



# PUBLIC NOTICE

Federal Communications Commission  
445 12<sup>th</sup> St., S.W.  
Washington, D.C. 20554

News Media Information 202 / 418-0500  
Internet: <https://www.fcc.gov>  
TTY: 1-888-835-5322

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## WIRELESS TELECOMMUNICATIONS BUREAU SEEKS COMMENT ON PRELIMINARY COST CATEGORY SCHEDULE FOR 3.7-4.2 GHz BAND RELOCATION EXPENSES

GN Docket No. 18-122

Comments due: May 12, 2020

With this Public Notice, the Wireless Telecommunications Bureau (the Bureau) invites interested parties to comment on the 3.7 GHz Transition Preliminary Cost Category Schedule of Potential Expenses and Estimated Costs (Cost Catalog). In the *Expanding Flexible Use of the 3.7 to 4.2 GHz Band Report and Order*, the Commission adopted rules to make 280 megahertz of mid-band spectrum available for flexible use, plus a 20 megahertz guard band throughout the contiguous United States by transitioning existing services out of the lower portion and into the upper 200 megahertz of the C-band.<sup>1</sup> The *Order* established that new 3.7 GHz Service licensees will reimburse the reasonable relocation costs of eligible Fixed Satellite Service (FSS) space station operators, incumbent FSS earth station operators, and incumbent Fixed Service licensees (collectively, incumbents) to transition out of the band.<sup>2</sup> To provide incumbents and new 3.7 GHz Service licensees with a range of reasonable transition costs, the *Order* directed the Bureau

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<sup>1</sup> *Expanding Flexible Use of the 3.7 to 4.2 GHz Band*, GN Docket No. 18-122, Report and Order and Order of Proposed Modification, FCC 20-22, at 3, para. 4 (Mar. 3, 2020) (*Order*).

<sup>2</sup> *Id.* at 49, 123, paras. 111, 326; 47 CFR § 27.4. The *Order* defines the incumbents that will be eligible to receive their reasonable relocation costs. *See id.* at 83, para. 200 (to be “eligible for relocation cost reimbursements, an incumbent space station operator must have demonstrated, no later than February 1, 2020, that it has an existing relationship to provide service via C-band satellite transmission to one or more incumbent earth stations in the contiguous United States.”); *id.* at Appx. A, Final Rules, 47 CFR § 27.1411(b)(1)-(2) (defining eligible space station operators and incumbent space station operators); *id.* at 50, para. 116 (incumbent earth stations are those Fixed Satellite Service earth stations that: “(1) were operational as of April 19, 2018; (2) are licensed or registered (or had a pending application for license or registration) in the IBFS database as of November 7, 2018; and (3) have timely certified, to the extent required by the Order adopted in FCC 18-91 (as we clarify . . . to include certain renewal applications and license and registration applications filed through November 7, 2018), the accuracy of information on file with the Commission”); *id.* at Appx. A, Final Rules, 47 CFR § 27.1411(b)(3) (defining incumbent earth stations); *id.* at 123, para. 326 (“Incumbent licensees of point-to-point Fixed Service links that relocate out of the 3.7-4.2 GHz band by December 5, 2023 shall be eligible for reimbursement of their reasonable costs”). *See also Order* at 85-86, para. 204 (also providing for reimbursement for expenses of earth stations located outside of the contiguous United States to the extent it can be demonstrated that the system modifications for which reimbursement is sought is a direct result of the C-band transition). The process by which costs will be determined to be reimbursable is defined in section 25.1416.

to establish a cost category schedule of the types of expenses that incumbents may incur.<sup>3</sup> The *Order* provided for the creation of a Relocation Payment Clearinghouse to oversee the cost-related aspects of the transition, including by collecting relocation payments from overlay licensees and disbursing those payments to incumbents.<sup>4</sup> In determining the reasonableness of costs for which incumbents seek reimbursement, the *Order* directed that the Relocation Payment Clearinghouse shall presume as reasonable all submissions that fall within the estimated range of costs in the final cost category schedule.<sup>5</sup>

The Cost Catalog (included as an attachment) contains preliminary categories and estimates of expenses that incumbents may incur as they clear FSS operations from the 3.7-4.0 GHz portion of the band and Fixed Service operations from the entire C-band to make the lower 280 megahertz available for flexible use. The Commission engaged a third-party contractor, RKF Engineering Solutions, LLC (RKF), to assist in identifying costs that incumbents might incur and to assist with the development of a cost category schedule. To compile the information needed for the Cost Catalog, RKF considered the *Order*'s initial relocation cost estimates, derived from comments and filings in the record,<sup>6</sup> and conducted confidential interviews with a broad range of stakeholders, including satellite operators, earth station operators, Fixed Service licensees, and vendors. With this input from RKF, and in accordance with the Commission's directions, the Bureau has developed this Cost Catalog.

We seek comment on the Cost Catalog, including whether the preliminary categories and estimated expenses for each are reasonable. Although the Cost Catalog represents an initial summary of estimated expenses that eligible incumbents may incur, we encourage commenters to identify any additional expense categories that they believe should be eligible for reimbursement and prices that should be associated with those categories. Does the Cost Catalog cover every situation? If not, what are additional situations that we should consider? For both the initial summary set out in the Cost Catalog and for any additions to the Cost Catalog that commenters may suggest, we are interested in obtaining information on specific prices, as well as more general information on the costs that incumbents expect to incur.

The attached Cost Catalog also contains preliminary categories of the "various classes of earth stations" that may choose to receive a lump sum payment in place of their actual reasonable relocation costs.<sup>7</sup> We seek comment on the preliminary categories provided in the Cost Catalog and whether they cover the relevant classes of earth stations. If not, what are additional relevant classes of earth stations that we should consider including? We also seek comment on the appropriate lump sum amounts for each category, which will be based on the average estimated

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<sup>3</sup> See *Order* at 85, 105, paras. 203, 262.

<sup>4</sup> *Id.* at 103, para. 255.

<sup>5</sup> *Id.* at 105, para. 262.

<sup>6</sup> See *id.* at 86-88, 123, paras. 206-10, 326-27.

<sup>7</sup> *Id.* at 84-85, paras. 202-203. The *Order* established that incumbent earth station operators may either accept (1) reimbursement for their actual reasonable relocation costs by maintaining satellite reception; or (2) a lump sum reimbursement "based on the average, estimated costs of relocating all of their incumbent earth stations" to the upper 200 megahertz of the C-band. *Order* at 84-85, para. 202. *But see id.* at 86, para. 204 n.550 (noting that "incumbent earth stations owners may not elect a lump sum payment for earth stations outside of the contiguous United States").

costs of relocation for that class of earth station. What are the specific costs and prices that should be included in the lump sum amount for each class of earth station? The Bureau will determine the final lump sum amounts according to the final estimated earth station transition costs in the final Cost Catalog. Consistent with the *Order*, the Bureau will publish the final lump sum amounts and provide instructions for making such an election, after considering the record compiled on the foregoing issues.<sup>8</sup>

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*Filing Requirements.* Interested parties are invited to file comments on or before the date indicated on the first page of this document. All filings must reference GN Docket No. 18-122. Comments may be filed using the Commission's Electronic Comment Filing System (ECFS).

- Electronic Filers: Comments may be filed electronically using the internet by accessing the ECFS: <https://www.fcc.gov/ecfs/>.
- Paper Filers: Parties who choose to file by paper must file an original and one copy of each filing.

Filings can be sent by commercial courier or by the U.S. Postal Service. All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission.

- Commercial deliveries (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9050 Junction Drive, Annapolis Junction, MD 20701.
- U.S. Postal Service First-Class, Express, and Priority mail must be addressed to 445 12<sup>th</sup> Street, SW, Washington, DC 20554.
- **Effective March 19, 2020, and until further notice, the Commission no longer accepts any hand or messenger delivered filings. This is a temporary measure taken to help protect the health and safety of individuals, and to mitigate the transmission of COVID-19. See *FCC Announces Closure of FCC Headquarters Open Window and Change in Hand-Delivery Policy*, Public Notice, DA 20-304 (March 19, 2020). <https://www.fcc.gov/document/fcc-closes-headquarters-open-window-and-changes-hand-delivery-policy>**
- **During the time the Commission's building is closed to the general public and until further notice, if more than one docket or rulemaking number appears in the caption of a proceeding, paper filers need not submit two additional copies for each additional docket or rulemaking number; an original and one copy are sufficient.**

*People with Disabilities:* To request materials in accessible formats for people with disabilities (braille, large print, electronic files, audio format), send an e-mail to [fcc504@fcc.gov](mailto:fcc504@fcc.gov) or call the Consumer & Government Affairs Bureau at 202-418-0530 (voice, 202-418-0432 (tty)).

*Ex Parte Rules.* This proceeding shall be treated as a "permit-but-disclose" proceeding in accordance with the Commission's *ex parte* rules.<sup>9</sup> Persons making *ex parte* presentations must file a copy of any written presentation or a memorandum summarizing any oral presentation

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<sup>8</sup> See *Order* at 85, para. 203; *id.* at Appx. A, Final Rules, 47 CFR § 27.1419.

<sup>9</sup> See 47 CFR §§ 1.1200 *et seq.*

within two business days after the presentation (unless a different deadline applicable to the Sunshine period applies). Persons making oral *ex parte* presentations are reminded that memoranda summarizing the presentation must: (1) list all persons attending or otherwise participating in the meeting at which the *ex parte* presentation was made; and (2) summarize all data presented and arguments made during the presentation. If the presentation consisted in whole or in part of the presentation of data or arguments already reflected in the presenters written comments, memoranda, or other filings in the proceeding, the presenter may provide citations to such data or arguments in his or her prior comments, memoranda, or other filings (specifying the relevant page and/or paragraph numbers where such data or arguments can be found) in lieu of summarizing them in the memorandum. Documents shown or given to Commission staff during *ex parte* meetings are deemed to be written *ex parte* presentations and must be filed consistent with section 1.1206(b) of the Commission's rules. In proceedings governed by section 1.49(f) of the rules or for which the Commission has made available a method of electronic filing, written *ex parte* presentations and memoranda summarizing oral *ex parte* presentations, and all attachments thereto, must be filed through the electronic comment filing system available for that proceeding, and must be filed in their native format (*e.g.*, .doc, .xml, .ppt, searchable .pdf).<sup>10</sup> Participants in this proceeding should familiarize themselves with the Commission's *ex parte* rules.

*Additional Information.* For further information regarding this Public Notice, please contact Susannah Larson, Wireless Telecommunications Bureau, at [Susannah.Larson@fcc.gov](mailto:Susannah.Larson@fcc.gov) or 202-418-1883.

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<sup>10</sup> *Id.* § 1.1206(b).