

(b) *Payment procedures.* Following a determination of the reimbursable amount, the Relocation Payment Clearinghouse shall incorporate approved claims into invoices, which it shall issue to each licensee indicating the amount to be paid. The Relocation Payment Clearinghouse shall pay approved claims within 30 days of invoice submission. The Relocation Payment Clearinghouse shall also include its own reasonable costs in the invoices.

§ 27.1417 Reimbursement fund.

The Relocation Payment Clearinghouse will establish and administer an account that will fund the costs for the transition of this band to the 3.7 GHz Service after an auction for the 3.7 GHz Service concludes. Licensees in the 3.7 GHz Service shall pay their *pro rata* share of six months' worth of estimated transition costs into a reimbursement fund, administered by the Relocation Payment Clearinghouse, shortly after the auction and then every six months until the transition is complete. The Relocation Payment Clearinghouse shall draw from the reimbursement fund to pay approved, invoiced claims, consistent with § 27.1418. If the reimbursement fund does not have sufficient funds to pay approved claims before a six-month replenishment, the Relocation Payment Clearinghouse shall provide 3.7 GHz Service licensees with 30 days' notice of the additional *pro rata* shares they must contribute. At the end of the transition, the Relocation Payment Clearinghouse shall refund any unused amounts to 3.7 GHz Service licensees according to their *pro rata* shares.

§ 27.1418 Payment obligations.

(a) Each eligible space station operator is responsible for the payment of its own satellite transition costs until the auction winners have been announced.

(b) Licensees in the 3.7 GHz Service shall pay their *pro rata* share of:

(1) The reasonable costs of the Relocation Payment Clearinghouse and, in the event the Wireless Telecommunications Bureau selects the Relocation Coordinator, the services of the Relocation Coordinator and its staff;

(2) The actual relocation costs, provided that they are not unreasonable, for eligible space station operators and incumbent fixed service licensees; the actual transition costs, provided they are not unreasonable, associated with the necessary migration and filtering of incumbent earth stations;

(3) Any lump sum payments, if elected by incumbent earth station operators in lieu of actual relocation costs; and

(4) Specified accelerated relocation payments for space station operators that clear on an accelerated timeframe. Licensees in the 3.7 GHz Service shall be responsible for the full costs of space station transition, the Relocation Payment Clearinghouse, and, if selected and established by the Wireless Telecommunications Bureau, the Relocation Coordinator, based on their *pro rata* share of the total auction bids of each licensee's gross winning bids in the auction overall; they shall be responsible for incumbent earth station and incumbent fixed service transition costs in a Partial Economic Area based on their *pro rata* share of the total gross bids for that Partial Economic Area.

(c) Following the auction, and every six months until the close of the transition, licensees in the 3.7 GHz Service shall submit their portion of estimated transition costs to a reimbursement fund, and the Relocation Payment Clearinghouse will reimburse parties incurring transition costs. If actual costs exceed estimated costs, the Relocation Payment Clearinghouse shall perform a true-up for additional funds from 3.7 GHz Service licensees.

(d) If 3.7 GHz band license is relinquished to the Commission prior to all relocation cost reimbursements and accelerated relocation payments being paid, the remaining payments will be distributed among other similarly situated 3.7 GHz band licensees. If a new license is issued for the previously relinquished rights prior to final payments becoming due, the new 3.7 GHz band licensee will be responsible for the same *pro rata* share of relocation costs and accelerated relocation payments as the initial 3.7 GHz band license. If a 3.7 GHz band licensee sells its rights on the secondary market, the new 3.7 GHz band

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licensee will be obligated to fulfill all payment obligations associated with the license.

ices or will discontinue C-band services.

§ 27.1419 Lump sum payment for earth station opt out.

§ 27.1420 Cost-sharing formula.

The Wireless Telecommunications Bureau shall announce a lump sum that will be available per each incumbent earth station that elects to opt out from the formal relocation process, per § 27.1412(e), as well as the process for electing lump sum payments. Incumbent earth station owners must make the lump sum payment election no later than 30 days after the Bureau announces the lump sum payment amounts, and must indicate whether each incumbent earth station for which it elects the lump sum payment will be transitioned to the upper 200 megahertz in order to maintain C-band serv-

(a) For space station transition and Relocation Payment Clearinghouse costs, and in the event the Wireless Telecommunications Bureau selects a Relocation Coordinator pursuant to § 27.1413(a), Relocation Coordinator costs, the *pro rata* share of each flexible-use licensee will be the sum of the final clock phase prices (*P*) for the set of all license blocks that a bidder wins divided by the total final clock phase prices for all *N* license blocks sold in the auction. To determine a licensee’s reimbursement obligation (*RO*), that *pro rata* share would then be multiplied by the total eligible reimbursement costs (*RC*). Mathematically, this is represented as:

$$RO = \left(\frac{\sum_{i \in I} P_i}{\sum_{j=1}^N P_j} \right) \times RC$$

(b) For incumbent earth stations and fixed service incumbent licensee transition costs, a flexible-use licensee’s *pro rata* share will be determined on a PEA-specific basis, based on the final clock phase prices for the license blocks it won in each PEA. To calculate the *pro rata* share for incumbent earth station transition costs in a given PEA, the same formula identified in § 27.1412(a) will be used, except *I* is the set of licenses a bidder won in the PEA, *N* is the total blocks sold in the PEA and *RC* is the PEA-specific earth station and fixed service relocation costs.

(c) For the Phase I accelerated relocation payments, the *pro rata* share of each flexible use licensee of the 3.7 to 3.8 MHz in the 46 PEAs that are cleared by December 5, 2021, will be the sum of the final clock phase prices (*P*) that the licensee won divided by the total final clock phase prices for all *M* license blocks sold in those 46 PEAs. To determine a licensee’s *RO* the *pro rata* share would then be multiplied by the total accelerated relocation payment due for Phase I, *A1*. Mathematically, this is represented as:

$$RO = \left(\frac{\sum_{i \in I} P_i}{\sum_{j=1}^M P_j} \right) \times A1$$

(d) For Phase II accelerated relocation payments, the *pro rata* share of each flexible use licensee will be the sum of the final clock phase prices (*P*)

that the licensee won in the entire auction, divided by the total final clock phase prices for all *N* license blocks