

March 3, 2021

The Honorable Maria Cantwell
Chairwoman
Committee on Commerce,
Science, and Transportation
United States Senate

The Honorable Roger Wicker
Ranking Member
Committee on Commerce,
Science, and Transportation
United States Senate

The Honorable Frank Pallone
Chairman
Committee on Energy and Commerce
U.S. House of Representatives

The Honorable Cathy McMorris Rodgers
Ranking Member
Committee on Energy and Commerce
U.S. House of Representatives

Dear Members of Congress:

The undersigned organizations share Congress' goal of ensuring U.S. global leadership in the development and deployment of 5G and other broadband services so that all Americans can benefit, and believe that the 3.45 -3.55 GHz ("3.45 GHz") band is critical to those efforts. We all must work together to ensure that mid-band spectrum reaches as many Americans as possible, from urban centers to small towns and rural communities, and to fulfill Congress' directive to disseminate spectrum licenses "among a wide variety of applicants"¹ to foster the development of competitive 5G services and connectivity to those in rural communities that may lack broadband service altogether. This connectivity will drive growth and power innovation and opportunity that will lead to a stronger, more diverse and equitable economy.

We believe these goals would best be achieved by adopting aspects of the framework used in last year's successful auction for mid-band spectrum in the adjacent 3.5 GHz Citizens Broadband Radio Service ("CBRS") band. The rules the Commission adopted for that band attracted a record 271 qualified applicants, 228 of which placed winning bids for licenses at auction. These winning bidders include not only the nation's largest wireless carriers, but also regional carriers, wireless internet service providers, cable companies, manufacturers of agricultural equipment, universities, real estate firms, energy companies, electric utilities, tribes, and others, many of which invested in rural areas of our country that often fall on the wrong side of the digital divide. By comparison, in the recent C-band auction, only 57 applicants qualified to bid and only 21 bidders were successful. The success of the CBRS auction in attracting a wide variety of applicants can clearly be attributed to the rules that the Commission adopted for that band, which were carefully calibrated to attract a diverse group of bidders seeking to provide both traditional and innovative new services. The CBRS band is being used today in manufacturing facilities, smart cities, and rural broadband deployments across the country, including to facilitate remote learning. For example, several school districts in both exurban and rural areas currently rely on CBRS spectrum to connect students lacking adequate home broadband directly to the school's network.

¹ 47 U.S.C. § 309(j)(3)(B).

Last week, the FCC released draft text for a Report and Order to be considered at the agency's March 17th open meeting that would license this important mid-band spectrum like C-band, not CBRS. The large partial economic area licenses proposed would not foster the kind of robust participation and innovation that made the CBRS auction a success and could also result in tepid investment and build out in rural areas where Americans need broadband more than ever before. The undersigned therefore ask Congress to urge the Commission to follow proven aspects of the successful CBRS framework for the 3.45 GHz band to encourage similarly robust auction participation and competitive access to spectrum.

The undersigned also write to express concern that the current estimated costs to clear the 3.45 GHz band of federal users could jeopardize the Commission's ability to conduct a successful auction and meet its obligation to ensure that a wide variety of applicants have access to spectrum, as Congress has directed.² On January 14, 2021, the National Telecommunications and Information Administration ("NTIA") informed the FCC and Congress that federal relocation costs for the band were estimated at more than \$13.4 billion,³ meaning that the auction reserve price that bidders would have to meet in order for a successful auction would be nearly \$15 billion, likely putting licenses out of reach for all but the three largest nationwide wireless operators. Wireless providers' large financial commitments in the recent C-band auction and related build-out obligations make it all the more appropriate to encourage other sources of capital in a second mid-band spectrum auction in the same year.

To help ensure a successful 3.45 GHz auction, Congress should encourage the FCC to consider licensing policies akin to those adopted in the CBRS band that could increase competition, lower costs for prospective new entrants, and better ensure that the benefits of 5G are enjoyed by all consumers for a wide variety of innovative uses. We also ask that Congress work closely with NTIA, affected federal spectrum users, and the FCC to consider ways to refine and reduce the federal government's relocation cost estimate.

The Commission proposes to begin the auction in October 2021, two months before the December 2021 deadline set by Congress.⁴ That means there is additional time for industry and policymakers to continue to discuss these important issues, while remaining on track to make more 5G mid-band spectrum available in the very near term. We look forward to working together to help ensure continued U.S. leadership in 5G so that consumers across the country benefit from these innovative technologies and services.

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² *Id.*

³ Letter from Carolyn Roddy, Deputy Assistant Secretary for Communications and Information, performing the delegated duties of the Assistant Secretary of Commerce for Communications and Information, to The Honorable Ajit Pai, Chairman, FCC, at Attachment (Jan. 14, 2021), https://www.ntia.doc.gov/files/ntia/publications/ntia_letter_to_fcc_chairman_re_estimated_costs_for_3450-3550_mhz_1-14-21.pdf.

⁴ *See* Beat CHINA for 5G Act of 2020, Pub. L. No. 116-260, div. FF, tit. IX, § 905(d)(1)(B).

Sincerely,

American Petroleum Institute
Celona Inc.
Charter Communications
Comcast Corporation
Cox Communications
Dynamic Spectrum Alliance
Edison Electric Institute
Energy Telecommunications and Electrical Association (ENTELEC)
Enterprise Wireless Alliance
Federated Wireless, Inc.
Google LLC
Hewlett Packard Enterprise
Mediacom Communications Corporation
Midcontinent Communications
NCTA – The Internet & Television Association
Next Century Cities
Open Technology Institute at New America
Public Knowledge
Rural Wireless Association
Southern Communications Services, Inc. d/b/a Southern Linc
Utilities Technology Council
Wireless Internet Service Providers Association