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FOR IMMEDIATE RELEASE:
January 6, 2000

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FCC Adopts Rules for Licensing and Operations in Portion of 700 MHz Band Reallocated from Television Channels 60 through 69

Washington, DC -- The Federal Communications Commission (FCC) has adopted licensing and service rules governing operation of 30 of the 36 MHz of commercial spectrum located in the 700 MHz band that will be auctioned later this year. According to participants in this proceeding, including numerous advanced wireless service and high technology companies, this spectrum can be used for a variety of wireless services, including fixed and mobile Internet access. Pursuant to Congressional direction to have the proceeds be deposited in the U.S. Treasury by the end of September, the Commission is scheduled to conduct this auction this spring.

To further the Congressional directive that it protect nearby public safety users from interference, the FCC also adopted "guard bands" encompassing 6 MHz of spectrum. Located adjacent to the spectrum allocated for public safety use, this commercial spectrum would be auctioned in two paired segments, one of 4 MHz and one of 2 MHz. Concurrent with release of this Order, the Wireless Telecommunications Bureau will be releasing a Public Notice permitting further brief comment on certain specific technical and operational issues regarding the two guard band licenses. Shortly after receiving comments, the FCC will issue a second Report and Order addressing the specific licensing and service rules for this 6 MHz of spectrum.

In the Balanced Budget Act of 1997, Congress directed the Commission to reallocate spectrum in the 700 MHz band to commercial and public safety services from its previous exclusive use for television broadcasting service on channels 60-69. The Act originally directed that auctions for the 36 MHz of this spectrum that were not allocated to public safety use be conducted after January 1, 2001. Legislation enacted this past November, however, accelerated the auction date by requiring that auction proceeds be deposited in the U.S. Treasury by September 30, 2000.

The item adopted today addresses:

- **Band Plan for 30 MHz:** The FCC established two license bands, one of 20 MHz (two paired 10 MHz bands) and one of 10 MHz (two paired 5 MHz bands) that can be used for a variety of wireless services. These spectrum blocks can potentially be used for advanced wireless services, such as high-speed Internet access and next generation (3G) broadband wireless services, as well as new broadcasting services that meet the applicable technical parameters. The FCC also decided to auction these licenses in six Economic Area Groupings (EAGs) across the country. The FCC is permitting parties interested in acquiring both licenses in an area, to win both in the auction, enabling the potential aggregation of up to 30 MHz of spectrum nationwide. **[See attached Diagram]**

- Band Plan for 6 MHz “Guard Bands”: The FCC established two license bands, one of 4 MHz (two paired 2 MHz bands) and one of 2 MHz (two paired 1 MHz bands). The FCC will determine in a subsequent Report and Order the service rules, including technical, operational, and licensing requirements, for these licenses. The FCC noted that the technical and operational restraints placed on this spectrum will be more stringent than restraints placed on the 30 MHz spectrum to ensure neighboring public safety bands are protected from interference.
- CMRS Spectrum Cap: The FCC stated that 700 MHz licenses will not be subject to the Commercial Mobile Radio Service (CMRS) spectrum cap. The Commission recently affirmed, with some adjustments, the 45 megahertz CMRS spectrum cap, but indicated it would consider in this proceeding whether and how the spectrum cap should apply to the 700MHz licenses. The FCC stated that the spectrum cap for the existing 180 megahertz of CMRS spectrum provides a sufficient safeguard against excessive consolidation of CMRS spectrum, and that refraining from extending the cap to the 30 MHz would enable existing CMRS providers to use this spectrum for the provision of advanced services. The encumbered nature of the spectrum at this time also favors excluding this spectrum from the CMRS spectrum cap.
- Eligibility Restrictions: The FCC did not impose any eligibility restrictions, such as restrictions on existing service providers like incumbent local exchange carriers or cable operators.
- Interference Protection: The FCC adopted standards to assure protection of the approximately 100 existing conventional television stations that are permitted to continue to operate on these bands during the transition to digital television (DTV), and to safeguard public safety operations on adjacent bands.

Today’s action represents the FCC’s first decision guided by the principles enunciated in its recent *Spectrum Reallocation Policy Statement*. Based on those principles, the comments of interested parties, and FCC review of technical issues, the FCC found that a flexible, market-based approach is the most appropriate method for determining service rules in this band. The FCC also concluded that in these spectrum bands, the establishment of sub-bands will best ensure that a variety of spectrum management priorities are realized, including protection of public safety operations from interference. Rapidly expanding demand for wireless voice and data services, as well as projections of the increased spectrum necessary to support broadband applications to be implemented with next generation technologies, confirm that these bands should be structured to enable their efficient and intensive use for these and future spectrum-based services and technologies.

Action by the Commission on January 6, 2000 by Report and Order (FCC 00-5). Chairman Kennard, Commissioners Ness, Powell and Tristani with Commissioner Furchtgott-Roth approving in part and dissenting in part, and Commissioners Ness and Furchtgott-Roth issuing separate statements.

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WT Docket No. 99 –168