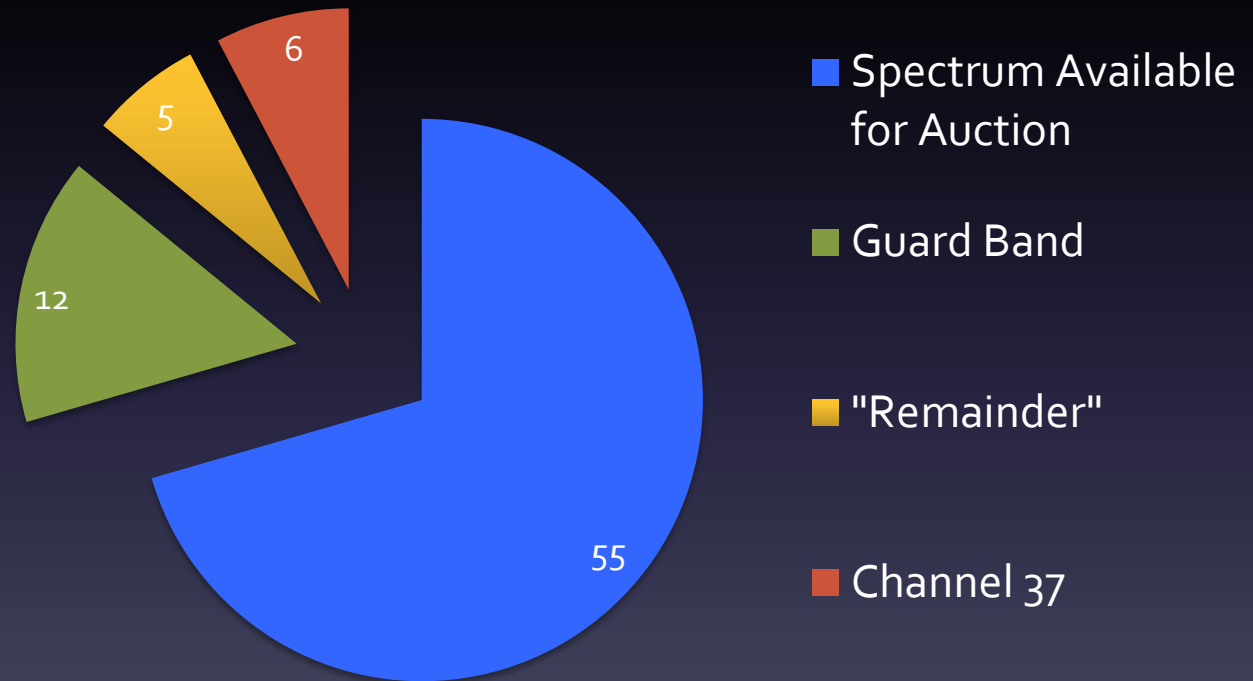


Incentive Auction Under the Terms of the NPRM

If valued at the same price per MHz-POP as the unencumbered 700 MHz B Block, the lost revenue from this 23 MHz is \$19.2 billion.

Even at a conservative \$1 per MHz-POP, the FCC's plan would forgo over \$7 billion, enough to fully fund FirstNet.



*This assumes that the FCC clears 72 MHz of spectrum in the reverse auction under section 6403 of the Middle Class Tax Relief and Job Creation Act of 2012 and that the FCC adopts the band plan it recommends in its NPRM.

Relevant Spectrum Act Provisions

Section 6403(c)(1): “The Commission shall conduct a forward auction in which ... the Commission assigns licenses for the use of the spectrum that the Commission reallocates under subsection (b)(1)(B)(ii)” (emphasis added).

Section 6403(a)(1): “The Commission shall conduct a reverse auction to determine the amount of compensation that each broadcast television licensee would accept in return for voluntarily relinquishing some or all of its broadcast television spectrum usage rights in order to make spectrum available for assignment through a system of competitive bidding” (emphasis added).

Section 6403(b)(1): “For purposes of making available spectrum to carry out the forward auction under subsection (c)(1). The Commission ... shall evaluate the broadcast television spectrum (including spectrum made available through the reverse auction under subsection (a)(1)), ... make such reassignments of television channels as the commission considers appropriate, and ... reallocate such portions of such spectrum as the Commission determines are available for reallocation” (emphasis added).

Section 6407(a): “Nothing in subparagraph (G) of section 309(j)(8) of the Communications Act, as added by section 6402, or in section 6403 shall be construed to prevent the Commission from using relinquished or other spectrum to implement band plans with guard bands.”

Section 6407(c): “The Commission may permit the use of such guard bands for unlicensed use.”

FCC Must Auction Cleared Spectrum

Middle Class Tax Relief and Job Creation Act of

2012

- §6403(a)(1): “The Commission shall conduct a reverse auction... in order to make spectrum available for assignment through a system of competitive bidding....” (47 USC 1452(a)(1))

FCC Must Auction Cleared Spectrum

Middle Class Tax Relief and Job Creation Act of 2012

- §6403(b)(1): “For the purposes of making available spectrum to carry out the forward auction... the FCC shall evaluate the broadcast television spectrum (including spectrum made available through the reverse auction under subsection (a)(1)); and [shall reassign and reallocate the broadcast spectrum].” (47 USC 1452(b)(1))

FCC Must Auction Cleared Spectrum

Middle Class Tax Relief and Job Creation Act of 2012

- §6403(c)(1): “Auction required.—The Commission shall conduct a forward auction in which... the Commission assigns licenses for the use of the spectrum it reallocates under [the reorganization provisions in subsection (b)].” (47 USC 1452(c)(1))

Guard Bands Permitted Under the Act But No Auction Exemption

- Section §6407(a): “In General.—Nothing in subparagraph (G) of section 309(j)(8) of the Communications Act of 1934 [the subparagraph that authorizes incentive auctions] shall be construed to prevent the Commission from using relinquished or other spectrum to implement band plans with guard bands.”

Unlicensed Use Permitted in Guard Bands But No Auction Exemption

- *The act does permit unlicensed use in the guard bands, including potentially as a service secondary to the primary licensed service required by §6403.*
- Section §6407(c): “Unlicensed Use in the Guard Bands.—The Commission may permit the use of such guard bands for unlicensed use.”

Guard Bands Must Be Minimized

- Section §6407(b): “Size of Guard Bands.—
Such guard bands shall be no larger than is technically reasonable to prevent harmful interference between licensed services outside the guard bands.”

FCC NPRM on Guard Bands

- ¶156: “We propose a six megahertz guard band to protect television operations and 600 MHz uplink operations. Additionally, below we propose to add ‘remainder’ spectrum to the guard bands to further mitigate any potential interference concerns.”

FCC Proposed Band Plan

