**Before the**

Federal Communications Commission

Washington, D.C. 20554

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| In the Matter of  SKYBRIDGE SPECTRUM FOUNDATION  Applications for Renewal  Notifications of Construction  Requests to Extend or Waive Substantial Service Deadlines  for Automated Maritime Telecommunications System Licenses | **)**  **)**  **)**  **)**  **)**  **)**  **)**  **)**  **)**  **)**  **)**  **)**  **)** | FCC File Nos. 0006778588-98, 0007605644, 0007605646-49  FCC File Nos. 0006799303-13  FCC File Nos. 0006778612-22, 0007605851, 0007605919, 0007605921-23 |

order

**Adopted: August 13, 2018 Released: August 14, 2018**

By the Deputy Chief, Mobility Division, Wireless Telecommunications Bureau:

# introduction

1. We have before us applications filed by Skybridge Spectrum Foundation (Skybridge) to renew sixteen geographic Automated Maritime Telecommunications System (AMTS) licenses. Skybridge submitted a request for extension or waiver of the substantial service deadline for all sixteen licenses, and it submitted a substantial service showing for eleven of the licenses.[[1]](#footnote-3) After reviewing the record, we conclude that Skybridge has not demonstrated substantial service for the entirety of any of the licenses. We further conclude that Skybridge has failed to establish that an extension or waiver of the construction deadline is warranted for any of the 16 licenses. With respect to the licenses for stations WQID629 and WQJW652, however, the vital use of spectrum under these licenses for Congressionally-mandated Positive Train Control (PTC) warrants waiver relief that will permit continuation of those PTC operations.[[2]](#footnote-4) Accordingly, as explained below, we grant a limited waiver of section 80.49(a) of the Commission’s rules to allow separate assessments of substantial service for the areas of PTC use and for the areas where there are no PTC operations, and we find that Skybridge has demonstrated substantial service only for the areas of PTC operations. Consequently, we will accept the substantial service showings and grant the renewal applications for stations WQID629 and WQJW652 for the areas where substantial service was demonstrated. The remainder of the license areas for stations WQID629 and WQJW652 are terminated and revert to the Commission. In addition, the licenses for stations WQWJ650, WQJW651, WQJW653, WQJW655, WQJW656, WQJW657, WQNY434, WQOC595, WQON774, WQON775, WQUW780, WQUW781, WQVI210, and WQVR515 are terminated and revert to the Commission, and the renewal applications for those licenses will be dismissed as moot.

# background

1. The Commission auctioned AMTS geographic licenses in 2004 (Auction 57) and 2005 (Auction 61), and granted the licenses in 2005 and 2006.[[3]](#footnote-5) Each AMTS geographic area licensee must notify the Commission within ten years of the license grant, *i.e.*, by the end of its initial license term, that it is providing substantial service within its region or service area.[[4]](#footnote-6)
2. Skybridge, which at the time was controlled by Warren Havens (Havens), obtained the licenses now at issue between 2008 and 2015 by partitioning and disaggregation from other Havens-controlled entities.[[5]](#footnote-7) Havens, on behalf of Skybridge, filed timely renewal applications, construction notifications, and contingent requests for extension or waiver of the substantial service deadline for Skybridge’s 11 Auction 57 licenses.[[6]](#footnote-8) Skybridge primarily argues that its own activities warrant a finding of substantial service, but as further support, it also includes usage information from lessees of some of the licenses. It also makes a contingent request for an extension or waiver of the substantial service deadline, should the Commission find that Skybridge has not demonstrated substantial service.
3. In 2015, Susan L. Uecker was appointed as Receiver to assume control of Skybridge and other Havens-controlled entities.[[7]](#footnote-9) In February 2016, the Commission accepted an application filed by the Receiver for the involuntary transfer of control of Skybridge’s licenses to her.[[8]](#footnote-10) The Receiver, on behalf of Skybridge, filed timely renewal applications for the five Auction 61 licenses at issue here with requests for waiver or extension of the substantial service deadline.[[9]](#footnote-11) The Receiver later filed a supplement to all of the Auction 57 and Auction 61 extension/waiver requests.[[10]](#footnote-12)

# discussion

## Substantial Service Showings

1. “Substantial service” is defined as “service which is sound, favorable, and substantially above a level of mediocre service which just might minimally warrant renewal.”[[11]](#footnote-13) A substantial service standard allows the Commission to take into consideration service to rural areas or discrete populations, and the provision of niche services.[[12]](#footnote-14) A “licensee may attribute to itself the build-out or performance activities of its spectrum lessee(s) for purposes of complying with any applicable build-out or performance requirement.”[[13]](#footnote-15)

### Use of Spectrum by Skybridge

1. Skybridge argues that it is providing substantial service with its Auction 57 licenses. It says that it has acquired a unique collection of licenses across a number of different frequency bands that are “ideal for smart transport, energy and environment-protection systems.”[[14]](#footnote-16) It cites its efforts to clear site-based incumbents from areas in which it holds the geographic overlay licenses[[15]](#footnote-17) and its funding of test and demonstration facilities.[[16]](#footnote-18) It also provides exhibits that discuss, *inter alia*, its plans to extend “private commons arrangement[s for a] nationwide environment wireless program” and its “years of research in Meteor Burst Communications.”[[17]](#footnote-19) Skybridge does not claim to use any of the Auction 57 licenses to provide any actual service, however.
2. As we previously noted, “a finding of substantial service must be based on actual service.”[[18]](#footnote-20) Preliminary efforts to put spectrum to use do not constitute substantial service if the licensee has failed to use the spectrum for actual service providing operational communications either to third parties or to meet its own private, internal communications needs.[[19]](#footnote-21) Testing, research and development, and other activities preparatory to implementation of a functioning communications system are not sufficient, nor are promises or predictions of future service. Indeed, we previously rejected the same claim by Skybridge that such activities constituted substantial service with respect to other licenses.[[20]](#footnote-22) We therefore conclude that, with regard to the Auction 57 licenses for which Skybridge depends solely on Skybridge’s own activities (but no actual service) to establish substantial service, without any showing of service by lessees, Skybridge has not satisfied the substantial service requirement.[[21]](#footnote-23)

### Use of Spectrum by Lessees

1. Skybridge provides information on the use of spectrum authorized under the licenses for stations WQID629, WQJW652, and WQUW780 by lessees for PTC.[[22]](#footnote-24) Under four leases of spectrum from the licenses for stations WQID629 and WQJW652, the National Passenger Railroad Corporation d/b/a/Amtrak (Amtrak) has deployed PTC on five of its Northeast Corridor lines.[[23]](#footnote-25) In addition, GE Transportation Intelligent Control Systems (GE Transportation) leased spectrum from the license for station WQUW780 to facilitate construction of a PTC system for Amtrak in Michigan and Indiana.[[24]](#footnote-26)
2. Skybridge’s licenses for stations WQID629 and WQJW652 together cover territory from the New York-New Jersey line to northern South Carolina. Amtrak entered into two leases of WQID629 spectrum,[[25]](#footnote-27) one for 25 kilohertz (217.0-217.0125 and 217.0875-217.1 MHz) covering the Amtrak rail line and the area three miles immediately adjacent on either side of that rail line,[[26]](#footnote-28) and the other for 100 kilohertz (217.0-217.1 MHz) within a geographic corridor that extends on both sides of the Amtrak rail line beginning three miles outside the rail line and extending to nine miles outside the line, *i.e.*, covering six miles on either side of the six-mile interior corridor.[[27]](#footnote-29) In addition, Amtrak has two leases of WQJW652 spectrum, one for the same 25 kilohertz covering the Amtrak rail lines and the area three miles immediately adjacent to those lines on either side,[[28]](#footnote-30) and the other for the same 100 kilohertz within a geographic corridor that extends on both sides of the Amtrak rail lines beginning three miles outside the rail line and extending to nine miles outside the line, *i.e.*, covering six miles on either side of the six-mile interior corridor.[[29]](#footnote-31) Skybridge provides a report by Amtrak detailing its use of the leased spectrum.[[30]](#footnote-32) Skybridge and Amtrak subsequently filed an application to partition to Amtrak the spectrum leased under both licenses.[[31]](#footnote-33)
3. Skybridge’s license for station WQUW780 covers territory along the Great Lakes, from New York to Minnesota. Skybridge leased spectrum to GE Transportation,[[32]](#footnote-34) which used it to facilitate construction and testing of a PTC system for Amtrak along a rail corridor from Detroit to Kalamazoo, Michigan, and to upgrade an existing radio network from Kalamazoo to Gary, Indiana.[[33]](#footnote-35)
4. We are unable, on this record, to find that the PTC operations on these ribbons running through parts of the three license areas constitute substantial service for the entire license area. The record shows that Amtrak is providing service on the spectrum that it leased from Skybridge,[[34]](#footnote-36) but there is no indication that service of any kind has been provided outside the corridors surrounding Amtrak’s rail lines. Skybridge has not even attempted to calculate what portion of the licensed area, either by geographic size or population, is covered by the service provided by Amtrak. The record shows that the licensed spectrum is not being used in the vast majority of the three authorized service areas.
5. Although we have not been presented with a substantial service showing sufficient to establish that the licenses for stations WQID629, WQJW652, and WQUW780 should be renewed, we find that it would serve the public interest to permit Amtrak to continue to use the spectrum from the WQID629 and WQJW652 licenses. The record indicates that Amtrak has made intensive use of the spectrum in implementing PTC, a service that will improve the safety of rail crew and passengers, as well as persons who live in communities that might be affected by a derailment or other railway accident, such as a hazardous materials release. The Commission has repeatedly recognized the vital public interest in facilitating the rail industry’s acquisition of spectrum to implement PTC.[[35]](#footnote-37) Amtrak will continue to need to rely on the spectrum in question, as reflected in its application to acquire the spectrum through license assignment. We also recognize that PTC service necessarily will be provided only in relatively narrow geographic corridors in large geographic service areas, as PTC equipment must be located near rail lines.
6. On our own motion, therefore, we grant a waiver of section 80.49(a) of the rules to permit two independent assessments of substantial service under the licenses for stations WQID629 and WQJW652, one for the area of each license that was leased to Amtrak, and one for the remainder of each license area. Section 1.925(b)(3)(i) of the rules provides that we may grant a rule waiver if it is shown that “[t]he underlying purpose of the rule(s) would not be served or would be frustrated by application to the instant case, and that a grant of the requested waiver would be in the public interest….”[[36]](#footnote-38) Granting a waiver to permit bifurcation of the substantial service showings for these two licenses, and thereby reducing the denominator in the substantial service calculation such that Amtrak’s usage of the spectrum is measured by reference to the limited geographic areas appropriate for PTC operations rather than the entire service area, satisfies this standard. The underlying purpose of substantial service requirements, which is to ensure that licensed spectrum is used efficiently and effectively rather than warehoused or underutilized, would not be served by removing Amtrak’s access to spectrum that it is using to implement PTC[[37]](#footnote-39) in advance of the approaching December 31, 2018, statutory implementation deadline. Nor would it serve the public interest to disrupt or delay the implementation and maintenance of a service widely recognized to be vital to rail safety. In these circumstances, we find that the limited relief we are granting is warranted under our waiver standard.
7. The *sua sponte* waiver permits us to find that substantial service was provided in the areas leased to Amtrak from the licenses for stations WQID629 and WQJW652. We therefore will accept the substantial service showings and grant in part the renewal applications for stations WQID629 and WQJW652, only with respect to those leased areas. As noted, the assignment to Amtrak of the spectrum in the leased areas has already been consented to and consummated.[[38]](#footnote-40) With this resolution, there is no longer any regulatory impediment to our grant to Amtrak of its own license for continued use of the spectrum to implement PTC. Because the waiver of section 80.49 was granted in order to facilitate PTC operations rather than to renew the licenses for any future operations of the licensee’s choosing, we will expressly condition the license renewals and the new Amtrak licenses on the spectrum being used only for PTC. The licenses assigned to Amtrak will terminate automatically if they cease to be used for PTC purposes or are used for non-PTC communications.
8. In contrast to the evidence of Amtrak’s continued reliance on spectrum authorized under the WQID629 and WQJW652 licenses, it appears that Amtrak has no expectation that it will need spectrum authorized under the WQUW780 license, as neither Amtrak nor GE Transportation seeks an assignment of (or a new lease for) the spectrum.[[39]](#footnote-41) We therefore limit the relief we are granting to only the WQID629 and WQJW652 licenses, and we deny renewal of the WQUW780 license in its entirety, as with the licenses other than WQID629 and WQJW652.

## Extension and Waiver Requests

1. If a licensee fails to meet its substantial service obligation, its authorization terminates automatically, without specific Commission action, on the date the construction or coverage period expires.[[40]](#footnote-42) A licensee may request an extension of a substantial service deadline, but it is settled policy that an extension “is not justified when the licensee’s failure to construct is due solely to circumstances wholly within the licensee’s control.”[[41]](#footnote-43) Section 1.946(e) of the Commission’s rules provides that an extension may be granted “if the licensee shows that failure to meet the construction or coverage deadline is due to involuntary loss of site or other causes beyond its control,”[[42]](#footnote-44) but states that an extension will not be granted “due to delays caused by a failure to obtain financing, to obtain an antenna site, or to order equipment in a timely manner.”[[43]](#footnote-45) It also says that extensions will not be granted “because the licensee undergoes a transfer of control or because the licensee intends to assign the authorization … [or] solely to allow a transferee or assignee to complete facilities that the transferor or assignor failed to construct.”[[44]](#footnote-46) Separately, under section 1.925(b), the Commission may waive a substantial service rule if, as noted above, it is shown that the underlying purpose of the rule(s) would not be served or would be frustrated by application to the instant case, and that a grant of the requested waiver would be in the public interest; or, alternatively, in view of unique or unusual circumstances, application of the rule(s) would be inequitable, unduly burdensome or contrary to the public interest, or the applicant has no reasonable alternative.[[45]](#footnote-47)
2. The Wireless Telecommunications Bureau (Bureau) last year reaffirmed that extensions and waivers of construction obligations will not be routinely granted.[[46]](#footnote-48) It stated that, “[a]s the Bureau has previously made clear, it is a licensee’s responsibility to conduct its due diligence, to assure that it can construct and meet service requirements, and to confirm that the spectrum is suitable for the licensee’s business plans and needs.”[[47]](#footnote-49) It added that “the Commission’s rules do not contemplate extensions of construction deadlines for licensees that fail to meet construction obligations because of miscalculations or erroneous predictions about such factors as costs, demand, developments in the market, or timing and success in obtaining permissions that may be necessary for construction.”[[48]](#footnote-50)

### Auction 57 Licenses

1. We deny Skybridge’s contingent request for an extension or waiver of the substantial service deadline for the eight Auction 57 licenses under which no actual service was provided, as well as for WQUW780 and the portions of the WQID629 and WQJW652 where no actual service was provided.[[49]](#footnote-51) Skybridge has not established that its failure to initiate service within the license term was due to circumstances beyond its control. Instead, its failure to initiate service was due to voluntary business decisions.[[50]](#footnote-52) In requesting relief from the substantial service requirement, Skybridge emphasizes the efforts of Havens-controlled entities to clear site-based incumbents from its geographic service areas.[[51]](#footnote-53) Havens, like other AMTS auction participants, was aware of the existence of those incumbents and the need to protect them from interference.[[52]](#footnote-54) Acquiring licenses that Skybridge knew to be encumbered with incumbent operations was its own choice, as is a determination to seek to clear incumbents before initiating service.[[53]](#footnote-55) We previously have denied extension requests by Skybridge and its commonly owned affiliates based on similar showings.[[54]](#footnote-56) In sum, Skybridge’s failure to provide any service of its own is ascribable to its own business decisions, rather than circumstances beyond its control, and Skybridge therefore is not eligible for an extension under section 1.946(e).
2. For similar reasons, we see no justification to waive the substantial service deadline for the Auction 57 licenses for which no actual service has been demonstrated.[[55]](#footnote-57) Skybridge has failed to establish that the underlying purpose of the rule imposing a substantial service requirement and deadline for AMTS licensees would not be served or would be frustrated by application to the subject licenses.[[56]](#footnote-58) To the contrary, we find that granting waiver relief in these circumstances would undermine the rule by permitting a licensee to leave spectrum unused for the entire ten-year license term, for reasons within the licensee’s control. Substantial service requirements “serve the important purpose of ensuring that scarce spectrum resources are put to use and deployed to serve all communities.”[[57]](#footnote-59) It would defeat the purpose of the rule to permit a licensee that has failed to provide substantial service after ten years, based on voluntary business decisions, to continue to hold the spectrum for an additional period.[[58]](#footnote-60)
3. Nor do we find that Skybridge has demonstrated the existence of unique or unusual circumstances such that application of the substantial service deadline to it would be inequitable, unduly burdensome, or contrary to the public interest, or that Skybridge has no reasonable alternative to requesting a waiver. Skybridge’s accumulation of what it deems a unique aggregation of spectrum resources does not justify its failure to put its AMTS licenses to actual use.[[59]](#footnote-61) Nor do we see anything inequitable or unduly burdensome in applying the substantial service deadline to Skybridge’s Auction 57 licenses, and nothing in the record suggests that Skybridge had no alternative to seeking waiver relief for these licenses.[[60]](#footnote-62) Accordingly, we deny the requests for an extension or waiver of the substantial service deadline for the Auction 57 licenses. We consequently find that the licenses for stations WQJW653, WQJW655, WQJW656, WQJW657, WQNY434, WQOC595, WQUW780, WQVI210, and WQVR515, as well as the licenses for those portions of stations WQID629 and WQJW652 where no service was provided, have terminated automatically, and we dismiss as moot the applications seeking renewal of those licenses.

### Auction 61 Licenses

1. We deny Skybridge’s request for an extension or waiver of the substantial service deadline for the five Auction 61 licenses at issue. Skybridge argues that an extension is warranted because the inability of the Receiver to achieve substantial service with the Auction 61 licenses was caused by circumstances beyond the licensee’s control.[[61]](#footnote-63) It explains that, “[i]nstead of being able to devote her time to negotiating leases or sales of the licenses, the Receiver has been fully occupied with resolving the Receivership Entities’ existing disputes and defending the existence of the Receivership itself against Warren Havens.”[[62]](#footnote-64) It cites an “unrelenting stream of litigation [that] left the Receiver with little time and few resources to effectively market the licenses, despite her best efforts,” and it argues that a “short extension of the deadline to show substantial service on the Skybridge AMTS licenses would . . . allow her to complete her negotiations with potential buyers or lessees of the spectrum.”[[63]](#footnote-65)
2. We conclude that an extension is foreclosed by section 1.946(e)(3), which, as noted, specifies that “[e]xtension requests will not be granted for failure to meet a construction or coverage deadline because the licensee undergoes a transfer of control or because the licensee intends to assign the authorization [or] solely to allow a transferee or assignee to complete facilities that the transferor or assignor failed to construct.”[[64]](#footnote-66) These reasons are precisely why Skybridge seeks an extension. In addition, we are not persuaded that an extension is warranted based on circumstances beyond the licensee’s control. The Bureau’s Mobility Division (Division) previously considered and rejected the argument that ongoing litigation and related hindrances to the Receiver’s discharge of her responsibilities constitute unique and challenging circumstances beyond the Receiver’s control that justify granting either an extension of the construction deadline or a waiver of the automatic termination provision where a licensee fails to meet coverage requirements with respect to other licenses formerly controlled by Havens.[[65]](#footnote-67) We adopt by reference that analysis here.
3. Skybridge also argues that permitting the Receiver’s marketing plan to go forward would better serve the public interest and the rule’s purpose by putting the spectrum to use sooner than terminating the licenses and having the spectrum revert to the Commission for re-auction, which, it says, will be a time- and resource-consuming process.[[66]](#footnote-68) Even if we were to accept the argument that grant of a waiver here would allow the Auction 61 licenses to be put to good use sooner than would a waiver denial, that, by itself, does not outweigh broader public interest considerations. Such an argument could be made by almost any licensee that failed to timely meet the substantial service requirement but claims that it (or an assignee or lessee) could meet the construction requirement with some additional time, so long as that additional time is less than the time that the Commission’s recovery and re-auctioning of the spectrum might take.[[67]](#footnote-69) Granting a waiver on such grounds would undermine the substantial service requirement’s incentive for licensees to use their spectrum efficiently and effectively within a reasonable period of time after licensing, an outcome that would neither promote the purpose of the rule nor serve the public interest.[[68]](#footnote-70)
4. Finally, we are not persuaded that the Division’s 2017 decision[[69]](#footnote-71) granting Maritime Communication/Land Mobile, LLC, Debtor-in-Possession (MCLM), a waiver of the AMTS substantial service deadline supports relief in this case.[[70]](#footnote-72) The Commission designated MCLM for hearing on its basic character qualifications to be a Commission licensee in 2011,[[71]](#footnote-73) so the Commission’s *Jefferson Radio* policy, which prohibits the processing of assignment or transfer of control applications filed by a licensee whose basic qualifications are in question,[[72]](#footnote-74) applied to MCLM. MCLM declared bankruptcy, and the Bankruptcy Court approved a plan for MCLM to assign its licenses to a third party that would seek to sell MCLM’s spectrum assets with the proceeds going to MCLM’s creditors.
5. In December 2016, the Commission terminated the hearing proceeding,[[73]](#footnote-75) whereupon MCLM filed renewal applications and extension/waiver requests for its Auction 61 licenses. The Division waived the substantial service deadline for MCLM largely because of legal constraints on MCLM’s ability to provide substantial service itself or to assign spectrum to third parties.[[74]](#footnote-76) The Division noted that MCLM was in bankruptcy (and therefore likely needed the approval of the Bankruptcy Court to invest further in its licensed stations to meet its substantial service obligations, and that such approval might not be forthcoming given that the underlying licenses were potentially subject to revocation upon a finding that MCLM was disqualified to be a licensee), and was subject to *Jefferson Radio* (which prevented MCLM from conveying responsibility for meeting the substantial service standard to parties willing to undertake it) for most of the license term.[[75]](#footnote-77)
6. We do not find that Skybridge’s situation is sufficiently analogous to that of MCLM such that Skybridge should also be deemed to be subject to “unusual circumstances that render a strict application of the substantial service deadline . . . contrary to the public interest.”[[76]](#footnote-78) First, the Division already has found “unpersuasive the Receiver’s argument that her efforts to pursue transactions for the sale of the licenses were impeded by . . . the receivership limitations on her authority to market and sell the licenses.”[[77]](#footnote-79) Moreover, even if we were to accept the asserted equivalency of the state court’s oversight of the Skybridge receivership with the bankruptcy court’s oversight of MCLM’s expenditures in terms of the constraint it places on finalizing transactions with third parties, the situations are distinguishable, for the Receivership was a factor only for the last thirteen months of Skybridge’s Auction 61 licenses’ term (and for no part of its Auction 57 licenses’ term), while MCLM faced an absolute legal bar to the assignment of its licenses for most of the license term. We conclude that the MCLM decision does not provide a basis for granting similar relief to Skybridge. We therefore deny the Auction 61 extension requests, both as requests for an extension under section 1.946 and as requests for waiver under either prong of section 1.925(b)(3).

# conclusion and ordering clauses

1. Skybridge has not demonstrated that substantial service has been provided under any of the 16 AMTS licenses for which it seeks renewal. In addition, we find no basis to extend or waive the substantial service requirement for those licenses, except to the limited extent of waiving section 80.49(a) to permit a separate substantial service assessment for Amtrak’s PTC operations using spectrum leased and later assigned from the WQID629 and WQJW652 licenses, rather than making a single substantial service assessment for the entirety of those stations’ service areas. As a consequence of that waiver relief, we find that substantial service has been demonstrated in the areas of the Amtrak PTC operations, permitting renewal of those portions of the licenses, but that there has been no demonstration of substantial service for the remaining portions of those licenses. Based on today’s decision, we no longer defer action on the previously granted and consummated transaction between Skybridge and Amtrak, and we will issue Amtrak new licenses to cover areas with demonstrated PTC operations, on the condition that the spectrum be used only for PTC. We conclude, however, that Skybridge’s licenses for WQID629 and WQJW652, as configured following implementation of the Amtrak assignment, as well as the other 14 Skybridge AMTS licenses under review here, have terminated automatically. The renewal applications for stations WQID629 and WQJW652 are granted in part, and the other renewal applications are dismissed as moot.
2. Accordingly, IT IS ORDERED THAT, pursuant to sections 4(i) and 309(j) of the Communications Act of 934, as amended, 47 U.S.C. §§ 154(i), 309(j), and sections 1.925, 1.955 and 80.49 of the Commission’s Rules, 47 CFR §§ 1.925, 1.955, 80.49, construction notifications FCC File Nos. 0006799303 and 0006799304 SHALL BE ACCEPTED IN PART and DENIED IN PART to the extent set forth herein, extension requests FCC File Nos. 0006778612 and 0006778613 SHALL BE DISMISSED AS MOOT IN PART and DENIED IN PART to the extent set forth herein, and applications 0006778588 and 0006778595 SHALL BE GRANTED IN PART and DENIED IN PART to the extent set forth herein, ON THE CONDITION THAT the spectrum be used only for Positive Train Control.
3. IT IS FURTHER ORDERED THAT new licenses will be issued to the National Passenger Railroad Corporation d/b/a/Amtrak of new licenses pursuant to assignment application FCC File No. 0007940888 ON THE CONDITION THAT the spectrum be used only for Positive Train Control; and after such issuance, the licenses for AMTS stations WQID629 and WQJW652 SHALL BE TERMINATED.
4. IT IS FURTHER ORDERED THAT construction notifications FCC File Nos. 0006799305-13, and extension requests FCC File Nos. 0006778614-22, 0007605851, 0007605919, and 0007605921-23 SHALL BE DENIED; renewal applications FCC File Nos. 0006778589-94, 0006778596-98, 0007605644, and 0007605646-49 SHALL BE DISMISSED AS MOOT; and the licenses for AMTS stations WQJW650, WQJW651, WQJW653, WQJW655, WQJW656, WQJW657, WQNY434, WQOC595, WQON774, WQON775, WQUW780, WQUW781, WQVI210, and WQVR515 ARE TERMINATED.
5. This action is taken under delegated authority pursuant to sections 0.131 and 0.331 of the Commission’s Rules, 47 CFR §§ 0.131, 0.331.

FEDERAL COMMUNICATIONS COMMISSION

Scot Stone

Deputy Chief, Mobility Division

Wireless Telecommunications Bureau

1. Specifically, Skybridge filed only a request for waiver or extension of the substantial service deadline for five licenses (WQJW650, WQJW651, WQON774, WQON775, and WQUW781), and both a substantial service showing and a contingent request for extension or waiver of the substantial service deadline for 11 licenses (WQID629, WQJW652, WQJW653, WQJW655, WQJW656, WQJW657, WQNY434, WQOC595, WQUW780, WQVI210, and WQVR515). A seventeenth Skybridge geographic AMTS license, for station WQJW654, was renewed earlier, because Skybridge demonstrated that substantial service was provided under that license. *See* FCC File No. 0007605645 (filed Dec. 29, 2016, granted June 6, 2018). [↑](#footnote-ref-3)
2. Congress adopted the PTC mandate in the Rail Safety Improvement Act of 2008. *See* Pub. L. No. 110-432, § 104, 122 Stat. 4848, 4857 (2008), amended by the Positive Train Control Enforcement and Implementation Act of 2015, Pub. L. No. 114-73, § 1302, 129 Stat. 568, 576 (2015) (PTC Enforcement Act). PTC systems are intended to reduce the risk of human-error rail accidents, by “prevent[ing] train-to-train collisions, over-speed derailments, incursions into established work zone limits, and the movement of a train through a switch left in the wrong position.” 49 U.S.C. § 20157(i)(5). In October 2015, Congress extended the PTC implementation deadline from December 31, 2015, to December 31, 2018. See PTC Enforcement Act. Railroads may request up to a 24-month extension of the December 31, 2018, deadline in limited circumstances. See 49 U.S.C. § 20157(a)(2)(B). [↑](#footnote-ref-4)
3. The AMTS service was created as an alternative to traditional VHF Public Coast station service. *See Amendment of Parts 2, 81 and 83 of the Commission’s Rules to Allocate Spectrum for an Automated Inland Waterways Communications System (IWCS) along the Mississippi River and Connecting Waterways and, Maritime Mobile Radio services; Improvement in Service Through Provision for Automated VHF Common Carrier Systems and, VHF Frequency Assignments to the Maritime Radio Services In the New Orleans and Lower Mississippi Rivers Areas and on the coastlines of the contiguous states*, Report and Order, 84 FCC 2d 875, *on recon.*, Memorandum Opinion and Order, 88 FCC 2d 678 (1981), *aff’d sub nom. WJG Tel. Co. v. FCC*, 675 F.2d 386 (D.C. Cir. 1982). The Commission later amended the rules to permit public correspondence service and private mobile radio service to fixed and mobile units on land. *See* 47 CFR § 80.123; *see also Amendment of the Commission’s Rules Concerning Maritime Communications,* Second Report and Order and Second Further Notice of Proposed Rule Making, 12 FCC Rcd 16949, 16964, para. 24 (1997) (*Maritime Second Report and Order*); *MariTEL, Inc. and Mobex Network Services, LLC*, Report and Order, 22 FCC Rcd 8971, 8976-77, para. 8 (2007) (*Coast Station Flexibility Report and Order*). The Commission established geographic licensing for AMTS stations in 2002. *See Amendment of the Commission’s Rules Concerning Maritime Communications,* Second Memorandum Opinion and Order and Fifth Report and Order, 17 FCC Rcd 6685, 6696, para. 24 (2002), *recon. granted in part, denied in part*, Third Memorandum Opinion and Order, 18 FCC Rcd 24391 (2003). [↑](#footnote-ref-5)
4. *See* 47 CFR § 80.49(a)(3). The Commission recently adopted a new unified renewal standard for most Wireless Radio Service licenses, but that standard does not apply retroactively, so we are reviewing the instant showings under the prior standard *See Amendment of Parts 1, 22, 24, 27, 74, 80, 90, 95, and 101 To Establish Uniform License Renewal, Discontinuance of Operation, and Geographic Partitioning and Spectrum Disaggregation Rules and Policies for Certain Wireless Radio Services*, Second Report and Order and Further Notice of Proposed Rulemaking, 32 FCC Rcd 8874, 8899-8900, paras. 35-37 (2017), *recon. pending*. [↑](#footnote-ref-6)
5. *See* FCC File Nos. 0003272415, 0003690441, 0003690446, 0003690450, 0004777274, 0004777323, 0004777344, 0004804887, 0006520193, 0006593326, and 0006752247. [↑](#footnote-ref-7)
6. Stations WQID629, WQJW652, WQJW653, WQJW655, WQJW656, WQJW657, WQNY434, WQOC595, WQUW780, WQVI210, and WQVR515. Filed with each of the renewal applications and each of the extension/waiver requests is a “Statement of Public Interest and Support for Renewal Applications and Requests for Extension of Time (in the Alternative)” (Auction 57 Renewal Statement). Skybridge filed a “November Supplement to Statement of Support” on November 16, 2015, under File No. 0006778588. Filed with each of the construction notifications is a “Statement of Support for Notices of Construction (NTs) & as Supplements to Pending Applications for Extension of Time (EXs) (in the Alternative) and for Renewals (RNs)” (Auction 57 Construction Statement). [↑](#footnote-ref-8)
7. *See Arnold Leong v. Warren Havens et al.*, Case No. 2002-070640, Order Appointing Receiver After Hearing and Preliminary Injunction (Cal. Super. Ct. Nov. 16, 2015), *removed to federal court*, *Arnold Leong v. Warren Havens*, Case No. 18-cv-03603-EDL (N.D. Cal. removed June 15, 2018). [↑](#footnote-ref-9)
8. *See* File No. 0007061847 (filed Dec. 17, 2015). In March 2016, Havens sought reconsideration of the acceptance of the application transferring control of the licenses to the Receiver. In February 2017, the Receiver, as the acting representative of Skybridge before the Commission, requested withdrawal of the reconsideration petition. The withdrawal request was granted in October 2017. *See* Letter from Scot Stone, Deputy Chief, Mobility Division, Wireless Telecommunications Bureau, to Susan L. Uecker (Oct. 3, 2017) (viewable under FCC File No. 0007061847). [↑](#footnote-ref-10)
9. Stations WQJW650, WQJW651, WQON774, WQON775, and WQUW781. The Receiver filed one “Request for Extension of Substantial Service Deadline” for Station WQJW650 (WQJW650 Request) (filed under FCC File No. 0007605851), and a separate “Request for Extension of Substantial Service Deadline” for Stations WQJW651, WQON774, WQON775, and WQUW781 (Joint Extension Request) (filed under FCC File Nos. 0007605919, 0007605921, 0007605922, and 0007605923). [↑](#footnote-ref-11)
10. Supplement to Request for Extension of Substantial Service Deadline (filed Sept. 29, 2017) (2017 Supplement). [↑](#footnote-ref-12)
11. 47 CFR § 80.49(a)(3). [↑](#footnote-ref-13)
12. *See*, *e.g.*, *Service Rules for the 698-746, 747-762 and 777-792 MHz Bands, et al.*, Second Report and Order, 22 FCC Rcd 15289, 15345, para. 146 (2007). [↑](#footnote-ref-14)
13. 47 CFR § 1.9030(d)(5)(i). Section 90.259 of the Commission’s rules permits low-power telemetry operations on AMTS spectrum on a secondary basis.  *See* 47 CFR § 90.259(a). Skybridge notes that many licenses have been issued for operations within Skybridge’s license areas under section 90.259, and argues that these operations satisfy Skybridge’s substantial service obligations. *See* Auction 57 Construction Statement at 6. The part 90 secondary telemetry licensees are operating pursuant to their own licenses with their own construction requirement, *see* 47 CFR § 90.155(a), completely separate from Skybridge’s authorizations. Those operations will not be considered with respect to Skybridge’s substantial service requirements. *See*, *e.g.*, *FCI 900, Inc.*, Order on Reconsideration, 17 FCC Rcd 16092, 16095, para. 8 (WTB 2002) (rejecting the suggestion that operation under one license satisfies another license’s construction requirement). [↑](#footnote-ref-15)
14. *See* Auction 57 Renewal Statement at 2; *see also* Auction 57 Construction Statement at 5-6. [↑](#footnote-ref-16)
15. *See* Auction 57 Renewal Statement at 4-6, 8-9; Auction 57 Construction Statement at 5. [↑](#footnote-ref-17)
16. *See* Auction 57 Renewal Statement at 6-7, 11-17. [↑](#footnote-ref-18)
17. *See id*. at 11-12. [↑](#footnote-ref-19)
18. *Maritime Communications/Land Mobile, LLC, Debtor-in-Possession*, Order, 32 FCC Rcd 3907, 3913, para. 14 (WTB MD 2017) (*MCLM Waiver Order*), *recon. on other grounds pending*. [↑](#footnote-ref-20)
19. *See, e.g., Intelligent Transportation & Monitoring Wireless, LLC*, Order, 31 FCC Rcd 11528, 11537, para. 21 (WTB MD 2016) (*ITL Extension Denial*) (“While licensees are free to investigate, invest in, and pursue a wide range of technologies and service options, regulatory compliance is ultimately demonstrated by material accomplishments in the use of the spectrum resource to provide service”); *see also Use of Spectrum Bands Above 24 GHz for Mobile Radio Services*, Report and Order and Further Notice of Proposed Rulemaking, 31 FCC Rcd 8014,8085, para. 194 (2016) (noting that the Commission has rejected the argument that antecedent activities such as developing equipment and submitting proposals to potential customers should be credited towards a finding of substantial service) (citing *Amendment of Part 101 of the Commission’s Rules to Facilitate the Use of Microwave for Wireless Backhaul and Other Uses and to Provide Additional Flexibility to Broadcast Auxiliary Service and Operational Fixed Microwave Licensees*, Report and Order, Further Notice of Proposed Rulemaking and Memorandum Opinion and Order, 26 FCC Rcd 11614, 11661, para. 114 (2011)). [↑](#footnote-ref-21)
20. *See Warren C. Havens et al.*, Order, 27 FCC Rcd 5841, 5853, para. 28 (WTB MD 2012) (*Havens 220 MHz Order*), *recon. denied*, Order on Reconsideration, 29 FCC Rcd 1019 (WTB MD 2014) (*Havens 220 MHz Reconsideration Order*), *recon. pending*. [↑](#footnote-ref-22)
21. Stations WQJW653, WQJW655, WQJW656, WQJW657, WQNY434, WQOC595, WQVI210, and WQVR515. [↑](#footnote-ref-23)
22. Auction 57 Renewal Statement, at Group C Exhibits. [↑](#footnote-ref-24)
23. Auction 57 Renewal Statement, at Group C, Exhibit 2.2. [↑](#footnote-ref-25)
24. *Id*., Group C, Exhibit 4: Letter from Gary L. Young, P.E., MIRSE, Senior Project Manager, GE Transportation Intelligent Control Systems, to Marlene H. Dortch, Secretary, FCC (Apr. 25, 2015). [↑](#footnote-ref-26)
25. All of the subject leases expired on April 26, 2015, the expiration date of the underlying licenses, but Skybridge and Amtrak filed an application to extend the leases. *See* FCC File No. 0006791901 (filed May 6, 2015). [↑](#footnote-ref-27)
26. Lease ID L000014991. The lease provides 12.5 kHz for each of two three-mile areas on either side of the line. [↑](#footnote-ref-28)
27. Lease ID L000014992. Both of these leases cover Amtrak rail lines in New Jersey. Amtrak does not lease the spectrum between 217.0125 MHz and 217.0875 MHz inside this six-mile corridor because it acquired that spectrum by partitioning and disaggregation. *See* license for station WQVQ771. [↑](#footnote-ref-29)
28. Lease ID L000014993. [↑](#footnote-ref-30)
29. Lease ID L000014994. Both of these leases cover Amtrak rail lines extending north to Trenton, west to Harrisburg, and south to Washington, D.C. Amtrak does not lease the spectrum between 217.0125 MHz and 217.0875 MHz inside this six-mile corridor because it acquired that spectrum by partitioning and disaggregation. *See* licenses for stations WQVQ772 and WQVQ773. [↑](#footnote-ref-31)
30. Auction 57 Substantial Service Showing, at Group C Exhibits. Skybridge requests a waiver that would also allow leased operations by Pepco Holdings, Inc. (PHI) (misidentified in the waiver request as Potomac Holdings, Inc.) in the mid-Atlantic region (AMT002) to be attributed to Skybridge although the leases were executed by, and use spectrum held by, an affiliated licensee, Environmentel LLC (Environmentel). It claims in support of the requested waiver that Environmentel has assigned all rights and benefits in the lease to Skybridge. *See* Auction 57 Substantial Service Showing, Group C, Exhibit 3.2. We deny the waiver request. A licensee may not include in a substantial service showing any service provided under authority of a different license held by a different licensee. *See* note 13, *supra*. Skybridge’s affiliation with Environmentel and its claim regarding the assignment of rights and benefits does not justify a waiver of the requirement that substantial service be provided under the license for which renewal is sought. [↑](#footnote-ref-32)
31. *See* FCC File No. 0007940888 (filed Oct. 17, 2017). The application was granted on December 22, 2017 conditioned on the resolution of the Skybridge renewal applications. The notification of consummation, FCC File No. 0008084924, indicating that the assignment was consummated on January 31, 2018, was filed on February 2 and accepted on February 3, 2018. The issuance of a license to Amtrak for the spectrum has been deferred, pending the resolution of the Skybridge renewal applications. [↑](#footnote-ref-33)
32. Lease ID L000016170. [↑](#footnote-ref-34)
33. Auction 57 Substantial Service Showing, Group C, Exhibit 4: Letter from Gary L. Young, P.E., MIRSE, Senior Project Manager, GE Transportation Intelligent Control Systems, to Marlene H. Dortch, Secretary, FCC (Apr. 25, 2015). The lease expired on April 26, 2015, the expiration date of the license. Lease ID L000016170. The parties have not sought to renew or extend that lease, and have not filed an application to assign the spectrum. Late in 2016, Skybridge did file applications to lease and assign spectrum from the WQUW780 license to Alstom Signaling Operation, LLC (Alstom), ostensibly to permit Alstom to construct a PTC system for Amtrak. *See* FCC File Nos. 0007470449 (filed Nov. 21, 2016) (assignment application) and 0007570572 (filed Dec. 7, 2016) (lease application). Both applications were withdrawn on August 14, 2017, and there are currently no pending applications in our Universal Licensing System to indicate any continuing interest in the spectrum by Alstom or Amtrak. [↑](#footnote-ref-35)
34. We emphasize that our assessment of substantial service considers only operations put into place before expiration of the license terms for the relevant licenses. Efforts occurring after license expiration are not counted in assessing whether a licensee satisfied its substantial service obligation by the construction deadline. [↑](#footnote-ref-36)
35. *See, e.g.*, *Metropolitan Transportation Authority*, Proposed Order of Modification and Order on Reconsideration, 31 FCC Rcd 1436, 1439, para. 7 (2016), *modification ordered*, 31 FCC Rcd 8862 (WTB MD 2016); *Wireless Telecommunications Bureau Seeks Comment on Spectrum Needs for Implementation of the Positive Train Control Provisions of the Rail Safety Improvement Act of 2008*, Public Notice, 26 FCC Rcd 6704 (WTB 2011); *Brian D. Weimer, Esq.*, Letter Order, 29 FCC Rcd 5340 (WTB MD 2016); *Maritime Communications/Land Mobile, LLC*, Order, 31 FCC Rcd 9826 (WTB MD 2016), *recon. pending*. [↑](#footnote-ref-37)
36. 47 CFR § 1.925(b)(3)(i). The Commission may waive rule requirements on its own motion as well as upon request. 47 CFR § 1.925(a). [↑](#footnote-ref-38)
37. *Cf. NRTC LLC Demonstration of Five-Year Construction Requirements and Request for Extension of Construction Deadlines*, Order, 24 FCC Rcd 8656, 8660, para. 11 (WTB MD 2009) (granting waiver of substantial service deadline because, notwithstanding the licensee’s failure to achieve substantial service, it “ha[d] demonstrated that it has, and will continue, to put its licenses to effective use and will not warehouse the spectrum”). [↑](#footnote-ref-39)
38. *See* note 31, *supra*. [↑](#footnote-ref-40)
39. Indeed, Amtrak has filed an application to acquire AMTS spectrum in that area from another licensee. *See* File No. 0008160112 (filed Apr. 16, 2018, consented to May 15, 2018). [↑](#footnote-ref-41)
40. *See* 47 CFR § 1.946(c); *see also* *id.* § 1.955(a)(2) (“Authorizations automatically terminate (in whole or in part as set forth in the service rules), without specific Commission action, if the licensee fails to meet applicable construction or coverage requirements.”). [↑](#footnote-ref-42)
41. *MariTEL, Inc.*, Memorandum Opinion and Order, 22 FCC Rcd 14074, 14079, para. 9 (2007). [↑](#footnote-ref-43)
42. 47 CFR § 1.946(e)(1). [↑](#footnote-ref-44)
43. 47 CFR § 1.946(e)(2). [↑](#footnote-ref-45)
44. 47 CFR § 1.946(e)(3). [↑](#footnote-ref-46)
45. 47 CFR § 1.925(b)(3); *see also* 47 CFR § 1.3 (providing that a rule may be waived “for good cause”). [↑](#footnote-ref-47)
46. *See Wireless Telecommunications Bureau Reminds Wireless Licensee of Construction Obligations*, Public Notice, 32 FCC Rcd 4802 (WTB 2017) (*Construction Obligations Public Notice*). As used in the *Construction Obligations Public Notice*, the term “construction obligations” encompasses substantial service requirements. *Id*. at 4802. [↑](#footnote-ref-48)
47. *Id*. at 4803 (citations omitted). [↑](#footnote-ref-49)
48. *Id*. [↑](#footnote-ref-50)
49. Although Skybridge generally refers to the request as one for an extension, which could be construed as being limited to relief under section 1.946, it says in a footnote that it “should be deemed a rule waiver request.” *See* Auction 57 Renewal Statement at 4 n.3. We address the request as one seeking either an extension or a waiver. [↑](#footnote-ref-51)
50. A licensee’s own business decisions are not circumstances beyond the licensee’s control. *See, e.g.*, *Longhorn Communications Inc.*, Letter Order, 26 FCC Rcd 6716, 6719-20 (WTB MD 2011) (licensee's claim that it was exploring software defined radio solutions for encryption data and that critical infrastructure entities were expressing interest were speculative options that failed to demonstrate or provide material evidence that further regulatory relief would result in the licenses being put to use in the near term); *Eldorado Communications LLC*, Order, 17 FCC Rcd 24613, 24616, para. 7 (WTB CWD 2002) (licensee’s determination to initially deploy TDMA system and subsequently to adopt GSM with months remaining before construction deadline was business decision within its control); *Bristol MAS Partners*, Order, 14 FCC Rcd 5007, 5009-10, paras. 7-8 (WTB PSPWD 1999) (licensee’s failure to obtain equipment was business decision). [↑](#footnote-ref-52)
51. *See* Auction 57 Renewal Statement, Group A Exhibits. [↑](#footnote-ref-53)
52. In the Due Diligence Section of the Auction 57 and 61 Procedures Public Notices, the Bureau cautioned,

    Potential applicants are reminded that there are a number of incumbent licensees already licensed and operating on frequencies that will be subject to the upcoming auction, such as AMTS Station licensees. Such incumbents must be protected from harmful interference by AMTS Station geographic area licensees in accordance with the Commission's Rules. These limitations may restrict the ability of such AMTS geographic area licensees to use certain portions of the electromagnetic spectrum or provide service to certain areas in their geographic license areas. We therefore caution potential applicants in formulating their bidding strategies to investigate and consider the extent to which AMTS frequencies are occupied by incumbents.

    *Automated Maritime Telecommunication Systems Spectrum Auction Scheduled for September 15, 2004*, Public Notice, 19 FCC Rcd 9518, 9527 (WTB 2004) (citation omitted); *Auction of Automated Maritime Telecommunications System Licenses Scheduled for August 3, 2005*, 20 FCC Rcd 7811, 7820 (WTB 2004) (citation omitted); *see als*o 47 CFR § 80.773 (codifying requirement for geographic AMTS licensees to protect site-based incumbent AMTS licensees). [↑](#footnote-ref-54)
53. As we stated in another matter,

    As a general matter, it is a licensee’s responsibility to conduct adequate due diligence prior to acquisition of licenses: potential licensees are required to familiarize themselves with all applicable rules (including any technical restrictions) with respect to deployment of the relevant spectrum, to assure that they can timely construct as specified per service rules, and to confirm that the spectrum is suitable for the licensee’s business plans and needs. The Commission’s rules also generally do not contemplate waiving rules (including those involving deadlines) for types of considerations that licensees should take into account as part of this type of due diligence.

    *TerreStar Corporation*, Order, 32 FCC Rcd 7480, 7483-84, para. 9 (WTB MD 2017)*, recon. pending*; *see also*, *e.g.*, *Metropolitan Area Networks, Inc.*, Order on Reconsideration and Memorandum Opinion and Order, 27 FCC Rcd 3826, 3831, para. 11 (WTB BD 2012) (choosing to obtain licenses before the rules in a related service with which the licensee planned to interact were finalized was a voluntary business decision, and delays in the adoption of those rules did not warrant a construction extension). [↑](#footnote-ref-55)
54. *See, e.g., ITL Extension Denial,* 31 FCC Rcd at 11531-37, paras. 10-21; *Havens 220 MHz Order*, 27 FCC Rcd at 5848-52, paras. 16-25; *Environmentel, LLC*, Order, 29 FCC Rcd 2942, 2944-48, paras. 5-16 (WTB MD 2014) (*Environmentel*), *recon. pending*; *Warren C. Havens*, Letter Order, 29 FCC Rcd 1942, 1944-45 (WTB MD 2014). [↑](#footnote-ref-56)
55. “As with other Commission rules, requests to waive the requirements of the wireless construction rules ‘must meet a high hurdle at the starting gate.’” *Construction Obligations Public Notice*, 32 FCC Rcd at 4804 (quoting *WAIT Radio v. FCC*, 459 F.2d 1203, 1207 (D.C. Cir. 1972)). [↑](#footnote-ref-57)
56. 47 CFR § 80.49(a). [↑](#footnote-ref-58)
57. *See Thomas K. Kurian*, Letter Order, 32 FCC Rcd 6489, 6493 (WTB MD 2017) (citing 47 U.S.C. § 309); *see also* *Service Rules for Advanced Wireless Services in the 2000-2020 MHz and 2180-2200 MHz Bands*, Report and Order and Order of Proposed Modification, 27 FCC Rcd 16102, 16173-74, para. 187 (2012) (“The Commission establishes performance requirements to promote the productive use of spectrum, to encourage licensees to provide service to customers expeditiously, and to promote the provision of innovative services throughout the license area(s), including in rural areas”). [↑](#footnote-ref-59)
58. *See* *Telesaurus Holdings GB, LLC*, Letter Order, 28 FCC Rcd 1285, 1287-88 (WTB MD 2013); *Progressive Communications, Inc.*, Memorandum Opinion and Order, 27 FCC Rcd 14193, 14198-99, para. 15 (WTB BD 2012). [↑](#footnote-ref-60)
59. *See ITL Extension Denial*, 31 FCC Rcd at 11534, para. 16 (rejecting this as a basis for relief for Skybridge and other Havens-controlled entities); *Environmentel*, 29 FCC Rcd at 2945, para. 9 (same). [↑](#footnote-ref-61)
60. We address the question of whether application of the substantial service deadline to Skybridge would be contrary to the public interest *infra*, in the context of Skybridge’s requests for relief from the substantial service deadline for the Auction 61 licenses, where the argument on that issue is more fully developed, and we discuss why we believe application of the deadline to Skybridge comports with the public interest. [↑](#footnote-ref-62)
61. *See* Joint Extension Request at 3. [↑](#footnote-ref-63)
62. *Id*. [↑](#footnote-ref-64)
63. *Id*.; *see also* WQJW650 Request at 3. In particular, Skybridge stated that the Receiver was in “advanced negotiations” regarding Station WQJW650. *See* WQJW650 Request at 1-2. On May 11, 2017, Skybridge filed an assignment application to partition a portion of the Station WQJW650 license area. *See* FCC File No. 0007728671. [↑](#footnote-ref-65)
64. 47 CFR § 1.946(e)(3). [↑](#footnote-ref-66)
65. *See Helen Wong-Armijo; FCR, Inc.; Skybridge Spectrum Foundation; Telesaurus Holdings GB, LLC*, Order, 32 FCC Rcd 9458, 9472-75, paras. 31-33 (WTB MD 2017) (*Havens M-LMS Order*), *reconsideration and review pending.* [↑](#footnote-ref-67)
66. See WQJW650 Extension Request at 2-3; Joint Extension Request at 3. Skybridge also states that the Auction 61 licenses, which were created from the partitioning and disaggregation of licenses won by entities other than Skybridge in Auction 61, represent “small slivers of AMTS spectrum” that are unlikely to attract robust bidding in a re-auction. *See* Joint Extension Request at 3; *see also* WQJW650 Extension Request at 3. This argument appears to conflict with the claim that the Receiver would find ready and willing purchasers for the spectrum if a brief extension or waiver were granted. [↑](#footnote-ref-68)
67. *See* *NorthStar Technology, LLC*, Order, 18 FCC Rcd 800, 803, para.6 (WTB CWD 2003) (“*any* PCS licensee that requests an extension for a period of less than that given to meet the five-year construction benchmark [that would be re-set if the spectrum was recovered and re-auctioned] could make the same argument, and grant of a waiver on this basis alone would effectively undermine the construction rules adopted by the Commission”), *recon. denied*, 19 FCC Rcd 3015 (WTB MD 2004), *aff’d*, 19 FCC Rcd 22275 (2004). [↑](#footnote-ref-69)
68. *See Havens 220 MHz Reconsideration Order*, 29 FCC Rcd at 1032, para. 30 (“One of the ways that the Commission promotes spectrum being put to its highest and best use is through rules that require licensees to actually construct facilities and deploy service”). While each request for a waiver of construction requirements must consider the specific factual circumstances of the case, an assessment of the public interest impact of the decision “includes the impact . . . on the Commission’s important statutory responsibilities and policy objectives . . ., includ[ing], but . . . not limited to, the efficient and productive use of spectrum, and provision of timely and innovative services.” *Construction Obligations Public Notice,* 32 FCC Rcd at 4805. [↑](#footnote-ref-70)
69. *MCLM Waiver Order*, note 18, *supra*. [↑](#footnote-ref-71)
70. *See* 2017 Supplement at 1-3. [↑](#footnote-ref-72)
71. *Maritime Communications/Land Mobile, LLC*, Order to Show Cause, Hearing Designation Order, and Notice of Opportunity for Hearing, 26 FCC Rcd 6520 (2011). [↑](#footnote-ref-73)
72. *See*, *e.g.*, *Jefferson Radio Corp. v. FCC*, 340 F.2d 781, 783 (D.C. Cir. 1964). [↑](#footnote-ref-74)
73. *See Maritime Communications/Land Mobile, LLC, Debtor-in-Possession*, Order on Reconsideration and Memorandum Opinion and Order, 31 FCC Rcd 13729 (2016), *recon. pending* [↑](#footnote-ref-75)
74. *See MCLM Waiver Order*, 32 FCC Rcd at 3913-15, paras. 5-18. [↑](#footnote-ref-76)
75. *Id*. at 3914, para. 16. [↑](#footnote-ref-77)
76. *See* 2017 Supplement at 1. [↑](#footnote-ref-78)
77. *See Havens M-LMS Order*, 32 FCC Rcd at 9473, para. 32. [↑](#footnote-ref-79)