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For Immediate Release

STATEMENT OF FCC COMMISSIONER AJIT PAI
On the Decision to Delay Consideration of the Incentive Auction Procedures Order

WASHINGTON, July 15, 2015.—In early June, wireless carriers and broadcasters asked the Commission to disclose data regarding the results of six staff simulations of the initial clearing target optimization procedure proposed by the Commission last December in connection with the upcoming incentive auction. Instead of releasing this data promptly and giving stakeholders a meaningful opportunity to comment on the implications of the staff simulations, the FCC’s leadership did nothing for over a month.

Then, Friday evening, just three business days before the FCC was scheduled to vote on the procedures for the incentive auction, the staff released *some* of the data, and the Chairman’s Office unilaterally waived the Sunshine period prohibition so that parties could comment on it until the night before the Commission meeting.

To say the least, there were numerous problems with this approach.

First, the staff did not give stakeholders sufficient time to analyze the new data, attempt to replicate it, and provide the Commission with fully informed feedback. Second, the staff did not disclose all of the data that had been requested. And third, the Chairman’s Office did not afford the Commissioners enough time to analyze either the data or the comments about that data.

None of these shortcomings serves the Commission or the public well. These incentive auction issues are complicated and highly technical. We must make difficult and important judgments. So we should not be forced to review comments less than 24 hours before we vote on a matter that will have long-term consequences for the future of our nation’s broadcast and wireless industries. This is not the kind of deliberative process that will lead to good decisions.

I am therefore pleased that the incentive auction procedures item has been pulled from the agenda for tomorrow’s Commission meeting and thank the leadership of the House Energy and Commerce Committee, whose intervention was critical to reaching this result.

The question now becomes: Where do we go from here? I would like to offer a couple of suggestions for a path forward. *First*, during the week of July 27, the Commission should hold an *en banc* hearing to consider issues pertaining to band plan variability and the appropriate placement of broadcast stations, if necessary, in the wireless portion of the 600 MHz band. These issues deserve a thorough public airing. Let’s invite broadcasters, wireless carriers, and unlicensed advocates to testify. Witnesses should have the opportunity to share their views, and Commissioners should have ample opportunity to ask questions. Let’s see where there is disagreement and try to forge common ground.

Second, the Commission should immediately release *all* of the data pertaining to the staff’s simulations. The Commission should also conduct additional simulations and release all of the data pertaining to those simulations as well. Our office has heard numerous complaints from stakeholders that

too little data has been released and that more simulations are needed. In particular, we should not make decisions on a future band plan based on only two simulations per clearing target. Rather, we should be able to evaluate the wide range of possible outcomes for each clearing target.

Going forward, I stand ready to work with my colleagues in the hopes of reaching a bipartisan consensus. There is no reason why there should be a Democratic approach and a Republican approach to these technical issues. To date, however, I have been disappointed by the Chairman's Office's unwillingness to engage with my office on this item. Over a week ago, I proposed ten substantive proposals that I believe will help improve the auction's chance of success. But to date, neither the Chairman's Office nor the staff has acknowledged, much less responded to, any of these proposals or expressed a willingness to negotiate. Nonetheless, I hope that the recently announced postponement will enable a productive dialogue in the days to come.

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