



PUBLIC NOTICE

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DA 06-294
February 6, 2006

WIRELESS TELECOMMUNICATIONS BUREAU ADOPTS REPORTING REQUIREMENTS REGARDING VERIZON AIRFONE INC., CALL SIGN KNKG804

Pursuant to the *Air-Ground Reconsideration Order*¹ and by this Public Notice, the Wireless Telecommunications Bureau (Bureau) hereby adopts reporting requirements that will enable the Federal Communications Commission (Commission) to monitor the transition of Verizon Airfone Inc.'s air-ground radiotelephone system from four to one megahertz of the 800 MHz air-ground band.²

Background. The Commission has scheduled an auction of new nationwide commercial Air-Ground Radiotelephone Service licenses to commence on May 10, 2006 (Auction No. 65).³ Licenses will be offered in three alternative band configurations: (1) Band Plan 1, comprised of two overlapping, shared, cross-polarized 3 MHz licenses (Licenses A and B, respectively),⁴ (2) Band Plan 2, comprised of an exclusive 3 MHz license and an exclusive 1 MHz license (Licenses C and D, respectively),⁵ and (3) Band Plan 3, comprised of an exclusive 1 MHz license and an exclusive 3 MHz license (Licenses E and F,

¹ The Commission delegated authority to the Bureau to adopt specific reporting requirements and issue a public notice enumerating such requirements within 60 calendar days of the adoption of the *Air-Ground Reconsideration Order*. See Amendment of Part 22 of the Commission's Rules to Benefit the Consumers of Air-Ground Telecommunications Services, Biennial Regulatory Review—Amendment of Parts 1, 22, and 90 of the Commission's Rules, Amendment of Parts 1 and 22 of the Commission's Rules to Adopt Competitive Bidding Rules for Commercial and General Aviation Air-Ground Radiotelephone Service, WT Docket Nos. 03-103 and 05-42, *Order on Reconsideration and Report and Order*, FCC 05-202, ¶21 (rel. Dec. 9, 2005) (*Air-Ground Reconsideration Order*). See also Amendment of Part 22 of the Commission's Rules to Benefit the Consumers of Air-Ground Telecommunications Services, Biennial Regulatory Review—Amendment of Parts 1, 22, and 90 of the Commission's Rules, Amendment of Parts 1 and 22 of the Commission's Rules to Adopt Competitive Bidding Rules for Commercial and General Aviation Air-Ground Radiotelephone Service, WT Docket Nos. 03-103 and 05-42, *Report and Order and Notice of Proposed Rulemaking*, 20 FCC Rcd 4403 (2005) (*Air-Ground Order*).

² The spectrum consists of an uplink band at 849-851 MHz and a downlink band at 894-896 MHz. 47 C.F.R. § 22.857.

³ See Auction of 800 MHz Air-Ground Radiotelephone Service Licenses Scheduled for May 10, 2006, *Public Notice*, DA No. 06-3 (rel. Jan 10, 2006).

⁴ Licenses A and B would authorize transmission of radio waves that are vertically and horizontally polarized, respectively, and would initially share 3.0 MHz: 1.5 MHz at 849.0-850.5 MHz paired with 1.5 MHz at 894.0-895.5 MHz. Once Verizon Airfone Inc.'s incumbent system ceases operations in the upper 0.5 MHz of each band, the License B licensee would shift its operations to 1.5 MHz at 849.5-851.0 MHz paired with 1.5 MHz at 894.5-896.0 MHz, and the licensees for Licenses A and B would share 2.0 MHz.

⁵ License C would be located in the lower 1.5 MHz portion of each 2 MHz band (1.5 MHz at 849.0-850.5 MHz paired with 1.5 MHz at 894.0-895.5 MHz). License D would be located in the upper 0.5 MHz portion of each 2 MHz band (0.5 MHz at 850.5-851.0 MHz paired with 0.5 MHz at 895.5-896.0 MHz).

respectively), with the blocks at opposite ends of the band from Band Plan 2.⁶ The two licenses comprising the band plan that receives the highest aggregate bids in the auction will be awarded subject to review of the long-form license applications.⁷

Verizon Airfone Inc. (Verizon Airfone or Airfone) is the only incumbent operator in the 800 MHz air-ground band. Airfone holds a nonrenewable license to operate in the band, which will expire on May 13, 2010.⁸ In order to make sufficient spectrum available for the introduction of broadband services in the 800 MHz air-ground band,⁹ the Commission has directed Airfone to transition its incumbent operations from four to one megahertz of the band within two years of the initial grant date of a new license in the band.¹⁰ In the *Air-Ground Reconsideration Order*, the Commission directed the Bureau to adopt reporting requirements regarding Airfone's transition of its base stations and its subscribers' aircraft to operate on one megahertz of the band.¹¹ The Commission found that such reports would serve the public interest by enabling FCC staff to closely monitor the transition of Airfone's narrowband system and to ensure that the transition is timely effected.¹² We enumerate such requirements below.

General Filing Requirements. Verizon Airfone's first report must be filed six months from the date the Commission grants a new license in the 800 MHz air-ground band (the "First Grant Date"). Airfone must file a report at each of three six-month intervals thereafter.¹³ The Bureau will issue a public notice within 60 calendar days of the grant of a new license in the band that will specify the filing dates and filing procedures for Airfone's reports.

In addition, if Airfone, or an affiliate of Airfone, wins an exclusive 3 MHz license in Auction 65, the Bureau will issue a public notice within 60 calendar days of any such grant that will specify additional reporting requirements regarding the transition of Airfone's subscribers from its incumbent narrowband system to a broadband system.¹⁴

First Status Report. Airfone's first status report must specify the number of commercial, general aviation, and government aircraft, respectively, that subscribe to Airfone's narrowband service as of the

⁶ License E would be located in the lower 0.5 MHz portion of each 2 MHz band (0.5 MHz at 849.0-849.5 MHz paired with 0.5 MHz at 894.0-894.5 MHz). License F would be located in the upper 1.5 MHz portion of each 2 MHz band (1.5 MHz at 849.5-851.0 MHz paired with 1.5 MHz at 894.5-896.0 MHz).

⁷ Gross bids for the licenses, rather than net bids adjusted for bidding credits, will be used to determine the band plan with the highest aggregate bids.

⁸ See *Air-Ground Order*, 20 FCC Rcd at 4440-4441 ¶¶80-81.

⁹ See *id.* at 4421-4422 ¶31.

¹⁰ See *id.* at 4438-4439 ¶75. If Band Plan 1 or 2 is the winning configuration at auction, Airfone's incumbent system must cease operations in the lower 1.5 MHz portion of each 2 MHz air-ground band within two years of the initial date of grant of a new license. Airfone may relocate its incumbent operations to the upper 0.5 MHz portion of each 2 MHz band (0.5 MHz at 850.5-851.0 MHz paired with 0.5 MHz at 895.5-896.0 MHz) and may continue to operate until May 13, 2010. If Band Plan 3 is the winning configuration at auction, Airfone's incumbent system must cease operations in the upper 1.5 MHz portion of each 2 MHz air-ground band within two years of the initial date of grant of a new license; Airfone may relocate to the lower 0.5 MHz portion of each 2 MHz band (0.5 MHz at 849.0-849.5 MHz paired with 0.5 MHz at 894.0-894.5 MHz) and may continue to operate until May 13, 2010.

¹¹ The Commission stated that, at a minimum, each report should provide the number and percentage of each type of aircraft (commercial, general aviation, and government) and base stations that have been transitioned to operate in the one megahertz portion of the band. *Air-Ground Reconsideration Order* at ¶21.

¹² *Id.*

¹³ *Air-Ground Reconsideration Order* at ¶21.

¹⁴ *Id.* at ¶22.

date of this public notice.¹⁵ The report must also include the following five categories of information, as of the date five months from the First Grant Date:

1. The number of commercial, general aviation, and government aircraft, respectively, that subscribe to Airfone's narrowband service.
2. The number and percentage of commercial, general aviation, and government aircraft, respectively (identified in category 1), that have been reconfigured to operate on one megahertz of the 800 MHz air-ground band, whether or not they operate on one megahertz.
3. The number and percentage of commercial, general aviation, and government aircraft, respectively (identified in category 1), that in fact operate on one megahertz.
4. The total number of base stations, and the number and percentage of base stations reconfigured to operate on one megahertz, whether or not they operate on one megahertz.
5. The number and percentage of base stations that in fact operate on one megahertz.

Second Status Report. The second status report must include the five categories of information specified above, as of the date 11 months from the First Grant Date.

Third Status Report. The third status report must include the five categories of information specified above, as of the date 17 months from the First Grant Date.

Fourth Status Report. The fourth status report must include the five categories of information specified above, as of the date 23 months from the First Grant Date.

Classified Information. Airfone is not required to submit any classified information regarding government aircraft in its reports.¹⁶

For further information, please contact Richard Arsenault, Chief Counsel of the Wireless Telecommunications Bureau Mobility Division (202-418-0920, Richard.Arsenault@fcc.gov).

¹⁵ We decline to implement AirCell's request to require Verizon Airfone to file any additional reports to establish a "baseline" from which to gauge transition progress. *See* Letter from Michele C. Farquhar, Counsel to AirCell, Inc., to Marlene H. Dortch, Secretary, Federal Communications Commission, dated February 2, 2005. *See also* Letter from Donald C. Brittingham, Director Wireless/Spectrum Policy, Verizon, to Marlene H. Dortch, Secretary, Federal Communications Commission, dated February 2, 2005 (opposing AirCell's request). We note that Airfone must provide the Commission subscribership data (as of the date of this public notice) in its first report, which will establish a baseline from which to gauge transition progress.

¹⁶ *See* Executive Order 12958 (amended March 25, 2003) Section 6.1.(h) (defining classified information as "information that has been determined pursuant to this order or any predecessor order to require protection against unauthorized disclosure and is marked to indicate its classified status when in documentary form"). Airfone may seek confidential treatment of information contained in its reports in accordance with the Commission's rules and policies. *See* 47 C.F.R. § 0.459.