

**STATEMENT OF
COMMISSIONER MIGNON L. CLYBURN**

Re: *Amendment of the Commission's Rules with Regard to Commercial Operations in the 1695-1710 MHz, 1755-1780 MHz, and 2155-2180 MHz Bands*, Report and Order, GN Docket No. 13-185

With this Order, the Commission expedites the allocation of flexible use spectrum so wireless providers can better satisfy the ever increasing consumer demand for mobile broadband services. The initiative to pair the 1755 to 1780 and 2155 to 2180 bands has been a painstaking effort involving the wireless industry, federal agencies, and NAB that has spanned several years. But there is nothing like a federal statute with a tight deadline for licensing spectrum to encourage parties to reassess what really matters, find common ground, and do the right thing for the American public. I commend all relevant stakeholders who helped us reach this point.

My review of the policy decisions, in this Order, begins with the trends we are seeing in the mobile wireless market. Each year, the percentage of American adults who are cutting the cord and relying solely on mobile is increasing. For those living below the poverty line, the figure is now at 56 percent, and robust competition is the best way to provide them with affordable choices. But consolidation, secondary market transactions, and difficult investment markets have substantially reduced the number of competitive options for consumers. For example, in the 2006 AWS-1 auction, 104 bidders won 1,087 licenses. Now, four carriers hold 1,000 of those licenses. After carefully considering all the arguments on the band plan, I was more persuaded by the view that smaller block sizes and license areas could enhance competition, and yes, I would have preferred a different band plan.

However, the effort to repurpose federal spectrum for commercial use requires compromise and, in addition to promoting competition, we must consider other policy goals including the fact that the Commercial Spectrum Enhancement Act requires us to design an auction, which returns 110 percent of the total estimated relocation costs of federal users. Since future efforts to repurpose spectrum will involve more difficult policy issues, compromise will become increasingly important going forward. I appreciate Chairman Wheeler's decision to propose an alternative plan that better addresses the concerns of smaller carriers.

I am also pleased that the Order mandates interoperability between the AWS-1 and AWS-3 bands. In the 2013 Notice of Proposed Rulemaking, we explained that the proposed AWS-3 bands are immediately adjacent to the AWS-1 bands, that we are proposing technical rules for uplink and downlink operations in the AWS-3 band that are consistent with those operations in the AWS-1 band,¹ agreed with T-Mobile that "the creation of an additional AWS allocation immediately adjacent to the current AWS-1 allocation will allow for more immediate equipment development and deployment," and tentatively concluded "that having additional spectrum that is adjacent to that used for like services will promote efficiency in broadband deployment."² We sought comment on proposed technical rules, our tentative conclusions, the competitive effects of our proposed rules, and asked commenters to address any other rules not specifically identified in the Notice.³

¹ See Amendment of the Commission's Rules with Regard to Commercial Operations in the 1695-1710 MHz, 1755-1780 MHz, and 2155-2180 MHz Bands, WT Docket No. 13-185, *Notice of Proposed Rulemaking and Order on Reconsideration*, 28 FCC Rcd 11479, 11495 ¶ 30, 11496 ¶ 33 (2013) (AWS-3 NPRM).

² *Id.* at 11495 ¶ 30.

³ *Id.* at 11517 ¶ 85.

In response, several parties supported this proposal for a number of reasons, including that consistent technical rules would facilitate use of the AWS-3 spectrum and interoperability across these AWS bands. Some of these parties specifically asked the Commission to adopt a requirement that devices manufactured for the AWS-3 band be interoperable with the AWS-1 band. I agree with those who contend that an interoperability requirement would promote timely access to mobile devices across these bands and prevent the difficult situation smaller carriers are experiencing in the lower 700 MHz bands, which we auctioned in 2008. I am also pleased that the Order has strong language promoting a voluntary solution that would extend interoperability to the AWS-4 band. For these reasons, I am voting to approve today's Order.

I want to acknowledge Roger Sherman, Ruth Milkman, Julie Knapp, and all former Wireless Bureau and OET Chiefs, whose efforts over the years are finally coming to fruition. I also want to acknowledge my wireless advisor, Louis Peraertz, for his wise counsel. To those who were involved in negotiating with federal agencies and crafting the important service and technical rules in this Order – well done. As the Order makes clear, more work is necessary before we can auction and license this spectrum; so no rest for the weary. In addition to setting auctions procedures, we should also give the public as much information as possible about geographic areas that will require coordination with federal operations. I know you will approach those tasks with the same diligence and skill that you have shown so far. Thank you.