

National Telecommunications & Information Administration

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COMMERCE RELEASES COSTS TO OPEN UP SPECTRUM FOR ADVANCED WIRELESS BROADBAND SERVICES

UNITED STATES DEPARTMENT OF

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WASHINGTON, DC 20230

Key Requirement Fulfilled; FCC May Commence Auction as Early as June, 2006

The Commerce Department's National Telecommunications and Information Administration (NTIA) said today the costs to move incumbent federal users out of the 1710-1755 MHz band are far less than previous wireless industry estimates. The costs and timelines transmitted to the Federal Communications Commission (FCC) pave the way for an FCC auction of some of the nation's most valuable airwaves as early as next summer.

"Today's spectrum announcement is great news for American consumers and the U.S. economy," said Michael D. Gallagher, assistant secretary of Commerce for Communications and Information. "President Bush's committed focus on wireless as a catalyst for technology growth is paying dividends. His leadership resulted in the historic agreement of the Department of Defense and other agencies to open up the frequencies, as well as the passage of key legislation a year ago that will make the 2006 auctions a reality," Gallagher said.

"With 90 megahertz of additional spectrum, today's cellular carriers will be tomorrow's nextgeneration broadband providers," Gallagher said. "We found a way to open up 'beach front' spectrum for key economic activity without jeopardizing our national security. The determined leadership of the Department of Defense, NTIA's Office of Spectrum Management, the Federal Communications Commission, and the private sector charted a unique path of ensuring our economic as well as our national security," Gallagher said.

A total of 2,240 frequency assignments will be relocated by twelve federal agencies and the cost of relocating federal government operations is estimated to be \$935,940,312. More information is available on the NTIA Web site at www.ntia.doc.gov.

The 1710-1755 band and the 2110-2155 band were identified in NTIA's July, 2002 Viability Assessment as spectrum that could be allocated for new commercial services without disrupting communications systems critical to national security. On November 25, 2003, the FCC adopted service rules for auctioning this spectrum, including provisions pertaining to application procedures, licensing, technical operations, and competitive bidding. On December 23, 2004, President Bush signed into law the Commercial Spectrum Enhancement Act, which provided a funding mechanism through which federal agencies can recover the costs associated with relocating their radio communications systems from bands to be auctioned for commercial purposes. New services will benefit approximately 195 million U.S. wireless subscribers.