



NEWS

Federal Communications Commission
445 12th Street, S.W.
Washington, D. C. 20554

News Media Information 202 / 418-0500
Internet: <http://www.fcc.gov>
TTY: 1-888-835-5322

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See MCI v. FCC, 515 F 2d 385 (D.C. Circ 1974).

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NEWS MEDIA CONTACT:
Chelsea Fallon at (202) 418-7991

FCC ADOPTS THIRD GENERATION (“3G”) RULES MAKING 90 MHz OF SPECTRUM AVAILABLE FOR BROADBAND AND ADVANCED WIRELESS SERVICES

Washington, D.C. – In a Report and Order (Order) adopted today, the Federal Communications Commission (FCC) advanced its efforts to provide new and existing wireless operators with additional spectrum resources and issued rules that will enable wireless providers to offer an array of innovative products and services, including wireless broadband Internet access.

Today’s action provided service rules for the 1710-1755 MHz and 2110-2155 MHz spectrum bands. As determined by the FCC in November 2002, these bands can be used to offer a variety of new and advanced wireless services, including voice, data, and broadband services – popularly referred to as Third Generation, or “3G,” services – using high-speed fixed and mobile networks.

The rules adopted today include provisions for application procedures, licensing, technical operations, and competitive bidding. This spectrum will be licensed by geographic areas under the FCC’s flexible, market-oriented Part 27 rules, and will be assigned by competitive bidding. In order to accommodate the needs of a variety of providers, including large carriers as well as small and rural providers, the band plan for this spectrum includes a mixture of license sizes and geographic areas.

The 1710-1755 MHz and 2110-2155 MHz spectrum will be licensed on the following basis:

<u>Block</u>	<u>Total MHz</u>	<u>Pairings</u>	<u>Geographic Area</u>
A	20	1710-1720 and 2110-2120 MHz	Economic Area (EA)
B	20	1720-1730 and 2120-2130 MHz	Regional Economic Area Group (REAG)
C	10	1730-1735 and 2130-2135 MHz	REAG
D	10	1735-1740 and 2135-2140 MHz	Cellular Market Area (CMA)
E	30	1740-1755 and 2140-2155 MHz	REAG

Maps of EAs, REAGs, and CMAs can be found on the FCC’s website at <http://wireless.fcc.gov/auctions/data/maps.html>.

In the Order adopted today, the FCC issued several other licensing and technical rules. The licenses for these bands will have an initial 15-year term with 10-year renewal terms. Licensees will be required to show that they have provided substantial service by the end of the license term; however, no interim construction requirements have been imposed. Licensees will be able to aggregate spectrum in these bands and will be able to partition and disaggregate their licenses. The licenses will be assigned via auction in the future. Fifteen percent bidding credits will apply for entities meeting the definition of small business used in the broadband PCS auctions, while 25 percent bidding credits will apply for very small

businesses. In this Order, potential licensees are provided information on incumbents in these bands who will be covered by clearance and reimbursement rules. The Order also establishes rules to protect co-channel and adjacent channel Government and non-Government operations from interference.

The licensing plan adopted today will allow the marketplace, rather than the FCC, to determine what services are ultimately offered using this spectrum and what technologies are deployed to provide such services. This licensing framework will also ensure that this spectrum is used efficiently and will foster the development of new and innovative technologies for consumers. The decision brings the FCC closer to achieving its goal of widespread availability of broadband services. The greater availability of broadband services stimulates economic activity, increases productivity, and improves education. The FCC believes these objectives can best be met by implementing a market-based approach to licensing spectrum that provides greater certainty, minimal regulatory intervention, and greater benefits for consumers.

Action by the Commission, October 16, 2003, by Report and Order (FCC 03-251). Chairman Powell, Commissioners Abernathy, Martin, and Adelstein, with Commissioner Copps approving in part and concurring in part. Separate statements issued by Chairman Powell, Commissioners Copps, Martin, and Adelstein.

FCC Contact: Eli Johnson, (202) 418-1395, email: Eli.Johnson@fcc.gov.

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