

## STATEMENT OF CHAIRMAN AJIT PAI

Re: *Auction of Priority Access Licenses for the 3550-3650 Band; Notice and Filing Requirements, Minimum Opening Bids, Upfront Payments, and Other Procedures for Auction 105, Bidding in Auction 105 Scheduled to Begin June 25, 2020, AU Docket No. 19-244*

This Public Notice represents another key step in implementing the Commission's 5G FAST Plan. One important component of that plan is making more spectrum available for 5G. And today, we adopt procedures to auction licenses in an important piece of mid-band spectrum for next-generation wireless technologies.

It's worth noting that when the Commission began its effort to open up the 3.5 GHz band for commercial use in 2012, it wasn't about 5G at all. Instead, it was more of an experiment in spectrum policy. The 3.5 GHz band was known as a federal "radar" band, but federal agencies made little use of the band across much of the country.

So the FCC decided to create a dynamic, three-tiered, hierarchical framework to coordinate shared federal and non-federal uses. There were many positive aspects of this framework. But unfortunately, the rules that the Commission adopted under the prior Administration didn't do enough to encourage investment and innovation in the 3.5 GHz band. When I became Chairman, I knew that we had to change this, particularly to encourage 5G deployment in the band. And led by Commissioner O'Rielly, that's exactly what we did. We finished our review in 2018 and made targeted changes to our rules to make 3.5 GHz licenses much more appealing for 5G deployment. In particular, we extended the term of Priority Access Licenses (PALs) from three years to ten years, created a license renewal expectancy, and expanded the geographic size of licenses from census tracts to counties. These reforms will encourage the rapid deployment of next-generation wireless networks in the band.

Last year, we took another important step toward commercial use of the 3.5 GHz band by authorizing several Spectrum Access System (SAS) applicants to begin initial commercial deployments in the band. And we achieved other important milestones, such as approving two Environmental Sensing Capability applications, certifying end-user equipment so that consumers will be able to access the band, and seeking comment on auction procedures. And just last month, we certified several SASs, paving the way for full commercial operations in the band.

Today, we have reached another important milestone: we are adopting procedures to auction PALs in the band. In this auction, which will begin on June 25, 2020, the FCC will offer over 22,000 licenses, the most ever offered in a single auction. It's an impressive testament to the speed of technological development in the wireless sector that 5G was barely on the radar when the Commission began re-imagining the way we use this band. But now, because the FCC made necessary mid-course corrections to reflect changes in the marketplace, the 3.5 GHz auction will help make this band a primary avenue for deploying 5G services.

Getting to this point wasn't easy. But that we got here is due in significant part to Commissioner Mike O'Rielly. I tapped him as the Commission's point person on the 3.5 GHz band, and he delivered, and I thank him for that. I'm also so grateful to the Commission staff who have labored long on this. From the Office of Economics and Analytics, Craig Bomberger, Jonathan Campbell, Rita Cookmeyer, Jill Goldberger, Daniel Habif, Amanda Hilfiger, Bill Huber, Shabnam Javid, Mary Lovejoy, Giulia McHenry, Gary Michaels, Erik Salovaara, Linda Sanderson, Debbie Smith, Martha Stancill, Sue Sterner, and Margaret Wiener; from the Wireless Telecommunications Bureau, Keith Harper, Joyce Jones, Roger Noel, Matthew Pearl, Paul Powell, Milton Price, Jessica Quinley, Dana Shaffer, Sean Spivey, Donald

Stockdale, Cecilia Sulhoff, Becky Tangren, and Joel Taubenblatt; from the Office of General Counsel, Michael Carlson, David Horowitz, Bill Richardson, and Anjali Singh; from the Office of Managing Director, LaVonia Proctor and Scott Radcliffe; and from the Office of Communications Business Opportunities, Chana Wilkerson and Sanford Williams. Because of all your efforts, we can look forward to commencing this auction in less than four months.