

AT&T officially announces FirstNet bid

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AT&T yesterday announced that it has submitted a bid in response to the [FirstNet](#) request for proposals (RFP) to build and maintain the much-anticipated nationwide public-safety broadband network (NPSBN), meaning at least three bidding teams are vying for the 25-year deal with FirstNet.

John Stephens, AT&T's CFO and senior executive vice president, unveiled the news while detailing the carrier's spectrum-expansion strategy during yesterday's quarterly [conference call, which was webcast](#)

“While we are not going to elaborate, AT&T has applied to be a participant in the broadcast spectrum auction and has also submitted a bid in the FirstNet process that is currently underway,” Stephens said.

AT&T's participation in the FirstNet procurement process is not a surprise, as [the carrier announced its plans to submit a proposal in January](#) and industry speculation has pegged AT&T as one of the favorites to succeed in the massive public-safety broadband project. However, since proposals were due to FirstNet on May 31, AT&T officials had not commented publicly on the matter.

AT&T's statement means that there are at least three announced bidding teams vying for the right to build and operate FirstNet's proposed NPSBN during the next 25 years. [Rivada Mercury was the first to announce that it submitted a proposal](#), revealing several key partners on its offeror team. In addition, pdvWireless—a company led by several former Nextel Wireless executives, including Morgan O'Brien—[announced last month that it submitted a bid](#)

AT&T and pdvWireless have declined to name any of the partners on their respective bidding

teams.

FirstNet officials have said they hope the evaluation process will be completed and a contractor selected by Nov. 1, although they have acknowledged that date could be extended.

Stephens made the announcement in the context of describing AT&T current spectrum portfolio and plans to expand it in the near future.

“We have about 150 MHz of spectrum in our portfolio today, including 40 MHz of relatively untapped AWS and WCS spectrum,” Stephens said during the conference call. “We have the best, most balanced spectrum portfolio in the industry. Adding spectrum is the most effective way to add capacity. This year, we expect to add 35,000 [LTE](#) carriers compared to the 18,000 deployed last year. We also continue to make smaller spectrum deals to round out our coverage and redeploy spectrum once dedicated to 2G and 3G.

“Last week's move by the [FCC](#) to make high-frequency radio spectrum available for 5G wireless service is another step forward, providing us more spectrum. And while we are not going to elaborate, AT&T has applied to be a participant in the broadcast spectrum auction and has also submitted a bid in the FirstNet process that is currently underway.”

Indeed, FirstNet's 20 MHz of prime 700 MHz spectrum is the primary attraction to bidding teams. Under the terms of the RFP, FirstNet could pay the contractor a maximum of \$6.5 billion during the early years of deal, but the contractor will pay FirstNet at least \$5.625 billion (FirstNet officials hope bidders will offer more) during the 25-year partnership.

Industry experts have projected that the contractor will spend at least \$40 billion to build the FirstNet system. The bidding teams not only hope to acquire prioritized public-safety customers that will subscribe to FirstNet, but they also will be able to sell excess network capacity—bandwidth not used by public safety at a given time—to commercial users, which is expected to make the FirstNet initiative financially viable for the contractor.

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