



NEWS

Federal Communications Commission
445 12th Street, S.W.
Washington, D. C. 20554

News Media Information 202 / 418-0500
Internet: <http://www.fcc.gov>
TTY: 1-888-835-5322

This is an unofficial announcement of Commission action. Release of the full text of a Commission order constitutes official action.
See *MCI v. FCC*, 515 F.2d 385 (D.C. Cir. 1974).

FOR IMMEDIATE RELEASE
June 10, 2004

NEWS MEDIA CONTACTS:
Chelsea Fallon at (202) 418-7991
Lauren Patrich at (202) 418-7944

FCC PROMOTES THE DEPLOYMENT OF WIRELESS BROADBAND SERVICES BY CREATING NEW RULES FOR THE 2495-2690 MHz BAND WHILE PROTECTING EDUCATIONAL SERVICES

Washington, D.C. – As part of its ongoing efforts to promote the deployment of wireless broadband services, the Federal Communications Commission (FCC) today adopted a Report and Order (Order) and Further Notice of Proposed Rulemaking (Further Notice) that transforms the rules governing the Multipoint Distribution Service (MDS)¹ and Instructional Television Fixed Service (ITFS) in the 2495-2690 MHz band. These rules provide greater flexibility and a more functional band plan for licensees.

The rules for this band were initially established in 1963 but have evolved significantly since that time. In October 2002, three organizations representing MDS and ITFS providers – the Wireless Communications Association International, the National ITFS Association, and the Catholic Television Network (collectively, the Coalition) – submitted a proposal to the FCC requesting that it substantially change the rules governing this band. In April 2003, the FCC released a Notice of Proposed Rulemaking seeking comment on the Coalition proposal and on other ways to foster efficient and effective use of this spectrum.

In today's Order, the FCC takes a number of important steps to restructure the 2495-2690 MHz band and facilitate more efficient use of the spectrum. First, the Order creates a new band plan for 2495-2690 MHz, as shown in the attached diagram, which eliminates the use of interleaved channels by MDS and ITFS licensees and creates distinct band segments for high power operations, such as one-way video transmission, and low power operations, such as two-way fixed and mobile broadband applications. By grouping high and low power users into separate portions of the band, the new band plan reduces the likelihood of interference caused by incompatible uses and creates incentives for the development of low-power, cellularized broadband operations, which were inhibited by the prior band plan. In order to reflect these new opportunities for providing broadband service, today's Order renames the MDS service the Broadband Radio Service (BRS), while maintaining the ITFS label for ITFS licenses and operations.

The Order also expands the original MDS-ITFS band by adding to it five megahertz of additional spectrum from below 2500 MHz, which increases the total size of the band to 194 megahertz. This will provide room for the future relocation of MDS Channels 1 and 2, which are presently located in the 2.1 GHz band.

¹ "MDS" refers herein to both Multipoint Distribution Service (MDS) and Multichannel Multipoint Distribution Service (MMDS) licenses.

The Order retains the existing eligibility rules for ITFS spectrum. Therefore, ITFS licenses in the new band plan will continue to be subject to existing rules that limit eligibility for licensing to qualified educational institutions. The Order also allows ITFS licensees to lease spectrum to BRS providers, provided they comply with existing educational content requirements, and grandfathers all existing MDS-ITFS leases. In addition, the Order lifts all non-statutory eligibility restrictions on BRS spectrum, including those applicable to cable operators. However, the cable/BRS cross-ownership restriction prohibiting cable operators from providing multichannel video programming distribution (MVPD) services using BRS licenses, which is mandated by statute, will remain in effect.

The Order establishes simpler and more flexible rules for licensees, including geographic area licensing and the ability to employ the technology of their choice. In addition, the new rules allow for spectrum leasing under the FCC's secondary market rules, but grandfather all existing leasing arrangements between MDS and ITFS licensees.

Finally, today's Order establishes a mechanism for transition from the existing band configuration to the new band plan. BRS and ITFS providers will have a three-year period during which they may propose transition plans for relocating existing facilities of all other licensees within the same Major Economic Area (MEA) to new spectrum assignments in the revised band plan. Plan proponents must notify all licensees in the MEA and file their plans with the Commission. This will trigger a 90-day Transition Planning Period during which licensees negotiate and coordinate their transition with other licensees in the MEA. Transitions to the new band plan must be completed within 18 months of the conclusion of negotiations. In the Further Notice, the Commission seeks comment on alternative transition options for markets in which no transition plan is proposed within the initial three-year period. Among other options, the Further Notice seeks comment on whether to accomplish the transition in such markets by offering existing licensees tradable instruments that they can use to bid for spectrum at auction.

The FCC will continue to actively monitor the state of deployment in the 2495-2690 MHz band and directs the Wireless Telecommunications Bureau to report on the state of the transition and deployment in the band.

Today's actions will enable BRS and ITFS providers to use the 2495-2690 MHz spectrum in a more technologically and economically efficient manner. The new, more flexible rules will facilitate the growth of new and innovative wireless technologies and services, including wireless broadband services that have the potential to compete with cable and DSL broadband providers and to extend broadband service to rural and underserved areas. The rules adopted today also preserve operations of existing licensees, including educational institutions offering instructional television programming to their students.

Action by the Commission, June 10, 2004, by Report and Order and Further Notice of Proposed Rulemaking (FCC 04-135). Chairman Powell, Commissioners Abernathy, Copps, Martin, and Adelstein. Separate statements issued by Chairman Powell, Commissioners Abernathy, Copps, Martin, and Adelstein.

- FCC -

FCC Contact: Genevieve Ross, (202) 418-1305, email: Genevieve.Ross@fcc.gov.

WT Docket No. 03-66

CURRENT AND NEW BAND PLANS AT 2495-2690 MHz

