

By Tony Romm

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LAS VEGAS — As the FCC hits the gas on its plan to recover broadcast spectrum and sell it to wireless companies, Rep. Lee Terry emphasized the agency is under a strict mandate to raise some big bucks.

"Let's not fool ourselves, the major underlying maybe unstated reason for this auction is the money," said the Nebraska Republican, speaking at the 2013 International CES. "It was estimated we could raise \$24 billion. That's not specifically laid out, but I can guarantee you that was part of the discussion. So we want the FCC to design the rules to get us at least \$24 billion."

But, he continued, **"So you can see this is not an easy [endeavor] to get the level of spectrum, the amount of spectrum, we need back from the TV broadcasters and other broadcasters, and then, have an auction . . . that's done in a way that maximizes the number of bidders and the amount they're going to bid. In our hearing that we had a few weeks ago, I don't know if we ever came to [a] consensus on the best way to do that."**

Terry's comment about the agency's need to bring in the cash refers to a report by the Congressional Budget Office. That report said spectrum auctions could bring in billions of dollars in new revenue, which could be used for deficit reduction, payments to broadcasters and the creation of a nationwide, public-safety broadband network.

In a sense, the agency now finds itself in something of a policy vice, caught between competing mandates by Congress. For now, the FCC says it's in the midst of soliciting industry feedback on exactly how to conduct the incentive auction. Bill Lake, the chief of the agency's media bureau, emphasized on a panel Wednesday that it is still early in the process for figuring out "how to coordinate the reverse and the forward auction." His boss, Chairman Julius Genachowski, is speaking at CES later in the day.

But Republicans are making clear they're keeping close watch over the process. "There are

these three goals," said Neil Fried, chief counsel on technology on the House Energy and Commerce Committee: Obtaining the spectrum and auctioning it, creating jobs through its use and maximizing revenue. For that reason, Fried repeated Republicans' long-held view that there should be "few conditions on the spectrum" while the auction should be open.

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