

**CONCURRING STATEMENT OF  
COMMISSIONER AJIT PAI**

Re: *Policies Regarding Mobile Spectrum Holdings*, WT Docket No. 12-269; *Expanding the Economic and Innovation Opportunities of Spectrum Through Incentive Auctions*, GN Docket No. 12-268.

Fifteen months ago, I dissented from the Commission's decision to set aside spectrum for certain preferred bidders.<sup>1</sup> Our record in the proceeding, as well domestic and international experience, shows that spectrum reserves do not produce long-term benefits for wireless competition. Set-asides also impose severe costs, including significant delays in the deployment of spectrum for consumers' benefit and substantially less revenue for critical national priorities.<sup>2</sup> Canada's recent AWS-3 auction is a case in point. The set-aside spectrum in that auction sold for less than 4% of the price of the unreserved spectrum (\$0.11 per MHz-pop compared to \$3.02 per MHz-pop).<sup>3</sup>

Given this context, I do not support expanding the FCC's spectrum reserves. Accordingly, I agree with the outcome of this *Order* and will concur in the result.

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<sup>1</sup> See *Policies Regarding Mobile Spectrum Holdings, Expanding the Economic and Innovation Opportunities of Spectrum Through Incentive Auctions*, WT Docket No. 12-269, Docket No. 12-268, Report and Order, 29 FCC Rcd 6133, 6268 (2014) (Dissenting Statement of Commissioner Ajit Pai), available at <http://go.usa.gov/3fvgd>.

<sup>2</sup> See, e.g., Opening Remarks of FCC Commissioner Ajit Pai, Mobile Future Forum, "Designing for Auction Success: Lessons Learned from Around the World," <http://go.usa.gov/3fv49> (Apr. 24, 2014).

<sup>3</sup> See, e.g., Jeff Lagerquist, BNN.ca, "Handouts for new carriers 'underscore government's inefficient spectrum strategy': Canaccord" (Mar. 6, 2015), available at <http://bit.ly/1wSKnyh>.