

United States Senate
WASHINGTON, DC 20510

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Spectrum
Incentive
Auctions

June 30, 2015

The Honorable Thomas Wheeler
Chairman
Federal Communications Commission
445 12th Street SW
Washington, DC 20554

Dear Chairman Wheeler:

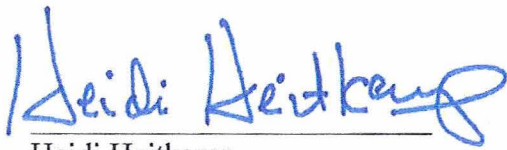
We commend the Federal Communications Commission (FCC) for its ongoing work to design and implement the 600 MHz Broadcast Incentive Auction (Incentive Auction). Given its propagation characteristics, 600 MHz spectrum provides a unique opportunity to ensure rural consumers, small businesses, students, energy producers and many others have access to state-of-the-art wireless broadband communication services. In particular, we recognize the FCC's proposed bidding credit rules as a positive step to promote a competitive marketplace and ensure rural consumers obtain wireless services reasonably comparable to their urban counterparts.

As part of ongoing efforts to examine competitive bidding rules for spectrum, we remind the FCC that section 309(j) of the Communications Act of 1934, as amended, requires the agency to avoid excessive concentration of licenses and to ensure that small business and rural telephone companies are given the opportunity to participate in competitive bidding systems. We are encouraged to see the proposed rules recognize Congress's intent that rural telephone companies, separate and apart from other small businesses, have the opportunity to provide spectrum based services and to ensure rural consumers have access to reasonably comparable services. We recommend that the FCC adjust its rural carrier bidding credit proposal to more comprehensively address the challenges faced by rural telephone companies. A well-designed rural telco bidding credit would offer rural providers the opportunity to better compete for spectrum against larger providers.

Rural telephone companies have a responsibility to their communities and a history of providing modern communication services to the more rural areas of our country. For example, rural companies are often located in the communities they serve and make service decisions based on the needs of their community. Despite their commitment to their communities and interest in obtaining additional spectrum, rural providers were virtually shut out of the recent AWS-3 auction and accounted for just 1.55 percent of the total licenses won.

Given our shared commitment to rural consumers and a successful implementation of the Incentive Auction, we urge the FCC to increase the rural provider bidding credit to help ensure that rural providers have a reasonable opportunity to obtain spectrum to serve rural consumers. We look forward to hearing from you about this important matter.

Sincerely,



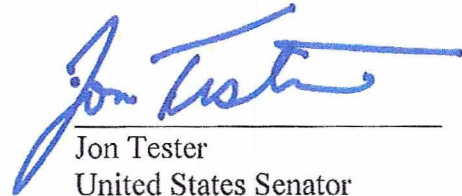
Heidi Heitkamp
United States Senator



Amy Klobuchar
United States Senator



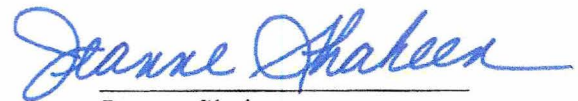
Al Franken
United States Senator



Jon Tester
United States Senator



Pat Roberts
United States Senator



Jeanne Shaheen
United States Senator