments will not be attributed to specific licenses, but instead will be translated into bidding units to define a bidder's initial maximum eligibility, which cannot be increased during the auction. Thus, in calculating the upfront payment amount, an applicant must determine the *maximum* number of bidding units it may wish to bid on (or hold high bids on) in any single round, and

² See "Auction of 800 MHz SMR Upper 10 MHz Band, Minimum Opening Bids or Reserve Prices," *Order*, DA 97-2147 (rel. Oct. 6, 1997).

³ Section 3002(a)(E)(i), Balanced Budget Act of 1997, Pub. L. 105-33, 111 Stat. 251 (1997) ("Budget Act"), amending Section 309(j) of the Communications Act, 47 U.S.C. § 309(j).

⁴ See "Auction of 800 MHz Specialized Mobile Radio Service Licenses, Auction Notice and Filing Requirements for 525 Licenses in the Upper 200 Channels Scheduled for October 28, 1997," *Public Notice*, DA 97-1672 ("Auction No. 16 Public Notice") (rel. August 6, 1997).

submit an upfront payment covering that number of bidding units. We seek comment on this proposal.

III. Other Auction Procedural Issues

In the *Auction No. 34 Comment Public Notice*⁵, the Bureau set forth and sought comment on the following proposals relating to auction structure and bidding procedures: (1) simultaneous multiple round auction design; (2) upfront payments and initial maximum eligibility; (3) activity rules; (4) activity rule waivers and reducing eligibility; (5) information relating to auction delay, suspension or cancellation; (6) round structure; (7) reserve or minimum opening bid; (8) minimum accepted bids and bid increments; (9) information regarding bid withdrawal and bid removal; and (10) the stopping rule. The Bureau proposes to utilize the same auction structure and procedures for the additional licenses listed in Attachment A that it utilizes for the auction of all other licenses in Auction No. 34. We seek comment on these proposals as they relate to the licenses listed in Attachment A.

IV. Conclusion

Comments are due on or before April 28, 2000, and reply comments are due on or before May 5, 2000. To file formally, parties must submit an original and four paper copies to the Office of the Secretary, Federal Communications Commission, Federal Communications Commission, 445 12th Street, SW, TW-A325, Washington, D.C. 20554. In addition, parties must submit one copy to M. Nicole Oden, Attorney, Auctions and Industry Analysis Division, Wireless Telecommunications Bureau, Federal Communications Commission, Room 4-A337, 445 12th Street SW, Washington, D.C. 20554 and one copy to Rana Shuler, Auctions and Industry Analysis Division, Wireless Telecommunications Bureau, Federal Communications Commission, Room 4-A628, 445 12th Street SW, Washington, D.C. 20554. Comments and reply comments will be available for public inspection during regular business hours in the FCC Public Reference Room, Room CY-A257, 445 12th Street SW, Washington, D.C. 20554.

For further information concerning this proceeding, contact Nicole Oden, Auctions and Industry Analysis Division, (Legal Branch) at (202) 418-0660; Kathy Garland or Bob Reagle, Auctions and Industry Analysis Division, (Auction Operations) at (717) 338-2888.

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⁵ See *supra* note 1.