

Carriers Spat Over Spectrum Weighting

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It seems everyone agrees that the FCC needs to simplify its spectrum screen, but there's a big division on exactly how that should be done. Such was the case in a spate of comments filed with the FCC this past week.

AT&T and Verizon Wireless come down on the "light touch" side of things, while T-Mobile and Sprint argue in comments submitted to the commission this week that spectrum below 1 GHz should be weighted differently than airwaves above that mark.

Verizon [asked](#) [1] the commission to reject calls for a secondary screen or cap on spectrum below 1 GHz, saying such rules fail to take into account the capacity and other benefits of spectrum above 1 GHz. Verizon argues that higher and lower bands have a wide range of advantages and disadvantages that depend on a carrier's desired coverage area, anticipated traffic levels, and device choices.

T-Mobile USA [claims](#) [2] Verizon's statements are disingenuous, arguing that spectrum below 1 GHz, which is often referred to as "beachfront property," is widely understood to have propagation characteristics that make it particularly valuable.

"Those characteristics allow for better coverage inside buildings and across larger geographic areas and provide higher spectral efficiency over a given area than higher-band spectrum," T-Mobile stated in comments. "As a result, systems in lower-band spectrum are able to provide the same geographic coverage at a lower cost, making spectrum below 1 GHz more valuable from a competitive standpoint than spectrum above 1 GHz."

T-Mobile says this discrepancy warrants a separate commission evaluation of holdings below 1 GHz in auctions and transactions.

T-Mobile referenced a Qualcomm study that it says demonstrates that it costs over three times as much to construct a mobile wireless network using spectrum above 2 GHz as it does to construct a network using 700 MHz spectrum because of the difference in the number of base stations required.

In a separate filing, Sprint Nextel [offered](#) [2] that a number of factors have led to an uneven spectrum landscape across the wireless industry.

Sprint cited the partial reallocation and reconfiguration of the 2.5 GHz Band for commercial wireless use, the 800 MHz Band Reconfiguration Order, and, most recently, the Commission's reallocation of the 2 GHz MSS spectrum to primary terrestrial broadband use to have dramatically changed the way carriers view the value, utility and desirability of commercial spectrum bands.

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Sprint stressed the competitive advantages of spectrum below 1 GHz, saying that the commission's current spectrum screen has not prevented AT&T and Verizon from controlling the dominant share of sub-1 GHz spectrum, "including more than 85 percent in the top 10 U.S. markets."

AT&T wasn't having these arguments any more than Verizon. The carrier's

Joan Marsh, vice president of federal regulatory, argues in a policy [blog](#) [3] that Sprint/Clearwire "controls double the spectrum of any other carrier."

Marsh suggests Sprint and Clearwire talk out of both sides of their mouths, pitching their 2.5 GHz spectrum as valuable spectrum to investors but then arguing to the FCC that it should not include that same spectrum in its screen.

"Indeed, Sprint has made quite clear that it is buying the rest of Clearwire 'to maximize the value of Clearwire's 2.5 GHz spectrum and use it to increase Sprint's network capacity,'" Marsh wrote. "These are inconvenient facts for Sprint and Clearwire, which they blithely ignore in their comments."

As for T-Mobile, AT&T thinks it's lobbying for an unfair advantage in future auctions. "T-Mobile, which chose to sit out the Commission's 700 MHz auction entirely and to forego low band secondary market spectrum opportunities, now wants the Commission to adopt spectrum rules designed to guarantee its ability to catch up on the cheap," Marsh wrote.

Consumer advocacy group Public Knowledge [submitted](#) [4] that spectrum should be differently weighted by the commission for its value, saying an effective spectrum screen would detect when a carrier's regional spectrum holdings would give it an advantage that would harm competition, but also be flexible enough to let carriers manage their spectrum portfolios to the greatest extent possible.

"Weighting spectrum will reflect the costs of deployment and equipment operation at a particularly frequency, so the Commission will better understand the value of the spectrum," Public Knowledge suggested.

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Links:

[1] <http://apps.fcc.gov/ecfs/document/view?id=7022099976>

[2] <http://apps.fcc.gov/ecfs/document/view?id=7022099939>

[3] <http://attpublicpolicy.com/wireless/establishing-effective-spectrum-policy-part-ii/>

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