A Principled Approach to LMCC Spectrum Management

LMCC National Conference Remarks of FCC Commissioner Kathleen Q. Abernathy Washington DC - April 19, 2002 As prepared for delivery.

Thank you for the opportunity to be here with you today. This is my first opportunity to address an audience with such a significant contingent of private land mobile radio licensees. And these are exciting and turbulent times for all of us who work with spectrum policy. So let me begin by speaking broadly about how I believe your services fit into my overall spectrum management philosophy.

Whether we like it or not – whether it's easy or not – we have an extremely complex and congested spectrum management reality in the US. We have two agencies at the helm – we have dribs and drabs of spectrum distributed over decades of ever-changing spectrum policy – we have a statutory scheme that sometimes required comparative hearings, at other times lotteries, mandates auctions, exempts others from auctions, requires us to avoid mutual exclusivity, encourages wide distributions of licenses, considers combinatorial bidding, bidding credits, set asides, and installment payments. And, oh yeah, we also have licensed bands, unlicensed bands, lots of sharing, and all those federal government operations that they cannot really tell us about.

As a veteran of the wireless industry and the satellite world, I know all too well how difficult it can be for Commission licensees like members of the LMCC who depend on the -- at times unpredictable -- puffs of spectrum policy smoke that emerge from the Commission.

With that in mind I would like to review some key principles that will impact my analysis of land mobile policy issues:

First, public safety licensees must have sufficient, reliable spectrum resources. These resources must include sufficient spectrum for interoperability. Proposals for priority access on commercial systems -- while an important service -- are not a substitute for adequate, dedicated public safety spectrum. Today, the Commission has a statutory mandate to move forward with the 700 MHz auction - a deadline that may well be challenged in court if we fail to hold the auction this year. I believe the Commission has acted responsibly to encourage band clearing at 700 MHz that will allow public safety access to that vital 24 MHz of spectrum. Absent legislative intervention, I believe we should move forward with that auction this year and allow the market-based band clearing of the spectrum for public safety use to proceed.

Similarly, in order to facilitate the development of on-site broadband capability for first responders, I also believe the Commission should move promptly to adopt service rules for the 4.9 GHz spectrum band. This 50 MHz is another important element of a successful public safety spectrum policy.

Significant for all LMCC members - particularly public safety - is the 800 MHz proceeding. As I have said before we have a problem at 800 MHz that needs to be fixed – and I applaud the recent efforts of the affected parties to develop proposals that mitigate to the greatest possible degree the public safety interference problems in the band. As I have also indicated I am quite skeptical of any proposal that requires the imposition of significant costs of any one group of licensees – particularly licensees that do not cause – and are not harmed by the interference. I am also generally reluctant to solve the 800 MHz interference problems by moving parties into a host of other bands and further disrupt licensees' plans – so if possible I would like to find as many of the answers to 800 MHz in the 800 MHz band. Nonetheless, I recognize that this is a difficult problem that will require creative solutions – and I look forward to working with all of you to develop some answers.

A second core principal is the significance of private land mobile operations. Although commercial mobile radio services provide an important service, they are not a substitute for private land mobile operations. I understand that some businesses require communication that is more reliable and durable than commercial operations can provide. Indeed private services are an essential part of public and employee safety and business efficiency. Therefore we can have twenty national CMRS carriers, but there will always be a solid public policy reason for private land mobile spectrum. On this score, I look forward to working with you to adopt service rules in the 27 MHz proceeding that recognize these realities. That proceeding along with the FCC's response to NTIA's critical infrastructure spectrum needs study will make a busy year for PSPWD and the Wireless Bureau.

My third principle is that site-by-site licensing remains a viable spectrum management tool. The statute requires that our auction authority should not be "construed to relieve the Commission of the obligation in the public interest to continue to use engineering solutions . . . and other means in order to avoid mutual exclusivity. . . in licensing proceedings. . . " I believe that site-by-site licensing is a useful tool in our spectrum management arsenal – and that for some spectrum bands it serves the public interest. Site-by-site is a particularly important management tool while the Commission continues its efforts to facilitate an effective secondary spectrum market.

Although I recognize the importance of private radio and site-by-site licensing, I also believe that those rights must be exercised responsibly and enforced consistently by the Commission. I want to touch on three policy issues on licensee and FCC responsibility: (1) license audits; (2) spectral efficiency; and (3) the role of spectrum coordinators. Regarding license audits, I have vigorously supported the Commission's efforts to conduct an audit of the PLMR stations below 512 MHz. This has been an enormous undertaking – the Bureau sent out over 285,000 letters. And as a result, licensees have submitted over 27,000 licenses for cancellation. We have learned a great deal from this experience and I will encourage the Bureau to undertake audits in additional bands and to take steps to systemize the auditing process going forward. I want to particularly acknowledge the fine work and leadership of Tom Sugrue, Kathleen Ham and D'wana Terry and all of PSPWD in these efforts.

Private radio coordinated licensing requires a more active spectrum management role than the FCC might assume in geographically licensed bands. This role makes it essential that we continue to develop mechanisms to further encourage efficient use of our existing private land

mobile spectrum. Therefore, we should allow for the full panoply of low power uses by designating channels in multiple categories to facilitate interference free flexible operation in these bands.

Responsible spectrum management also necessitates that all of the coordinators work together. I fully support the Bureau's continued efforts through Frequency Coordinator Summits to increase information flow and promote best practices. And I look forward to another productive session in June. Indeed I should not that the concept of a spectrum audit was a result of these sessions.

Frequency Coordinator communication and evenly shared responsibility is essential to this effort. For example, all coordinators should work with licensees to resolve post-licensing interference disputes and compete fully and squarely on the merits of their coordinations. This should be an ongoing responsibility of all coordinators. I am a firm believer in markets – but the FCC must ensure that all coordinators face similar burdens and responsibilities in the marketplace.

Principle Four: The Commission must move forward with its secondary market proceeding to ensure that spectrum can move to higher valued uses without substantial government intervention and corresponding delay. I believe the introduction of the band manager concept in the 700 MHz proceeding was an important step forward in this regard. Although I believe there were certain unique circumstances associated with that band and the approach taken, I DO believe that band managers are an innovative spectrum management tool that capitalizes and initiates the type of secondary market dynamics that we hope to facilitate more broadly in the secondary markets proceeding. Secondary markets are essential to allowing parties to acquire spectrum in the shapes and sizes that business needs require.

Fifth and finally, when I first arrived at the Commission I described a set of guiding principles that would shape my tenure. One of those principles is that the FCC is a service based organization and we should act like it. For PLMR licensees this means the Commission must continue to work with you to improve ULS. More broadly, I hope that the Commission will continue to strive to provide higher quality service to you. That means prompt and well reasoned decision making from the agency. And during consideration of these items, I hope you will always see my office as a readily available resource to you and your constituencies. I hope that you will take every opportunity to meet with me, my wireless advisor Bryan Tramont and other members of my staff to ensure that your voices are heard. I cannot promise that you will always like our decisions, but I can certainly promise that we will let you know what we are thinking and do everything we can to get you a prompt response. Government is not omnipotent – and we should not delude ourselves about what we can or do know. Instead we must be humble about our abilities and continue to reach out to folks like you to obtain the most information possible before making our decisions in the best interest of the American people.

Thanks again for the invitation to be here today, and I look forward to continuing our work together.