

STATEMENT OF
COMMISSIONER ROBERT M. McDOWELL

RE: Incentive Auctions NPRM

I will start by thanking the incentive auction team for their thoughtful and diligent work on what is perhaps the Commission's most difficult undertaking since I took office. I am excited that our agency is on the cutting edge of history and I commend you for your tireless efforts and creativity because we simply don't know where the facts will lead us.

I also thank Chairman Genachowski for his leadership and his willingness to accommodate edits and suggestions to improve the notice and to provide a meaningful opportunity for interested parties to submit comments. We agree that working together is especially important given the unique characteristics and complexities of the project. There are many proposals and an even greater number of questions posed. At this early stage, some ideas appear to be better than others. Nonetheless, I'm pleased that we included questions designed to capture comments regarding *all* practicable ideas.

We have completed our work on this stage of the process and the time has come to seek comment from stakeholders on the myriad issues we have flagged thus far. As we move forward, I will follow a number of important ideas quite closely. Among them are (but not limited to):

- Whether the proposed five megahertz channel blocks would result in a band plan that reserves too much spectrum for unlicensed use, contrary to Congress's explicit intent;
- Or, whether auctioning spectrum in six megahertz channels, that is, on a broadcast channel-by-channel basis, would be more intuitive and thus lead to a more efficient and fruitful auction;
- Whether the Commission will attempt to adopt rules or policies that run contrary to the directives of the statute either directly or indirectly;
- Whether adopting six megahertz guard bands (as proposed) is necessary to prevent harmful interference given the technological improvements that may come over the horizon after we adopt rules;
- Whether the proposals for determining future broadcast channel assignments and reverse auction winners would result in a process that is as objective and transparent as it must be;
- Whether issues related to the coexistence of Lower 700 MHz A Block operations and those of neighboring TV channel 51 are resolved *prior* to the auctions;
- Whether imposing spectrum caps prior to the auction would exclude specific potential bidders thus producing the net result of frustrating Congress's directive that the Commission attempt to raise at least \$7 billion for a nationwide, interoperable public safety network; and

- Whether the Commission would be able to finish its work without undertaking a further notice and comment. This being – literally – *the most complex spectrum auction in world history*, I think we should keep all of our options open, including measuring twice before making the cut, as carpenters say.

As we know, the law mandates that the Commission accomplish a number of important goals. I have advocated that success will come more easily if we proceed with an eye toward regulatory humility, simplicity and restraint. In the past, regulatory efforts to over-engineer spectrum auctions have caused harmful, unintended consequences. I remain hopeful that our new rules will be *minimal*, intuitive and “future proof” to pave the way for uses that we cannot imagine today as technology and consumer choices evolve.

We start a lengthy process today that is sure to be filled with many unforeseen twists and turns. I am eager to contribute to the Commission’s ongoing effort and will greatly appreciate the thoughts and insights of all involved.