

**Remarks of
Jonathan S. Adelstein
Commissioner, Federal Communications Commission**

**Wireless Internet Service Provider Forum
South Dakota School of Mines and Technology
Rapid City, South Dakota
May 25, 2004**

[As prepared for delivery]

It's great to be here with you. Last fall, the Commission held its first rural wireless ISP Forum, which featured two South Dakota companies. It was a huge success. There was so much enthusiasm, I suggested we should take the event on the road. Well, in my wildest dreams, I couldn't have imagined that our first off-site wireless broadband event would be held right here in Rapid City. Once again, South Dakota is leading the nation.

I want to thank Chairman Powell for showing such great leadership on wireless issues during the past couple of years. Working together, we have implemented major reforms that put our spectrum to better use. It has truly been a bi-partisan effort.

And it is great to have so many South Dakota government leaders with us here today, including Governor Rounds, PUC Chairman Bob Sahr, PUC Vice Chair Gary Hanson, PUC Commissioner Jim Burgh, and Rapid City Mayor Jim Shaw. The presence of these officials really shows the commitment and interest in the state in seeing the deployment of these exciting technologies. Finally, I want to thank the FCC's own Lauren Van Wazer and John Branscome, co-directors of the Wireless Broadband Access Task Force, for their great work in putting the forum together.

Like others, I am a big believer in the power of broadband. It is crucial to the economic development of our region. Broadband encourages the freedom of ideas, bridges distances, and brings people together. And at the FCC, our responsibility is to encourage broadband deployment across the country through new technologies, innovation, and investment.

Wireless broadband technologies, in particular, offer a lot of promise for rural areas and even smaller communities like Rapid City. One of my goals as a Commissioner is to maximize the services and information that flow over our nation's airwaves. And at the same time, I want to maximize spectrum access opportunities for the residents of South Dakota, the Midwest, and throughout the country.

So today, we are going to hear from companies like Sioux Valley Wireless, a company based in Sioux Falls that is using both licensed and unlicensed spectrum to provide television service and wireless broadband to customers in both the metro and rural areas.

I want to see service like this replicated throughout South Dakota and the entire country. To get there, I have been promoting at the FCC the ability of smaller, local providers like many of you

in the room today to get access to spectrum. In doing so, I have developed four principles to guide my approach to spectrum policy – opportunity, balance, innovation, and facilitation.

Opportunity – I want to ensure that everyone has access, particularly those in rural America.

Balance – We need to find a balance in spectrum policy that recognizes the value in unlicensed and licensed services; large and small license areas; and different block sizes of spectrum.

Innovation – We should rely to the greatest extent possible on technology to guide our policy making and to ensure that our policies create a “framework for innovation.”

Facilitation – We need to promote policies and technologies, such as cognitive radios, that get spectrum in the hands of people who are ready and willing to use it.

I believe that wireless solutions are essential for rural America. Since I have been at the FCC, I have heard from wireless ISPs and small mobile wireless companies who are doing their best to provide the latest technologies to all Americans, no matter where they live.

So I take very seriously their suggestions about how the FCC can push rural wireless deployment. We need to look at power levels and spectrum band plans and other ideas to see if there are opportunities to better enable carriers to expand their deployments and provide even more advanced services to rural America. Spectrum is the lifeblood of so many of the new wireless services and innovations that can light up the hardest areas to serve.

And we are making some good progress. For example, last year, I pushed for special rules for the spectrum in the 70/80/90 GHz range that can provide for fiber-like first and last mile connections. Because of the unique characteristics of this spectrum, we decided not to auction it, which will make it a whole lot easier for licensees, particularly those in rural America, to get access to the spectrum.

But, we can always do more. At our rural wireless ISP forum, I heard that operators across the country need access to more spectrum. More spectrum can drive broadband deployment deeper and farther into rural America. We have to be more creative with a term I have coined “spectrum facilitation.” That means stripping away barriers, regulatory or economic, to get spectrum into the hands of operators serving consumers at the most local levels.

That is why I supported new guidelines to facilitate a more robust secondary market. We removed significant obstacles and provided a framework for allowing licensees to lease spectrum more easily. In doing so, we move closer to achieving our goal of ensuring that all Americans have access to the latest wireless technologies, no matter where they live.

We also initiated a rulemaking on cognitive radios – smart radios that can literally leapfrog the technical and legal problems that currently hamper many of today’s spectrum access opportunities. I was particularly pleased with our proposal in that item to allow higher power operation for unlicensed devices operating in rural and other areas of low spectrum use.

Much recent attention has rightly been focused on the WiFi sensation. The rise of so-called “hot spots” and all types and sizes of unlicensed WiFi operations has been one of the great success stories of the past several years. The FCC’s unlicensed service rules allow manufacturers to develop broadband equipment that anyone can use without a license – and the price points on this equipment are dropping daily.

Just last week at a Wireless Broadband Forum at the FCC, I heard from many operators, both licensed and unlicensed, who believe that unlicensed operations are economically the best way to provide wireless broadband to rural America. So, I have worked with the Chairman to identify new spectrum for unlicensed wireless ISPs. And now we’re even thinking about allowing operations in unused television spectrum bands.

Of course, there are a lot of other promising wireless technologies. We’re already seeing broadband provided over satellite, wireless cable systems like Sioux Valley Wireless using their spectrum for wireless broadband, and we are starting to see more cellular and PCS systems deploy high-speed connections to their customers. We even had the very first deployment of a high-speed mobile wireless technology called EVDO by Monet Mobile in Sioux Falls and other cities in surrounding states. Unfortunately, Monet had to file Chapter 11, but we want to learn lessons from that venture and see if we can encourage similar deployments in the future in the Great Plains.

And the FCC continues to take steps to speed deployment of licensed wireless broadband services. We recently adopted service and technical rules for 90 MHz of new spectrum, which many expect will be the future home for third generation or 3G mobile wireless systems.

In that proceeding, I pushed for an extra group of smaller license areas to make it easier for companies in South Dakota and other rural states to get licenses that cover their local markets. So instead of there being only six licenses for the entire country for one of the blocks of spectrum, there are now three licenses for South Dakota alone – for Rapid City, Aberdeen, and Sioux Falls. This should greatly improve access by those providers who want to serve local areas, particularly community-based providers.

Spectrum-based services offer great potential to all Americans, particularly those in rural America. And I am confident that such services will continue to thrive because the people of rural America have the right commitment to drive deployment to each and every community in this country. It is our job at the FCC to help providers, such as all of you, get the support you need to accomplish that mission.

And while I am at the FCC, I will do what I can for rural America to make sure that our spectrum policy continues to take into account our unique opportunities.

Thank you.