

## FCC Announces Date for USF Wireless Auction, Solicits Comments on Procedures

02.10.12 By John C. Dodge

The Federal Communications Commission (FCC or Commission) has announced that its first reverse auction to award Universal Service Funding (USF) support to wireless carriers building out into rural areas will take place on **Sept. 27, 2012**. “Auction 901” will distribute up to \$300 million in one-time payments from Mobility Fund Phase I, the Commission’s new mechanism for incenting wireless providers to serve areas where no wireless service is available. The Commission also established **Feb. 24, 2012 as the deadline for comments on Auction 901 procedures. Reply comments are due on or before March 9, 2012.**

The complete Auction 901 procedures can be seen [here](#).

In order to participate in Auction 901 and receive Mobility Fund Phase I support, an applicant must demonstrate for the areas on which it wishes to bid that it has been designated as an eligible telecommunications carrier (ETC), and has access to the spectrum necessary to satisfy the applicable performance requirements. Tribal entities may participate in Auction 901 so long as they have an ETC application on file and meet the other requirements noted above.

Parties seeking support will compete in Auction 901 by indicating the amount of support they need to meet the requirements of Mobility Fund Phase I in the eligible census blocks on which they bid. The Commission indicated that a single-round sealed bid auction format would be most appropriate for Mobility Fund Phase I.

The Commission has explained that support will be awarded to maximize the number of road miles in eligible census blocks that can gain 3G or better mobile services under the Mobility Fund Phase I budget. According to the FCC:

*This will generally result in providing support to no more than one provider in a given area. Unlike [past] spectrum license auctions which involve license-by-license competition for a fixed inventory of licenses, this auction will award support only for the set of areas that will achieve the most newly covered road miles without exceeding the Mobility Fund Phase I budget based on the bids submitted. Thus, bidders will compete not only against other carriers that may be bidding for support in the same areas, but against carriers bidding for support in other areas nationwide. Successful bidders will be awarded support for an area at the price they bid.*

If you would like to comment on the Commission’s Auction 901 procedures or participate in Auction 901, please contact us.

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