

microwave licensee would occur. All AWS entities that benefit from the clearance of this spectrum by other AWS entities or by a voluntarily relocating microwave incumbent must contribute to such relocation costs. AWS entities may satisfy their reimbursement requirement by entering into private cost-sharing agreements or agreeing to terms other than those specified in § 27.1164. However, AWS entities are required to reimburse other AWS entities or voluntarily relocating microwave incumbents that incur relocation costs and are not parties to the alternative agreement. In addition, parties to a private cost-sharing agreement may seek reimbursement through the clearinghouse (as discussed in § 27.1162) from AWS entities or other Emerging Technologies (ET) entities, including Mobile Satellite Service (MSS) operators (for Ancillary Terrestrial Component (ATC) base stations), that are not parties to the agreement. The cost-sharing plan is in effect during all phases of microwave relocation specified in § 22.602 and 101.69 of this chapter. If an AWS licensee enters into a spectrum leasing arrangement (as set forth in part 1, subpart X of this chapter) and the spectrum lessee triggers a cost-

sharing obligation, the licensee is the AWS entity responsible for satisfying the cost-sharing obligations under §§ 27.1160–27.1174.

§ 27.1162 Administration of the Cost-Sharing Plan.

The Wireless Telecommunications Bureau, under delegated authority, will select one or more entities to operate as a neutral, not-for-profit clearinghouse(s). This clearinghouse(s) will administer the cost-sharing plan by, *inter alia*, determining the cost-sharing obligation of AWS and other ET entities for the relocation of FMS incumbents from the 2110–2150 MHz and 2160–2200 MHz bands. The clearinghouse filing requirements (see §§ 27.1166(a), 27.1170) will not take effect until an administrator is selected.

§ 27.1164 The cost-sharing formula.

An AWS relocater who relocates an interfering microwave link, *i.e.*, one that is in all or part of its market area and in all or part of its frequency band or a voluntarily relocating microwave incumbent, is entitled to *pro rata* reimbursement based on the following formula:

$$R_N = \frac{C}{N} \times \frac{[120 - (T_m)]}{120}$$

(a) R_N equals the amount of reimbursement.

(b) C equals the actual cost of relocating the link(s). Actual relocation costs include, but are not limited to, such items as: Radio terminal equipment (TX and/or RX—antenna, necessary feed lines, MUX/Modems); towers and/or modifications; back-up power equipment; monitoring or control equipment; engineering costs (de-

sign/path survey); installation; systems testing; FCC filing costs; site acquisition and civil works; zoning costs; training; disposal of old equipment; test equipment (vendor required); spare equipment; project management; prior coordination notification under § 101.103(d) of this chapter; site lease renegotiation; required antenna upgrades for interference control; power plant

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upgrade (if required); electrical grounding systems; Heating Ventilation and Air Conditioning (HVAC) (if required); alternate transport equipment; and leased facilities. Increased recurring costs represent part of the actual cost of relocation and, even if the compensation to the incumbent is in the form of a commitment to pay five years of charges, the AWS or MSS/ATC relocater is entitled to seek immediate reimbursement of the lump sum amount based on present value using current interest rates, provided it has entered into a legally binding agreement to pay the charges. *C* also includes voluntarily relocating microwave incumbent's independent third party appraisal of its compensable relocation costs and incumbent transaction expenses that are directly attributable to the relocation, subject to a cap of two percent of the "hard" costs involved. Hard costs are defined as the actual costs associated with providing a replacement system, such as equipment and engineering expenses. *C* may not exceed \$250,000 per paired link, with an additional \$150,000 permitted if a new or modified tower is required.

(c) *N* equals the number of AWS and MSS/ATC entities that have triggered a cost-sharing obligation. For the AWS relocater, *N*=1. For the next AWS entity triggering a cost-sharing obligation, *N*=2, and so on. In the case of a voluntarily relocating microwave incumbent, *N*=1 for the first AWS entity triggering a cost-sharing obligation. For the next AWS or MSS/ATC entity triggering a cost-sharing obligation, *N*=2, and so on.

(d) *T_m* equals the number of months that have elapsed between the month the AWS or MSS/ATC relocater or voluntarily relocating microwave incumbent obtains reimbursement rights for the link and the month in which an AWS entity triggers a cost-sharing obligation. An AWS or MSS/ATC relocater obtains reimbursement rights for the link on the date that it signs a relocation agreement with a microwave incumbent. A voluntarily relocating microwave incumbent obtains reimbursement rights for the link on the date that the incumbent notifies the Commission that it intends to discontinue, or has discontinued, the use

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of the link, pursuant to §101.305 of the Commission's rules.

§27.1166 Reimbursement under the Cost-Sharing Plan.

(a) *Registration of reimbursement rights.* Claims for reimbursement under the cost-sharing plan are limited to relocation expenses incurred on or after the date when the first AWS license is issued in the relevant AWS band (start date). If a clearinghouse is not selected by that date (see §27.1162) claims for reimbursement (see §27.1166) and notices of operation (see §27.1170) for activities that occurred after the start date but prior to the clearinghouse selection must be submitted to the clearinghouse within 30 calendar days of the selection date.

(1) To obtain reimbursement, an AWS relocater or MSS/ATC relocater must submit documentation of the relocation agreement to the clearinghouse within 30 calendar days of the date a relocation agreement is signed with an incumbent. In the case of involuntary relocation, an AWS relocater or MSS/ATC relocater must submit documentation of the relocated system within 30 calendar days after the end of the relocation.

(2) To obtain reimbursement, a voluntarily relocating microwave incumbent must submit documentation of the relocation of the link to the clearinghouse within 30 calendar days of the date that the incumbent notifies the Commission that it intends to discontinue, or has discontinued, the use of the link, pursuant to §101.305 of the Commission's rules.

(b) *Documentation of expenses.* Once relocation occurs, the AWS relocater, MSS/ATC relocater, or the voluntarily relocating microwave incumbent, must submit documentation itemizing the amount spent for items specifically listed in §27.1164(b), as well as any reimbursable items not specifically listed in §27.1164(b) that are directly attributable to actual relocation costs. Specifically, the AWS relocater, MSS/ATC relocater, or the voluntarily relocating microwave incumbent must submit, in the first instance, only the uniform