

Incentive Auction Task Force Presentation to Commissioners
January 2021 Open Meeting
Jean Kiddoo, Chair

Good morning Mr. Chairman and Commissioners. Thank you for inviting me to participate in today's meeting. I'm proud to summarize some of the Incentive Auction Task Force's accomplishments over the last four years, which coincided with the 39-month post-auction transition during which 987 Full Power and Class A television stations nationwide were required to move to new channels in order to clear the new 600 MHz wireless band that was auctioned to wireless carriers in the Incentive Auction for mobile broadband services.

Slide 2 – Post-Auction Transition Plan

The success of the world's first spectrum incentive auction depended on meeting three objectives: delivering 84 MHz of nationwide broadband capacity on time, promptly reimbursing television and radio stations for their transition costs, and assuring that consumers were not adversely impacted by the channel changes. The success of the transition was not a given – many were skeptical that our transition plan addressed resource constraints and interference issues in a way that would enable thousands of stations to build new facilities in only 39 months or that we could develop the systems needed to make prompt payments in an unprecedented multi-billion-dollar reimbursement program. And those challenges increased when, a year into the transition, Congress expanded the reimbursement program in 2018, which required a new rulemaking, an expanded consumer education campaign, additional IT systems and reimbursement procedures, and doubled the number of stations eligible for reimbursement.

I am proud to report, however, that our efforts were successful. All 84 MHz of spectrum was delivered on time, and the 600 MHz band is already being used to provide 5G services in large swathes of our country. Moreover, reimbursement payments have flowed smoothly, and the transition occurred in a manner that minimized any consumer disruption.

Slide 3 – Incentive Auction Teamwork

Before sharing a few milestones, let me say that the Incentive Auction Task Force is a collaborative organization that marshals the talents of staff across the Commission, including in the Media, Wireless Telecommunications, and Consumer and Governmental Affairs Bureaus, and the Offices of Managing Director, Engineering and Technology, and Media Relations. Our success in meeting our transition objectives happened only because dedicated staff from all of these Bureaus and Offices did everything humanly possible to find practical solutions to the daily – if not hourly – challenges that were inevitable in a project of this magnitude.

Slide 4 – 2017-2021: A Few Transition Milestones

The Media Bureau bore the lion's share of the effort, helping 987 repacked stations and over 2,100 displaced low power television stations move to new channels. Staff worked hand-in-hand with stations to address scheduling issues – as witnessed by the fact that they granted over 850 waivers and STAs while still keeping the overall transition on schedule. Staff has also reviewed over \$2 billion in cost estimates and has approved over 93,000 invoices so far.

The responsibility for processing the approved payments fell to our Financial Operations group in the Office of Managing Director. This required a host of new systems and procedures, and their efforts have enabled nearly \$1.5 billion in payments already.

The close of the auction also did not end the significant effort required by the Wireless Telecommunications Bureau. The Bureau's efforts to quickly grant wireless licenses enabled early payments to 175 reverse auction winners, making their spectrum available for the transition, and auction revenues available to fund reimbursements. Notably, 104 of those TV stations are now channel sharing and can still be watched by television viewers.

Slide 5 – Targeted Consumer Rescan Education

We also offered comprehensive consumer support to viewers who watch over-the-air television. Our Contracting Office worked quickly to retain a public relations firm and a dedicated rescan call center. Viewers were informed about the transition and how to rescan their TVs to reprogram them to receive the new frequencies when local stations moved to new channels. Working with the Office of Media Relations and the Consumer and Governmental Affairs Bureau, we reached tens of millions of consumers and successfully provided them with the information they needed to continue to receive their local stations, as witnessed by more than 5.6 million hits on our FCC rescan landing page and over 116,000 consumers aided by our specialized call center.

Slide 6 – Thank You

In closing, I want to again thank the staff and to add a word of appreciation for the many industry members who worked in close coordination with staff to get the job done. That public-private partnership was essential to completing the transition on time and bringing new broadband capacity to consumers nationwide.