



OFFICE OF
THE CHAIRMAN

FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

June 26, 2001

Honorable Donald L. Evans
Secretary of Commerce
U.S. Department of Commerce
14th & Constitution Avenue, N.W.
Washington, D.C. 20230

Re: Allocation of spectrum for new advanced wireless services, including third generation (3G) wireless systems.

Dear Secretary Evans:

I am writing to you regarding our mutual efforts to identify additional spectrum for advanced wireless services, including third generation (3G) wireless systems.

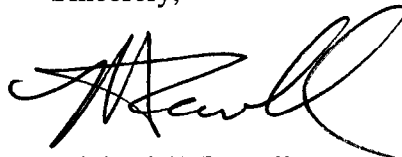
As you know, last fall President Clinton issued an Executive Memorandum which, among other things, strongly encouraged the Federal Communications Commission (FCC) -- in coordination with the National Telecommunications and Information Administration (NTIA) -- to initiate a rulemaking proceeding to identify spectrum for 3G wireless services with the goal of completing that proceeding by July 2001, so that such spectrum can be auctioned by the current statutory deadline of September 30, 2002. The Department of Commerce then issued a plan to implement the President's memorandum, suggesting the completion of a 3G allocation proceeding by the end of July. As July draws near, however, it is apparent that additional time is necessary to allow the Commission and the Executive Branch to complete a careful and complete evaluation of the various possible options for making additional spectrum available for advanced wireless services.

Since early last fall, FCC and NTIA staff have worked diligently to lay the groundwork for a decision on allocation of spectrum for advanced wireless services. In mid-November 2000, pursuant to the Department of Commerce plan, NTIA and the FCC released interim staff reports analyzing the potential for use of spectrum for advanced wireless systems in the 1710-1850 MHz band and the 2500-2690 MHz band, respectively. Final staff reports were issued at the end of March 2001. In December 2000, the FCC adopted a Notice of Proposed Rulemaking, exploring options for allocating spectrum for new advanced mobile and fixed terrestrial wireless services. FCC staff is currently reviewing the record and examining a range of options.

The entire federal government faces a challenging set of issues in addressing how best to make available sufficient U.S. spectrum for advanced wireless services. In connection with these efforts, I believe that the public interest would be best served by additional time for informed consideration, even if this results in some delay in reaching allocation decisions. In this regard, I am also concerned that the FCC is operating under the constraint of the statutory auction deadline mentioned above, which applies to some, but not all, of the spectrum bands identified for 3G. Relief from this deadline would allow all of the governmental entities responsible for U.S. spectrum management to have adequate time to develop a plan to make spectrum available for advanced wireless services in the future. The administration's support for flexibility on the auction dates would be appreciated. Together with the Executive Branch and our congressional authorizing and appropriations committees, I expect that we could come up with a revised allocation plan and auction timetable that would enable the important work in this area to be finalized.

As always, I look forward to working closely and cooperatively with you and with the very capable NTIA staff to devise a workable advanced wireless services spectrum allocation plan, and to adjust the schedule for the advanced wireless services allocation proceeding accordingly.

Sincerely,

A handwritten signature in black ink, appearing to read "M. Powell", with a large, sweeping flourish extending to the right.

Michael K. Powell
Chairman