



# PUBLIC NOTICE

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**DA 01-12**  
**January 5, 2001**

## **AUCTION OF LICENSES IN THE 747-762 AND 777-792 MHz BANDS SCHEDULED FOR MARCH 6, 2001**

### **MODIFICATIONS TO THE CALCULATION FOR DETERMINING MINIMUM ACCEPTABLE BIDS AND THE PROVISIONS CONCERNING “LAST AND BEST BIDS” AND OTHER PROCEDURAL ISSUES**

### ***BIDDER SEMINAR SCHEDULED FOR JANUARY 23, 2001, AND TEST OF PACKAGE BIDDING SYSTEM SET FOR JANUARY 24, 25, AND 26, 2001***

#### **Report No. AUC-00-31-J (Auction No. 31)**

In this *Public Notice*, the Wireless Telecommunications Bureau (“Bureau”) announces two refinements to the package bidding procedures for Auction No. 31. We adopt our proposal to change part (iii) of the formula for determining minimum acceptable bids to incorporate a shortfall allocation. This revision will ensure a reasonable auction pace and a timely close of the auction. We also adopt our proposal to change provisions concerning last and best bids to allow a bidder to submit up to two sets of last and best bids. This is likely to produce a more efficient assignment of licenses because it permits bidders to express their valuations more precisely. In addition, the Bureau highlights for prospective bidders the dates already set forth for the conduct of Auction No. 31 and recent changes to the Competitive Bidding Rules.<sup>1</sup> To further facilitate participation in the first auction that will allow package bidding as an option, the Bureau has included, in Attachments A and B to this *Public Notice*, a summary of the provisions that will govern package bidding in this auction and a chart that summarizes package bidding activity

<sup>1</sup> See Amendment of Part 1 of the Commission’s Rules — Competitive Bidding Procedures, WT Docket No. 97-82, *Order on Reconsideration of the Third Report and Order, Fifth Report and Order, and Fourth Further Notice of Proposed Rule Making*, FCC 00-274, 15 FCC Rcd. 15293, (rel. August 14, 2000), 65 Fed Reg. 52323 (August 29, 2000) (“*Part 1 Fifth Report and Order*”); See also Amendment of Part 1 of the Commission’s Rules — Competitive Bidding Procedures, WT Docket No. 97-82, *Erratum*, DA 00-2475 (rel. Nov. 3, 2000).

calculations; respectively. This *Public Notice* also contains the following additional attachments: (i) Attachment C, the registration form for participation in the bidders' seminar; (ii) Attachment D, guidelines for completing FCC Form 175 and exhibits; (iii) Attachment E, an explanation of electronic filing and review of FCC Form 175; (iv) Attachment F, instructions for accessing the FCC network to file FCC Form 175; and (v) Attachment G, FCC Bidding Preference/Remote Security Access Cards Software Order Form.

On July 3, 2000, the Bureau announced the procedures<sup>2</sup> for implementing package bidding for Auction No. 31.<sup>3</sup> After further testing and analysis, the Bureau issued *Auction No. 31 Package Bidding Further Comment Public Notice*<sup>4</sup> proposing changes to and seeking comment on the following matters: (i) the calculation for determining minimum acceptable bids; and (ii) the provisions concerning last and best bids. In response to the *Auction No. 31 Package Bidding Further Comment Public Notice*, comments were filed by Verizon Wireless ("Verizon"),<sup>5</sup> Aleksandar Pecec and Michael H. Rothkopf,<sup>6</sup> and Charles R. Plott.<sup>7</sup> No reply comments were filed.<sup>8</sup>

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<sup>2</sup> See Auction of Licenses in the 747-762 and 777-762 and 777-792 MHz Bands Scheduled for September 6, 2000, Procedures Implementing Package Bidding for Auction No. 31; Bidder Seminar Scheduled for July 24, 2000, *Public Notice*, DA 00-1486, 15 FCC Rcd 11526, (rel. July 3, 2000) ("*Auction No. 31 Package Bidding Procedures Public Notice*").

<sup>3</sup> The Bureau issued a *Public Notice* that announced the procedures that will govern the overall conduct of Auction No. 31. See Auction of Licenses in the 747-762 and 777-792 MHz Bands; Auction Notice and Filing Requirements for 12 Licenses in the 700 MHz Bands Auction Scheduled for May 10, 2000; Minimum Opening Bids and Other Auction Procedural Issues, *Public Notice*, DA 00-292, 15 FCC Rcd 2921 (rel. Feb. 18, 2000), 65 Fed. Reg. 12251 (Mar. 8, 2000) ("*Auction No. 31 Procedures Public Notice*"). The auction procedures announced in the *Auction No. 31 Procedures Public Notice* remain in effect except as modified by: (i) this *Public Notice*; (ii) the *Auction 31 Package Bidding Procedures Public Notice*, above; (iii) the *Public Notice* issued by the Commission that rescheduled Auction No. 31, see Auction of Licenses for the 747-762 and 777-792 MHz Bands Postponed until March 6, 2001, WT Docket No. 99-168, *Public Notice*, FCC 00-282 (rel. July 31, 2000) ("*Bidder Postponement Public Notice*"); and (iv) changes in the Competitive Bidding Rules (See *Part 1 Fifth Report and Order*, *supra*).

<sup>4</sup> See Auction of Licenses in the 747-762 and 777-792 MHz Bands Scheduled for March 6, 2001, Comment Sought on Modifying the Calculation for Determining Minimum Accepted Bids and Changing the Provisions Concerning "Last and Best" Bids, *Public Notice*, DA 00-2404 (rel. November 2, 2000), 65 Fed. Reg. 66752 (November 7, 2000) ("*Auction No. 31 Package Bidding Further Comment Public Notice*").

<sup>5</sup> See Comments of Verizon Wireless (filed November 15, 2000).

<sup>6</sup> See Discussion of the Novel Auction Rules Should Not Be Limited to a Few Details, Comments on DA 00-2404, "Comment Sought on Modifying the Calculation for Determining Minimum Accepted Bids and Changing the Provisions Concerning *Last and Best Bids*" Report No. AUC-00-31-I (Auction No. 31), filed by Aleksandar Pecec and Michael H. Rothkopf, (filed November 15, 2000) ("Pecec and Rothkopf Comments").

<sup>7</sup> See The FCC Rules for the 700 MHz Auction: A Potential Disaster, California Institute of Technology, Charles R. Plott, ("Plott Comments") (filed November 15, 2000).

<sup>8</sup> The *Auction No. 31 Package Bidding Further Comment Public Notice* allowed interested parties until November 22, 2000, to file reply comments. No replies were filed, but on November 26, 2000, Paul Milgrom submitted to the Auctions and Industry Analysis Division "Putting Auction Theory to Work: Ascending Auctions with Package Bidding" ("Milgrom Comments").

## I. Calculation for Determining Minimum Acceptable Bids

### Background

In the *Auction No. 31 Package Bidding Procedures Public Notice*, the Bureau adopted a three-part formula for determining minimum acceptable bids.<sup>9</sup> Specifically, the minimum acceptable bid for any license or package would be the greater of: (i) the minimum opening bid; (ii) the bidder's own previous high bid on that package plus x%, where the Bureau would specify the value of x in each round; and (iii) the number of bidding units<sup>10</sup> for the license or package multiplied by the lowest \$/bidding unit on any provisionally winning package in the last 5 rounds.

In the *Auction No. 31 Package Bidding Further Comment Public Notice*, we proposed to replace part (iii) of the minimum acceptable bid formula with the *sum* of a bidder's previous high bid on a license/package and a share of the increase in revenue needed to tie the provisional winners.<sup>11</sup> We defined the *shortfall* associated with a license/package as the difference between the revenue of the provisionally winning bid set<sup>12</sup> and the maximum total revenue associated with the set of bids that includes that particular license/package.<sup>13</sup> The *deficit* was defined as an allocation of the shortfall to the particular license/package in proportion to its share of bidding units relative to those associated with bids that were not part of the provisionally winning set but are part of the set that maximizes revenue when including the particular license/package.<sup>14</sup> (When there is more than one set of bids that yields the same shortfall for a given bid, we proposed to choose the shortfall set that includes the most provisionally winning bidding units.) We proposed to set part (iii) of the minimum acceptable bid formula initially to be a bidder's previous high bid on a license/package plus 100 percent of the deficit, but retain the discretion to adjust the percentage of the deficit during the course of the auction to provide control over the auction's pace.<sup>15</sup>

### Discussion.

Pekec and Rothkopf agree that using the shortfall calculation in the determination of the minimum acceptable bid price is a clear improvement to the originally proposed calculation.<sup>16</sup>

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<sup>9</sup> See 15 FCC Rcd. at 11545-11547.

<sup>10</sup> Prior to the auction, licenses are assigned a specific number of *bidding units* for the purpose of calculating bidder compliance with the activity rules. The number of bidding units assigned to a license is fixed and does not increase as prices rise during the auction.

<sup>11</sup> See *Auction No. 31 Package Bidding Further Comment Public Notice*, *supra*, pp. 2-4.

<sup>12</sup> The *provisionally winning bid set* at the end of each round consist of those non-mutually exclusive considered bids that maximize revenue while assigning each license only once.

<sup>13</sup> See *Auction No. 31 Package Bidding Further Comment Public Notice*, *supra*, pp. 2-4.

<sup>14</sup> *Id.*

<sup>15</sup> *Id.*

<sup>16</sup> See Pekec and Rothkopf Comments, at 1-2.

However, they believe that the allocation of this calculated shortfall should be proportional to bid amounts rather than bidding units.<sup>17</sup>

The Bureau acknowledges that if all bidders bid in a straightforward fashion, it is likely that current prices would be the best estimate of the relative values of the licenses/packages. Under these circumstances, the proposal made by Pekec and Rothkopf might be a better approach to allocating the shortfall than that set forth by the Bureau. However, the Bureau is concerned with two potential consequences of implementing a procedure that allocates shortfall based on bid amounts. Such an allocation of the shortfall would (1) provide an incentive for bidders to game the auction by bidding up the price on a license/package that would partner with their own license/package in order to shift the burden of the shortfall to another bidder; and (2) afford to bidders that have not bid on a license/package for some time the ability to “park” (i.e., make bids that receive eligibility activity credit but have little prospect of winning) on that license/package since potentially small allocations of shortfall will be added to a bid amount that is well below the amount needed to become a provisional winner. Consequently, the Bureau believes that using bidding units to allocate the shortfall provides an efficient mechanism for determining the minimum bid *increment* added to a bidder’s previous high bid. In addition, if the minimum acceptable bid price is too high, bidders will have the opportunity to bid a price less than that amount if they choose to exit the auction via last and best bids.<sup>18</sup>

In the *Auction No. 31 Package Bidding Further Comment Public Notice*, we proposed an exception to the modified minimum acceptable bid formula for new packages.<sup>19</sup> We proposed that part (iii) of the formula for the initial minimum acceptable bid for any package other than a global package<sup>20</sup> created during the auction will continue to be calculated by multiplying the number of bidding units in the package by the lowest \$/bidding unit of any provisionally winning bid in the last five rounds.<sup>21</sup>

Pekec and Rothkopf argue that we should calculate the minimum acceptable bid for new packages the same way as for all other bids and calculate the minimum acceptable bid prices for all possible packages and licenses regardless of whether the bidder has bid on a license/package.<sup>22</sup> We note that this would require the determination of minimum acceptable bid values equal to the total number of possible combinations of the twelve licenses times the number of bidders, with most of the calculations never being used.<sup>23</sup> Alternatively, we could provide for immediate

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<sup>17</sup> *Id.*

<sup>18</sup> *See* Section II, *infra*.

<sup>19</sup> *See Auction No. 31 Package Bidding Further Comment Public Notice*, at 4.

<sup>20</sup> A global package is a package that contains all twelve of the licenses in Auction No. 31.

<sup>21</sup> *Id.*

<sup>22</sup> *See* Pekec and Rothkopf Comments, *above* at 3.

<sup>23</sup> Minimum acceptable bids are bidder specific and there are 4,095 ( $2^{12} - 1 = 4,095$ ) possible combinations of licenses in this auction. The base for both part two and part three of the formula is the particular bidder’s previous high bid on that license or package, and the deficit (to determine the increment) for part three of the formula is also bidder specific. The shortfall and the deficit for a specific license/package may vary across bidders

minimum acceptable bid calculations for any new package, but that could allow individuals to flood the FCC bidding system with requests and possibly disrupt the auction.

Balancing operational considerations with the desire to set the minimum acceptable bid at a level that provides a realistic chance of a bid becoming a provisional winner,<sup>24</sup> the Bureau adopts the procedure proposed in the *Auction No. 31 Package Bidding Further Comment Public Notice*. For a *new* package created after the close of the prior round, part (iii) of the initial minimum acceptable bid will be calculated by multiplying the number of bidding units in the package by the lowest \$/bidding unit of any provisionally winning bid in the last five rounds. This exception will not apply to a global package whose minimum acceptable bid will always be (a percentage of) the maximum revenue from the previous round.<sup>25</sup>

After each round, the Bureau will, for every bidder, calculate part (iii) of the minimum acceptable bid price based on shortfall allocation for every license and for every *constructed package*.<sup>26</sup> When there is no previous high bid because the bidder has not bid on a license or an already created package, we will use the minimum opening bid as the previous high bid to calculate part (iii) of the minimum acceptable bid rule; and part (ii) of the rule does not apply.

## II. “Last and Best” Bids

### Background

In the July 3, 2000, *Public Notice*, the Bureau adopted a “last and best” bid procedure. Specifically, bidders that wish to drop out of the auction would have the opportunity before they drop out to make a “last and best” bid on any packages for which they remain eligible. Such bids could be of any amount (in thousand dollar increments) between their previous high bid and the minimum acceptable bid. A bidder that submits a last and best bid(s) would not be permitted to make any further bids in the auction.

In the *Auction No. 31 Package Bidding Further Comment Public Notice*, we proposed

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not only because the bid amount for that license/package is bidder specific, but also because the other bids in the shortfall set may differ because of the bidder specific mutual exclusivity of bids.

<sup>24</sup> Our revision of the formula for determining minimum acceptable bids should ensure a reasonable auction pace and a timely close of the auction. See 15 FCC Rcd. at 11543-11547. If a bid has no prospect of becoming a provisional winner, it has no potential to increase auction revenue and will do nothing to move the auction towards completion.

<sup>25</sup> See *Auction No. 31 Package Bidding Further Comment Public Notice*, at 4. With respect to bids for the global package, we will apply the three-part calculation as modified because the shortfall and deficit are so simple to calculate. Because a bid for the global package could never become a provisional winner unless it equals the maximum revenue from the previous round, the initial minimum acceptable bid of a global package will be a percentage of the maximum revenue from the previous round.

<sup>26</sup> A *constructed* package is a package created any time during the auction before the close of the prior round and not removed by the bidder. Thus, it is either (a) a package already bid by that bidder and will be counted as one of the bidder’s twelve packages, or (b) it is a package that the bidder created before the close of the prior round but neither bid on nor removed. The publicly available round result files posted at the end of each round will *not* include information about packages that have been constructed but not bid upon. In this way, bidders may construct packages without disclosing backup business strategies to other bidders.

modifying the last and best bid procedure to allow a bidder to submit two sets of mutually exclusive last and best bids.<sup>27</sup> We proposed that in determining the provisionally winning bid(s), the round solver<sup>28</sup> would consider these two sets of mutually exclusive bids as well as any of the bidder's bids that remain in the provisionally winning set.<sup>29</sup>

### **Discussion**

In their comments, Pekec and Rothkopf state that the Bureau's proposed modifications, particularly in the case of last and best bid provisions, are of limited importance and are not sufficient to affect the overall quality of the auction.<sup>30</sup>

Verizon supports the Bureau's general plan to allow bidders the opportunity to make a last and best bid on any package for which they remain eligible before they drop out of the auction.<sup>31</sup> However, Verizon disagrees with the Bureau's decision to prohibit from further bidding a bidder that chooses to make a last and best bid.<sup>32</sup> Verizon claims that the Bureau's proposal is inconsistent with the public interest because it could prematurely reduce the number of participants in the auction, ultimately resulting in an inefficient assignment of licenses.<sup>33</sup> Verizon urges the Bureau to apply the last and best bid option to licenses and packages, rather than bidders.<sup>34</sup> Verizon further requests that the Bureau clarify or confirm that the second opportunity to place a last and best bid means that a bidder whose last and best bid was bested by another bidder has an opportunity to place an additional last and best bid on another license or package. Verizon also asks that the Bureau provide bidders an example that applies this two-round process to a hypothetical set of last and best bids.<sup>35</sup>

The Bureau clarifies the procedure for placing last and best bids as follows. A bidder may make up to two sets of last and best bids. The two sets of last and best bids must be submitted in a single round, but will be treated as mutually exclusive, as are bids placed in two separate rounds. Once last and best bids are placed, the bidder will not be permitted to place new bids or renew previous bids in any subsequent round. If a bidder chooses to submit two sets of last and best bids, then, for the remainder of the auction, the "solver" (computer software) will consider those

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<sup>27</sup> See *Auction No. 31 Package Bidding Further Comment Public Notice*, at 5.

<sup>28</sup> The *round solver* is software developed to determine the provisionally winning bids at the end of each round.

<sup>29</sup> See *Auction No. 31 Package Bidding Further Comment Public Notice*, at 5.

<sup>30</sup> See Pekec and Rothkopf Comments, at 1.

<sup>31</sup> See Verizon Comments, at 1.

<sup>32</sup> *Id.* at 2.

<sup>33</sup> See Verizon Comments, at 2.

<sup>34</sup> *Id.*

<sup>35</sup> *Id.* at 3.

two sets of bids. If a bidder chooses to submit only one set of last and best bids, then, for the remainder of the auction, the solver will consider this set of bids and the set of bids from the last round in which the bidder placed bids. The only other bids that would be considered in a round for a bidder that places last and best bids are provisionally winning bids from the previous round.

Each set of last and best bids may consist of bids on any or all of the licenses and any or all of the packages created by the bidder, consistent with the activity rules and the twelve package limitation.<sup>36</sup> The last and best bid amount for any license or package is any amount, in thousand dollar increments, greater than or equal to the bidder's previous high bid on the license or package and less than or equal to the ninth increment above the minimum acceptable bid for that license or package. Note that placing a last and best bid equal to the bidder's previous high bid will be considered as a renewed bid when applying activity rules. Also, if the bidder has never placed a bid on a package or license, the lower bound on the last and best bid amount is equal to the minimum opening bid for that package or license.

The Bureau believes that the procedure for placing last and best bids provides a bidder that is dropping out of the auction with sufficient flexibility to pursue its current business strategies, while maintaining bidding rules consistent with the overall auction structure. Moreover, providing bidders with opportunities in each round to place bids below the minimum acceptable bid amount may significantly slow the pace of the auction. Having a bidder-specific procedure, rather than a bid-specific procedure, is also more straightforward to implement. The Bureau believes that bidders are unlikely to exit the auction prematurely, as Verizon argues, because they may renew their bids and utilize activity rule waivers to prevent eligibility reduction.

The following is a simple example of the procedures for last and best bids. Bidder A desires to win the Great Lakes 10 MHz license and either a package of the two licenses in the Pacific region or a package of the two licenses in the Northeast region. To meet this objective, Bidder A has been bidding on the Great Lakes 10 MHz license and a package consisting of both the 10 MHz and the 20 MHz licenses in the Pacific region in even rounds while bidding on the Great Lakes 10 MHz license and a package consisting of both the 10 MHz and the 20 MHz licenses in the Northeast region in odd rounds. Because of the mutual exclusivity of bids placed in different rounds, this strategy will ensure that Bidder A does not win more than it wants. Suppose that Bidder A has decided to place last and best bids. Bidder A may create a set of last and best bids comprised of a bid on the Great Lakes 10 MHz license and a bid on the Pacific region package. Bidder A may also submit a second set of last and best bids comprised of a bid on the Great Lakes 10 MHz license and a bid on the Northeast region package. In this example, the last and best bid procedure affords the bidder the opportunity to value the Great Lakes 10 MHz license differently in the two sets according to its synergistic relation to the other bids in each set.

### **III. Ties with the FCC at the Minimum Opening Bid**

In the *Auction No. 31 Package Bidding Procedures Public Notice*, we stated that

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<sup>36</sup> In applying activity rules, bidding activity for each of the sets of last and best bids must not exceed current eligibility, as determined at the beginning of the round in which these bids are placed. In other words, eligibility for the second set of last and best bids will not be recalculated based on eligibility activity associated with the first set of bids.

individual licenses on which no bids are available to be considered when solving for the provisionally winning set will be treated as having a bid by the FCC at the minimum opening bid.<sup>37</sup> We now wish to clarify treatment of FCC bids where there are other bids available to be considered for the provisionally winning set. Implementing the minimum opening bid requirement by treating the FCC as having a bid on each license at the minimum opening bid could result in the FCC retaining a license even though a bidder had an equivalent minimum opening bid on that license. To ensure that a bid on a license or package at the minimum opening bid always beats the FCC bid, the Bureau will treat all licenses as having FCC bids at some small amount less than the minimum opening bid.

#### IV. Comments on Other Package Bid Provisions

Comments filed by Paul Milgrom and Charles Plott addressed some matters that are beyond the scope of the *Auction No. 31 Package Bidding Further Comment Public Notice* and upon which other parties have not had an opportunity to comment.<sup>38</sup> That *Public Notice* sought comment specifically on the calculation for determining minimum acceptable bids and the last and best bid procedures. While we appreciate the input provided by commenters, we cannot at this time make any further changes to our package bidding procedures. The auction is scheduled to begin on March 6, 2001, and short-form applications are due on February 2, 2001. We are confident that the package bidding procedures we have established for Auction No. 31 will work effectively. We will revisit our package bidding procedure whenever we consider the use of package bidding for another auction.

#### V. Auction Schedule

The Commission set forth the following dates which will govern the conduct of Auction No. 31:

Opening of the Form 175 Filing Window	January 11, 2001
Bidders' Seminar <sup>39</sup>	January 23, 2001
Industry Test	January 24-26, 2001; 9:00 a.m. to 5:00 p.m. ET
Filing Deadline for FCC Form 175	February 2, 2001; 6:00 p.m. ET
Upfront Payment Deadline	February 16, 2001; 6:00 p.m. ET

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<sup>37</sup> See 15 FCC Rcd. at 11550.

<sup>38</sup> See footnotes 7 and 8, *supra*.

<sup>39</sup> The *Bidder Postponement Public Notice* did not provide a date for the Bidders' Seminar. This *Public Notice*, therefore, announces the date for the Bidders' Seminar. (See also Attachment C)



Bidding Preference Form Deadline	February 20, 2001; 6:00 p.m. ET
Mock Auction	March 1-2, 2001
Auction Start Date	March 6, 2001

## **VI. Industry Test of the Package Bidding System**

As stated, package bidding is a new concept in our auctions program. To further facilitate understanding and participation, the Bureau has scheduled an industry test that will help potential bidders and other interested parties to become familiar with the system. The industry test will run from 9:00 a.m. to 5:00 p.m. Eastern Time on January 24, 25 & 26, 2001. The test software, like the auction software, will run over the Internet. To use this software, your computer must have the minimum hardware and software listed in the attachment titled *Electronic Filing and Review of the FCC Form 175*.

To participate in the test, send an e-mail to 31bidder@fcc.gov by 4:00 p.m. ET on January 17, 2001. Please include your company name and the name and e-mail address of the person we should contact with any questions. If you want our response sent to a different address than where you sent from, please include that return e-mail address as well. The Bureau will e-mail to that address the URL of our test system, along with a bidder ID and password that you will need to access the system.

## **VII. Due Diligence**

Potential bidders are reminded that there are a number of incumbent broadcast television licensees already licensed and operating in the 746-764 and 776-794 MHz bands (television Channels 60-62 and 65-67) that will be subject to the upcoming auction. Listed in Attachment J<sup>40</sup> to the *Auction No. 31 Procedures Public Notice* are facilities of incumbent television permittees and licensees on television Channels 60-62 and 65-67 as well as on adjacent television Channels 59, 63, 64, and 68. However, prospective bidders should not rely solely on this list, but should carefully review the Commission's databases and records before formulating bidding strategies.

In addition, there are several pending applications and rule making petitions for new analog and digital television authorizations on channel 59 which, if granted, would become additional incumbents on that channel. Information on pending applications can be found in the Mass Media Bureau's Consolidated Database System on the Commission's website. The Commission makes no representations or guarantees regarding the accuracy or completeness of information that has been incorporated into the databases. Potential bidders are strongly encouraged to physically inspect any sites located in or near the geographic area for which they

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<sup>40</sup> The Bureau amended Attachment J to add the digital television stations that must also be protected from interference during the transitional period. See 747-762 and 777-792 MHz Band Auction Filing Dates and Changes to Attachment J, *Public Notice*, DA 00-785, 15 FCC Rcd 6196 (rel. April 12, 2000). This minor correction reinforced and highlighted the requirement that new licensees in the 747-762 and 777-792 MHz bands must provide full protection to both analog television and digital television operations during the transitional period.

plan to bid.

As more fully discussed in the *Auction No. 31 Procedures Public Notice*,<sup>41</sup> we remind potential bidders that certain applications (including those for modification), petitions for rulemaking, waiver requests, requests for special temporary authority (“STA”), petitions to deny, petitions for reconsideration, and applications for review may be pending before the Commission that relate to the facilities listed in Attachment J<sup>42</sup> to the *Auction No. 31 Procedures Public Notice*. We again note that resolution of these pending matters could have an impact on the availability of spectrum for licensees in the 746-764 and 776-794 MHz bands. While the Commission will continue to act on pending matters, some of these matters may not be resolved by the time of Auction No. 31. Potential bidders are strongly encouraged to conduct their own research prior to Auction No. 31 in order to determine the existence of pending proceedings that might affect their decisions regarding participation in the auction. Participants in Auction No. 31 are strongly encouraged to continue such research during the auction.

## **VIII. Other Procedural Issues**

Since the release of the *Auction No. 31 Package Bidding Procedures Public Notice*, there have been changes in the Competitive Bidding Rules<sup>43</sup> that will apply to Auction No. 31. The Bureau has set forth below significant amendments to the Competitive Bidding Rules, but it is the responsibility of each applicant to carefully review and comply with all applicable rules.

### **A. Ownership Disclosure Requirements (Form 175 Exhibit A)**

All applicants must comply with the uniform Part 1 ownership disclosure standards and provide information required by Sections 1.2105 and 1.2112 of the Commission’s Rules.<sup>44</sup> Specifically, in completing Form 175, applicants will be required to file an Exhibit A providing a full and complete statement of the ownership of the bidding entity. The ownership disclosure standards for the short-form are set forth in Section 1.2112 of the Commission’s Rules.

### **B. Provisions Regarding Defaulters and Former Defaulters (Form 175, Exhibit D)**

Each applicant must certify on its FCC Form 175 application that it is not in default on any Commission licenses and that it is not delinquent on any non-tax debt owed to any Federal agency.<sup>45</sup> In addition, each applicant must attach to its FCC Form 175 application a statement

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<sup>41</sup> See 15 FCC Rcd at 2930.

<sup>42</sup> See 15 FCC Rcd. at 6198-6202.

<sup>43</sup> See *Part 1 Fifth Report and Order, supra*.

<sup>44</sup> See 47 C.F.R. §§ 1.2105 and 1.2112. Section 1.2105 requires the disclosure on the short-form of applicant ownership information as set forth in Section 1.2112. Both sections were revised in the *Part 1 Fifth Report and Order, supra*.

<sup>45</sup> 47 C.F.R. § 1.2105(a)(2)(x).

made under penalty of perjury indicating whether or not the applicant (or any of the applicant's controlling interests or their affiliates, as defined by Section 1.2110 of the Commission's Rules, as recently amended in the *Part 1 Fifth Report and Order*) has ever been in default on any Commission licenses or has ever been delinquent on any non-tax debt owed to any federal agency.<sup>46</sup> **Applicants must include this statement as Exhibit D of the FCC Form 175.** Prospective bidders are reminded that the statement must be made under penalty of perjury and that submission of a false certification to the Commission is a serious matter that may result in severe penalties, including monetary forfeitures, license revocations, exclusion from participation in future auctions, and/or criminal prosecution.

"Former defaulters" — *i.e.*, applicants, including their attributable interest holders, that in the past have defaulted on any Commission licenses or been delinquent on any non-tax debt owed to any Federal agency, but that have since remedied all such defaults and cured all of their outstanding non-tax delinquencies — are eligible to bid in Auction No. 31, provided that they are otherwise qualified. However, as discussed *infra* in Section VII.C, former defaulters are required to pay upfront payments that are fifty percent more than the normal upfront payment amounts.<sup>47</sup>

### C. Amount of Upfront Payment

In the *Part 1 Order, Memorandum Opinion and Order, and Notice of Proposed Rule Making*, the Commission delegated to the Bureau the authority and discretion to determine an appropriate upfront payment for each license being auctioned.<sup>48</sup> The Bureau set forth the amount of the upfront payment associated with each of the 12 licenses available in this auction.<sup>49</sup> Those amounts remain unchanged.<sup>50</sup>

The upfront payment amount for "former defaulters," *i.e.*, applicants that have ever been in default on any Commission license or have ever been delinquent on any non-tax debt owed to any Federal agency, will be fifty percent more than the normal amount required to be paid.<sup>51</sup> Former defaulters should calculate their upfront payment for all licenses by multiplying the number of bidding units they wish to purchase by 1.5. In calculating the number of bidding units to assign to former defaulters, the Commission will divide the upfront payment received by 1.5 and round the result up to the nearest bidding unit.

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<sup>46</sup> 47 C.F.R. § 1.2105(a)(2)(xi). *See also* Part 1 Fifth Report and Order, *supra* at ¶ 42.

<sup>47</sup> 47 C.F.R. § 1.2106(a).

<sup>48</sup> Amendment of Part 1 of the Commission's Rules — Competitive Bidding Proceeding, WT Docket No. 97-82, *Order, Memorandum Opinion and Order and Notice of Proposed Rule Making*, 12 FCC Rcd. 5686, 5697-5698, ¶ 16 (1997); *See also* 700 MHz *First Report & Order*, at ¶ 149.

<sup>49</sup> *See Auction No. 31 Procedures Public Notice*, at Attachment A.

<sup>50</sup> Bidders are also reminded that in Auction No. 31 only, the Commission has determined that bidders that default on their bids will be subject to an additional payment of 25 percent of the subsequent winning bid(s) or the defaulting bids, whichever is less. *See* In the Matter of Service Rules for the 746-764 and 776-794 MHz Bands, and Revisions to Part 27 of the Commission's Rules, WT Docket No. 99-168, *Second Memorandum Opinion and Order*, FCC 00-330 (rel. September 14, 2000).

<sup>51</sup> *Part 1 Fifth Report and Order*, ¶¶ 40-42; 47 C.F.R. § 1.2106(a).

## **IX. Changes to Post Auction Procedures**

### **A. Tribal Land Bidding Credit**

A winning bidder that intends to use its license(s) to deploy facilities and provide services to federally-recognized tribal lands that are unserved by any telecommunications carrier or that have a telephone service penetration rate equal to or below 70 percent is eligible to receive a tribal land bidding credit as set forth in 47 C.F.R. §§ 1.2107 and 1.2110(e). A tribal land bidding credit is in addition to, and separate from, any other bidding credit for which a winning bidder may qualify.

Unlike other bidding credits that are requested prior to the auction, a winning bidder applies for the tribal land bidding credit after winning the auction when it files its long-form application (FCC Form 601). In order for a winning bidder to be awarded a tribal land bidding credit, it must provide specific certifications regarding the servicing of tribal lands and is subject to specific performance criteria as set forth in 47 C.F.R. § 1.2110(e).

For additional information on the tribal land bidding credit, including how to determine the amount of credit available, see *Public Notice*, DA 00-2219, released September 28, 2000, entitled *Wireless Telecommunications Bureau Announces Availability of Bidding Credits for Providing Wireless Services to Qualifying Tribal Lands*.

### **B. Auctions Discount Voucher**

On June 8, 2000, the Commission awarded Qualcomm, Inc. a transferable Auction Discount Voucher in the amount of \$125,273,878.00<sup>52</sup>. This Auction Discount Voucher may be used by Qualcomm or its transferee, in whole or in part, to adjust a winning bid in any spectrum auction prior to June 8, 2003, subject to terms and conditions set forth in the Commission's Order.

## **X. Contact Information**

For further information concerning this *Public Notice*, contact Walter D. Strack, Bureau Chief Economist, Wireless Telecommunications Bureau, (202) 418-0600; Evan Kwerel, Senior Economist, Office of Plans and Policy, (202) 418-2030; Howard Davenport, Auctions Attorney; Craig Bomberger, Auctions Analyst; or Karen Wrege, Auctions and Industry Analysis Division, Wireless Telecommunications Bureau, (202) 418-0600.

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<sup>52</sup> See Qualcomm Incorporated Petition for Declaratory Ruling Giving Effect to the Mandate of the District of Columbia Circuit Court of Appeals, *Order*, FCC 00-189 (rel. June 8, 2000).

## ATTACHMENT A

### Summary of Package Bidding Rules for 700 MHz Auction

#### I. Available Packages

- A bidder may bid only on those licenses selected on its Form 175 and on packages created from those licenses.<sup>53</sup>
- Bidders may bid on up to *twelve packages*.<sup>54</sup> Bidders may create or remove packages at any time provided that they have no more than twelve packages.<sup>55</sup> Packages may not be removed once bid upon. A license is not considered a package.

#### II. New Bids

- *Minimum acceptable bid.* A bidder may make a minimum acceptable bid on a license/package.<sup>56</sup> A minimum acceptable bid is the *greater* of:
  - i. The *minimum opening bid*. The Commission sets the minimum opening bids for licenses prior to the auction. Minimum opening bids for packages are the sum of the minimum opening bids for the licenses composing the package.<sup>57</sup>
  - ii. A bidder's *previous high bid* on the license/package *plus X%*. The Commission sets X and may vary it during the course of the auction.<sup>58</sup> Part (ii) does not apply if a bidder has not bid on a license/package.
  - iii. A bidder's *previous high bid* on a license/package *plus a share of the increase in revenue needed to tie the provisional winners*.<sup>59</sup> When there is no previous high bid because the bidder has not bid on a license or an already constructed package, we will use the minimum opening bid as the previous high bid.<sup>60</sup> We define the *shortfall* associated with a

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<sup>53</sup> See Auction of Licenses in the 747-762 and 777-762 and 777-792 MHz Bands Scheduled for September 6, 2000, Procedures Implementing Package Bidding for Auction No. 31; Bidder Seminar Scheduled for July 24, 2000, *Public Notice*, DA 00-1486, 15 FCC Rcd 11526, 11554 (rel July 3, 2000) (“*Auction No. 31 Package Bidding Procedures Public Notice*”).

<sup>54</sup> *Id.* 15 FCC Rcd. at 11532.

<sup>55</sup> See *Auction No. 31 Package Bidding Procedures Public Notice*, 15 FCC Rcd. at 11533.

<sup>56</sup> *Id.* 15 FCC Rcd. at 11543-11547; see also Auction of Licenses in the 747-762 and 777-792 MHz Bands Scheduled for March 6, 2001, Modifications to the Calculation for Determining Minimum Acceptable Bids and Changing the Provisions Concerning Last and Best Bids and Other Procedural Issues, Bidder Seminar Scheduled for January 23, 2001 and Test of Package Bidding System Set For January 24, 25, and 26, 2001, *Public Notice*, DA 01-12, January 5, 2001, at 2-4. (“*Auction No. 31 Package Bidding Further Procedures Public Notice*”).

<sup>57</sup> *Id.* 15 FCC Rcd. at 11543.

<sup>58</sup> *Id.* 15 FCC Rcd. at 11545.

<sup>59</sup> *Id.* 15 FCC Rcd. at 11545-47; see also *Auction No. 31 Package Bidding Further Procedures Public Notice* at 2-4.

<sup>60</sup> A *constructed* package is a package created any time during the auction before the close of the prior round

license/package as the difference between the revenue of the provisionally winning bid set and the maximum total revenue associated with the set of bids that includes that particular license/package while satisfying all constraints for determining the provisionally winning set.<sup>61</sup> The *deficit* is an allocation of the shortfall to the particular license/package in proportion to its share of bidding units relative to those associated with bids that were not part of the provisionally winning set, but are part of the set that maximizes revenue when including the particular license/package.<sup>62</sup> Part (iii) of the minimum acceptable bid formula is a bidder's previous high bid (or the minimum opening bid) on a license or constructed package plus *100 percent of the deficit*. The Bureau may adjust the percentage during the course of the auction.

For a *new* package created after the close of the prior round, however, part (iii) of the initial minimum acceptable bid formula will be calculated by multiplying the number of bidding units in the package by the lowest \$/bidding unit of any provisionally winning bid in the last five rounds.<sup>63</sup> This exception will not apply to bids for the *global package*, however, whose minimum acceptable bid will always be (a percentage of) the maximum revenue from the previous round.<sup>64</sup>

- *Increment bid.* A bidder may make an increment bid on a license/package. An increment bid is equal to the minimum acceptable bid plus 1 – 9 increments more than the minimum acceptable bid.<sup>65</sup> An increment is equal to X% of the minimum acceptable bid. X% is determined by the Commission.<sup>66</sup>
- *Last and best bids.* A bidder may make up to two sets of last and best bids.<sup>67</sup> The two sets of last and best bids must be submitted in a single round but will be treated as mutually exclusive.<sup>68</sup> Once last and best bids are placed the bidder will not be permitted to place new bids or renew previous bids in any subsequent round.<sup>69</sup> Each set of last and best bids may consist of bids on any or all of the licenses and any or all of the packages created by the

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and not removed by the bidder. Thus, it is either (a) a package already bid by that bidder and will be counted as one of the bidder's twelve packages, or (b) it is a package that the bidder created before the close of the prior round but neither bid on nor removed.

<sup>61</sup> *Id.*

<sup>62</sup> *Id.*

<sup>63</sup> *See Auction No. 31 Package Bidding Further Procedures Public Notice* at 4.

<sup>64</sup> *See Auction No. 31 Package Bidding Further Comment Public Notice*, at 4; *see also Auction No. 31 Package Bidding Further Procedures Public Notice* at 4.

<sup>65</sup> *See* 15 FCC Rcd. at 11547.

<sup>66</sup> *Id.*

<sup>67</sup> *See Auction No. 31 Package Bidding Further Procedures Public Notice* at 5-6.

<sup>68</sup> *Id.*

<sup>69</sup> *Id.*

bidder, consistent with activity rules and the twelve package limitation.<sup>70</sup> The last and best bid amount for any license or package may be any amount, in thousand dollar increments, greater than or equal to the bidder's previous high bid on the license or package and less than or equal to the ninth increment above the minimum acceptable bid for that license or package.<sup>71</sup> Also, if a bidder has never placed a bid on a package or license the lower bound on the last and best bid is equal to the minimum opening bid for that package or license.

### III. Renewed Bids

- A bidder may renew a bid made previously on a license/package at the highest amount it previously bid on that license/package.<sup>72</sup> Thus, a bidder can renew only its own last bid on a license/package, and a bidder's bids on a license/package may not decrease.<sup>73</sup>
- As discussed below (in the section on activity and eligibility), renewed provisionally winning bids count as bidding activity and eligibility activity, while renewed *non*-provisionally winning bids count as neither. Thus a bidder can renew non-provisionally winning bids without regard to its current eligibility, provided it has not made a last-and-best bid. Renewal of non-provisionally winning bids is constrained by initial eligibility, however.

### IV. Determining Winners

- In determining provisionally winning bids in the current round, for each bidder we *consider*:
  - i. Bids (new and renewed) made by that bidder in the last two rounds in which the bidder placed bids.<sup>74</sup>
  - ii. The bidder's provisionally winning bids at the end of the previous round.<sup>75</sup>
- Bids made by the same bidder in different rounds are treated as *mutually exclusive* ("or") bids.<sup>76</sup> Thus for each bidder, any bids in the provisionally winning set must have been made in the same round. If a bidder does not want a bid from a previous round (including a provisionally winning bid) to be considered mutually exclusive with bids made in the current round, it must renew or increase the bid in the current round.<sup>77</sup>

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<sup>70</sup> *Id.* In applying activity rules, bidding activity for each of the sets of last and best bids must not exceed current eligibility, as determined at the beginning of the round in which these bids are placed. In other words, eligibility for the second set of last and best bids will not be recalculated based on eligibility activity associated with the first set of bids.

<sup>71</sup> *See* 15 FCC Rcd. at 11548-50.

<sup>72</sup> *See* 15 FCC Rcd. at 11548.

<sup>73</sup> *Id.*

<sup>74</sup> 15 FCC Rcd. at 11553.

<sup>75</sup> *Id.*

<sup>76</sup> *See* 15 FCC Rcd. at 11549-51.

<sup>77</sup> *Id.*

- Overlapping bids (bids that include the same license) by the same bidder in the same round are treated as *mutually exclusive* (“or”) bids.<sup>78</sup>
- The *provisionally winning* bids at the end of each round consist of those non-mutually exclusive considered bids that maximize revenue while assigning each license only once.
- The *winning bids* are the provisionally winning bids when the auction closes.
- *Ties*. Ties will be broken randomly using a two-step process.<sup>79</sup> To begin, each considered bid is assigned a selection number as the sum of n pseudo-random numbers where n is the number of licenses comprising the bid's package (n = 1 for individual license bids). Then with knowledge of the maximum revenue for the round, a second optimization determines the provisionally winning set by choosing a set of non-mutually exclusive considered bids that maximizes the sum of selection numbers while still yielding the maximum revenue.
- A bid at the minimum opening bid beats the “FCC bid”. This is accomplished by putting in “FCC bids” at some small amount less than the minimum opening bid.

## V. Closing Rules

- The auction closes after the second round in which no new bids have been placed.<sup>80</sup> Renewed bids (whether provisionally winning or non-provisionally winning) are not new bids. Last and best bids are considered to be new bids in the round in which they are placed except for those last and best bids placed at the bidder’s previous high bid.<sup>81</sup>
- After the first round in which no new bids have been placed, bidders will receive a message warning that if no new bids are placed in the next round, the auction will close and the current provisionally winning bids will become the winning bids.
- We run the solver after every round *except* the last round.

## VI. Activity and Eligibility

- *Bidding units*. Prior to the auction, licenses are assigned a specific number of bidding units for the purpose of calculating bidder compliance with the activity rules. The number of bidding units assigned to a license is fixed and does not increase as prices rise during the auction.

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<sup>78</sup> *Id.* at 11554.

<sup>79</sup> *Id.* at 11549-50.

<sup>80</sup> *See* 15 FCC Rcd at 11541-42. In addition, the Bureau has discretion to employ a Special Stopping Rule. *See id.*

<sup>81</sup> *Id.* at 11541.



- *Bidding activity.* *Bidding activity* in a round is the maximum number of bidding units a bidder can win considering new bids and renewed provisionally winning bids placed in that round.<sup>82</sup> A bidder's *bidding activity* in the current round must be *less* than or equal to its *current* eligibility.<sup>83</sup>
- *Bidding exposure.* *Bidding exposure* in a round is the maximum number of bidding units a bidder can win considering *all* the bids (new, renewed provisionally winning, renewed non-provisionally winning) placed in that round. A bidder's *bidding exposure* in the current round must be *less* than or equal to its *initial* eligibility.
- *Initial eligibility.* A bidder's *initial eligibility* is determined by its selection on Form 175 and the upfront payment it makes.<sup>84</sup> Its initial eligibility in bidding units is equal to its upfront payment in dollars.
- *Eligibility activity.* *Eligibility activity* in a round is the maximum number of bidding units a bidder can win considering new bids and renewed provisionally winning bids placed in that round, and the bidder's provisionally winning bids at the end of the previous round. Since bids made in different rounds are mutually exclusive, *eligibility activity* in a round is the *greater* of (i) bidding activity in the round; and (ii) the bidding units associated with the bidder's bids that remain in the provisionally winning set.
- *Current eligibility.* A bidder's *eligibility* in the *current* round is the *lesser* of (i) its eligibility in the previous round and (ii) the reciprocal of the *activity requirement* (1/activity requirement) multiplied by its *eligibility activity* in the previous round.<sup>85</sup> When the auction begins the activity requirement is 50%, so until we change it, the current eligibility is the lesser of previous round eligibility, and twice previous round eligibility activity. Absent eligibility activity waivers, if eligibility activity in the current round falls below the activity requirement (e.g., 50%) times current eligibility, eligibility in the next round will be reduced.

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<sup>82</sup> See 15 FCC Rcd at 11538.

<sup>83</sup> *Id.*

<sup>84</sup> See 15 FCC Rcd at 11536, 11554.

<sup>85</sup> See 15 FCC Rcd. at 11536-37.

- *Eligibility activity waivers.* If a bidder's eligibility activity does not meet the activity requirement, its eligibility is not reduced if it has a waiver available.<sup>86</sup> Each bidder initially has five waivers.<sup>87</sup> If a bidder has used up its five waivers and then fails to meet the activity requirement, the bidder's eligibility is reduced in the next round to meet the activity requirement, just as if it had affirmatively reduced its eligibility. A bidder may also affirmatively reduce its eligibility if it wishes in order not to use a waiver.<sup>88</sup>

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<sup>86</sup> See 15 FCC Rcd. at 11540.

<sup>87</sup> See 15 FCC Rcd at 11539.

<sup>88</sup> *Id.* at 11539-40.

## ATTACHMENT B

### PACKAGE BIDDING ACTIVITY CALCULATIONS

Name	Definition	Rule/Application
<b>Bidding activity</b>	Maximum number of bidding units a bidder can win considering: <ul style="list-style-type: none"> <li>• new bids</li> <li>• renewed provisionally winning bids</li> </ul> made or renewed in the current round.	Bidding activity $\leq$ current eligibility  In the current round, a bidder may not place new bids or renew provisionally winning bids so that it can win more bidding units than its <i>current</i> eligibility.
<b>Bidding exposure</b>	Maximum number of bidding units a bidder can win considering: <ul style="list-style-type: none"> <li>• new bids</li> <li>• renewed provisionally winning bids</li> <li>• renewed non-provisionally winning bids</li> </ul> made or renewed in the current round.	Bidding exposure $\leq$ initial eligibility  In the current round, a bidder may not place new bids or renew provisionally winning or non-provisionally winning bids so that it can win more bidding units than its <i>initial</i> eligibility.
<b>Eligibility activity</b>	Maximum number of bidding units a bidder can win considering: <ul style="list-style-type: none"> <li>• new bids</li> <li>• renewed provisionally winning bids</li> </ul> made or renewed in the current round, <ul style="list-style-type: none"> <li>• provisionally winning bids at the end of the previous round.</li> </ul> Eligibility activity = max [bidding activity, bidding units associated with a bidder's provisionally winning bids]	Eligibility(t+1) = min [eligibility(t), 2 x eligibility activity(t)]  A bidder's eligibility in the current round is the <i>lesser</i> of: (i) its eligibility in the previous round, or (ii) twice its eligibility activity in the previous round, if it does not use a waiver and the required bidding activity level is 50%.

**ATTACHMENT C**

**FCC AUCTION SEMINAR REGISTRATION FORM**

**Auction No. 31**

The FCC will sponsor a one-day seminar for the 700 MHz Auction applicants. The seminar is free of charge and will provide information about pre-auction procedures, radio service and auction rules, conduct of the auction, and the FCC remote bidding software.

Representatives from each company can make reservations to attend the seminar being held:

**Tuesday, January 23, 2001**  
**Federal Communications Commission**  
**445 12<sup>th</sup> Street S.W.**  
**Washington, DC 20554**

**Registration: 9:30 a.m. – 10:00 a.m.**  
**Seminar: 10:00 a.m. – 4:00 p.m.**

**If hotel accommodations are needed**  
**Please contact 1-888-225-5322 (option #2) for a list of hotels in the area**  
\*\*\*\*\*

**To register, complete the form below and**  
**return by mail or fax to be received no later than noon**

**Friday, January 19, 2001, to:**

FCC Auction No. 31  
Auctions Operations Branch  
1270 Fairfield Road  
Gettysburg, PA 17325-7245

FAX: 717-338-2850  
Phone: 717-338-2888

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I/We will attend the Auction No. 31 Seminar, scheduled for **Tuesday, January 23, 2001.**

Name of attendee: \_\_\_\_\_

Name of attendee: \_\_\_\_\_

Company name: \_\_\_\_\_

Phone: \_\_\_\_\_ Fax: \_\_\_\_\_

**ATTACHMENT D  
GUIDELINES FOR COMPLETION  
OF FCC FORM 175 AND EXHIBITS**

**A. FCC Form 175**

Because of the significance of the FCC Form 175 application to the auction, bidders should especially note the following:

**Applicant Name:** Name given is used as your bidder name in the auction.

**Address:** Give a street address (not a Post Office box number) for the applicant, suitable for mail or private parcel delivery.

**Applicant Classification:** Applicants must indicate their legal classification. The FCC Form 175 requires the applicant to classify itself as an individual, joint venture, partnership, trust, corporation, consortium, association, limited liability corporation or government entity.

**Applicant Status:** Applicants are also requested to indicate their status as a rural telephone company, minority-owned business, women-owned business, and/or non-commercial educational so that the FCC can monitor its performance in promoting economic opportunities for these designated entities.

**Contact person/address:** If the Commission wishes to communicate with the applicant by telephone or fax, those communications will be directed to the contact person identified on the FCC Form 175. Space is provided for an address, telephone number, fax number, and e-mail address. All written communication and registration information will be directed to the applicant's contact person at the address specified on the FCC Form 175. Applicants must provide a street address; no P.O. Box addresses may be used.

**Authorized Bidders:** Applicants must list the name(s) of the person(s) (no more than three) authorized to represent them at the auction. Only those individuals listed on the FCC Form 175 will be authorized to place or withdraw bids for the applicant during the auction. **Note:** Applicants may only share a common authorized bidder(s) if each applicant has selected separate markets. See 47 CFR § 1.2105(c).

**Bidding Credit Eligibility:** Be advised that this is the sole opportunity applicants have to elect small business or very small business status and bidding credit level (if applicable), and there is no opportunity to change the election once the short-form filing deadline passes.

**License Selection:** Applicants should identify all licenses on which they want to be eligible to bid in the auction. Be advised that there is no opportunity to change this list once the short-form filing deadline passes. It is critically important that you confirm the licenses that you have selected because the FCC auction system will not accept bids on licenses for which an applicant has not applied on its FCC Form 175. **Note that there are twelve licenses offered in Auction 31 (e.g., EAG701 Channel Block C, EAG701 Channel Block D, EAG702 Channel Block C, etc.) Each of the six regions (Markets) consists of two licenses: one for Channel Block C and one for Channel Block D. To be eligible to bid on a license, individually or as part of a**

**package, that license must be selected. (That is, to be eligible to bid on license EAG701 Channel Block C, a bidder must select EAG701 Channel Block C; to be eligible to bid on EAG701 Channel Block D, a bidder must select EAG701 Channel Block D; to be eligible to bid on the Northeast Region, a package consisting of licenses EAG701 Channel Block C and EAG701 Channel Block D, a bidder must select both EAG701 Channel Block C and EAG701 Channel Block D.)**

## **B. Exhibits and Attachments**

In addition to the FCC Form 175 itself, applicants must submit additional information required by the FCC's rules. Although the FCC does not require a particular format for this information, it has developed the following guidelines that will facilitate the processing of short-form applications. The FCC encourages applicants to submit this information using the following format.

*If you find that an attachment has not converted properly to Adobe PDF format, take the following steps:*

- 1) Simplify the formatting of the file. For example, if using a Table structure in a WordPerfect document, remove the Table structure leaving the contents of the table, re-save the document.*
- 2) Re-upload the attachment.*
- 3) When the re-uploaded attachment has successfully converted, delete the failed attachment.*

NOTE: Applicants should not list their TIN numbers on any Exhibits to their FCC Form 175s.

**Exhibit A -- Applicant Identity and Ownership Information:** 47 C.F.R. § 1.2105(a)(2)(ii) requires each applicant to fully disclose the real party or parties-in-interest in an exhibit to its FCC Form 175 application. Each member of an applicant applying to bid as a small or very small business consortium must provide this information. The following information is required:

### **1. General Information**

<i>Applicant Status</i>	<i>Required Information</i>
General Partnership	Name, citizenship, and address of all partners, and the share or interest participation of each partner
Limited Partnership	Name, citizenship, and address of each limited partner whose interest in the applicant is equal to or greater than 10 percent (as calculated according to the percentage of equity paid in and the percentage of distribution of profits and losses)
Corporation	Corporate name and address; and name, title, and citizenship of a responsible officer or director
Limited Liability Corporation	Corporate name and address; and name, address, and citizenship of all members

***Applicant Status***

***Required Information***

Trust

Name, citizenship, and address of trustee

None of the above

Name, citizenship, title or other relation to the applicant, and address of a principal or other responsible person

**2. Ownership Information**

***Applicant Status***

***Required Information***

All applicants

Name, citizenship, and address of all controlling interests of the applicant as defined in 47 C.F.R. §§ 1.2110 and 1.2112.

All applicants

Name, citizenship, and address of all parties holding 10 percent or more of each class of stock, warrants, options or debt securities and the amount and percentage held.

All applicants

Name of all parties holding a 10 percent or greater interest in the applicant and the specific amount held.

All applicants

List of all parties holding indirect ownership interests in the applicant as determined by successive multiplication of the ownership percentages in each link of the vertical ownership chain, that equals 10 percent or more of the applicant, except that if the ownership percentage for any link in the chain exceeds 50 percent or represents actual control, it shall be reported as if it were a 100 percent interest.

*Example.* Company A owns 10% of Company B, which owns 60% of Company C, which owns 25% of the applicant. Company B's interest in the applicant would be 25% (the same as Company C's interest since Company B's interest in Company C exceeds 50%), and Company A's interest in the applicant would be 2.5% ( $0.1 * 0.25$ ). Under the 10% attribution benchmark, Company B's interest in the applicant must be reported on the applicant's FCC Form 175 Exhibit A, while Company A's interest in the applicant need not be reported. However, if Company A owned 40% of Company B in the above example, then Company A's interest in the applicant would be 10% ( $0.4 * 0.25$ ), and the applicant would need to report it on the applicant's FCC Form 175 Exhibit A

All applicants

List of any FCC-licensed entity or applicant for an FCC license, in which

a. the applicant;

b. any party with a 10 percent or greater interest in the applicant;  
or

## ***Applicant Status***

## ***Required Information***

- c. a controlling interest that owns a 10 percent or greater interest of the applicant or 10 percent or more of any class of stock, warrants, options or debt securities of the applicant. (*See* 47 C.F.R. §§ 1.2110 and 1.2112) This list must include a description of each such entities' principal business and a description of each such entities' relationship to the applicant.

*Example of a.* The applicant owns 10 percent of Company A (an FCC licensed entity or an applicant for an FCC license). The applicant must list Company A on its FCC Form 175 Exhibit A and provide the required information.

*Example of b.* Company A owns 10 percent of the applicant and 10 percent of Company B (an FCC licensed entity or an applicant for an FCC license). The applicant must list both Company A and Company B on its FCC Form 175 Exhibit A and provide the required information.

*Example of c.* Company A owns 55% of the applicant and owns 10 percent of Company B (an FCC licensed entity or an Applicant for an FCC license). The applicant must list both Company A and Company B on its FCC Form 175 Exhibit A and provide the required information.

**Exhibit B – Agreements with Other Parties/Joint Bidding Arrangements:** Applicants must attach an exhibit identifying all parties with which they have entered into any agreements, arrangements or understandings which relate in any way to the licenses being auctioned, including any relating to the post-auction market structure. *See* 47 C.F.R. §1.2105(a)(2)(viii).

Be aware that pursuant to Certification (4) on the FCC Form 175, the applicant certifies that it will not enter into any explicit or implicit agreements or understandings of any kind with parties not identified in the application regarding bid amounts, bidding strategies, or the particular licenses the applicant will or will not bid. *See* 47 C.F.R. § 1.2105(a)(2)(ix). *To prevent collusion, the Commission's Rules generally prohibit communication among applicants for the same license areas between the initial short-form applications filing deadline and the down payment on licenses won, when such communications concern bids, bidding strategies, or settlements.* 47 C.F.R. § 1.2105(c).

**Exhibit C –Status as a Small Business or Very Small Business:** Applicants claiming status as a very small business or small business must attach an exhibit providing the following information regarding this status.



**Entity**  
Applicant

**Required Information**

Average annual gross revenues for the preceding three years set forth *both separately* (e.g., for each of the three preceding three years individually) *and in the aggregate* (for all of the preceding three years combined). Certification that the average annual gross revenues for the preceding three years do not exceed the required limit, or providing average gross revenues for the 3-year period without providing the gross revenues for each of the preceding three years, is insufficient.

Applicant's Affiliates  
See 47 CFR § 1.2110

Same information required as discussed above

Applicant's Controlling  
Interests See 47 CFR §§  
1.2110 and 1.2112.

Same information required as discussed above

*Example.* The applicant had gross revenues of \$500,000 in 1997, \$1,000,000 in 1998, and \$3,000,000 in 1999, with average gross revenues for that time period of \$1,500,000. The applicant owns 60% of Company A, making Company A an affiliate of the applicant under Sections 1.2110 and 1.2112, and Company B owns 52% of the applicant, making Company B a controlling interest of the applicant. (*Id.*) The applicant's Exhibit C would look like this:

Applicant Name

1997 gross revenues	\$ 500,000
1998 gross revenues	\$ 1,000,000
1999 gross revenues	\$ 3,000,000

Average gross revenues

for the preceding 3 years	\$ 1,500,000
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Company A (an affiliate of the applicant)

1997 gross revenues	\$ enter amount
1998 gross revenues	\$ enter amount
1999 gross revenues	\$ enter amount

Average gross revenues for the preceding 3 years	\$ enter amount
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Company B (a controlling interest in the applicant)

1997 gross revenues	\$ enter amount
---------------------	-----------------

<i>Entity</i>	<b><i>Required Information</i></b>	
	1998 gross revenues	\$ enter amount
	1999 gross revenues	\$ enter amount
	Average gross revenues for the preceding 3 years	\$ enter amount
	<b>TOTAL:</b>	<b>combined average gross revenues for the preceding three years of the applicant, the applicant's affiliates and their controlling interests</b>

**NOTE:** Each member of an applicant that is applying to bid as a consortium of small or very small businesses must provide this information and qualify for the claimed status.

**Exhibit D – Information Required of All Applicants Regarding Prior Defaults and Prior Delinquencies:** Each applicant must include at Exhibit D a statement made under penalty of perjury indicating whether or not the applicant has ever been in default on any Commission license or has ever been delinquent on any non-tax debt owed to any Federal agency. If any of an applicant's controlling interests holders or their affiliates, as defined by Section 1.2110 of the Commission's rules (as recently amended in the *Part I Fifth Report and Order*) has ever been in default on any Commission license or has ever been delinquent on any non-tax debt owed to any Federal agency, the applicant must include such information as part of the same attached statement.

**Exhibit E – Information Requested of Designated Entities:** Applicants owned by minorities or women, as defined in 47 C.F.R. § 1.2110(b), or that are rural telephone companies, may attach an exhibit regarding this status. This information, in conjunction with the information requested on the FCC Form 175, will assist the Commission in monitoring the participation of these “designated entities” in its auctions.

**Exhibit F – Miscellaneous Information:** Applicants wishing to submit additional information should include it in Exhibit F.

Applicants are reminded that all information required in connection with applications to participate in spectrum auctions is necessary to determine the applicants’ qualifications, and as such will be available for public inspection. Required proprietary information may be redacted, or confidentiality may be requested, following the procedures set forth in 47 C.F.R. § 0.459. Such requests must be submitted in writing to Margaret Weiner, Chief, Auctions and Industry Analysis Division, Wireless Telecommunications Bureau, Federal Communications Commission, 445 12<sup>th</sup> Street, S.W., Room 4-A669, Washington, D.C. 20554 (with a separate copy mailed to Howard Davenport, Legal Branch, Auctions and Industry Analysis Division, Room 4-A435), in which case the applicant must indicate in Exhibit F that it has filed a confidentiality request. Because the required information bears on applicants’ qualifications, the FCC envisions that confidentiality requests will not be routinely granted.

**Waivers:** Applicants requesting waiver of any rules must submit a statement of reasons sufficient to

justify the waiver sought. *See* 47 C.F.R. § 1.3.

**Certifications:** Applicants should carefully read the list of certifications on the FCC Form 175. These certifications help to ensure a fair and competitive auction and require, among other things, disclosure to the Commission of certain information on applicant ownership and agreements or arrangements concerning the auction. Submission of an FCC Form 175 application constitutes a representation by the certifying official that he or she is an authorized representative of the applicant, has read the form's instructions and certifications, and that the contents of the application and its attachments are true and correct. Submission of a false certification to the Commission may result in penalties, including monetary forfeitures, license forfeitures, ineligibility to participate in future auctions, and/or criminal prosecution.

**Completeness:** Applicants must submit all information required by the FCC Form 175 and by applicable rules. Failure to submit required information by the resubmission date will result in dismissal of the application and inability to participate in the auction. *See* 47 C.F.R. § 1.2105(b).

NOTE: Applicants must press the "Submit Form 175" button on the "Submit" page to successfully submit their FCC Form 175.

**Continuing Accuracy:** Each applicant is responsible for the continuing accuracy and completeness of information furnished in the FCC Form 175 and its exhibits. *See* 47 C.F.R. § 1.65. It is the FCC's position that during the conduct of an auction, thirty business days from a reportable change is a reasonable period of time. Applicants are reminded that they consent to be audited in the certification section of the FCC Form 175.

## **Attachment E**

### **ELECTRONIC FILING AND REVIEW OF THE FCC FORM 175**

Applicants must submit their FCC Form 175 applications electronically, using either the FCC Auctions System page on the Internet or the FCC Wide-Area Network. The FCC Wide-Area Network will generally be available 24 hours per day. FCC Form 175 applications must be submitted and confirmed by **6:00 p.m. ET on Friday, February 2, 2001**. Late applications or unconfirmed submissions of electronic data will not be accepted.

Applicants must press the **Submit Form 175** button on the *Submit* page to successfully submit their FCC Form 175. The electronic filing process consists of an initial filing period and a resubmission period to make minor corrections. During each filing period, submitted applications may be updated and amended multiple times until the filing deadline.

#### **I. Minimum Hardware and Software Requirements**

Applicants will need to meet the following minimum hardware and software requirements:

#### **II. Minimum Hardware Requirements**

- CPU: Intel Pentium
- RAM: 16 MB (more recommended if you have multiple applications open)
- Modem: 28.8 Kbps Hayes compatible modem or faster (recommend 56.6 Kbps)
- Monitor: VGA or above
- Mouse or other pointing device

#### **III. Minimum Software Requirements**

Operating System: Microsoft Windows 95 or 98

Web Browser: Netscape Communicator 4.7x is recommended.

PDF Viewer: Adobe Acrobat Reader 3.0 or higher (available at <http://www.adobe.com>)

#### **IV. Submitting FCC Form 175 Applications**

You can submit FCC Form 175 applications electronically via the Internet. Start your Netscape Web browser. In your browser's *Location* field, enter <http://wtbwww15.fcc.gov> and then click **175 Submit**.

**Note:** If you have problems with the Internet, you may submit FCC Form 175 applications via the FCC Wide-Area Network, using Dial-Up Networking. For details, refer to the *Accessing the FCC Network to File FCC Form 175* attachment.

When uploading attachments in FCC Form 175 Submission, applicants may use a variety of file formats -- including Word 97 or earlier, WordPerfect 6.x or earlier, Adobe PDF, and ASCII text - - and should verify that the files contain all exhibit information. Also note the following about files to be uploaded:

- Graphics files (e.g., *.bmp*, *.tiff*, *.jpg*) and spreadsheets (e.g., Excel, Lotus) are not supported,
- Word processing files that are uploaded may not contain graphic images.
- Do not include punctuation marks (e.g., ? . - ,) in the name of a file to be uploaded. The FCC system will not be able to convert that file.
- Do not upload a password-protected file. The FCC system will not be able to open it or convert it.

After you upload an attachment and it has been converted, check to see if it converted properly by selecting the PDF filename in the rightmost column. The conversion process generally completes within thirty minutes. If you are unable to read this file after it has been converted, please do the following:

1. Re-upload the attachment.
2. If the file still has not converted properly, then simplify the formatting of the file.

For example, if you are using a Table structure in a WordPerfect document, remove the Table structure and leave the contents of the table, then re-upload the attachment.

After you have successfully re-uploaded an attachment, please delete the old, unreadable attachment files.

Applicants must press the **Submit Form 175** button on the *Submit* page to successfully submit their FCC Form 175. Pressing **Submit Form 175** produces a confirmation message showing the assigned FCC Account Number. During each filing period, submitted applications may be updated and amended multiple times until the filing deadline.

## **V. Reviewing FCC Form 175 Applications**

Once the FCC has completed the 175 Review process, you can review FCC Form 175 applications electronically via the Internet. Start your Netscape Web browser. In your browser's *Location* field, enter ***http://wtbwww15.fcc.gov*** and then click **175 Review**.

## **VI. Help**

For technical assistance with installing or using FCC software, contact the FCC Technical Support Hotline at (202) 414-1250 (V) or (202) 414-1255 (TTY). The FCC Technical Support Hotline is generally available Monday through Friday from 7 a.m. to 10 p.m. ET, Saturday from 8 a.m. to 7 p.m. ET, and Sunday from 12 noon to 6 p.m. ET. *All calls to the FCC Technical Support Hotline are recorded.*

# Attachment F

## ACCESSING THE FCC NETWORK TO FILE FCC FORM 175

This attachment describes how to access the FCC Network from a system that is running the Microsoft Windows 95 or Microsoft Windows 98 operating system. This involves configuring dial-up network access and then performing the dial-up procedure.

**Note:** Dial-up access to the FCC Network is *not* required to submit or review FCC Form 175 applications. You can perform those functions from the Internet, by entering location <http://wtbwww15.fcc.gov/> on your Netscape Web browser and clicking the **175 Submit** or **175 Review** button, respectively. For more details, refer to the *Electronic Filing and Review of the FCC Form 175* attachment.

### I. Conventions

The instructions in this section use the following typographical conventions:

- bold** Represents objects on the screen that you click with the mouse pointer, including buttons, Internet links, icons, tabs, menu items (e.g., **Cancel** button, **Auctions** link, **Save** option in the File menu).
- italic* Represents field names or areas of a screen (e.g., *Applicant* field, *Selected Licenses* area of a screen).
- bold italic** Represents characters that you must type exactly as they appear in the instructions. For example, if you are instructed to type [http://wtbwww15.fcc.gov](http://wtbwww15.fcc.gov/), you should type all of the characters shown in bold italic exactly as they are printed.

### II. Accessing the FCC Network to Submit FCC Form 175 Applications

The following section provides the instructions for configuring the dial-up network access in preparation for submitting FCC Form 175 applications. The subsequent section gives the dial-up procedure.

### III. Configuring Dial-Up Networking

1. To start dial-up networking:
  - a. Click the Windows 95/98 **Start** button.
  - b. Click the **Programs** option to display the Programs menu.
  - c. Click the **Accessories** option to display the Accessories menu.
  - d. In Windows 95, click **Dial-Up Networking**.  
In Windows 98, click **Communications**, then **Dial-Up Networking**.

If **Dial-Up Networking** is not an option on your Accessories menu, you should install it from your Windows 95/98 CD or diskettes.

2. When the Dial-Up Networking window appears, double-click the **Make New Connection** icon.

The Make New Connection window appears.

3. Type **FCC Auctions 877#** in the field titled *Type a name for the computer you are dialing*.

4. In Windows 95, click the down arrow at the right of the *Select a modem* field and select your modem from the menu of available modems.

In Windows 98, click the down arrow at the right of the *Select a device* field and select your modem from the menu of available devices.

If your modem does not appear on this list, you must install your modem driver according to the modem manufacturer installation procedures, which are usually described in your modem's user manual.

5. Click the **Next** button.

6. Type **877** and **844-2788** in the *Area Code* and *Telephone Number* fields, respectively.

If you need to dial 9 or some other digit to get an outside line, include that digit in the *Area Code* field. For example, you might type **9, 1 877** in this field.

7. Verify that the correct country is selected in the *Country code* field.

If necessary, click the down arrow at the right of the *Country code* field and select the appropriate country from the menu of available countries.

8. Click the **Next** button.

9. Click the **Finish** button.

An icon labeled *FCC Auctions 877#* appears in the Dial-Up Networking window.

10. Verify that properties are configured correctly before attempting a dial-up session. Put the mouse pointer on the icon and click the **right** mouse button to display a menu. Click **Properties** from the menu.

11. Click the **Configure** button. Click the **Options** tab at the top of the Properties window.

12. In the *Connection control* area of the Options tab, verify that *neither* option is selected. If either option is selected, click the check box at the left of the option to deselect it. Then click **OK**.

13. In Windows 95, click the **Server Type...** button.  
  
In Windows 98, click the **Server Types** tab at the top of the Properties window.
14. In the *Advanced Options* area, verify that **only** *Enable software compression* is selected. If it is not selected, click the check box at the left of the option to select it. If either of the other options is selected, click the check box to deselect it.
15. In the *Allowed Network Protocols* area, **verify that only TCP/IP is selected**.  
  
If it is not selected, click the check box at the left of the option to select it. If either of the other options is selected, click the check box to deselect it.
16. Click the **TCP/IP Settings** button. On the TCP/IP Settings window, select *Server assigned IP addresses* at the top and select *Specify name server addresses* midway down the window.
17. Type **165.135.79.95** as the Primary DNS and **165.135.241.149** as the Secondary DNS. Ensure that these two options are checked:
  - Use IP header compression
  - Use default gateway or remote network
18. Click **OK** on the *TCP/IP Settings* window and the *Server Type* window.
19. Close the *Dial-Up Networking* window.

#### IV. **Dial-Up Procedure**

1. If the Dial-Up Networking window is not currently open, do the following:
  - a. Click the Windows 95/98 **Start** button.
  - b. Click the **Programs** option to display the Programs menu.
  - c. Click the **Accessories** option to display the Accessories menu.
  - d. In Windows 95, click **Dial-Up Networking**  
In Windows 98, click **Communications**, then **Dial-Up Networking**.

The Dial-Up Networking window appears.

2. In the Dial-Up Networking window, double-click the **FCC Auctions 877#** icon.
3. Click the **Connect** button on the window. *Do not enter User name or Password.*

The Connection window appears, indicating the status of your connection as your modem dials into the system. This window must remain running during your dial-up session. You may minimize the window, if you wish.

If your modem fails to establish a connection, please see the *Troubleshooting* section.



## V. Submitting FCC Form 175 Applications

After you have connected to the FCC Network, start your Netscape Web browser. In your browser's *Location* field, enter <http://wtbwww15.fcc.gov> (primary location) or <http://wtbwww34.fcc.gov> (secondary location) and then click **175 Submit**.

**Note:** The *wtbwww34* location can only be accessed through dial-up networking; it cannot be accessed through the Internet.

When uploading attachments in FCC Form 175 Submission, applicants may use a variety of file formats -- including Word 97 or earlier, WordPerfect 6.x or earlier, Adobe PDF, and ASCII text -- and should verify that the files contain all exhibit information. Also note the following about files to be uploaded:

- Graphics files (e.g., *.bmp*, *.tiff*, *.jpg*) and spreadsheets (e.g., Excel, Lotus) are not supported,
- Word processing files that are uploaded may not contain graphic images.
- Do not include punctuation marks (e.g., ? . - ,) in the name of a file to be uploaded. The FCC system will not be able to convert that file.
- Do not upload a password-protected file. The FCC system will not be able to open it or convert it.

After you upload an attachment and it has been converted, check to see if it converted properly by selecting the PDF filename in the rightmost column. The conversion process generally completes within thirty minutes. If you are unable to read this file after it has been converted, please do the following:

1. Re-upload the attachment.
2. If the file still has not converted properly, then simplify the formatting of the file.

For example, if you are using a Table structure in a WordPerfect document, remove the Table structure and leave the contents of the table, then re-upload the attachment.

After you have successfully re-uploaded an attachment, please delete the old, unreadable attachment files.

Applicants must press the **Submit Form 175** button on the *Submit* page to successfully submit their FCC Form 175. Pressing **Submit Form 175** produces a confirmation message showing the assigned FCC Account Number. During each filing period, submitted applications may be updated and amended multiple times until the filing deadline.

When you have finished, exit your Web browser; then click the **Disconnect** button on the Connection window to end your dial-up session.

## VI. Removing the Dial-Up Networking Service

Once you have finished using the dial-up networking service, you can remove it from your computer, by deleting the **FCC Auctions 877#** icon from the Dial-Up Networking window. Do

the following:

1. Click the Windows 95/98 **Start** button.
2. Click the **Programs** option to display the Programs menu.
3. Click the **Accessories** option to display the Accessories menu.
4. In Windows 95, click **Dial-Up Networking**.  
In Windows 98, click **Communications**, then **Dial-Up Networking**.
5. In the Dial-Up Networking window, click the **FCC Auctions 877#** icon with your *right* mouse button and then click the **Delete** option in the pull-down menu.

## **VII. Troubleshooting**

Following are solutions to problems you may encounter using FCC Dial-Up Networking:

### **VIII. Modem does not respond**

1. Confirm that all physical connections for the modem are present.
2. Confirm that the phone line is active by connecting it to a telephone and checking for a dial-tone.
3. Confirm that the correct modem driver is installed for your modem.

### **IX. Modem dials but does not connect**

1. Confirm that the number the modem is dialing is correct.
2. Confirm that the modem prefix, if any, is correct.

**Using a Backup Dial-In Number.** If the number and prefix are correct, the 877 number being dialed may be experiencing problems. In this case, you can reconfigure the dial-up software using an alternate dial-in number, which is also toll-free. To use the backup number, perform the *Configuring Dial-Up Networking* procedure again, but this time make the following changes:

- In Step 3, type **FCC Auctions 800#** in the field titled *Type a name for the computer you are dialing*.
- In Step 6, type **800** and **378-7435** in the *Area Code* and *Telephone Number* fields, respectively.
- In Step 17, type **165.135.241.149** as the Primary DNS.

**X. Modem dials and connects, but nothing appears when you enter the Location in the Web browser**

1. Verify the Dial-Up Networking settings specified in the *Configuring Dial-Up Networking* section.
2. Confirm that your Web browser is not using proxies:
  - a) On your browser, click the **Preferences** option in the Edit menu.
  - b) In the Category area at the left, double-click **Advanced**.
  - c) Click the Advanced structure's **Proxies** option.
  - d) Click the radio button labeled **Direct connection to the Internet**.
  - e) Click the **OK** button at the bottom of the window.

**XI. Receive an Internal Server error in the Web browser**

1. Confirm that the *Location* is set to *http://wtbwww15.fcc.gov* or *http://wtbwww34.fcc.gov*
2. On your browser, click the **Preferences** option in the Edit menu. In the Category area at the left, double-click **Advanced**. In the area at the top, confirm that *Enable Java* and *Enable JavaScript* are selected. In the Cookies area, confirm that *Accept all cookies* is selected.

**XII. Help**

**For technical assistance with installing or using FCC software, contact the FCC Technical Support Hotline at (202) 414-1250 (V) or (202) 414-1255 (TTY). The FCC Technical Support Hotline is generally available Monday through Friday from 7 a.m. to 10 p.m. ET, Saturday from 8 a.m. to 7 p.m. ET, and Sunday from 12 noon to 6 p.m. ET. All calls to the FCC Technical Support Hotline are recorded.**

**Attachment G**

**FCC BIDDING PREFERENCE/  
REMOTE SECURITY ACCESS CARDS SOFTWARE ORDER FORM  
Auction No. 31**

*All qualified applicants who plan to participate in this auction must complete the form below.*

Qualified bidders are permitted to bid electronically or telephonically. Each bidder choosing to bid electronically must purchase their own FCC Remote Security Access SecurID Cards software. Electronic bids will only be accepted from those applicants purchasing the SecurID cards software. (Telephonic bidders will be supplied with security login codes in lieu of using the SecurID cards software.)

The price of the FCC Remote Security Access SecurID Cards software package is **\$175.00**, which includes a user manual and shipping costs. For security purposes, the FCC Remote Security Access SecurID Cards software package is only mailed to the contact person at the contract address listed on the FCC Form 175.

Completed forms should be printed and either faxed or mailed to the address below, ensuring receipt by no later than 6:00 p.m. ET on **Tuesday, February 20, 2001.**

FCC BIDDING PREFERENCE (Auction No. 31)  
Auction Operations Branch  
1270 Fairfield Rd.  
Gettysburg, PA 17325-7245  
**FAX: 717-338-2850**

Auction Applicant: \_\_\_\_\_  
FCC Assigned Account No. \_\_\_\_\_ Contact Phone: \_\_\_\_\_  
Contact Name: \_\_\_\_\_  
Contact Address: \_\_\_\_\_  
Contact City: \_\_\_\_\_ Contact State: \_\_\_\_\_  
Contact Zip: \_\_\_\_\_ Contact Fax: \_\_\_\_\_

Bidding Preference:  Electronic  Telephonic Only (no money is due and no security software cards will be sent)

Payment of \$175.00 US by:  Check (payable to FCC)  MasterCard  Visa

Credit card number \_\_\_\_\_ Expiration date \_\_\_\_\_  
Name on card \_\_\_\_\_  
Authorized signature \_\_\_\_\_ Date \_\_\_\_\_