

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of)
)
Upper C-Band (3.98-4.2 GHz)) GN Docket No. 25-59
)

REPLY COMMENTS OF COMPETITIVE CARRIERS ASSOCIATION

Competitive Carriers Association¹ (“CCA”) submits the following reply comments in response to the Federal Communications Commission’s (“FCC” or “Commission”) Notice of Proposed Rulemaking proposing to make some or all of the 3.98-4.2 GHz band (“Upper C-Band”) available for more intensive use.²

INTRODUCTION

CCA strongly supports the Commission’s efforts to make additional mid-band spectrum available for commercial wireless use. Access to mid-band spectrum remains essential to competitive and rural providers seeking to efficiently deploy advanced wireless services in hard-to-serve areas. At the same time, the structure of the Upper C-Band auction will determine whether rural and competitive providers can meaningfully participate in, and benefit from, this opportunity. As CCA explained in its initial comments, auction rules, including bidding credits and geographic license size, will directly affect rural providers’ ability to successfully compete

¹ CCA is the nation’s leading association for competitive providers and stakeholders across the United States. Members range from small, rural carriers serving fewer than 5,000 customers to regional and national providers serving millions of customers, as well as vendors and suppliers that provide products and services throughout the communications ecosystem.

² *Upper C-Band (3.98-4.2 GHz)*, Notice of Proposed Rulemaking, GN Docket No. 25-59, FCC 25-78 (rel. Nov. 21, 2025) (“NPRM”).

for spectrum and deploy service on that spectrum to their customers.³ The record developed in this proceeding confirms this concern. Without structural safeguards, the proposed auction framework risks further concentrating valuable mid-band spectrum among the largest nationwide carriers and undermining Congress’s directive in Section 309(j) of the Communications Act to promote broad participation in spectrum-based services.⁴

I. THE PROPOSED BIDDING CREDIT IS INSUFFICIENT TO PROMOTE SUCCESSFUL AUCTION PARTICIPATION BY SMALL RURAL PROVIDERS

The NPRM proposes to offer a 15 percent bidding credit for rural service providers in the Upper C-Band auction.⁵ While CCA supports the continued availability of rural bidding credits, the record demonstrates that a 15 percent credit is unlikely to meaningfully alter auction outcomes for high value mid-band spectrum. For example, the Coalition of Rural Wireless Carriers (“CWRC”) explains that recent auctions employing similar bidding credit frameworks have resulted in minimal dissemination of spectrum to small and rural carriers.⁶ Similarly, the Rural Wireless Association (“RWA”) contends that a 15 percent rural service provider credit fails to offset the structural financial advantages enjoyed by nationwide carriers in auctions for premium mid-band spectrum.⁷

³ Comments of Competitive Carriers Association, GN Docket No. 25-59, at 3-5 (filed Jan. 20, 2026) (“CCA Initial Comments”).

⁴ 47 U.S.C. §§ 309(j)(3)(B), (4)(D).

⁵ NPRM ¶ 24.

⁶ Comments of Coalition of Rural Wireless Carriers, GN Docket No. 25-59 at 5-12, filed Jan. 20, 2026) (“CWRC Comments”) (explaining the three recent spectrum auctions yielded “vanishingly small results” for rural providers despite the availability of designated entity credits, demonstrating that the current credit levels and caps have failed to offset structural competitive disadvantages).

⁷ Comments of Rural Wireless Association, Inc., GN Docket No. 25-59 at 3 (filed Jan. 20, 2026) (“RWA Comments”) (explaining that the “designated bidding credit...will not provide rural

CCA has consistently urged the Commission to account for inflation and changing market conditions when setting bidding credit thresholds and caps. In the AWS-3 reauction proceeding, CCA explained that bidding credit caps adopted more than a decade ago have lost substantial purchasing power due to inflation and therefore no longer meaningfully support small and rural participation.⁸ CCA further noted that if the Commission does not update these benchmarks, providers may lose eligibility or find credits less meaningful.⁹ The same concerns apply here: if the Commission relies on outdated credit structures that do not reflect present-day conditions, rural carriers will face even greater difficulty competing for highly valued mid-band spectrum.

CCA agrees that mid-band auctions present unique challenges for rural providers. Mid-band spectrum offers the optimal balance of coverage and capacity for rural deployment. However, rural providers frequently face substantial capital constraints when competing against nationwide carriers with exponentially greater financial resources. In light of these realities, the Commission should carefully re-evaluate whether a 15 percent credit meaningfully advances the Commission's directive to ensure that rural service providers and small businesses are given a genuine opportunity to participate in the provision of spectrum-based services. At a minimum, the Commission should consider whether adjustments to the rural service provider credit are necessary here to provide rural carriers a realistic opportunity to secure the Upper C-Band spectrum they need.

wireless carriers a fair opportunity to compete with the larger, nationwide carriers during the auction”).

⁸ Comments of Competitive Carriers Association, Auction of Advanced Wireless Services (AWS-3) Licenses, AU Docket No. 25-117 (filed Apr. 10, 2025).

⁹ See Letter from Angela Simpson, SVP & General Counsel, CCA, to Marlene H Dortch, Secretary, FCC, GN Docket Nos. 25-70, 25- 71, 13-185, AU Docket No. 25-117 (filed July 16, 2025).

II. SMALLER GEOGRAPHIC LICENSE AREAS ARE ESSENTIAL TO RURAL PARTICIPATION

Geographic license size will play a central role in determining whether rural providers can compete successfully in the Upper C-band auction and efficiently build out spectrum that they do happen to secure at auction. The NPRM proposes to license spectrum on a Partial Economic Area (“PEA”) basis, consistent with the Lower C-Band auction.¹⁰ CCA respectfully submits that PEA-based licensing is poorly aligned with rural deployment realities and may substantially impair rural participation.

In its initial comments, CCA urged the Commission to adopt county-based licensing, or, alternatively, Cellular Market Areas (“CMAs”) rather than PEAs.¹¹ RWA similarly recommends smaller geographic areas, explaining that PEAs combine dense urban markets with vast rural regions, thereby dramatically increasing the cost of participation for rural carriers and making it less likely that small and rural carriers will bid for licenses.¹² CWRC likewise supports county-level licensing and argues that smaller geographic areas are necessary to enable rural-focused acquisition strategies.¹³ Other commenters, including the Open Technology Institute and Public Knowledge recognize that smaller license areas would better facilitate participation by competitive and rural providers.¹⁴

¹⁰ NPRM ¶ 33.

¹¹ CCA Initial Comments at 4-5.

¹² RWA Comments at 7 (“Because the value of most terrestrial licenses is often driven by the more profitable areas, overall prices rise to levels that rural carriers cannot reasonably afford.”).

¹³ CWRC Comments at 17.

¹⁴ Comments of Open Technology Institute at New America and Public Knowledge, GN Docket No. 25-59 (filed Jan. 20, 2026) (“Including at least some licenses for auction at the county level is particularly important for expanding meaningful participation in the auction and for encouraging both competition and rural deployment.”).

PEA-based licensing often forces rural carriers to bid on large metropolitan markets they neither serve nor intend to serve in order to obtain spectrum covering their rural footprints.¹⁵ This forced overbuying inflates auction costs and disproportionately advantages large nationwide carriers with broader service areas and significant capital resources. By contrast, county-level or CMA-level licensing better reflects actual service areas and deployment strategies. Smaller geographic areas reduce barriers to entry, increase auction participation, and better align with the objectives of Section 309(j).

III. THE COMMISSION SHOULD ADOPT STRUCTURAL SAFEGUARDS TO PROMOTE RURAL CARRIER PARTICIPATION

Beyond bidding credits and geographic reforms, commenters in the record raise the question of whether structural safeguards are necessary to ensure meaningful rural access to Upper C-Band spectrum. CWRC, for example, proposes reserving a portion of auctionable spectrum in qualifying rural counties for rural service providers.¹⁶ While CCA traditionally supports open auctions supplemented by bidding credits, the record in this proceeding highlights the increasing concentration of mid-band spectrum holdings of the largest carriers. Given the challenges rural carriers face and the failure of bidding credits to effectively serve the desired function, alternative structural safeguards may be warranted as an alternative to ensure rural carriers can adequately and efficiently serve their customers.

The Communications Act directs the Commission to avoid excessive concentration of licenses and to promote economic opportunity for small business and rural providers. The Commission should therefore evaluate whether a narrowly tailored rural-focused reserve, applied in qualifying low-density counties, would better advance the statutory mandate. At a minimum,

¹⁵ CWRC Comments at 17.

¹⁶ *Id.*

the Commission must ensure that its final auction design provides rural providers with a realistic opportunity to acquire Upper C-Band spectrum.

CONCLUSION

The Upper C-Band auction presents a significant opportunity to expand access to critical mid-band spectrum. The Commission's auction framework will determine whether that opportunity allows for meaningful rural participation. By adopting smaller geographic license areas, strengthening or supplementing rural bidding credits, and evaluating structural mechanisms, the Commission can better align the Upper C-Band auction with the Congress's mandate in Section 309(j).

Respectfully submitted,

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