

**STATEMENT OF
COMMISSIONER JONATHAN S. ADELSTEIN**

Re: Auction of the D Block License in the 758-763 and 788-793 MHz Bands (AU Docket No. 07-157)

It is nothing short of a tragedy that the D block failed to sell. I am pleased, though, that this Order represents a hopeful effort to get back on track. I am also pleased we are acting with the haste that is justified by the urgency of this problem. We have a special moral responsibility to act quickly to set new rules that can lead to a workable partnership.

The public-private partnership approach could have succeeded, and I still believe we can make it work. Admittedly, finding a balance was fraught with difficulty, but we failed to make it viable, and heed concerns about finding a balance on issues of concern like penalties. We need to do a top-to-bottom review of what went wrong so we can make it work in the next round.

A true public-private partnership must meet the needs of both partners. If the needs of public safety are not met, the basic objective is not met. If the needs of the private partner for a return on capital and regulatory certainty are not met, then that partner will not be in a position to attract the capital necessary to meet public safety's objectives. We will need to work closely with our friends in public safety, as well as potential private sector partners, and the financial community who may provide the capital, to find a balance that works for all parties. I am pleased we are issuing this Order today to make it possible to begin the dialogue quickly.

As we approach reworking the rules for this critical spectrum, we must keep the needs of public safety foremost in our priorities. We need to coordinate with members of Congress, who worked long and hard to craft this digital television transition specifically to provide public safety with urgently needed spectrum. I am hopeful we can build on the tragic lessons of the last auction to make it work for public safety in the next.