

**Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554**

<b>In the Matter of</b>	)	
	)	
<b>Reallocation and Services Rules for the 698-746 MHz Spectrum Band (Television Channels 52-59)</b>	)	<b>Auction No. 44 GN Docket No. 01-74</b>
	)	

**To: The Commission**

**REPLY COMMENTS OF  
THE RURAL TELECOMMUNICATIONS GROUP**

The Rural Telecommunications Group (“RTG”),<sup>1</sup> by its attorneys, hereby replies to the comments filed pursuant to the Federal Communications Commission’s (“FCC” or “Commission”) request for comments in its *Public Notice*<sup>2</sup> in the above-captioned proceeding. While RTG is heartened by the show of support by commenters that agree that Auction No. 44 should consist of only the 734 MSA/RSA Lower 700 MHz licenses,<sup>3</sup> RTG expressly opposes commenters that request or suggest that Auction No. 44 be

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<sup>1</sup> The Rural Telecommunications Group is a group of rural telecommunications providers who have joined together to speed the delivery of new, efficient, and innovative telecommunications technologies to the populations of remote and underserved sections of the country. RTG’s members provide wireless telecommunications services, such as cellular telephone service, Personal Communications Services (“PCS”), and Multichannel Multipoint Distribution Service (“MMDS”) to their subscribers. Many of RTG’s members also hold Local Multipoint Distribution Service (“LMDS”) licenses and have started to use LMDS to introduce advanced telecommunications services and competition in the local exchange markets in rural areas. Other RTG members seek to acquire spectrum or to be able to utilize the spectrum of others. RTG’s members are all affiliated with rural telephone companies or are small businesses.

<sup>2</sup> *In re* Auction of Licenses in the 698-746 MHz Band Scheduled for June 19, 2002: Comments Sought on Reserve Prices of Minimum Opening Bids and Other Auction Procedural Issues, *Public Notice*, DA 02-200, Report No. AUC-02-44-A (Auction No. 44) (rel. January 24, 2002).

<sup>3</sup> See generally, Comments of TCA and Blooston, Mordkofsky, Dickens, Duffy & Prendergast.

postponed, pending additional clearing of incumbent broadcasters in the Lower 700 MHz Band.<sup>4</sup>

In its comments, Spectrum Exchange states that “the [Wireless Telecommunications] Bureau should postpone Auction No. 44 at least until the results of ongoing clearing efforts in the Upper 700 MHz Band can be assessed and evaluated.”<sup>5</sup>

RTG, however, disagrees. Postponement of Auction No. 44 in order to give larger carriers additional time to clear the Lower 700 MHz Band in urban areas will serve to further harm RTG and its member rural and small companies by needlessly delaying the Commission’s first nationwide auction of small RSA/MSA geographic areas since the Commission began its spectrum auctions almost a decade ago. In many areas, particularly in rural areas, the Lower 700 MHz Band is unencumbered. In these areas, entities that acquire Lower 700 MHz Band licenses will be able to quickly develop and deploy new wireless services without having to undertake *any* clearing of the spectrum band. Because each auction participant will have ample time to make its own determinations as to the existence of incumbent broadcasters within its desired markets and then proceed accordingly based on those determinations, there exists no legitimate reason for the Commission to delay Auction No. 44.

RTG applauds the Commission’s efforts to allocate twelve megahertz of spectrum in the Lower 700 MHz Band on an RSA/MSA basis, and urges the Commission to proceed with Auction No. 44 as planned so that rural telephone companies and small businesses may effectively compete with larger carriers for acquisition of the spectrum.

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<sup>4</sup> See generally, Comments of Paxson Communications Corp. (“Paxson”), and Comments of Spectrum Exchange Group, L.L.C. and Allen & Company, Inc. (“Spectrum Exchange”).

<sup>5</sup> See, Spectrum Exchange Comments at 4.

Accordingly, RTG respectfully requests that the Commission include only RSA and MSA licenses in Auction No. 44, and that the Commission proceed as scheduled with the commencement of the auction on June 19, 2002.

Respectfully submitted,

**THE RURAL TELECOMMUNICATIONS GROUP**

By: \_\_\_\_\_ /s/ \_\_\_\_\_

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