

**STATEMENT OF
COMMISSIONER MICHAEL O'RIELLY**

Re: *Policies Regarding Mobile Spectrum Holdings*, WT Docket No. 12-269; *Expanding the Economic and Innovation Opportunities of Spectrum Through Incentive Auctions*, GN Docket No. 12-268.

I have been vocal in my opposition to the underlying action establishing reserve spectrum in the incentive auction for a privileged subset of wireless carriers, and therefore fervently oppose T-Mobile's petition to increase the reserve's size. Similarly, I disagree with Sprint's petition to weigh spectrum bands differently when imposing the secondary market spectrum screen. Therefore, I support the item before us denying these petitions.

The petition by T-Mobile embodies what happens when the government believes it is smarter than the free market. Some people think that if we just turn a knob over here or tighten a screw over there, as if in a social policy experiment, the market will provide their dream utopia. In reality, it is just the opposite: a non-manipulated market produces the most efficient and just outcome – even if it may not seem so at the exact moment it happens.

Clearly, the unnecessary and improper interference of reserve spectrum will unfairly skew the auction outcome, thereby producing less revenue for the American people who entrust the Commission to protect and maximize the value of their spectrum assets. Yet, such interference is still not enough to satisfy the unrighteous demand for special treatment by some. Requesting that the government “rectify” self-inflicted spectrum mistakes of the past represents an amazing amount of gall. I won't be a party to this – not now, not ever.