



**January 6, 2009**

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## **FCC Priorities** **Under the Obama Administration**

Industry analysts expect many changes at the FCC under the Obama Administration, several of which will likely affect the oil and gas industry. Despite being an “independent agency,” (*i.e.*, not under the direct control of the White House), President-elect Obama will likely name two new FCC Commissioners in the first few months of his term, including a new FCC Chair. A majority of the Commissioners will be Democrats for the first time in eight years, which will undoubtedly shift the priorities and focus of the agency.

The new FCC is expected to continue expanding and developing broadband opportunities for all users as a way to combat the economic challenges facing the country. However, energy issues in particular have returned to the forefront of our national policy debate, and the new FCC will likely be involved in ensuring that adequate spectrum is allocated to support the operations of energy companies.

The oil and gas industry relies on the FCC to support its extensive communications requirements including countless communications facilities like mobile radios in vehicles, portable handheld units, wireless laptops, point-to-point and point-to-multipoint microwave systems for Supervisory Control and Data Automation (“SCADA”), IP-based broadband networks and fiber links. To operate successfully, many of these systems are dependent on the availability of sufficient radio spectrum.

Obtaining access to this spectrum often requires the oil and gas industry to compete at the FCC with commercial providers such as cellular, Personal Communications Services or Advanced Wireless licensees. The FCC historically has favored these types of consumer-friendly commercial providers over oil and gas companies and other industrial users. In fact, for many years, the amount of spectrum available for use by oil and gas companies actually was *decreasing* as the Commission reallocated critical industrial radio spectrum for other purposes.

Momentum is building at the FCC as the Commission has recently begun to satisfy the broadband and other communications requirements of oil and gas companies. For example, at the request of the American Petroleum Institute, the FCC reversed itself and allocated 66.5 MHz of spectrum in the 2.5 GHz band for use on platforms in the Gulf of Mexico. The FCC was persuaded by the fact that the devastation caused by Hurricanes Rita and Katrina caused API members to reevaluate their communications requirements in the Gulf and place increased importance on the use of rapidly deployable IP-enabled broadband services. The 2.5 GHz band offers tremendous potential for offshore companies to provide IP-based broadband services. More information about the 2.5 GHz band is available [here](#).

On November 15, 2007, the FCC began accepting applications for nationwide licenses in the 3650-3700 MHz band (“3.65 GHz”). The 3.65 GHz band represents a unique opportunity for oil and gas companies and other private wireless users to deploy point-to-multipoint broadband services because the band is generally available for fixed and mobile operations on a nationwide, non-exclusive and non-auctioned basis. The 3.65 GHz band incorporates a unique hybrid licensed/unlicensed scheme whereby licensees must register fixed and

base stations in the FCC's Universal Licensing System database, but are required to work together to resolve interference concerns, without rights for "first-in-time" operations. In addition, all 3.65 GHz equipment must employ either a restricted or unrestricted contention-based protocol designed to mitigate interference to other users. Information about the 3.65 GHz band is available [here](#).

Within the last few months, the FCC decided to allow low power devices to operate on certain portions of the television broadcast spectrum. As long as no interference is caused to TV broadcasters, the FCC's new rules allow wireless devices to operate in the TV broadcast spectrum on a secondary basis at locations where channels are not being used for authorized broadcast services (called "TV White Spaces"). This spectrum, too, may prove useful to oil and gas companies. More information on the TV White Spaces is available [here](#).

Additional predictions about the changes to expect at the FCC under the Obama Administration are available [here](#). While there are no promises when it comes to predicting action by the FCC, the new opportunities outlined above, coupled with a new Administration that is focused on improving the economy, facilitating energy independence and promoting broadband deployment, may enable the oil and gas industry to satisfy its spectrum requirements for SCADA, high speed broadband and other new technologies in the years ahead.

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This article is based on an interview to be published by Oildom Publishing Co. of Texas, Inc., in Pipeline & Gas Journal.

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