For Immediate Release

FCC ADOPTS INNOVATIVE INCENTIVE AUCTION FOR 5G HIGH-BAND SPECTRUM

WASHINGTON, December 12, 2018—The FCC today took a significant step toward holding a major 5G spectrum auction in 2019 by adopting new rules that will promote the availability of high-band millimeter wave spectrum for the next generation of wireless connectivity. The airwaves in the combined Upper 37 GHz and 39 GHz bands are the largest amount of contiguous spectrum available for wireless service in the millimeter wave bands—2,400 megahertz in total—while the 47 GHz band provides an additional 1,000 megahertz of spectrum. The Fourth Report and Order in the Spectrum Frontiers proceeding is another key step toward ensuring American leadership in 5G.

Specifically, the Fourth Report and Order:

- Modifies the band plans for the Upper 37 GHz, 39 GHz, and 47 GHz bands from 200 megahertz blocks to 100 megahertz blocks to be licensed by Partial Economic Area, which will facilitate the simultaneous auction of licenses in the three bands;
- Adopts an incentive auction mechanism that will offer contiguous blocks of spectrum throughout the Upper 37 GHz, 39 GHz, and 47 GHz bands, while preserving spectrum usage rights for existing licensees; and
- Adopts a pre-auction process that allows incumbent licensees to rationalize their holdings.

The incentive auction of these spectrum bands will have two phases: a clock phase in which bidders may bid on generic license blocks, and an assignment phase in which clock phase winners may bid on specific frequencies. Incentive payments will be offered to incumbents who choose to relinquish their spectrum usage rights to make new licenses available.

New entrants and participating incumbents may bid for new licenses. Incumbents that bid for new licenses may use “vouchers” equivalent to their existing holdings for credit toward the amount they bid in the auction. For an incumbent that chooses not to relinquish all its existing rights, the Report and Order provides methods to modify the incumbent’s licenses so that they align with the band plan and service areas adopted by the Commission.

With today’s action, the Commission promotes the robust use of this spectrum for 5G and other innovative services by both incumbents and new licensees, and it takes an important step toward an auction of these bands in 2019.
