



# PUBLIC NOTICE

FEDERAL COMMUNICATIONS COMMISSION  
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DA 97-2420  
November 18, 1997

## OPPORTUNITY FOR REPLY COMMENT ON RESERVE PRICES OR MINIMUM OPENING BIDS FOR LMDS AUCTION EXTENDED

### Report No. AUC-17-D (Auction No. 17)

When FCC licenses are subject to auction (*i.e.*, because they are mutually exclusive) the recently enacted Balanced Budget Act of 1997 calls upon the Commission to prescribe methods by which a reasonable reserve price will be required or a minimum opening bid established, unless the Commission determines that a reserve price or minimum bid is not in the public interest.<sup>1</sup> The Commission recently announced the auction of 986 licenses for the Local Multipoint Distribution Service ("LMDS"), and originally set an auction commencement date of December 10, 1997,<sup>2</sup> later rescheduled to February 18, 1998.<sup>3</sup> In anticipation of that auction and in light of the Balanced Budget Act, the Commission proposed that minimum opening bids be established for the LMDS auction, that they be calculated under a specific iterated formula, and that the Commission have discretion to lower the minimum opening bids as it deems appropriate.<sup>4</sup> Because of the imminence of the auction, the Commission sought

comment on its proposals under a schedule that provided a somewhat abbreviated deadline for

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<sup>1</sup> Section 3002(a), Balanced Budget Act of 1997, P.L. 105-33, 111 Stat. 251 (1997); 47 U.S.C. § 309(j)(4)(F). The Commission's authority to establish a reserve price or minimum opening bid is set forth in 47 C.F.R. § 1.2104(c) and (d).

<sup>2</sup> See *Public Notice*, "Auction of Local Multipoint Distribution Service: Auction Notice and Filing Requirements for 986 Basic Trading Area ('BTA') Licenses in the 28 GHz and 31 GHz Bands, Scheduled for December 10, 1997," DA 97-2081 (released September 25, 1997).

<sup>3</sup> See *Public Notice*, "LMDS Auction Postponed Until February 18, 1998," DA 97-2352 (rel. Nov. 10, 1997) ("*Auction Postponement Public Notice*").

<sup>4</sup> See *Public Notice*, "Comment Sought on Reserve Prices or Minimum Opening Bids for LMDS Auction," DA 97-2224 (released October 17, 1997).

reply comments.<sup>5</sup>

The Commission received comments from the following parties:

BroadBand, Inc.  
Cornerstone Wireless Communications, L.L.C.  
East Ascension Telephone Company, Inc.  
Eclipse Communications Corporation  
Fremont Telcom Co.  
HighSpeed.Com, L.L.C.  
Horizon Personal Communications, Inc.  
JATO Communications Corp.  
Midwest Wireless Communications, L.L.C.  
Montana Wireless, Inc.  
North Alabama Cellular, LLC  
Pioneer Telephone Association, Inc.  
Richard L. Vega Group, Inc.  
Spectraware Corporation  
Tel/Logic Inc.  
Thomas F. Mitts and Pappas Telecasting Companies  
U.S. WaveLink Telecommunications, L.P.  
U.S. Wireless Communications, Inc.  
Vanguard Cellular Systems, Inc.  
VIPC  
Virginia Tech Foundation, Inc.  
WinStar Communications, Inc.  
Zip Communications Corporation

A reply comment was received from the National Telephone Cooperative Association.

More recently, the Commission postponed the auction commencement date until February 18, 1998.<sup>6</sup> Because of the additional time available prior to the commencement of the auction, the Commission hereby reopens the period for reply comments on its above-referenced proposals regarding minimum opening bids. Reply comments therefore will be due on or before December 1, 1997. To file formally, parties must submit an original and four copies to the Office of the Secretary, Room 222, 1919 M Street, N.W., Washington, D.C. 20554. Comments and reply comments will be available for public inspection during regular

business hours in the FCC Public Reference Room, Room 239, 1919 M Street, N.W.,

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<sup>5</sup> *Id.*

<sup>6</sup> *See Auction Postponement Public Notice.*

Washington, D.C. 20554.

For further information concerning this proceeding, contact Brett Tarnutzer, Auctions and Industry Analysis Division, Wireless Telecommunications Bureau, at (202) 418-0660.

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