

Due: January 24, 2000, Contact: David Phillip Beal (206) 684-1883.
 EIS No. 990472, Final EIS, COE, NJ, Barnegat Inlet to Little Egg Inlet Hurricane and Storm Damage Protection, Implementation, Long Beach Island, Ocean County, NJ, Due: January 24, 2000, Contact: Randy Piersol (215) 656-6577.

EIS No. 990473, Draft EIS, SFW, MT, WA, ID, Plum Creek Native Fish Habitat Conservation Plan, Issuance of an Incidental Take Permit for Federally Protected Native Fish Species, MT, ID and WA, Due: February 23, 2000, Contact: Ted Koch (208) 378-5293. The US Department of Interior's Fish and Wildlife Service and Department of Commerce's National Marine Fisheries Service are Lead for this project.

EIS No. 990474, Draft Supplement, NOA, Fishery Management Plan (FMP), Regulatory Impact Review, Snapper-Grouper Complex, South Atlantic Region, Due: February 07, 2000, Contact: William T. Hogarth (202) 482-5916.

Dated: December 14, 1999.

B. Katherine Biggs,

Associate Director, NEPA Compliance Division, Office of Federal Activities.

[FR Doc. 99-32764 Filed 12-16-99; 8:45 am]

BILLING CODE 6560-50-P

ENVIRONMENTAL PROTECTION AGENCY

[ER-FRL-6249-1]

Notice of Public Hearing and Extension of the Public Comment Period

AGENCY: U.S. Environmental Protection Agency.

ACTION: The U.S. Department of Transportation (DOT), Research and Special Programs Administration, Office of Pipeline Safety, and the U.S. Environmental Protection Agency (EPA), Region 6, completed an Environmental Assessment (EA) and preliminary Finding of No Significant Impact (FNSI) on the proposed petroleum products pipeline to be operated by Longhorn Partners Pipeline, L.P. The purpose of this notice is to notify interested parties that EPA and DOT have scheduled a public meeting on the Longhorn Partners Pipeline EA/FNSI on Monday, January 10, 2000, at 6 P.M. at the City Coliseum, located at 101 Dawson Rd., in south Austin, TX. An information "open house" will be held from 4-6 P.M. This is a rescheduling of the November 16, 1999, meeting in Austin, TX, which was terminated early due to overcrowding of

the meeting site. The Houston, TX; Fredericksburg, TX; Bastrop, TX; and El Paso, TX meetings were conducted as previously scheduled. Consistent with the rescheduling of the Austin public meeting, the comment period is extended until Friday, January 14, 2000. A copy of the EA/FNSI is available for public review at County Clerk Offices in counties along the pipeline route, EPA's regional office, DOT's Houston regional office, and at www.epa.gov/earth1r6/6en/xp/longhorn.htm on the EPA web site. There is also an electronic mailbox so that citizens can submit comments electronically to "longhorn@epa.gov". Address all comments to Robert D. Lawrence (6EN-XP), EPA, 1445 Ross Avenue, Dallas, TX, 75202-2733.

Dated: December 14, 1999.

Richard E. Sanderson,

Director, Office of Federal Activities, Environmental Protection Agency.

[FR Doc. 99-32765 Filed 12-16-99; 8:45 am]

BILLING CODE 6249-01-M

FEDERAL COMMUNICATIONS COMMISSION

[Report No. AUC-99-30-A (Auction No. 30); DA 99-2624]

Auction of Licenses For Fixed Point-to-Point Microwave Services in the 38.6 to 40.0 GHz (39 GHz) Band Scheduled for April 11, 2000

AGENCY: Federal Communications Commission.

ACTION: Notice; seeking comment.

SUMMARY: This Public Notice announces the auction of licenses for fixed point-to-point microwave services in the 38.6 to 40.0 GHz band ("39 GHz Auction"), scheduled to commence on April 11, 2000. As discussed in greater detail herein, the Bureau proposes that the 39 GHz Auction be composed of 2,450 licenses in the 38.6-40.0 GHz bands ("39 GHz band"). Fourteen 100 megahertz licenses (paired 50 megahertz channel blocks) will be offered in each of 172 Economic Areas (EAs) and 3 EA-like areas, covering the United States, the Northern Mariana Islands, Guam, American Samoa, the United States Virgin Islands and Puerto Rico.

DATES: Comments are due on or before December 8, 1999 and reply comments are due on or before December 20, 1999.¹

ADDRESSES: To file formally, parties must submit an original and four copies

to the Office of the Secretary, Federal Communications Commission, 445 Twelfth Street, SW, Washington, D.C. 20554. In addition, parties must submit one copy to Amy Zoslov, Chief, Auctions and Industry Analysis Division, Wireless Telecommunications Bureau, Federal Communications Commission, 445 Twelfth Street, SW, Room No. 4-A760, Washington, DC 20554.

FOR FURTHER INFORMATION CONTACT:

Kenneth Burnley, Auctions and Industry Analysis Division, Wireless Telecommunications Bureau, at (202) 418-0664.

SUPPLEMENTARY INFORMATION: This is a summary of a Public Notice released November 23, 1999. The complete text, including all attachments, of the public notice 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 website at <http://www.fcc.gov/wtb/auctions>.

I. Upfront Payments and Initial Maximum Eligibility for Each Bidder

1. The Wireless telecommunications Bureau ("Bureau") has delegated authority and discretion to determine an appropriate upfront payment for each license being auctioned, taking into account such factors as the population in each geographic license area, and the value of similar spectrum. With these guidelines in mind, the following upfront payments are proposed for the 39 GHz Auction:

For licenses with populations of

1,000,000 or greater:

License population * \$0.04 (the result rounded to the nearest thousand).

For licenses with populations of less than 1,000,000:

License population * \$0.02 (the result rounded to the nearest hundred for levels below \$10,000 and to the nearest thousand for levels above \$10,000) with a minimum of no less than \$2,500 per license. Comment is sought on this proposal. It is further proposed that the amount of the upfront payment submitted by a bidder will determine the initial maximum eligibility (as measured in bidding units) for each bidder. Upfront payments will not be attributed to specific licenses, but instead will be translated into bidding units to define a bidder's initial maximum eligibility, which cannot be

¹ Editorial note: This document was received by the Office of the Federal Register on December 14, 1999.

increased during the auction. Thus, in calculating the upfront payment amount, an applicant must determine the maximum number of bidding units it may wish to bid on (or hold high bids on) in any single round, and submit an upfront payment covering that number of bidding units. Comment is sought on this proposal.

II. Reserve Price or Minimum Opening Bid

2. The Balanced Budget Act of 1997 calls upon the Commission to prescribe methods by which a reasonable reserve price will be required or a minimum opening bid established when FCC licenses are subject to auction (*i.e.*, because the Commission has accepted mutually exclusive applications for those licenses), unless the Commission determines that a reserve price or minimum bid is not in the public interest. Consistent with this mandate, the Commission has directed the Bureau to seek comment on the use of a minimum opening bid and/or reserve price prior to the start of each auction. More specifically, the Bureau was directed to seek comment on the methodology to be employed in establishing each of these mechanisms. Among other factors the Bureau should consider are the amount of spectrum being auctioned, levels of incumbency, the availability of technology to provide service, the size of the geographic service areas, issues of interference with other spectrum bands, and any other relevant factors that reasonably could have an impact on valuation of the spectrum being auctioned. The Commission concluded that the Bureau should have the discretion to employ either or both of these mechanisms for future auctions.

3. Normally, a reserve price is an absolute minimum price below which an item will not be sold in a given auction. Reserve prices can be either published or unpublished. A minimum opening bid, on the other hand, is the minimum bid price set at the beginning of the auction below which *no bids* are accepted. It is generally used to accelerate the competitive bidding process. Also, in a minimum opening bid scenario, the auctioneer generally has the discretion to lower the amount later in the auction. It is also possible for the minimum opening bid and the reserve price to be the same amount.

4. In anticipation of this auction and in light of the Budget Act, the Bureau proposes to establish minimum opening bids for the 39 GHz Auction. The Bureau believes a minimum opening bid, which has been utilized in other auctions, is an effective bidding tool. A minimum

opening bid, rather than a reserve price, will help to regulate the pace of the auction and provides flexibility.

5. Specifically, for Auction No. 30, the Commission proposes the following license-by-license formulas for calculating minimum opening bids, based on the population ("pops") of the EA:

For licenses with populations of 1,000,000 or greater:

License population * \$0.08 (the result rounded to the nearest thousand).

For licenses with populations of less than 1,000,000:

License population * \$0.04 (the result rounded to the nearest hundred for results less than \$10,000 and to the nearest thousand for results greater than \$10,000) with a minimum of no less than \$2,500 per license.

Comment is sought on this proposal. If commenters believe the formula proposed above for minimum opening bids will result in substantial numbers of unsold licenses, or is not a reasonable amount, or should instead operate as a reserve price, they should explain why this is so, and comment on the desirability of an alternative approach. Commenters are advised to support their claims with valuation analyses and suggested reserve prices or minimum opening bid levels or formulas. In establishing the formula for minimum opening bids, comment is sought on such factors as the amount of spectrum being auctioned, levels of incumbency, the availability of technology to provide service, the size of the geographic service areas, issues of interference with other spectrum bands and any other relevant factors that could reasonably have an impact on valuation of the 39 GHz band. Alternatively, comment is sought on whether, consistent with the Budget Act, the public interest would be served by having no minimum opening bid or reserve price.

III. Other Auction Procedural Issues

a. Structure of Bidding Rounds, Activity Requirements, and Criteria for Determining Reductions in Eligibility

6. The Bureau proposes that the auction be divided into three stages: Stage One, Stage Two and Stage Three. The auction will start in Stage One. The Bureau proposes that the auction will generally advance to the next stage (*i.e.*, from Stage One to Stage Two, and from Stage Two to Stage Three) when the auction activity level, as measured by the percentage of bidding units receiving new high bids, is approximately ten percent or below for three consecutive rounds of bidding in Stages One and Two. However, the

Bureau further proposes that it retain the discretion to change stages unilaterally by announcement during the auction. In exercising this discretion, the Bureau will consider a variety of measures of bidder activity including, but not limited to, the auction activity level, the percentages of licenses (as measured in bidding units) on which there are new bids, the number of new bids, and the percentage increase in revenue. Comment is sought on these proposals.

7. In order to ensure that the auction closes within a reasonable period of time, an activity rule requires bidders to bid actively on a percentage of their maximum bidding eligibility during each round of the auction rather than waiting until the end to participate. A bidder that does not satisfy the activity rule will either lose bidding eligibility in the next round or must use an activity rule waiver (if any remain).

8. For the 39 GHz Auction, we propose the following activity requirements:

Stage One: In each round of the first stage of the auction, a bidder desiring to maintain its current eligibility is required to be active on licenses representing at least 80 percent of its current bidding eligibility. Failure to maintain the requisite activity level will result in a reduction in the bidder's bidding eligibility in the next round of bidding (unless an activity rule waiver is used). During Stage One, reduced eligibility for the next round will be calculated by multiplying the current round activity by five-fourths (5/4).

Stage Two: In each round of the second stage, a bidder desiring to maintain its current eligibility is required to be active on 90 percent of its current bidding eligibility. During Stage Two, reduced eligibility for the next round will be calculated by multiplying the current round activity by ten-ninths (10/9).

Stage Three: In each round of the third stage, a bidder desiring to maintain its current eligibility is required to be active on 98 percent of its current bidding eligibility. In this final stage, reduced eligibility for the next round will be calculated by multiplying the current round activity by fifty-fortyninths (50/49). Comment is sought on these proposals.

b. Minimum Accepted Bids

9. Once there is a standing high bid on a license, a bid increment will be applied to that license to establish a minimum acceptable bid for the following round. For the 39 GHz Auction, the Bureau proposes to use a smoothing methodology to calculate bid

increments, as we have done in several other auctions. The Bureau retains the discretion to change the minimum bid increment if it determines that circumstances so dictate. The Bureau will do so by announcement in the Automated Auction System. Comment is sought on these proposals.

10. The exponential smoothing formula calculates the bid increment for each license based on a weighted average of the activity received on each license in all previous rounds. This methodology will tailor the bid increment for each license based on activity, rather than setting a global increment for all licenses. For every license that receives a bid, the bid increment for the next round for that license will be established using the exponential smoothing formula.

11. The calculation of the percentage bid increment for each license in a given round is made at the end of the previous round. The computation is based on an activity index, which is calculated as the weighted average of the activity in that round and the activity index from the prior round. The activity index at the start of the auction (round 0) will be set at 0. The current activity index is equal to a weighting factor times the number of new bids received on the license in the most recent bidding round plus one minus the weighting factor times the activity index from the prior round. The activity index is then used to calculate a percentage increment by multiplying a minimum percentage increment by one plus the activity index with that result being subject to a maximum percentage increment. The Commission will initially set the weighting factor at 0.5, the minimum percentage increment at 0.1, and the maximum percentage increment at 0.2.

Equations

$$A_i = (C * B_i) + ((1-C) * A_{i-1})$$

A_{i+1} = smaller of $((1 + A_i) * N)$ and M where,

A_i = activity index for the current round (round i)

C = activity weight factor

B_i = number of bids in the current round (round i)

A_{i-1} = activity index from previous round (round $i-1$), A_0 is 0

I_{i+1} = percentage bid increment for the next round (round $i+1$)

N = minimum percentage increment or bid increment floor

M = maximum percentage increment or bid increment ceiling

Under the exponential smoothing methodology, once a bid has been received on a license, the minimum acceptable bid for that license in the following round will be the new high

bid plus the dollar amount associated with the percentage increment (variable I_{i+1} from above times the high bid). This result will be rounded to the nearest thousand if it is over ten thousand or to the nearest hundred if it is under ten thousand.

Examples

License 1

$C=0.5$, $N = 0.1$, $M = 0.2$

Round 1 (2 new bids, high bid = \$1,000,000)

a. Calculation of percentage increment for round 2 using exponential smoothing:

$$A_1 = (0.5 * 2) + (0.5 * 0) = 1$$

The smaller of $I_2 = (1 + 1) * 0.1 = 0.2$ or 0.2 (the maximum percentage increment)

b. Minimum bid increment for round 2 using the percentage increment (I_2 from above)

$$0.2 * \$1,000,000 = \$200,000$$

c. Minimum acceptable bid for round 2 = 1,200,000

Round 2 (3 new bids, high bid = 2,000,000)

a. Calculation of percentage increment for round 3 using exponential smoothing:

$$A_2 = (0.5 * 3) + (0.5 * 1) = 2$$

The smaller of $I_3 = (1 + 2) * 0.1 = 0.3$ or 0.2 (the maximum percentage increment)

b. Minimum bid increment for round 3 using the percentage increment (I_3 from above)

$$0.2 * \$2,000,000 = \$400,000$$

c. Minimum acceptable bid for round 3 = 2,400,000

Round 3 (1 new bid, high bid = 2,400,000)

a. Calculation of percentage increment for round 4 using exponential smoothing:

$$A_3 = (0.5 * 1) + (0.5 * 2) = 1.5$$

The smaller of $I_4 = (1 + 1.5) * 0.1 = 0.25$ or 0.2 (the maximum percentage increment)

b. Minimum bid increment for round 4 using the percentage increment (I_4 from above)

$$0.2 * \$2,400,000 = \$480,000$$

c. Minimum acceptable bid for round 4 = 2,880,000

c. Activity Rule Waivers and Reducing Eligibility

12. Use of an activity rule waiver preserves the bidder's current bidding eligibility despite the bidder's activity in the current round being below the required minimum level. An activity rule waiver applies to an entire round of bidding and not to a particular license. Activity waivers are principally a mechanism for auction participants to avoid the loss of auction.

13. The auction system assumes that bidders with insufficient activity would prefer to use an activity rule waiver (if available) rather than lose bidding eligibility. Therefore, the system will automatically apply a waiver (known as an "automatic waiver") at the end of any bidding period where a bidder's activity level is below the minimum required unless: (1) There are no activity rule waivers available; or (2) the bidder overrides the automatic application of a waiver by reducing eligibility, thereby meeting the minimum requirements.

14. A bidder with insufficient activity that wants to reduce its bidding eligibility, rather than use an activity rule waiver, must affirmatively override the automatic waiver mechanism during the bidding period by using the reduce eligibility function in the software. In this case, the bidder's eligibility is permanently reduced to bring the bidder into compliance with the activity rules as described above. Once eligibility has been reduced, a bidder will not be permitted to regain its lost bidding eligibility.

15. A bidder may proactively apply an activity rule waiver as a means to keep the auction open without placing a bid. If a bidder submits a proactive waiver (using the proactive waiver function in the bidding software) during a bidding period in which no bids are submitted, the auction will remain open and the bidder's eligibility will be preserved. Note: an automatic waiver invoked in a round in which there are no new valid bids will not keep the auction open.

The Bureau proposes that each bidder in the 39 GHz Auction be provided with five activity rule waivers that may be used in up to five separate rounds at the bidder's discretion during the course of the auction as set forth above. Comment is sought on this proposal.

d. Information Regarding Bid Withdrawal and Bid Removal

16. For the 39 GHz Auction, the Bureau proposes the following bid removal and bid withdrawal procedures. Before the close of a bidding period, a bidder has the option of removing any bids placed in that round. By using the remove bid function in the software, a bidder may effectively "unsubmit" any bid placed within that round. A bidder removing a bid placed in the same round is not subject to withdrawal payments, but will affect a bidder's activity for the round in which it is removed.

17. Once a round closes, a bidder may no longer remove a bid. However, in the next round, a bidder may withdraw standing high bids from previous rounds using the withdraw bid function.

A high bidder that withdraws its standing high bid from a previous round is subject to the bid withdrawal payment provisions. Comment is sought on these bid removal and bid withdrawal procedures.

18. In the *Part 1 Third Report and Order*, 63 FR 2315 (January 15, 1998), the Commission explained that allowing bid withdrawals facilitates efficient aggregation of licenses and the pursuit of efficient backup strategies as information becomes available during the course of an auction. The Commission noted, however, that, in some instances, bidders may seek to withdraw bids for improper reasons. The Bureau, therefore, has discretion, in managing the auction, to limit the number of withdrawals to prevent any bidding abuses. The Commission stated that the Bureau should assertively exercise its discretion, consider limiting the number of rounds in which bidders may withdraw bids, and prevent bidders from bidding on a particular market if the Bureau finds that a bidder is abusing the Commission's bid withdrawal procedures.

19. Applying this reasoning, the Bureau proposes to limit each bidder in the 39 GHz Auction to withdrawals in no more than two rounds during the course of the auction. To permit a bidder to withdraw bids in more than two rounds would likely encourage insincere bidding or the use of withdrawals for anti-competitive purposes. The two rounds in which withdrawals are utilized will be at the bidder's discretion; withdrawals otherwise must be in accordance with the Commission's rules. There is no limit on the number of standing high bids that may be withdrawn in either of the rounds in which withdrawals are utilized. Withdrawals will remain subject to the bid withdrawal payment provisions specified in the Commission's rules. Comment is sought on this proposal.

e. Stopping Rule

20. For the 39 GHz Auction, the Bureau proposes to employ a simultaneous stopping rule approach. The Bureau has discretion "to establish stopping rules before or during multiple round auctions in order to terminate the auction within a reasonable time." A simultaneous stopping rule means that all licenses remain open until the first round in which no new acceptable bids, proactive waivers or withdrawals are received. After the first such round, bidding closes simultaneously on all licenses. Thus, unless circumstances dictate otherwise, bidding would

remain open on all licenses until bidding stops on every license.

21. The Bureau seeks comment on a modified version of the simultaneous stopping rule. The modified stopping rule would close the auction for all licenses after the first round in which no bidder submits a proactive waiver, a withdrawal, or a new bid on any license on which it is not the standing high bidder. Thus, absent any other bidding activity, a bidder placing a new bid on a license for which it is the standing high bidder would not keep the auction open under this modified stopping rule. The Bureau further seeks comment on whether this modified stopping rule should be used unilaterally or only in Stage Three of the auction.

22. The Bureau proposes that it retain the discretion to keep an auction open even if no new acceptable bids or proactive waivers are submitted and no previous high bids are withdrawn. In this event, the effect will be the same as if a bidder had submitted a proactive waiver. The activity rule, therefore, will apply as usual and a bidder with insufficient activity will either lose bidding eligibility or use a remaining activity rule waiver.

23. Finally, the Bureau proposes that it reserve the right to declare that the auction will end after a specified number of additional rounds ("special stopping rule"). If the Bureau invokes this special stopping rule, it will accept bids in the final round(s) only for licenses on which the high bid increased in at least one of the preceding specified number of rounds. The Bureau proposes to exercise this option only in certain circumstances, such as, for example, where the auction is proceeding very slowly, there is minimal overall bidding activity, or it appears likely that the auction will not close within a reasonable period of time. Before exercising this option, the Bureau is likely to attempt to increase the pace of the auction by, for example, moving the auction into the next stage (where bidders would be required to maintain a higher level of bidding activity), increasing the number of bidding rounds per day, and/or increasing the amount of the minimum bid increments for the limited number of licenses where there is still a high level of bidding activity. Comment is sought on these proposals.

f. Information Relating to Auction Delay, Suspension or Cancellation

24. For the 39 GHz Auction, the Bureau proposes that, by public notice or by announcement during the auction, the Bureau may delay, suspend or cancel the auction in the event of

natural disaster, technical obstacle, evidence of an auction security breach, unlawful bidding activity, administrative or weather necessity, or for any other reason that affects the fair and competitive conduct of competitive bidding. In such cases, the Bureau, in its sole discretion, may elect to: Resume the auction starting from the beginning of the current round; resume the auction starting from some previous round; or cancel the auction in its entirety. Network interruption may cause the Bureau to delay or suspend the auction. The Bureau emphasizes that exercise of this authority is solely within the discretion of the Bureau, and its use is not intended to be a substitute for situations in which bidders may wish to apply their activity rule waivers. Comment is sought on this proposal.

Federal Communications Commission.

Louis Sigalos,

Deputy Chief, Auctions & Industry Analysis Division.

[FR Doc. 99-32826 Filed 12-16-99; 8:45 am]

BILLING CODE 6712-01-U

FEDERAL DEPOSIT INSURANCE CORPORATION

Sunshine Act Meeting; Notice of Change in Subject Matter of Agency Meeting

Pursuant to the provisions of subsection (e)(2) of the "Government in the Sunshine Act" (5 U.S.C. 552b(e)(2)), notice is hereby given that at its open meeting held at 10:04 a.m. on Tuesday, December 14, 1999, the Corporation's Board of Directors determined, on motion of Vice Chairman Andrew C. Hove, Jr., seconded by Director Ellen S. Seidman (Director, Office of Thrift Supervision), concurred in by Ms. Julie L. Williams, acting in the place and stead of Director John D. Hawke, Jr. (Comptroller of the Currency), and Chairman Donna Tanoue, that Corporation business required the withdrawal from the agenda for consideration at the meeting, on less than seven days' notice to the public, of the following matter.

Memorandum re: Proposed Amendment to Statement of Policy on Applications for Deposit Insurance

The Board further determined, by the same majority vote, that no earlier notice of the change in the subject matter of the meeting was practicable.

Dated: December 14, 1999.