



Home » News » Legal & Business News » Wireless Carriers Will Need Government Spectrum for Broadband Use, Executives Say

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By Paul Barbagallo

Wireless carriers need more spectrum than the estimated 60 MHz to 120 MHz that will be reclaimed from television broadcasters under the Middle Class Tax Relief and Job Creation Act, industry executives say.

CTIA-The Wireless Association President and CEO Steve Largent, speaking at the Institute for Policy Innovation's annual communications policy summit, lauded Congress for including a provision in the measure authorizing "voluntary incentive auctions" of spectrum, but expressed misgivings that the final bill did not go far enough to recover spectrum from federal government agencies.

"We still have a long way still to go," Largent said. "There is more spectrum that we need. And the principle holder of that spectrum is the government, whether it's the [Defense Department] or the FBI."

The government-held spectrum most coveted by the wireless industry is in the 1755-1850 MHz band, which is immediately adjacent to a 25 MHz tranche of frequencies already allocated for mobile broadband use—what is known as AWS-3, or Advanced Wireless Services, spectrum at 2155-2180 MHz. Right now, the 1755-1780 MHz band is being used by a number of different agencies, including the Defense Department.

NTIA Proposal.

As part of an Obama administration directive to make available 500 megahertz of spectrum for mobile broadband by 2020, the Commerce Department's National Telecommunications and Information Administration has already proposed that the Defense Department give up 100 MHz of spectrum.

For the FCC's part, the 120 MHz of spectrum being sought from TV broadcasters through incentive auctions would increase the amount available for mobile broadband by about 22 percent, to 667 megahertz. The NTIA must still, however, free an additional 380 MHz by 2020.

"One of the places to look [for spectrum] is the government. That is our next big legislative push," said Charla Rath, vice president of wireless policy development for Verizon Wireless, during a panel discussion at the IPI event. "I'm not interested in sitting here in five years saying we need more spectrum."

Rath noted that the Middle Class Tax Relief and Job Creation Act did make some improvements to the laws governing the relocation of federal government spectrum users, but that “incentivizing” agencies remains an issue.

To Rath, Congress does not necessarily need to pass legislation requiring government-held spectrum to be repurposed for broadband; the NTIA could facilitate the process on its own. At the same time, a legislative fix could help.

“It would have been nice if the 1755-1850 [MHz band spectrum] were included in the bill,” Rath said. “I understand that DOD had some concerns. Frankly, we’re very pleased that the legislation got passed.”

“This is an iterative long-haul process,” she added. “We need to ... perhaps come back for legislation.”

Reallocating the 1755-1850 MHz band to the private sector would be a complicated interagency process. Most of the 3,300 federal assignments within the band are licensed for point-to-point fixed microwave use by the departments of Energy and Homeland Security, and the Federal Aviation Administration. The Department of Defense also makes use of the spectrum for military satellites, precision-guided munitions training, and unmanned aerial vehicles.

“When you’ve got a radar on a destroyer, it’s not going to change overnight,” said Mark Stachiw, general counsel, secretary, and vice chairman of MetroPCS Communications Inc.

Effect on Consumer Prices.

But Stachiw admitted what “keeps him up at night” is the possibility of the Federal Communications Commission auctioning AWS-3 spectrum without a pairing with the 1755-1850 MHz band. The NTIA has already recommended reallocation for the 1695-1710 MHz and 3550-3650 MHz bands, but the 3550-3650 MHz band is not as desirable to the wireless industry in the United States.

“Quite frankly, we need a lot more [spectrum],” Stachiw said. “Spectrum equals cost. For a given cell site, if I have twice the spectrum, in theory, I have half the cost of someone who has to go and put in two sites to get the same amount of capacity ...if we don’t get spectrum, we’ll have to invest a lot more in our networks, which means we’ll have to get more money out of our customers.”

The research firm Yankee Group estimates that by 2015 consumer use of wireless applications and services will be nearly 60 times today’s volume.

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