ACTION: Notice of delegation of authority.

SUMMARY: The Regional Administrator for EPA Region 9 has delegated full authority to the Mendocino County Air Pollution Control District (District) to administer three Prevention of Significant Deterioration (PSD) permits issued by EPA.

EFFECTIVE DATE: The effective date of the delegation is February 23, 2000.

ADDRESSES: Mendocino County Air Pollution Control District, 306 E. Gobbi Street, Ukiah, CA 95482.

FOR FURTHER INFORMATION CONTACT: Nahid Zoueshtiagh, Permits Office (AIR–3), Air Division, U.S. Environmental Protection Agency, Region IX, 75 Hawthorne Street, San Francisco, CA 94105–3901, Telephone: (415) 744–1261, E-mail: Zoueshtiagh.nahid@epa.gov.

SUPPLEMENTARY INFORMATION: Pursuant to 40 CFR 52.21(u), ''Delegation of authority,'' the EPA has delegated authority to the District to administer the following three PSD permits issued by EPA to:

- Masonite Corporation (EPA, PSD No. NC–77–06, issued in 1977)
- Masonite Corporation (EPA, PSD No. NC–92–01, issued in 1992)
- Georgia Pacific West Inc. (EPA, PSD No. NC–79–07, issued in 1979)

In 1985, EPA approved the District's PSD program into the California State Implementation Plan (SIP) (50 FR 30943, July 31, 1985). However, the above three permits which were issued by EPA, continued to be administered by EPA. To date, administering these permits has consisted of actions on modification requests by the Permittees. While the District has now been delegated the authority to administer these permits, nothing in the delegation agreement prohibits EPA from enforcing the PSD provisions of the Clean Air Act, the PSD regulations, or future permit conditions issued by the District.

A copy of the delegation agreement between EPA and the District is available from Nahid Zoueshtiagh, Permits Office (AIR–3), Air Division, U.S. Environmental Protection Agency, Region IX, 75 Hawthorne Street, San Francisco, CA 94105–3901.

List of Subjects 40 CFR Part 52

Environmental protection, Air pollution control, Carbon monoxide, Intergovernmental relations, Nitrogen dioxide, Particulate matter, Reporting and recordkeeping requirements, Sulfur dioxide, Volatile organic compounds.

Dated: March 9, 2000.

David P. Howekamp,

Director, Air Division, Region IX.

[FR Doc. 00–6565 Filed 3–15–00; 8:45 am]

BILLING CODE 6560–50–P

FEDERAL COMMUNICATIONS COMMISSION

47 CFR Part 24

[WT Docket No. 97–82; FCC 00–54]

Installment Payment Financing for Personal Communications Services (PCS) Licenses

AGENCY: Federal Communications Commission.

ACTION: Final rule; petition for reconsideration.

SUMMARY: In this document, the Commission dismisses or denies petitions for reconsideration of its Fourth Report and Order in which it modified the rules governing auctions of licenses for C block broadband Personal Communications Services (''PCS'') spectrum. Some of the issues raised by petitioners are specific to Auction No. 22 and have been rendered moot by the occurrence of that auction. Other issues will be decided in separate proceedings. By this document the Commission declines to extend the two year ''grandfather'' exception to the entrepreneur eligibility requirement for C block auctions and also declines to ''grandfather'' in future C and F block auctions the bidding credit eligibility of participants in earlier C block auctions.

FOR FURTHER INFORMATION CONTACT: Audrey Bashkin, Auctions & Industry Analysis Division, Wireless Telecommunications Bureau, at 418–0660.

SUPPLEMENTARY INFORMATION: This is a summary of an Order on Reconsideration of the Fourth Report & Order (Order on Reconsideration) adopted February 15, 2000 and released February 29, 2000. The complete text of the Order on Reconsideration, including the attachment, is available for inspection and copying during normal business hours in the FCC Reference Center (Room CY–A257), 445 12th Street, SW, Washington, DC. It may also be purchased from the Commission's copy contractor, International Transcription Services, Inc. (ITS, Inc.), 1231 20th Street, NW, Washington, DC 20035, (202) 857–3800. It is also available on the Commission's web site at http://www.fcc.gov/wtb/auctions.

I. Introduction and Background

1. In this Order on Reconsideration, we address petitions for reconsideration of our Fourth Report and Order, released August 19, 1998 (''*C Block Fourth Report and Order*''), 63 FR 50791 (September 23, 1998), in which we modified the rules governing auctions of C block broadband Personal Communications Services (''PCS'') spectrum. To date, there have been three auctions of licenses for C block spectrum. Auctions No. 5 and 10, which ended on May 6, 1996, and July 16, 1996, respectively, preceded the C Block Fourth Report and Order. Auction No. 22, which followed the C Block Fourth Report and Order, concluded on April 15, 1999, and also included licenses for E and F block spectrum. An earlier auction of licenses for D, E, and F block spectrum, Auction No. 11, concluded on January 14, 1997. One or more additional auctions of C and F block spectrum are expected.

2. In response to the C Block Fourth Report and Order, we received five petitions for reconsideration, one opposition, and one set of comments. Within the time frame for filing oppositions, we also received related correspondence. Some of the issues raised by petitioners are specific to Auction No. 22 and have been rendered moot by the occurrence of that auction. Other issues will be decided in separate proceedings. The remaining issues concern entrepreneur and bidding credit eligibility. In this order, we decline to extend the two year ''grandfather'' exception to the entrepreneur eligibility requirement for C block auctions and also decline to ''grandfather'' in future C and F block auctions the bidding credit eligibility of participants in earlier C block auctions.

II. Auction Inventory

3. *Background.* In the C Block Fourth Report and Order, we decided not to delay the next C block auction pending resolution of bankruptcy proceedings affecting the availability for auction of certain C block spectrum.

4. *Discussion.* Both Conestoga and DiGiPH ask that we reconsider this decision. Because Auction No. 22 has already been held, these requests have become moot. As we stated in the C Block Fourth Report and Order, spectrum made available for licensing as a result of any bankruptcy proceeding will be included in the next appropriate auction of C block spectrum.

III. Entrepreneur Eligibility

5. *Background.* Consistent with Congress' mandate to promote the

participation of small businesses and other ''designated entities'' in the provision of spectrum-based services, the Commission limited eligibility for C and F block broadband PCS licenses in Auctions No. 5, 10, and 11 to ''entrepreneurs.'' The Commission considers entrepreneurs, with regard to the C and F blocks, to be those entities that can meet the auction and licensing eligibility requirements of § 24.709 of the Commission's rules. The principal requirement is as follows:

No application is acceptable for filing and no license shall be granted for frequency block C or frequency block F, unless the applicant, together with its affiliates and persons or entities that hold interests in the applicant and their affiliates, have gross revenues of less than $125 million in each of the last two years and total assets of less than $500 million at the time the applicant's short-form application (Form 175) is filed. 47 CFR 24.709(a)(1); *see id.* 24.720; *Competitive Bidding Fifth Report and Order,* 65 FR 37566 (July 22, 1994), *Fifth Memorandum Opinion and Order,* 59 FR 63210 (December 7, 1994) and *Sixth Report and Order,* 60 FR 37786 (July 21, 1995).

6. In the C Block Fourth Report and Order, we decided that entities that had been eligible for and had participated in Auction No. 5 or 10 would also be eligible to bid on C block spectrum in Auction No. 22 and in any C block auction beginning within two years of the start date of Auction No. 22, even if such entities had become too large to qualify as entrepreneurs.

7. *Discussion.* In its petition, Omnipoint argues that, because a ''number of C [b]lock licenses [are] currently tied up in bankruptcy and not slated for the upcoming C [b]lock reauction [Auction No. 22], entrepreneurs will again see a shift in the market result of all prior C block auctions during all upcoming reauctions.'' Omnipoint maintains that, pursuant to ''notions of fairness and auction integrity,'' the Commission should allow all ''original C block applicants'' to compete in any subsequent auction of C block licenses, regardless of when such auction occurs.

8. We disagree. The two-year ''grandfather'' exception to the entrepreneur eligibility requirement was part of a package of financial restructuring options offered by the Commission to C block licensees experiencing financial difficulties in the wake of the first two C block auctions. *See C Block Reconsideration Order,* 63 FR 17111 (April 8, 1998), *C Block Second Report and Order,* 62 FR 55375 (October 24, 1997) and *Second C Block Reconsideration Order,* 64 FR 26887 (May 18, 1999). When making these options available, the Commission explained that they were intended to provide ''limited relief,'' limited in both scope and time. We recognized that not all licenses involved in bankruptcy proceedings would likely be available for inclusion in the Auction No. 22 license inventory; nevertheless, we decided to permit the grandfather exception for only two years. We believe, as we explained in the *C Block Fourth Report and Order,* that fairness to other future bidders prevents our providing the eligibility exception indefinitely. Therefore, as to the issue of entrepreneur eligibility, we will deny Omnipoint's petition.

IV. Bidding Credit Eligibility

9. *Background.* Bidding credits are available to C block auction winners that qualify as small or very small businesses or consortia thereof. Under current C (and F) blocks rules, which were in effect for Auction No. 22, small businesses and small business consortia receive a 15 percent bidding credit and very small businesses and very small business consortia receive a 25 percent bidding credit. In the C Block Fourth Report and Order, we expressly declined to ''grandfather'' eligibility for bidding credits, deciding that bidding credit eligibility in upcoming C block auctions would be determined according to an applicant's size at the deadline for filing short-form applications and not the applicant's size when it applied to participate in Auction No. 5 or 10. We concluded that it would not be in the best interests of the public and, in particular, of competing small business bidders and licensees to provide a discount to applicants that no longer meets the small business size standards.

10. *Discussion.* Omnipoint urges us to reconsider this decision, contending that our refusal to ''grandfather'' bidding credit eligibility is unfair to those existing entrepreneur licensees that have generated PCS revenues since the initial C block auction. We disagree. Bidding credits function as a discount on a winning bidder's high bid, thereby substantially reducing the licensee's payment obligation to the Federal government. The purpose of such credits is to allow small entities with limited access to capital to compete effectively against larger businesses in auctions. Were we to allow large businesses to qualify for bidding credits, by virtue of their past participation as small businesses in earlier C block auctions, we would undermine the effectiveness of such credits in aiding entities that currently qualify as small businesses. We cannot justify such a result, nor can we envision a convincing public policy rationale for providing larger businesses with a 15 or 25 percent discount off their Federal obligation. Accordingly, we deny Omnipoint's petition as to the issue of bidding credits.

V. Controlling Interest Rule

11. *Background.* In the C Block Reconsideration Order, we deferred to other phases of WT Docket No. 97–82 the decision whether to use a ''controlling interest'' approach to determine financial attribution for future C block auctions rather than to continue using ''control group'' structures.

12. *Discussion.* In its petition, Leap asks that we apply the controlling interest concept to the C and F blocks. Cook opposes this request. Leap's petition and Cook's opposition are moot insofar as they concern Auction No. 22, for which control group structures applied.

VI. Minimum Opening Bids

13. *Background.* In the C Block Fourth Report and Order, we established that the minimum opening bid for each market in Auction No. 22 would be ten percent of the corresponding net high bid for the market in the first C block auction; however, we stated that the Wireless Telecommunications Bureau (''Bureau'') could exercise its discretion to set smaller minimum opening bids if the Bureau believed they were warranted.

14. *Discussion.* While disagreeing on specifics, Conestoga and Omnipoint both suggest that we reduce the minimum opening bids. Because Auction No. 22, has already taken place, these requests are moot. We note that the Bureau, after considering comments, including one filed by Omnipoint, reduced the Auction No. 22 minimum opening bids for C block licenses to five percent (for 30 MHz C block licenses) and 2.5 percent (for 15 MHz C block licenses) of the most recent net high bid for C block licenses in the same market. For each future C block auction, the Bureau will continue its current practice under the Balanced Budget Act of 1997 to establish minimum opening bids and/or reserve prices after notice and comment. *See Part 1 Third Report and Order* 63 FR 770 (January 7, 1998).

VII. Bid Increment Methodology

15. In a December 10, 1998 meeting with Bureau and Division staff, Omnipoint outlined a proposal for a bid increment methodology to be employed in Auction No. 22. The fact that Auction No. 22 has already occurred renders

Omnipoint's suggestion moot; however, we note that, in advance of Auction No. 22, the Bureau considered and rejected essentially the same proposal by Omnipoint. For each future C block auction, the Bureau will, after notice and comment, establish an appropriate bid increment methodology.

VIII. Default Payment Rules

16. Mountain Solutions argues that our decision to eliminate installment payment financing in Auction No. 22 and to exclude from the auction spectrum involved in bankruptcy proceedings, along with other factors, will decrease auction prices and thereby increase the payment owed by Mountain Solutions for defaults on second down payments for C block licenses Mountain Solutions had previously won. Mountain Solutions argues further that it would be inequitable for the Commission strictly to apply its default payment rule against Mountain Solutions. Because Auction No. 22 has already occurred, Mountain Solutions' petition, insofar as it seeks modification of our rules for that auction, is moot. The remaining issue—the extent to which Mountain Solutions will be held liable for its default payment obligations—is before us in a separate proceeding and will be considered there.

IX. Other Filing

17. In a letter related to this proceeding, McBride asks that we assist Representative W. J. ''Billy'' Tauzin, Chairman of the U.S. House of Representatives Subcommittee on Telecommunications, Trade, and Consumer Protection, in Chairman Tauzin's efforts with regard to the C block auction. Specifically, McBride requests that we help promote competition and encourage the participation of designated entities in the wireless telecommunications industry and that we make sure that all C block licensees are treated in a fair and equitable manner. We believe that, with the C Block Fourth Report and Order and Auction No. 22, we have furthered the goals articulated in McBride's letter; however, because the letter does not request specific reconsideration of the C Block Fourth Report and Order, we neither grant nor deny it.

X. Ordering Clauses

18. Accordingly, it is ordered that, pursuant to sections 4(i), 5(b), 5(c)(1), 303(r), and 309(j) of the Communications Act of 1934, as amended, 47 U.S.C. sections 154(i), 155(b), 156(c)(1), 303(r), and 309(j), the petition for reconsideration filed in response to the C Block Fourth Report and Order by Omnipoint Corporation is denied. The petition for reconsideration filed in response to the C Block Fourth Report and Order by Mountain Solutions, Ltd., Inc., is dismissed in part as moot and denied in all other respects. The remaining petitions for reconsideration filed in response to the C Block Fourth Report and Order are dismissed as moot. This Order on Reconsideration is hereby adopted.

List of Subjects in 47 CFR Part 24

Personal communications services.

Federal Communications Commission.

William F. Caton,

Deputy Secretary.

[FR Doc. 00–6637 Filed 3–15–00; 8:45 am]

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