

Before the
Federal Communications Commission
Washington, D.C. 20554

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)
Second Report to Congressional Committees,)
pursuant to Consolidated Appropriations Act,)
2000, on Competitive Bidding for Spectrum)
Between 746-764 MHz AND 776-794 MHz)
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REPORT

Adopted: October 31, 2000

Released: November 6, 2000*

By the Commission:

I. INTRODUCTION

This Report is in response to Section 213(b)(3) of the Consolidated Appropriations Act, Public Law 106-113 (November 17, 1999).¹ On November 9, 1999, the Commission issued a report to Congress (“*First Report to Congress*”) on competitive bidding for spectrum between 746-764 MHz and 776-794 MHz.² This Second Report to Congress describes the course of the competitive bidding process through September 30, 2000, and addresses the deviations that have occurred from the schedule set forth in the

* As required by statute, this Report was submitted to Congress on October 31, 2000.

¹ Consolidated Appropriations Act, 2000, Pub. L. No. 106-113, 113 Stat. 1501, Appendix E, Sec. 213; see 145 Cong. Rec. H12493-94 (Nov. 17, 1999); see also 47 U.S.C.A. § 337 Note at Sec. 213(a)(3). Section 213(b)(3) provides as follows:

(b)(3) Not later than October 31, 2000, the Federal Communications Commission shall submit to the appropriate congressional committees a report which shall--

(A) describe the course of the competitive bidding process required by subsection (a) through September 30, 2000, including the amount of any receipts from the competitive bidding process deposited in the Treasury as of September 30, 2000; and

(B) if the course of the competitive bidding process has included any deviations from the schedule set forth under paragraph (1)(A), an explanation for such deviations from the schedule.

² See Report to Congressional Committees, Pursuant to Department of Defense Appropriations Act, 2000, on Competitive Bidding for Spectrum Between 746-764 MHz and 776-794 MHz (“*First Report to Congress*”), attached to Letter to the Honorable Tom Bliley, Chairman, Committee on Commerce, United States House of Representatives, from Chairman William E. Kennard, Federal Communications Commission (November 9, 1999).

First Report to Congress.

II. OVERVIEW

As a result of the Commission's decision to establish two Guard Bands within the 746-764 MHz and 776-794 MHz bands, the rule making, competitive bidding and licensing processes for this spectrum have been divided into two components. This bifurcation has led to the scheduling of separate auctions for licenses in a 30 megahertz spectrum block (747-762 MHz and 777-792 MHz) and licenses in the Guard Bands, which consist of 6 megahertz of spectrum (746-747 MHz, 776-777 MHz, 762-764 MHz, and 792-794 MHz). As explained in more detail below, the auction of the 30 megahertz spectrum block (Auction No. 31) has been postponed until March 6, 2001. The auction of Guard Band licenses (Auction No. 33) began on September 6, 2000 and closed on September 21, 2000. Auction No. 33 raised (in net high bids) a total of \$519,892,575 for the U.S. Treasury. The first deposit of receipts from Auction No. 33 into the Treasury will occur approximately December 5, 2000, and additional deposits of receipts from this auction will occur through February 2001.

This report, like the *First Report to Congress*, describes the three phases of agency action including rule making, processing and licensing that must be conducted as part of assigning the 700 MHz spectrum through competitive bidding. The *First Report to Congress* included a detailed chronological summary setting forth significant milestones related to the prospective rule making, competitive bidding, and licensing processes for the assignment by competitive bidding of 36 megahertz of spectrum in the 746-764 MHz and 776-794 MHz bands. The *First Report to Congress* also provided approximate dates for these milestones, which represented targets for accomplishing, in the short time frame available, the multiple steps required to complete the auction process. This Second Report to Congress provides a chronological summary of the milestones that have been reached to date in the rule making, competitive bidding and licensing processes for the 746-764 MHz and 776-794 MHz bands, as well as the milestones that will be reached subsequent to this report.

This Second Report to Congress also explains where the course of the rule making, competitive bidding, and licensing processes have deviated from that outlined in the *First Report to Congress*. The most significant deviations from the initial outline of the process were the result of two important developments. First, the Commission engaged in additional rule making proceedings arising out of its decisions to establish guard bands to protect public safety users in adjacent 700 MHz bands from interference, and to assign licenses in the guard bands to Guard Band Managers. Second, the Wireless Telecommunications Bureau ("Bureau") sought comment on and established procedures to implement package bidding for the auction of licenses in the 30 megahertz of spectrum in the 747-762 MHz and 777-792 MHz bands.

Because of the additional rule making and comment procedures associated with establishing Guard Band Manager licensing and implementing package bidding, the process described in this Second Report to Congress includes some milestones that were not included in the *First Report to Congress*. For such milestones this report provides only the actual date the milestone was accomplished or an approximate date representing the target for accomplishing that step in the auction process. For those milestones that were also included in the *First Report to Congress*, this Second Report provides the original target date, and either the actual date the milestone was accomplished or an approximate date for accomplishing that step.

A. Phase I — Rule Making.

The *First Report to Congress* identified adoption and release of a single *Report and Order*³ as the means by which the Commission would resolve questions raised in the *Notice of Proposed Rule Making*⁴ and prescribe specific service and auction rules for the spectrum to be assigned. The Commission has issued several additional rule making Orders to address issues that arose in the course of the rule making proceeding.

1. Milestone: Adoption and Release of the *Report and Order*, WT Docket No. 99-168
Target Date: Approximate time frame, December 1999
Actual Date: January 7, 2000

Summary: In the *First Report and Order* the Commission adopted licensing, operating, and competitive bidding rules for a thirty megahertz spectrum block in the 747-762 MHz and 777-792 MHz bands (“30 MHz spectrum block”). To protect public safety licensees in bands immediately adjacent to this 30 MHz block, the Commission also established two Guard Bands, one of 4 megahertz and one of 2 megahertz (746-747 MHz, 776-777 MHz, 762-764 MHz, and 792-794 MHz).

2. Milestone: Release of a *Public Notice Seeking Comment* on Issues Related to the Guard Bands
Actual Date: January 7, 2000

Summary: In the weeks immediately preceding adoption of the *First Report and Order*, the Commission received a large number of *ex parte* filings addressing the technical and operational standards to be applied to the Guard Bands. Parties advanced conflicting arguments on these issues with respect to the specific technical, operational and licensing regulations that are necessary to adequately protect adjacent public safety operations. Moreover, a number of the filings reflected new representations and analyses of these issues by both potential bidders and the public safety community. The Commission thus determined in the *First Report and Order* to require users of the Guard Bands to minimize interference to public safety licenses through technical and operational measures to be determined in a *Second Report and Order*.

In order to supplement the record and to provide all interested parties with a final opportunity to address issues relating to the technical and operational standards for the Guard Bands, the Bureau issued a *Public Notice*⁵ seeking comment on certain technical and operational issues. The Bureau also established a period for *ex parte* presentations on the technical and operational issues.

³ Service Rules for the 746-764 and 776-794 MHz Bands, and Revisions to Part 27 of the Commission’s Rules, WT Docket No. 99-168, *First Report and Order*, FCC 00-5 (rel. June 3, 1999) (“*First Report and Order*”).

⁴ See Service Rules for the 746-764 and 776-794 MHz Bands, and Revisions to Part 27 of the Commission’s Rules, WT Docket No. 99-168, *Notice of Proposed Rule Making*, 14 FCC Rcd 11006 (1999) (“*Notice of Proposed Rule Making*”). By release of the *Notice of Proposed Rule Making*, the Commission initiated the competitive bidding process for the 36 megahertz of spectrum designated for commercial use in the 746-764 MHz and 776-794 MHz bands.

⁵ “Public Comment Sought on Issues Related to the Guard Bands in the 746-764 MHz and 776-794 MHz Spectrum Block, *Public Notice*, DA 00-31 (rel. January 7, 2000).

3. Milestone: Release of the *Second Report and Order*, WT Docket No. 99-168
Actual Date: March 9, 2000

Summary: As a result of the bifurcation of its rule making for the 746-764 MHz and 776-794 MHz bands, the Commission issued a *Second Report and Order*⁶ adopting service rules for licensing the Guard Bands. In the *Second Report and Order*, the Commission determined to assign licenses in this six megahertz of spectrum to Guard Band Managers that must adhere to strict frequency coordination and interference rules, and control use of the spectrum to facilitate protection for public safety operations.

4. Milestone: Release of the *Memorandum Opinion and Order and Further Notice of Proposed Rule Making*
Actual Date: June 30, 2000

Summary: In the *First Report to Congress*, the Commission stated that the September 30, 2000 deadline established by the Consolidated Appropriations Act for deposit of the receipts of competitive bidding might not permit the Commission to consider petitions for reconsideration of the *First Report and Order* prior to the auction for this spectrum. The Commission has, however, issued two orders addressing petitions for reconsideration.

The *Memorandum Opinion and Order and Further Notice of Proposed Rule Making*⁷ addresses thirteen petitions for reconsideration seeking changes in service rules and auction procedures adopted in the *First Report and Order*. The *Memorandum Opinion and Order* generally affirms the service rules adopted in the *First Report and Order*, and provides guidance regarding the Commission's voluntary negotiated agreements that would expedite the transition of incumbent analog television licensees from 700 MHz band frequencies. This additional guidance should provide greater certainty to potential bidders and incumbent broadcasters, thereby facilitating early clearance of incumbent broadcast stations on channels 59-69 through voluntary means. In the *Memorandum Opinion and Order*, the Commission noted that significant progress had been made in the development of combinatorial (package) bidding and therefore decided that the Bureau could implement package bidding for the auction of the 30 megahertz spectrum block if the Bureau found such an auction design to be appropriate and feasible.

In the *Further Notice of Proposed Rule Making*, the Commission sought comment on three aspects of the spectrum clearance process: (1) whether cost sharing rules would assist in clearing the 700 MHz band for new services; (2) the use of possible three-way voluntary relocation agreements; and (3) the

⁶ Service Rules for the 746-764 and 776-794 MHz Bands, and Revisions to Part 27 of the Commission's Rules, WT Docket No. 99-168, *Second Report and Order*, FCC 00-90 (rel. March 9, 2000) ("*Second Report and Order*").

⁷ Service Rules for the 746-764 and 776-794 MHz Bands, and Revisions to Part 27 of the Commission's Rules, WT Docket No. 99-168, Carriage of the Transmission of Digital Television Broadcast Stations, CS Docket No. 98-120, Review of the Commission's Rules and Policies Affecting the Conversion to Digital Television, MM Docket No. 00-83, *Memorandum Opinion and Order and Further Notice of Proposed Rule Making*, FCC 00-224 (rel. June 30, 2000) ("*Memorandum Opinion and Order*" "*Further Notice of Proposed Rule Making*").

use of secondary auctions to allow incumbent television broadcasters to offer “options” for sale to new 700 MHz licensees, which would help incumbent broadcasters and 700 MHz licensees to reach mutually beneficial arrangements to help clear the spectrum and facilitate the transition to digital television (DTV). The Commission will address the issues raised in the *Further Notice of Proposed Rule Making* in a Third Report and Order, anticipated to be released prior to the auction of licenses for the 30 MHz spectrum block.

5. Milestone: Release of the *Second Memorandum Opinion and Order*
Actual Date: September 14, 2000

Summary: On September 14, 2000, the Commission released a *Second Memorandum Opinion and Order* that addresses a petition for reconsideration of the *First Report and Order* requesting that the Commission adopt a modified bid withdrawal procedure for bidders seeking a nationwide aggregation of 20 MHz licenses.⁸ The *Second Memorandum Opinion and Order* also addresses modifications of the Commission’s default payment rule necessitated by the Bureau’s decision to offer combinatorial (package) bidding in the auction of the 30 MHz spectrum block.

6. Milestone: Release of a *Memorandum Opinion and Order On Reconsideration of the Second Report and Order*
Date: Approximate time frame, December 2000

Summary: This Memorandum Opinion and Order will address a petition for clarification of the *Second Report and Order*. Specifically, the petition seeks clarification of the frequency coordination requirement adopted for 700 MHz Guard Band Managers and Commission-recognized frequency coordinators for the adjacent public safety bands.

7. Milestone: Adoption and Release of the *Third Report and Order*
Target Date: Approximate time frame, January 2001

Summary: In a Third Report and Order the Commission will address aspects of the band clearance process on which it sought comment in the *Further Notice of Proposed Rule Making*: cost-sharing rules, possible three-way voluntary relocation agreements, and secondary auctions.

B. Phase II — Competitive Bidding Process.

1. Milestone: Release of the *Public Notice Seeking Comment* for the Auction of the 30 MHz Spectrum Block (Auction No. 31)
Target Date: December 1999
Actual Date: January 10, 2000

⁸ See Service Rules for the 746-764 and 776-794 MHz Bands, and Revisions to Part 27 of the Commission’s Rules, WT Docket No. 99-168, *Second Memorandum Opinion and Order*, FCC 00-330 (rel. September 14, 2000) (“*Second Memorandum Opinion and Order*”).

Summary: This Public Notice announced that the auction of licenses in the 30 MHz spectrum block would start May 10, 2000 and sought comment on the minimum opening bids and other procedural issues.⁹ As anticipated in the *First Report to Congress*, the Public Notice was released as soon as possible after release of the *First Report and Order*, released on January 7, 2000.

2. Milestone: Release of the *Public Notice Announcing the Terms and Conditions of the Auction* (Auction No. 31)
Target Date: January 24, 2000
Actual Date: February 18, 2000

Summary: The *First Report to Congress* reflected that this Public Notice is typically released approximately thirty days after release of the *Public Notice Seeking Comment*. With respect to Auction No. 31, the *Public Notice Announcing the Terms and Conditions of the Auction* was released within approximately the same time interval, 38 days after release of the *Public Notice Seeking Comment*.¹⁰

3. Milestone: Release of the *Bidder Information Package* (Auction No. 31)
Target Date: February 22, 2000
Actual Date: None

Summary: Consistent with the Commission's practice for other recent auctions, the Bureau did not compile a *Bidder Information Package* for Auction No. 31, due to the availability of the same information in its *Public Notice Announcing the Terms and Conditions of the Auction* and electronically on the Bureau's auction website.

4. Milestone: Release of the *Public Notice Seeking Comment* for the Auction of the Guard Bands (Auction No. 33)
Actual Date: March 10, 2000

Summary: This Public Notice announced that the auction of the Guard Band licenses would start June 14, 2000, and solicited comment on minimum opening bids and other procedural issues.¹¹ As explained above, the service rules for the Guard Bands were adopted in a separate rule making order released on March 9, 2000. Accordingly, the *Public Notice Seeking Comment* was released one day later, on March 10, 2000.

⁹ "Auction of Licenses in the 747-762 and 777-792 MHz ("700 MHz") Bands Scheduled for May 10, 2000; Comment Sought on Reserve Prices or Minimum Opening Bids and Other Auction Procedural Issues," *Public Notice*, DA 00-43 (rel. January 10, 2000).

¹⁰ "Auction of Licenses in the 747-762 and 777-792 MHz (700 MHz) Bands; Auction Notice and Filing Requirements for 12 Licenses in the 700 MHz Bands; Auction Scheduled for May 10, 2000; Minimum Opening bids and Other Auction Procedural Issues," *Public Notice*, DA 00-292 (rel. February 18, 2000).

¹¹ "Auction of Licenses for the 700 MHz Guard Bands Scheduled for June 14, 2000; Comment Sought on Reserve Prices or Minimum Opening Bids and Other Auction Procedural Issues," *Public Notice*, DA 00-559 (rel. March 10, 2000).

5. Milestone: Release of the *Public Notice* Postponing Auction No. 31 until June 7, 2000
Actual Date: March 17, 2000

Summary: The auction of the 30 MHz spectrum block was postponed until June 7, 2000, in order to provide additional time for bidder preparation and planning. Accordingly, a *Public Notice* was released announcing the postponement of the auction of the 30 MHz spectrum block.¹² This *Public Notice* also announced new dates for the pre-auction seminar, short-form application and upfront payment deadlines, and mock auction.

6. Milestone: Release of the *Public Notice Announcing the Terms and Conditions of the Auction* (Auction No. 33)
Actual Date: April 10, 2000

Summary: The *First Report to Congress* reflected that this Public Notice is typically released approximately thirty days after release of the *Public Notice Seeking Comment*. With respect to Auction No. 33, the *Public Notice Announcing the Terms and Conditions of the Auction* was released within the same time interval, 30 days after release of the *Public Notice Seeking Comment*.¹³

7. Milestone: Pre-Auction Bidder Seminar
Target Date: March 10, 2000
Actual Dates: April 24, 2000 (Auction No. 31) and April 27, 2000 (Auction No. 33)

Summary: As a result of the rule making process described above, the Bureau scheduled separate auctions for the 30 MHz spectrum block and the 6 MHz Guard Bands. Thus, the Bureau scheduled a bidder seminar for each auction. The *First Report to Congress* did not anticipate a separate seminar for the Guard Bands auction. The seminar for the auction of the 30 MHz spectrum block was rescheduled in accordance with the decision to postpone Auction No. 31 to provide additional time for bidder preparation and planning. Both seminars provided overviews of the licensing and auction procedures in Auction No. 31 and Auction No. 33, as well as "hands-on" demonstrations of the Commission's filing and bidding software.

¹² See "747-762 and 777-792 MHz Band Auction Postponed Until June 7, 2000," *Public Notice*, DA 00-573 (rel. March 17, 2000).

¹³ See "Auction Notice and Filing Requirements for 104 Licenses in the 700 MHz Guard Bands; Auction Scheduled for June 14, 2000; Minimum Opening bids and Other Auction Procedural Issues," *Public Notice*, DA 00-781 (rel. April 10, 2000).

8. Milestone: Release of the *Public Notice* Postponing Auction No. 31 until September 6, 2000
Actual Date: May 2, 2000

Summary: The auction of the 30 MHz spectrum block was postponed until September 6, 2000 in order to provide additional time for bidder preparation and planning. Accordingly, a *Public Notice* was released announcing the postponement.¹⁴ This *Public Notice* also announced revised dates for the mock auction and short-form application and upfront payment deadlines.

9. Milestone: Release of the *Public Notice* Postponing the Auction of the Guard Bands (Auction No. 33) until September 6, 2000
Actual Date: May 2, 2000

Summary: The auction of the Guard Bands was also postponed until September 6, 2000 in order to provide additional time for bidder preparation and planning. Accordingly, a *Public Notice* was released announcing the postponement.¹⁵ This *Public Notice* announced revised dates for the mock auction and short-form application and upfront payment deadlines.

10. Milestone: Release of the *Public Notice Seeking Comment* Relating to Package Bidding (Auction No. 31)
Actual Date: May 18, 2000

Summary: In adopting service rules for the 747-762 and 777-792 MHz bands in the *First Report and Order*, the Commission determined that combinatorial bidding procedures could have significant benefits for the auction of the licenses in these bands, but declined to employ this type of auction because the statutory deadline did not allow sufficient time to implement such a design.¹⁶ However, in light of continued progress in the design and testing of a combinatorial bidding system,¹⁷ and the announced delay of Auction No. 31 until September 6, 2000, the Bureau determined that sufficient time might exist to implement a combinatorial auction design. Therefore, the Bureau sought comment on package bidding should the Commission decide to permit implementation of this auction design.¹⁸ As

¹⁴ See "Auction of Licenses for the 747-762 and 777-792 MHz Bands Postponed Until September 6, 2000," *Public Notice*, DA 00-942 (rel. May 2, 2000).

¹⁵ See "Auction of Licenses for the 700 MHz Guard Bands Postponed Until September 6, 2000," *Public Notice*, DA 00-941 (rel. May 2, 2000).

¹⁶ Service Rules for the 746-764 and 776-794 MHz Bands, and Revisions to Part 27 of the Commission's Rules, WT Docket No. 99-168, *First Report and Order*, 15 FCC Rcd 476, 526-27, ¶ 124 (2000).

¹⁷ The Commission is directed by Section 309(j)(3) of the Communications Act to design and test a combinatorial competitive bidding system. See 47 U.S.C. 309(j)(3).

¹⁸ See "Auction of Licenses in the 747-762 and 777-792 MHz Bands Scheduled for September 6, 2000; Comment Sought on Reserve Prices or Minimum Opening Bids and Other Auction Procedural Issues," *Public Notice*, DA 00-1075 (rel. May 18, 2000).

explained above, the Commission did subsequently determine to allow for the possibility of combinatorial bidding.

11. Milestone: Release of the *Public Notice* Implementing Package Bidding for Auction No. 31
Actual Date: July 3, 2000

Summary: The Bureau received twelve comments, five reply comments, and a number of *ex parte* communications in response to the *Public Notice* seeking comment on package bidding. This *Public Notice* announced procedures to implement package bidding for the auction of licenses in the 30 MHz spectrum block.¹⁹

12. Milestone: Pre-Auction Bidder Seminar for Combinatorial Bidding
Actual Date: July 24, 2000

Summary: In light of its decision to implement package bidding procedures for Auction No. 31, the Bureau conducted an additional seminar for bidders that focused on those procedures.

13. Milestone: Release of *Public Notice* Postponing the Auction for Licenses in the 30 MHz Spectrum Block (Auction No. 31); Adoption and Release of the *Memorandum Opinion* Memorializing the Commission's Decision to Postpone Auction No. 31 until March 6, 2001

Actual Dates: July 31, 2000 (*Public Notice* released and *Memorandum Opinion* adopted); September 12, 2000 (*Memorandum Opinion* released)

Summary: On July 31, 2000, the Commission decided to postpone Auction No. 31 until March 6, 2001. The decision was announced in a July 31, 2000 *Public Notice*²⁰ and memorialized in a *Memorandum Opinion*²¹ adopted on the same day. The *Public Notice* also announced further revised dates for the mock auction and short-form application and upfront payment deadlines. The *Memorandum Opinion* explains the Commission's reasoning in deciding to postpone Auction No. 31.

The Commission received requests by the Cellular Telecommunications Industry Association and nine members of the wireless telecommunications industry seeking a nine-month postponement of Auction No. 31. However, the Commission postponed Auction No. 31 by only six months, until March 6, 2001. The Commission's decision responded to bidders' claims that they needed additional time to plan for and

¹⁹ See "Auction of Licenses in the 747-762 and 777-792 MHz Bands Scheduled for September 6, 2000; Procedures Implementing package Bidding for Auction No. 31; Bidder Seminar Scheduled for July 24, 2000," *Public Notice*, DA 00-1486 (rel. July 31, 2000).

²⁰ See "Auction of Licenses for the 747-762 and 777-792 MHz Bands Postponed Until March 6, 2000," *Public Notice*, FCC 00-282 (rel. July 31, 2000).

²¹ Cellular Telecommunications Industry Association *et al.*'s Request for Delay of the Auction of Licenses in the 746-764 and 776-794 MHz Bands Scheduled for September 6, 2000 (Auction No. 31), *Memorandum Opinion*, FCC 00-304 (rel. September 12, 2000) ("*Memorandum Opinion*").

begin negotiation of voluntary band clearing agreements with incumbent broadcasters. Postponement of the auction will also provide parties an opportunity to utilize any band clearing proposals in the *Further Notice of Proposed Rule Making* that the Commission might adopt. In addition, the Commission's decision to postpone Auction No. 31 responded to bidders' requests for additional time to develop auction analysis tools needed to formulate bidding strategies in an auction using package bidding procedures.

14. Milestone: Auction Milestones from the Short-Form Application Deadline through the Commencement of the Auction of the 30 MHz Spectrum Block (Auction No. 31)

<u>Target Dates:</u>	Deadline for Short-form Applications	March 24, 2000
	Release of the <i>Status of Applications Public Notice</i>	March 31, 2000
	Resubmission Deadline	April 10, 2000
	Upfront Payment Deadline	April 10, 2000
	Release of the <i>Qualified Bidders Public Notice</i>	April 14, 2000
	Mock Auction	April 21, 2000
	Auction Start Date	April 25, 2000

<u>Revised Target Dates:</u>	Deadline for Short-form Applications	February 2, 2001
	Release of the <i>Status of Applications Public Notice</i> (approximate)	February 9, 2001
	Resubmission Deadline (approximate)	February 16, 2001
	Upfront Payment Deadline (approximate)	February 16, 2001
	Release of the <i>Qualified Bidders Public Notice</i> (approximate)	February 20, 2001
	Mock Auction	March 1-2, 2000
	Auction Start Date	March 6, 2001

Summary: The actual dates for these milestones have deviated from the initial target dates because Auction No. 31 was postponed until March 6, 2001. However, the time intervals between the milestones generally are the same as those indicated in the *First Report to Congress*.

15. Milestone: Auction Milestones from the Short-Form Application Deadline through the Commencement of the Guard Bands Auction (Auction No. 33)

<u>Actual Dates:</u>	Deadline for Short-form Applications	August 1, 2000
	Release of the <i>Status of Applications Public Notice</i>	August 8, 2000
	Resubmission Deadline	August 18, 2000
	Upfront Payment Deadline	August 18, 2000
	Release of the <i>Qualified Bidders Public Notice</i>	August 25, 2000
	Mock Auction	August 31, 2000
	Auction Start Date	September 6, 2000

Summary: The *First Report to Congress* did not anticipate the additional rule making associated with licensing of the Guard Bands. This additional rule making led to the scheduling of separate auctions for the Guard Bands and the 30 MHz spectrum block. The time intervals between these milestones were generally the same as those the Bureau establishes for its other auctions.

16. Milestone: Release of the *Auction Closing Public Notice* for the Guard Bands (Auction No. 33)

Actual Date: September 25, 2000

Summary: The *First Report to Congress* did not anticipate the additional rule making associated with licensing of the Guard Bands. This additional rule making led to the scheduling of separate auctions for the Guard Bands and the 30 MHz spectrum block.

On September 21, 2000, the Commission completed the auction of 104 licenses in the Guard Bands, raising (in net high bids) a total of \$519,892,575.00 for the U.S. Treasury. Nine winning bidders won a total of 96 licenses in this auction. The *Auction Closing Public Notice*²²

²² “700 MHz Guard Band Auction Closes; Winning Bidder Announced,” *Public Notice*, DA 00-2154 (rel. September 25, 2000).

provides information concerning winning bidders and net high bid amounts, long-form application and initial down payment deadlines for winning bidders, and other post-auction procedures concerning Auction No. 33.

17. Milestone: Release of the *Auction Closing Public Notice* for the Auction of the 30 MHz Spectrum Block (Auction No. 31)
Target Date: June 7, 2000
Revised Target Date: April 20, 2001

Summary: The actual date for release of this Public Notice will deviate from the initial target date because Auction No. 31 was postponed until March 6, 2001. However, the time interval between the start of Auction No. 31 and the *Auction Closing Public Notice* for that auction generally will be the same as indicated in the *First Report to Congress*. The revised target date is based on a presumption of an auction duration of six weeks from the March 6, 2001 starting date.

18. Milestone: Release of the *Public Notice Seeking Comment* for the Auction of Eight Guard Band Manager Licenses (Auction No. 38)
Actual Date: October 13, 2000

Summary: This Public Notice announced the auction of eight Guard Band Manager licenses (Auction No. 38), which includes licenses remaining unsold in Auction No. 33. The Public Notice announced that Auction No. 38 will start on February 13, 2001, and solicited comment on minimum opening bids and other procedural issues.²³

C. Phase III — Licensing.

1. Milestone: Licensing Milestones from the Closing of the Auction for the 30 MHz Spectrum Block (Auction No. 31) through the Release of the *Grant Public Notice* (petitioned licenses and late payors)
- Target Dates:
- | | |
|--|---------------|
| Long-Form Application and Down Payment Deadline | June 21, 2000 |
| Release <i>Accepted for Filing Public Notice</i> | July 3, 2000 |
| Release <i>Ready to Grant Public Notice</i> (unopposed licenses) | July 19, 2000 |

²³ "Auction of Licenses for the 700 MHz Guard Bands Scheduled for February 13, 2001; Comment Sought on Reserve Prices or Minimum Opening Bids and Other Auction Procedural Issues," *Public Notice*, DA 00-2291 (rel. October 13, 2000).

Final Payment Deadline (unopposed licenses)	August 2, 2000
Deposit of Receipts into the U.S. Treasury (from unopposed licenses and timely payors)	August 2, 2000
Release <i>Grant Public Notice</i> (unopposed licenses and timely payors)	August 8, 2000
Late Payment Deadline (unopposed licenses)	August 16, 2000
Deposit of Receipts into the U.S. Treasury (from unopposed licenses and late payors)	August 16, 2000
Release <i>Grant Public Notice</i> (unopposed licenses and late payors)	August 22, 2000
Release <i>Order Disposing of Petitions to Deny</i> and release <i>Ready to Grant Public Notice</i> (petitioned licenses)	August 31, 2000
Final Payment Deadline (petitioned licenses)	September 15, 2000
Deposit of Receipts into the U.S. Treasury (petitioned licenses and timely payors)	September 15, 2000
Release <i>Grant Public Notice</i> (petitioned licenses / timely payors)	September 21, 2000
Late Payment Deadline (petitioned licenses)	September 29, 2000
Deposit of Receipts into the U.S. Treasury (petitioned licenses and late payors)	September 29, 2000
Release <i>Grant Public Notice</i> (petitioned licenses and late payors)	October 4, 2000

<u>Revised Target Dates:</u>	Long-Form Application and Down Payment Deadline	May 4, 2001
	Release <i>Accepted for Filing Public Notice</i>	May 21, 2001
	Release <i>Ready to Grant Public Notice</i> (unopposed licenses)	June 19, 2001
	Final Payment Deadline (unopposed licenses)	July 3, 2001
	Deposit of Receipts into the U.S. Treasury (from unopposed licenses and timely payors)	July 3, 2001
	Release <i>Grant Public Notice</i> (unopposed licenses and timely payors)	July 17, 2001
	Late Payment Deadline (unopposed licenses)	July 18, 2001
	Deposit of Receipts into the U.S. Treasury (from unopposed licenses and late payors)	July 18, 2001
	Release <i>Grant Public Notice</i> (unopposed licenses and late payors)	August 1, 2001
	Release <i>Accepted for Filing Public Notice</i> (applicants seeking tribal land bidding credits)	August 2, 2001
	Release <i>Order Disposing of Petitions to Deny</i> and release <i>Ready to Grant Public Notice</i> (petitioned licenses)	August 6, 2001
	Final Payment Deadline (petitioned licenses)	August 20, 2001
	Deposit of Receipts into the U.S. Treasury (petitioned licenses and timely payors)	August 20, 2001
	Release <i>Ready to Grant Public Notice</i> (unopposed licenses with tribal land bidding credits)	August 30, 2001

Release <i>Grant Public Notice</i> (petitioned licenses / timely payors)	September 4, 2001
Late Payment Deadline (petitioned licenses)	September 4, 2001
Deposit of Receipts into the U.S. Treasury (petitioned licenses and late payors)	September 4, 2001
Final Payment Deadline (unopposed licenses with tribal land bidding credits)	September 14, 2001
Deposit of Receipts into the U.S. Treasury (unopposed and timely licenses with tribal land bidding credits)	September 14, 2001
Release <i>Grant Public Notice</i> (petitioned licenses and late payors)	September 18, 2001
Release <i>Grant Public Notice</i> (unopposed and timely licenses with tribal land bidding credits)	September 28, 2001
Late Payment Deadline (unopposed licenses with tribal land bidding credits)	September 28, 2001
Deposit of Receipts into the U.S. Treasury (unopposed and untimely licenses with tribal land bidding credits)	September 28, 2001
Release <i>Grant Public Notice</i> (unopposed and untimely licenses with tribal land bidding credits)	October 12, 2001
Release <i>Order Disposing of Petitions to Deny</i> and release <i>Ready to Grant Public Notice</i> (petitioned licenses with tribal land bidding credits)	October 16, 2001
Final Payment Deadline (petitioned licenses with tribal land bidding credits)	October 30, 2001
Deposit of Receipts into the U.S. Treasury (petitioned and timely	

licenses with tribal land bidding credits) October 30, 2001

Release *Grant Public Notice*
(petitioned and timely licenses
with tribal land bidding credits) November 14, 2001

Late Payment Deadline
(petitioned licenses
with tribal land bidding credits) November 14, 2001

Deposit of Receipts into the
U.S. Treasury (petitioned and untimely
licenses with tribal land bidding credits) November 14, 2001

Release *Grant Public Notice*
(petitioned and untimely licenses
with tribal land bidding credits) November 28, 2001

Summary: The actual dates for milestones in the licensing process have deviated from the target dates in the *First Report to Congress* because the start date of the auction has changed. However, the time intervals between the milestones generally are the same as those the Bureau establishes for its other auctions. The revised target dates are based on the revised auction start date and the revised auction closing date. For licenses in the 30 MHz spectrum block, the revised licensing target dates are based on a presumption of an auction duration of six weeks from the March 6, 2001 starting date of Auction No. 31. In addition, the revised licensing target dates take into account the additional time needed to process applications in which the applicant seeks a tribal land bidding credit.

2. Milestone: Licensing Milestones from the Closing of the Auction for the Guard Bands (Auction No. 33) through the Release of the *Grant Public Notice* (petitioned licenses and late payors)

Actual Date: Long-Form Application and Down Payment Deadline October 10, 2000

Approximate Date: Release *Accepted for Filing Public Notice* October 30, 2000

Approximate Dates: Release *Ready to Grant Public Notice* (unopposed licenses) November 20, 2000

Final Payment Deadline (unopposed licenses) December 5, 2000

Deposit of Receipts into the U.S. Treasury (from unopposed licenses and timely payors) December 5, 2000

Release <i>Grant Public Notice</i> (unopposed licenses and timely payors)	December 12, 2000
Late Payment Deadline (unopposed licenses)	December 19, 2000
Deposit of Receipts into the U.S. Treasury (from unopposed licenses and late payors)	December 19, 2000
Release <i>Grant Public Notice</i> (unopposed licenses and late payors)	January 5, 2001
Release <i>Order Disposing of</i> <i>Petitions to Deny</i> and release <i>Ready to</i> <i>Grant Public Notice</i> (petitioned licenses)	January 30, 2001
Final Payment Deadline (petitioned licenses)	February 13, 2001
Deposit of Receipts into the U.S. Treasury (petitioned licenses and timely payors)	February 13, 2001
Late Payment Deadline (petitioned licenses)	February 28, 2001
Deposit of Receipts into the U.S. Treasury (petitioned licenses and late payors)	February 28, 2001
Release <i>Grant Public Notice</i> (petitioned licenses / timely payors)	March 7, 2001
Release <i>Grant Public Notice</i> (petitioned licenses and late payors)	March 21, 2001

Summary: The First Report to Congress did not anticipate the additional rule making associated with licensing of the Guard Bands. This additional rule making led to the scheduling of separate auctions for the Guard Bands and the 30 MHz spectrum block. For licenses in the Guard Bands, the approximate dates for licensing milestones are based on the September 21, 2000 closing date of Auction No. 33.

III. ADMINISTRATIVE MATTERS

This Report is issued pursuant to authority contained in the Consolidated Appropriations Act, 2000, Pub. L. No. 106-113, 113 Stat. 1501, Appendix E, Sec. 213 (November 17, 1999).

FEDERAL COMMUNICATIONS COMMISSION

Magalie Roman Salas
Secretary