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Pandemic Prompts FCC to Delay 3.5 GHz Band Auction

The FCC announced today that it would delay the start of its 3.5 gigahertz band auction (Auction 105) by nearly a month to protect the safety of agency staff and provide parties additional time to prepare for the sale given the coronavirus pandemic.

The auction, which had been scheduled to commence on June 25, has been rescheduled for July 23. The agency also announced that a sale (Auction 106) of FM construction permits, which had been scheduled for April 28, would be postponed indefinitely.

“Many Americans have had to make tough decisions on how they do business in this rapidly changing environment, and the FCC is no different,” said FCC Chairman Ajit Pai. “After consulting agency staff within the relevant Bureaus and Offices, we determined that it was in everyone’s best interest to make these changes. But we remain committed to holding the 3.5 GHz auction this summer and look forward to beginning this important mid-band auction in July.”

In Auction 105, the FCC will sell priority access licenses (PALs) for the 3550-3650 megahertz band. It noted that “the short-form application (FCC Form 175) filing window will now open on April 23, 2020 at 12 p.m. EDT and will close on May 7 at 6 p.m. EDT. Upfront payments will be due June 19.” A mock auction is now set for July 20.

“Good move by the @FCC to postpone auction 105,” tweeted Hank Hultquist, vice president-federal regulatory for AT&T, Inc. “While the Commission and industry are focused on dealing with the pandemic, it would make no sense to put everyone into quiet period where talking about this spectrum is restricted.”

“RWA is pleased that the FCC has made a short postponement of the Auction and the related filing deadlines,” said Rural Wireless Association General Counsel Carri Bennet. “Our members have been busy accommodating customers who are sheltering in place and meeting network demands this has created. In addition, our members are making adjustments to their billing platforms to accommodate the Chairman’s pledge to keep all customers connected regardless of ability to pay for services so that automated accounting systems do not kick in to thwart that pledge.”

“Additionally, much of the data needed to calculate qualifications for bidding credits and other application criteria cannot be worked on from home by our members’ staff as immediately as desired due to the sensitive financial data involved,” Ms. Bennet added. “RWA had planned to request that the FCC allow additional time and is happy to see the FCC anticipated RWA’s concerns.”

Analysts had speculated that it could take some carriers additional time to secure financing for upcoming auctions as a result of the pandemic. The Commission has another spectrum auction scheduled for Dec. 8 — the C-band sale. —Paul Kirby, paul.kirby@wolterskluwer.com

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