

**AT&T Mobility Spectrum LLC (“AT&T”)
Call Sign WQIZ619
Los Angeles-Riverside-Orange County, CA-AZ, BEA160, Block E
Exhibit 1**

**Build-Out Demonstration and Engineering Justification
Build Performance: 0%**

AT&T Mobility Spectrum LLC, a subsidiary of AT&T Mobility LLC (“AT&T”), holds the license to operate unpaired 700 MHz E Block spectrum in this CMA. AT&T is a national wireless provider of voice and data services, as demonstrated at <http://www.att.com/shop/wireless.html#fbid=RX7GTlpbqsR>. Maps identifying AT&T's voice and data coverage (which is not segregated by spectrum band and includes no coverage from this license) can be found at <http://www.wireless.att.com/coverageviewer/#?type=voice>.

Build Requirements

Section 27.14(g) of the Federal Communication Commission (“Commission”) rules requires Lower 700 MHz E Block licensees to provide signal coverage and offer service over at least 35% of the service area for the license (a) no later than June 13, 2013, or (b) within four years of an initial license grant after June 13, 2009. The authorization for this license was granted on or before June 13, 2009, and thus, the build-out deadline is June 13, 2013. Section 27.14(k) of the Commission’s rules requires licensees to demonstrate compliance with the 35% performance benchmark by filing a construction notification no later than 15 days after the build-out deadline.

Use of the Spectrum

On December 22, 2011, the Commission approved AT&T’s acquisition of certain unpaired 700 MHz licenses from Qualcomm, including this 700 MHz E Block license.¹ In its transfer application, AT&T explained that it plans to use the spectrum to provide supplemental downlink in conjunction with AT&T’s AWS, PCS, and Cellular licenses² and that use of the E block licenses for supplemental downlink would facilitate the transition of underutilized, unpaired spectrum towards mobile broadband use.³ AT&T also explained that technical standards and equipment would not be available to allow for such use until late 2014, at the earliest.⁴ The Commission, in its order approving the transaction, noted that “[t]he Applicants have set forth a concrete plan for AT&T’s usage of the Qualcomm spectrum to support and enhance its ability to provide mobile broadband services over its LTE network, commencing as early as 2014.”⁵

¹ *Application of AT&T Inc. & Qualcomm Inc. for Consent to Assign Licenses & Authorizations*, Order, 26 FCC Rcd. 17589 (2011).

² *Id.* at 17614 fn.167.

³ AT&T explained that the aggregation of spectrum on the downlink side would help address the greater consumption of spectrum for downlink use, such as for video and other data-heavy media content, and will permit AT&T to manage spectrum more efficiently and to provide higher download speeds and improved service. *Id.* at 17593.

⁴ *Id.* at 17625, 17627 & fn.241.

⁵ *Id.* at 17625.

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Based in large part on the benefits of AT&T’s plan for E Block (and D Block) deployment, the Commission found that the transfer of Qualcomm’s licenses to AT&T was in the public interest and approved the transaction.⁶

Since the Commission approved AT&T’s acquisition of the E Block licenses, AT&T has diligently worked to effect an update of the LTE technical standards within the 3rd Generation Partnership Project (“3GPP”)⁷ to standardize use of the Lower 700 MHz D and E Blocks for supplemental downlink and using carrier aggregation. Specifically, AT&T introduced amendments to the 3GPP LTE-Advanced standard to allow for supplemental downlink and carrier aggregation and worked with the other members of the industry engaged in 3GPP to resolve the issues associated with such use of the D and E Blocks. These extensive efforts culminated in the designation of Band Class 29 for the downlink only 700 MHz D and E Blocks in the 3GPP specifications, approval of the technical specifications associated with Band 29 in 3GPP, and approval of the technical specifications for aggregation of a downlink Band 29 with an uplink frequency band in Band 2 (PCS - 1900 MHz) or Band 4 (AWS - 1700/2100 MHz), all of which occurred in December 2012.

With the designation of Band 29 and the approval of technical specifications for the use of the D and E Blocks for supplemental downlink utilizing carrier aggregation, network equipment and end-user device manufacturers can design and develop products that operate in accordance with these standards. Manufacturers are currently developing Band 29 compatible chipsets, hardware and software for network equipment and wireless devices, which will be followed by operator testing and certification. However, test cases for carrier aggregation scenarios of Band 29/Band 2 and Band 29/Band 4 pairings, which permit uniform manufacturing and interoperability tests by wireless operators, are still being developed by 3GPP working groups and are not scheduled for presentation for approval at 3GPP until September 2013. Thus, at this time, network equipment and end-user devices are not available. Network equipment and end-user devices utilizing the D and E Blocks will likely not be available for testing until late 2013 or early 2014, with limited deployment expected to begin no earlier than middle to late 2014.

As previously committed, AT&T plans to begin deploying the E Block spectrum, including this license, promptly after network equipment and wireless devices are available to facilitate the expansion of mobile broadband service throughout the country. AT&T’s aggressive deployment

⁶ *Id.* at 17627 (“We conclude . . . that this transaction – with AT&T’s plans to deploy supplemental downlink technology – holds the promise of meaningful transaction-specific public interest benefits that support the Commission approving the proposed transaction. In particular, we anticipate that the proposed transaction would facilitate the transition of underutilized unpaired 700 MHz spectrum towards mobile broadband use, thereby supporting our goal of expanding mobile broadband deployment throughout the country.”).

⁷ 3GPP is the international standards setting organization that develops and publishes mobile device and network standards.

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of service utilizing Lower 700 MHz B Block licenses evidences AT&T’s push to use this 700 MHz spectrum as early as possible. As AT&T explained in its application to acquire the lower 700 MHz E Block licenses and as the Commission has recognized, AT&T had a concrete plan to utilize this spectrum and, as demonstrated above, AT&T is following through with that plan.

Conclusion

Since AT&T acquired the spectrum, it has undertaken meaningful efforts to put the spectrum to use. AT&T has devoted substantial time and resources to following through on the plan approved by the FCC to utilize the E Block license for supplemental downlink. AT&T has worked with the network equipment manufacturers, and wireless device manufacturers, other members of the industry, and 3GPP to develop technical standards and parameters that will allow for operation of equipment and devices on the E Block supplemental downlink network. AT&T’s planned deployment of the spectrum for supplemental downlink is on schedule. Based on the information above, AT&T has demonstrated that it has undertaken meaningful efforts to put the license to use.⁸

⁸ AT&T does not believe that it must seek a waiver of Rule 27.14(g). Nonetheless, if the Commission believes that AT&T’s efforts do not constitute meaningful efforts to put the E Block to use, AT&T hereby requests a waiver of the requirement, which would be supported by the same factual circumstances described in this Exhibit.

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