

obtained from Sally Jansen, Environmental Specialist, United States Environmental Protection Agency, Region 5, 77 West Jackson Blvd. (SE-5)), Chicago, Illinois 60604-3590, (312) 353-9046. Comments should reference the Yonkelowitz Junkyard Site, Hoopston, Vermilion County, Illinois and EPA Docket No. V-W-02-C-690 and should be addressed to Diana Embil, Associate Regional Counsel, United States Environmental Protection Agency, Region 5, 77 West Jackson Blvd. (C-14)), Chicago, Illinois 60604-3590, (312) 886-7889.

**FOR FURTHER INFORMATION CONTACT:** Diana Embil, Associate Regional Counsel, United States Environmental Protection Agency, Region 5, 77 West Jackson Blvd. (C-14)), Chicago, Illinois 60604-3590, (312) 886-7889.

Dated: April 29, 2002.

**William E. Munro,**

*Director, Superfund Division, Environmental Protection Agency, Region 5.*

[FR Doc. 02-27832 Filed 10-31-02; 8:45 am]

**BILLING CODE 6560-50-P**

## ENVIRONMENTAL PROTECTION AGENCY

[FRL-7403-4]

### **Clean Water Act Class II: Proposed Administrative Penalty Assessments and Opportunities To Comment Regarding Pick Your Part Auto Wrecking—Chula Vista; Pick Your Part Auto Wrecking—Help Yourself; Pick Your Part Auto Wrecking—Santa Paula; Pick Your Part Auto Wrecking—Sun Valley; Pick Your Part Auto Wrecking—Wilmington**

**AGENCY:** Environmental Protection Agency ("EPA").

**ACTION:** Notice.

**SUMMARY:** EPA is providing notice of five proposed administrative penalty assessments for alleged violations of the Clean Water Act ("Act"). EPA is also providing notice of opportunity to comment on the proposed assessments.

EPA is authorized under section 309(g) of the Act, 33 U.S.C. 1319(g), to assess a civil penalty after providing the person subject to the penalty notice of the proposed penalty and the opportunity for a hearing, and after providing interested persons notice of the proposed penalty and a reasonable opportunity to comment on its issuance. Under section 309(g), any person who has violated the conditions of a National Pollutant Discharge Elimination System permit may be assessed a penalty in a "Class II" administrative penalty

proceeding. Class II proceedings under section 309(g) are conducted in accordance with the "Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties, Issuance of Compliance or Corrective Action Orders, and the Revocation, Termination or Suspension of Permits," 40 CFR part 22 ("Consolidated Rules"), published at 64 FR 40138, 40177 (July 23, 1999).

On September 30, 2002, EPA commenced the following Class II proceedings for the assessment of penalties by filing with Danielle Carr, Regional Hearing Clerk, U.S. EPA, Region IX, 75 Hawthorne Street, San Francisco, California 94105, (415) 972-3871, the following Complaints:

In the Matter of Pick Your Part Auto Wrecking—Chula Vista, Docket No. CWA-9-2002-01; Pick Your Part Auto Wrecking—Help Yourself, Docket No. CWA-9-2002-07; Pick Your Part Auto Wrecking—Santa Paula, Docket No. CWA-9-2002-08; Pick Your Part Auto Wrecking—Sun Valley, Docket No. CWA-9-2002-09; Pick Your Part Auto Wrecking—Wilmington, Docket No. CWA-9-2002-10.

Each Complaint proposes a penalty of up to One Hundred Thirty Seven Thousand, Five Hundred Dollars (\$137,500) for violations of NPDES Permit No. CAS000001 (issued by the California State Water Resources Control Board (Order No. 97-03-DWQ)) and sections 301(a) and 308(a) of the Act, 33 U.S.C. 1311(a), 1318(a), at Pick Your Part facilities in Chula Vista, Santa Paula, Sun Valley, and Wilmington, California.

The procedures by which the public may comment on a proposed Class II penalty or participate in a Class II penalty proceeding are set forth in the Consolidated Rules. The deadline for submitting public comment on a proposed Class II penalty is thirty (30) days after issuance of public notice. The Regional Administrator of EPA, Region 9, may issue an order upon default if the respondent in the proceeding fails to file a response within the time period specified in the Consolidated Rules.

**FOR FURTHER INFORMATION CONTACT:** Persons wishing to receive a copy of EPA's Consolidated Rules, review one or more of the Complaints, or other documents filed in these proceedings, comment upon the proposed assessments, or otherwise participate in the proceedings should contact Danielle Carr, Regional Hearing Clerk, U.S. EPA, Region IX, 75 Hawthorne Street, San Francisco, California 94105, (415) 972-3871. The administrative record for this proceeding is located in the EPA

Regional Office identified above, and the file will be open for public inspection during normal business hours. All information submitted by Pick Your Part is available as part of the administrative record, subject to provisions of law restricting public disclosure of confidential information. In order to provide opportunity for public comment, EPA will issue no final order assessing a penalty in these proceedings prior to thirty (30) days after the date of publication of this notice.

**Cat Kuhlman,**

*Acting Director, Water Division.*

[FR Doc. 02-27831 Filed 10-31-02; 8:45 am]

**BILLING CODE 6560-50-P**

## FARM CREDIT ADMINISTRATION

### **Farm Credit Administration Board; Regular Meeting**

**AGENCY:** Farm Credit Administration.

**SUMMARY:** Notice is hereby given, pursuant to the Government in the Sunshine Act (5 U.S.C. 552b(e)(3)), that the November 14, 2002 regular meeting of the Farm Credit Administration Board (Board) will not be held. The FCA Board will hold a special meeting at 9 a.m. on Thursday, November 7, 2002. An agenda for this meeting will be published at a later date.

**FOR FURTHER INFORMATION CONTACT:** Jeanette C. Brinkley, Acting Secretary to the Farm Credit Administration Board, (703) 883-4009, TTY (703) 883-4056.

**ADDRESSES:** Farm Credit Administration, 1501 Farm Credit Drive, McLean, Virginia 22102-5090.

Dated: October 29, 2002.

**Jeanette C. Brinkley,**

*Acting Secretary, Farm Credit Administration Board.*

[FR Doc. 02-27914 Filed 10-29-02; 4:21 pm]

**BILLING CODE 6705-01-P**

## FEDERAL COMMUNICATIONS COMMISSION

[Report No. AUC-01-32-H (Auction No. 32); DA 02-2623]

### **Auction No. 32 Construction Permits for New AM Broadcast Stations Scheduled for December 10, 2002; Notice and Filing Requirements, Minimum Opening Bids, Upfront Payments and Other Procedural Issues**

**AGENCY:** Federal Communications Commission.

**ACTION:** Notice.

**SUMMARY:** This document announces the procedures and minimum opening bids for the upcoming auction of construction permits for new AM broadcast stations (Auction No. 32) scheduled to begin December 10, 2002. This document is intended to familiarize prospective bidders with the procedures and minimum opening bids for this auction.

**DATES:** Auction No. 32 is scheduled to begin on December 10, 2002.

**FOR FURTHER INFORMATION CONTACT:**

Auctions and Industry Analysis Division: Kenneth Burnley, Legal Branch, at (202) 418-0660; Linda Sanderson, or Roy Knowles, Auctions Operations Branch at (717) 338-2888. Media Contact: Meribeth McCarrick at (202) 418-0654. Audio Division: Lisa Scanlan or Edward DeLaHunt at (202) 418-2700.

**SUPPLEMENTARY INFORMATION:** This is a summary of the *Auction No. 32 Procedures Public Notice* released on October 15, 2002. The complete text of the *Auction No. 32 Procedures Public Notice*, including attachments, is available for public inspection and copying during regular business hours at the FCC Reference Information Center, Portals II, 445 12th Street, SW., Room CY-B402, Washington, DC 20554. The *Auction No. 32 Procedures Public Notice* may also be purchased from the Commission's duplicating contractor, Qualex International, Portals II, 445 12th Street, SW., Room CY-B402, Washington, DC 20554, telephone (202) 863-2893, facsimile (202) 863-2898, or via e-mail to [qualexint@aol.com](mailto:qualexint@aol.com).

## I. General Information

### A. Introduction

1. By the *Auction No. 32 Procedures Public Notice*, the Wireless Telecommunications Bureau ("WTB") and the Media Bureau ("MB") (collectively, the "Bureaus") announce the procedures and minimum opening bids for the upcoming auction of construction permits for new AM broadcast stations ("Auction No. 32").<sup>1</sup> On September 16, 2002, in accordance with the Balanced Budget Act of 1997, the Bureaus released the *Auction No. 32 Comment Public Notice*, seeking comment on the establishment of reserve prices and/or minimum opening bids for Auction No. 32. In addition, the Bureaus sought comment on a number of procedures to be used in Auction No. 32. The Bureaus received two comments and one reply comment in response to

the *Auction No. 32 Comment Public Notice*.

#### i. Construction Permits To Be Auctioned

2. Auction No. 32 will include construction permits for three new AM broadcast stations. These construction permits are the subject of pending, mutually exclusive short-form applications (FCC Form 175) filed on or before February 1, 2000, and participation in this auction is limited to the applicants identified in Attachment A of the *Auction No. 32 Procedures Public Notice*. All applications within a mutually exclusive applicant group ("MX Group") are directly mutually exclusive with one another, and therefore a single AM construction permit will be auctioned for each MX Group identified in Attachment A of the *Auction No. 32 Procedures Public Notice*. The minimum opening bids and upfront payments for these construction permits are also included in Attachment A of the *Auction No. 32 Procedures Public Notice*.

3. *MX Group AM 38:* Applicants Alvin Lou Media, Inc. ("ALM") and Victor A. Michael ("Michael") filed comments in response to the *Auction No. 32 Comment Public Notice*. Both request that the auction be held in abeyance pending resolution of their respective Applications for Review, in which ALM and Michael challenge the Media Bureau's finding that ALM and Powell Meredith Communications Company ("PMCC") should proceed to auction. ALM and Michael both argue that PMCC's technical proposal is unacceptable, and thus PMCC should not be allowed to proceed to auction.

4. The Bureaus will not delay the auction for MX Group AM 38 as requested by the commenters. In the *Broadcast First Report and Order*, 63 FR 48615 (September 11, 1998), the Commission directed the Bureaus to defer technical review until the post-auction submission of long-form applications by the winning bidders. This is consistent with Congress and the Commission's overall objective of minimizing delay in the award of construction permits, and promoting deployment of new broadcasting service to the public as expeditiously as possible. Further, to the extent ALM and Michael rely on pending challenges to the determination that ALM and PMCC should proceed to auction, they have not shown irreparable harm or that the public interest would be served by delaying the auction schedule. Any grant of a construction permit won in competitive bidding remains subject to Commission or judicial review and the

ultimate disposition of issues presented on appeal.

5. As stated in the *Broadcast First Report and Order* all pending mutually exclusive applications for broadcast services must be resolved through a system of competitive bidding. When two or more short-form applications are accepted for filing within an MX Group, mutual exclusivity exists for auction purposes. Once mutual exclusivity exists for auction purposes, even if only one applicant within an MX Group submits an upfront payment, that applicant is required to submit a bid in order to obtain the construction permit.

### B. Rules and Disclaimers

#### i. Relevant Authority

6. Prospective bidders must familiarize themselves thoroughly with the Commission's rules relating to the AM broadcast service contained in title 47, part 73 of the Code of Federal Regulations. Prospective bidders must also be familiar with the rules relating to broadcast auctions and competitive bidding proceedings in title 47, part 1, subpart Q and part 73, subpart I of the Commission's rules. Prospective bidders must also be thoroughly familiar with the procedures, terms and conditions contained in the *Auction No. 32 Procedures Public Notice*, the *Auction No. 32 Comment Public Notice*, the *Broadcast First Report and Order*, the *Broadcast Reconsideration Order*, 64 FR 24523 (May 7, 1999), and the *New Entrant Bidding Credit Reconsideration Order*, 64 FR 44856 (August 18, 1999).

7. The terms contained in the Commission's rules, relevant orders, and public notices are not negotiable. The Commission may amend or supplement the information contained in our public notices at any time, and will issue public notices to convey any new or supplemental information to bidders. It is the responsibility of all prospective bidders to remain current with all Commission rules and with all public notices pertaining to this auction. Copies of most Commission documents, including public notices, can be retrieved from the FCC Auctions Internet site at <http://wireless.fcc.gov/auctions>. Additionally, documents are available for public inspection and copying during regular business hours at the FCC Reference Information Center, Portals II, 445 12th Street, SW., Room CY-A257, Washington, DC, 20554 or may be purchased from the Commission's duplicating contractor, Qualex International, Portals II, 445 12th Street, SW., Room CY-B402, Washington, DC 20554, telephone 202-863-2893, facsimile 202-863-2898, or

<sup>1</sup> These procedures were adopted following actual notice and an opportunity to comment provided to all of the parties in this closed auction.

via e-mail qualexint@aol.com. When ordering documents from Qualex, please provide the appropriate FCC number (for example, FCC 98–194 for the *Broadcast First Report and Order* and FCC 99–74 for the *Broadcast Reconsideration Order*).

## ii. Prohibition of Collusion

8. Bidders are reminded that § 1.2105(c) of the Commission's rules prohibits competing applicants from communicating with each other during the auction about bids, bidding strategies, or settlements unless they have identified each other as parties with whom they have entered into agreements under § 1.2105(a)(2)(viii). For further details regarding the anti-collusion rule, refer to the *AM Auction Filing Window and Application Freeze Public Notice*, released November 19, 1999. For Auction No. 32, this prohibition became effective at the short-form application deadline (February 1, 2000) and will end on the down payment due date after the auction (to be announced in a future public notice). Applicants certified compliance with § 1.2105(c) when they signed their short-form applications. However, the Bureaus caution that merely filing a certifying statement as part of an application will not outweigh specific evidence that collusive behavior has occurred, nor will it preclude the initiation of an investigation when warranted.

9. Bidders in Auction No. 32 are encouraged not to use the same individual acting as an authorized bidder for any other applicant. A violation of the anti-collusion rule could occur if an individual acts as the authorized bidder for two or more competing applicants, and conveys information concerning the substance of bids or bidding strategies between the bidders he/she is authorized to represent in the auction. A violation could similarly occur if the authorized bidders are different individuals employed by the same organization (e.g., law firm or consulting firm).

10. In addition, § 1.65 of the Commission's rules requires an applicant to *maintain* the accuracy and completeness of information furnished in its pending application and to notify the Commission within 30 days of any substantial change that may be of decisional significance to that application. Thus, § 1.65 requires an auction applicant to notify the Commission of any violation of the anti-collusion rules immediately upon learning of such violation. Bidders therefore are required to make such

notification to the Commission immediately upon discovery.

11. A summary listing of documents from the Commission and the Bureaus addressing the application of the anti-collusion rules may be found in Attachment D of the *Auction No. 32 Procedures Public Notice*.

## iii. Due Diligence

12. Potential bidders are reminded that they are solely responsible for investigating and evaluating all technical and market place factors that may have a bearing on the value of the AM broadcast facilities in this auction. The FCC makes no representations or warranties about the use of this spectrum for particular services.

Applicants should be aware that an FCC auction represents an opportunity to become an FCC permittee in the broadcast service, subject to certain conditions and regulations. An FCC auction does not constitute an endorsement by the FCC of any particular service, technology, or product, nor does an FCC construction permit or license constitute a guarantee of business success. Applicants should perform their individual due diligence before proceeding as they would with any new business venture.

13. Potential bidders are strongly encouraged to conduct their own research prior to Auction No. 32 in order to determine the existence of pending proceedings that might affect their decisions regarding participation in the auction. Participants in Auction No. 32 are strongly encouraged to continue to conduct due diligence examinations regarding pending proceedings and other legal developments with respect to the construction permits for which they may bid during the course of the auction. Bidders should be aware that certain applications (including those for modification), petitions for rulemaking, requests for special temporary authority ("STA"), waiver requests, petition to deny, petitions for reconsideration, and applications for review may be pending before the Commission and relate to particular applicants or the construction permits available in Auction No. 32. In addition, certain judicial proceedings that may relate to particular applicants or the construction permits available in Auction No. 32 may be commenced or may be pending or subject to further review. We note that resolution of these matters could have an impact on the availability of spectrum in Auction No. 32. Some of these matters (whether before the Commission or the courts) may not be resolved at the time of the auction. In the event that a final

determination reached in a pending proceeding requires a winning bidder to surrender a construction permit(s) won in Auction No. 32, the Commission will return payments relating to such construction permit(s) to the payor of record. The Commission, however, will not pay interest on the returned payment(s) as it lacks the legal authority to do so.

14. Bidders are solely responsible for identifying associated risks and for investigating and evaluating the degree to which such matters may effect their ability to bid on, otherwise acquire, or make use of the construction permits available in Auction No. 32.

## iv. Bidder Alerts

15. By submitting an FCC Form 175 application, applicants have certified under penalty of perjury that they are legally, technically, financially and otherwise qualified to hold a license, and not in default on any payment for Commission licenses or construction permits (including down payments) or delinquent on any non-tax debt owed to any Federal agency. Prospective bidders are reminded that submission of a false certification to the Commission is a serious matter that may result in severe penalties, including monetary forfeitures, license revocations, exclusion from participation in future auctions, and/or criminal prosecution.

16. As is the case with many business investment opportunities, some unscrupulous entrepreneurs may attempt to use Auction No. 32 to deceive and defraud unsuspecting investors. Common warning signals of fraud include the following:

- The first contact is a "cold call" from a telemarketer, or is made in response to an inquiry prompted by a radio or television infomercial.
- The offering materials used to invest in the venture appear to be targeted at IRA funds, for example by including all documents and papers needed for the transfer of funds maintained in IRA accounts.
- The amount of the minimum investment is less than \$25,000.
- The sales representative makes verbal representations that: (a) The Internal Revenue Service ("IRS"), Federal Trade Commission ("FTC"), Securities and Exchange Commission ("SEC"), FCC, or other government agency has approved the investment; (b) the investment is not subject to state or federal securities laws; or (c) the investment will yield unrealistically high short-term profits. In addition, the offering materials often include copies of actual FCC releases, or quotes from FCC personnel, giving the appearance of

FCC knowledge or approval of the solicitation.

Information about deceptive telemarketing investment schemes is available from the FTC at (202) 326-2222 and from the SEC at (202) 942-7040. Complaints about specific deceptive telemarketing investment schemes should be directed to the FTC, the SEC, or the National Fraud Information Center at (800) 876-7060. Consumers who have concerns about specific proposals may also call the FCC Consumer Center at (888) CALL-FCC ((888) 225-5322).

#### v. National Environmental Policy Act (NEPA) Requirements

17. Permittees must comply with the Commission's rules regarding the National Environmental Policy Act (NEPA). The construction of a broadcast antenna facility is a federal action and the permittee must comply with the Commission's NEPA rules for each such facility. The Commission's NEPA rules require, among other things, that the permittee consult with expert agencies having NEPA responsibilities, including the U.S. Fish and Wildlife Service, the State Historic Preservation Office, the Army Corp of Engineers and the Federal Emergency Management Agency (through the local authority with jurisdiction over floodplains). The permittee must prepare environmental assessments for facilities that may have a significant impact in or on wilderness areas, wildlife preserves, threatened or endangered species or designated critical habitats, historical or archaeological sites, Indian religious sites, floodplains, and surface features. The permittee must also prepare environmental assessments for facilities that include high intensity white lights in residential neighborhoods or excessive radio frequency emission.

#### C. Auction Specifics

##### i. Auction Date

18. Auction No. 32—will begin on Tuesday, December 10, 2002. The initial schedule for bidding will be announced by public notice at least one week before the start of the auction. Unless otherwise announced, bidding on all construction permits will be conducted on each business day until bidding has stopped on all construction permits.

##### ii. Auction Title

19. Auction No. 32—New AM Broadcast Stations.

##### iii. Bidding Methodology

20. The bidding methodology for Auction No. 32 will be simultaneous multiple round bidding. The

Commission will conduct this auction over the Internet. Telephonic bidding will also be available. As a contingency, the FCC Wide Area Network will be available as well. Qualified bidders are permitted to bid telephonically or electronically.

#### iv. Pre-Auction Dates and Deadlines

21. Listed are important dates associated with Auction No. 32: Auction Seminar—November 6, 2002 Upfront Payments (via wire transfer)—November 15, 2002; 6 p.m. ET Mock Auction—December 5, 2002 Auction Begins—December 10, 2002

#### v. Requirements for Participation

22. Those wishing to participate in the auction must:

- Be listed on Attachment A of the *Auction No. 32 Procedures Public Notice*.
- Submit a sufficient upfront payment and an FCC Remittance Advice Form (FCC Form 159) by 6 p.m. ET, November 15, 2002.
- Comply with all provisions outlined in this public notice and applicable Commission rules.

#### vi. General Contact Information

23. The following is a list of general contact information relating to Auction No. 32.

General Auction Information: General Auction Questions, Seminar Registration

FCC Auctions Hotline, (888) 225-5322, Press Option #2, or direct (717) 338-2888, Hours of service: 8 a.m.—5:30 p.m. ET

Auction Legal Information: Auction Rules, Policies, Regulations Auctions and Industry Analysis Division, Legal Branch (202) 418-0660

Licensing Information: Rules, Policies, Regulations, Licensing Issues, Due Diligence, Incumbency Issues Audio Division, (202) 418-2700

Technical Support: Electronic Filing, Automated Auction System

FCC Auctions Technical Support Hotline, (202) 414-1250 (Voice), (202) 414-1255 (TTY), Hours of service: Monday through Friday 8 a.m. to 6 p.m. ET

Payment Information: Wire Transfers, Refunds

FCC Auctions Accounting Branch, (202) 418-1995, (202) 418-2843 (Fax)

Telephonic Bidding:

Will be furnished only to qualified bidders

FCC Copy Contractor: Additional Copies of Commission Documents Qualex International, Portals II, 445

12th Street, SW., Room CY-B402, Washington, DC 20554, (202) 863-2893, (202) 863-2898, (Fax) [qualexint@aol.com](mailto:qualexint@aol.com) (E-mail)

#### Press Information:

Meribeth McCarrick (202) 418-0654

#### FCC Forms:

(800) 418-3676 (outside Washington, DC), (202) 418-3676 (in the Washington Area) <http://www.fcc.gov/formpage.html>

#### FCC Internet Sites:

<http://www.fcc.gov>, <http://wireless.fcc.gov/auctions>

## II. Short-Form (FCC Form 175) Application Requirements

### A. Maintaining the Accuracy of FCC Form 175 Information

24. As noted in the *Auction No. 32 Comment Public Notice*, and under 47 CFR 1.65, applicants have an obligation to maintain the completeness and accuracy of information in their short-form applications. Amendments reporting substantial changes of possible decisional significance in information contained in short-form applications, as defined by 47 CFR 1.2105(b)(2), will not be accepted and may in some instances result in the dismissal of the short-form application. Applicants should report these modifications to their FCC Form 175 by electronic mail and submit a letter, briefly summarizing the changes, to the attention of Margaret Wiener, Chief, Auctions and Industry Analysis Division, at the following address: [auction32@fcc.gov](mailto:auction32@fcc.gov). The electronic mail summarizing the changes must include a subject or caption referring to Auction No. 32. The Bureau request that parties format any attachments to electronic mail as Adobe® Acrobat® (pdf) or Microsoft® Word documents.

25. A separate copy of the letter should be faxed to the attention of Kathryn Garland at (717) 338-2850. Questions about other changes should be directed to Kenneth Burnley of the Auctions and Industry Analysis Division at (202) 418-0660.

26. In addition, applicants should make these changes to their FCC Form 175 applications on-line after release of the public notice explaining the status of the applications.

### B. Requirements for Logging on to the FCC Auction 175 Application & Search System

27. Although applicants submitted their original FCC Form 175 applications by using a Taxpayer Identification Number (TIN), any review of and updates to these applications will require the use of an FCC Registration Number (FRN). On August 24, 2001, the

FCC adopted a rule requiring all persons and entities doing business with the FCC to acquire a unique identifying number called the FRN and to provide it with all applications or feeable filings as well as other transactions involving payment of money. This requirement became effective on December 3, 2001. Use of an FRN is mandatory for all filers logging on to the FCC Auctions 175 Application & Search system.

28. To obtain an FRN, an applicant must register their TIN using the CORES. To access CORES, point web browser to the FCC Auctions page at <http://wireless.fcc.gov/auctions/> and click the CORES link under Related Sites. Next, follow the directions provided to register and receive your FRN. Applicants need to be sure to retain this number and password and keep such information strictly confidential.

29. A filing window for review and resubmission of FCC Form 175 applications will open after the future release of a public notice announcing the status of applications. This public notice announcing the status of applications will contain additional information for reviewing and accessing applications.

30. *Very Important:* Before logging on to the FCC Form 175 Applications & Search system, *all* applicants must send their FRN to the FCC Operations Group. To do this, include entity name, TIN, and FRN in an e-mail to [auction32@fcc.gov](mailto:auction32@fcc.gov) or fax to Kathryn Garland at (717) 338-2850. This information *must* be received by 5 p.m. ET, Friday, October 25, 2002. For further information, contact: FCC Technical Support at (202) 414-1250. Hours of service: Monday through Friday 8 a.m. to 6 p.m. ET.

### C. Electronic Review of Short-Form Applications (FCC Form 175)

31. As noted in the *Auction Filing Window Public Notice*, 66 FR 33699 (June 25, 2001), applicants may review their own and other applicants' completed FCC Form 175s after the FCC has issued a public notice concerning the status of the applications. The FCC Form 175 electronic review system will be available at that time, and may be used to locate and print applicants' FCC Form 175 information. Applicants will also be able to view other applicants' completed FCC Form 175 applications. There is no fee for accessing this system. Instructions for electronic review of FCC Form 175 applications will be discussed in the public notice concerning the status of the applications.

### D. Installment Payments

32. Installment payment plans will not be available in Auction No. 32.

## III. Pre-Auction Procedures

### A. Application Processing and Minor Corrections

33. The FCC will process all timely submitted applications to determine which are acceptable for filing, and subsequently will issue a public notice identifying: (i) Those applications accepted for filing; (ii) those applications rejected; and (iii) those applications which have minor defects that may be corrected, and the deadline for filing such corrected applications.

34. As described more fully in the Commission's rules, after the short-form filing deadline, applicants may make only minor corrections to their FCC Form 175 applications. For example, permissible minor changes include deletion and addition of authorized bidders (to a maximum of three) and certain revision of exhibits. Applicants will not be permitted to make major modifications to their applications (e.g., change their construction permit selections, change the engineering information submitted with the FCC Form 175, change the certifying official, changes in ownership of the applicant that would constitute a change of control of the applicant, or changes affecting eligibility for the new entrant bidding credit).

### B. Auction Seminar

35. On November 6, 2002, the FCC will sponsor a free seminar for Auction No. 32 at the Federal Communications Commission, located at 445 12th Street, SW. (Room 4-B516), Washington, DC. The seminar will provide attendees with information about pre-auction procedures, conduct of the auction, FCC Automated Auction System, and the broadcast service and auction rules. The seminar will also provide an opportunity for prospective bidders to ask questions of FCC staff.

36. To register, complete the registration form included as Attachment B of the *Auction No. 32 Procedures Public Notice* and submit it by Monday, November 4, 2002. Registrations are accepted on a first-come, first-served basis.

### C. Upfront Payments—Due November 15, 2002

37. In order to be eligible to bid in the auction, applicants must submit an upfront payment accompanied by an FCC Remittance Advice Form (FCC Form 159). After the FCC Form 175 becomes available electronically, filers

will have access to an electronic version of the FCC Form 159 that can be printed and faxed to Mellon Bank in Pittsburgh, PA. All upfront payments must be received at Mellon Bank by 6 p.m. ET on November 15, 2002.

Please note that:

- All payments must be made in U.S. dollars.
- All payments must be made by wire transfer.
- Upfront payments for Auction No. 32 go to a lockbox number different from the ones used in previous FCC auctions, and different from the lockbox number to be used for post-auction payments.
- Failure to deliver the upfront payment by the November 15, 2002 deadline will result in dismissal of the application and disqualification from participation in the auction.

### i. Making Auction Payments by Wire Transfer

38. Wire transfer payments must be received by 6 p.m. ET on November 15, 2002. To avoid untimely payments, applicants should discuss arrangements (including bank closing schedules) with their banker several days before they plan to make the wire transfer, and allow sufficient time for the transfer to be initiated and completed before the deadline. Applicants will need the following information:

ABA Routing Number: 043000261  
 Receiving Bank: Mellon Pittsburgh  
 BENEFICIARY (BNF): FCC/Account # 910-1203  
 OBI Field: (Skip one space between each information item)  
 "AUCTIONPAY"  
 FCC REGISTRATION NUMBER (FRN): (same as FCC Form 159, block 11 and/or 21)  
 PAYMENT TYPE CODE (same as FCC Form 159, block 24A: A32U)  
 FCC CODE 1 (same as FCC Form 159, block 28A: "32")  
 PAYER NAME (same as FCC Form 159, block 2)  
 LOCKBOX NO. # 358425

**Note:** The BNF and Lockbox number are specific to the upfront payments for this auction; do not use BNF or Lockbox numbers from previous auctions.

39. Applicants must fax a completed FCC Form 159 (Revised 2/00) to Mellon Bank at (412) 209-6045 at least one hour before placing the order for the wire transfer (but on the same business day). On the cover sheet of the fax, write "Wire Transfer—Auction Payment for Auction Event No. 32." Bidders should confirm receipt of their upfront payment at Mellon Bank by contacting their sending financial institution.

## ii. FCC Form 159

40. A completed FCC Remittance Advice Form (FCC Form 159, Revised 2/00) must be faxed to Mellon Bank in order to accompany each upfront payment. Proper completion of FCC Form 159 (Revised 2/00) is critical to ensuring correct credit of upfront payments. Detailed instructions for completion of FCC Form 159 are included in Attachment C of the *Auction No. 32 Procedures Public Notice*. An electronic version of the FCC Form 159 will be accessible after the FCC Form 175 becomes available electronically. The FCC Form 159 can be completed electronically, but must be filed with Mellon Bank via facsimile.

## iii. Amount of Upfront Payment

41. The Commission delegated to the Bureau the authority and discretion to determine appropriate upfront payment(s) for each auction. In addition, in the *Part 1 Fifth Report and Order*, 65 FR 52323 (August 29, 2000), the Commission ordered that "former defaulters," *i.e.*, applicants that have ever been in default on any Commission licenses or have ever been delinquent on any non-tax debt owed to any Federal agency, be required to pay upfront payments fifty percent greater than non-former defaulters."

42. In the *Auction No. 32 Comment Public Notice*, we proposed translating bidders' upfront payments to bidding units to define a bidder's maximum initial eligibility. In order to bid on a construction permit, otherwise qualified bidders who applied for that construction permit on Form 175 must have an eligibility level that meets the number of bidding units assigned to that construction permit. An applicant's total upfront payment must be enough to establish eligibility to bid on the construction permit applied for on Form 175, or else the applicant will not be eligible to participate in the auction. No comments were received; therefore, we adopt our proposal. The specific upfront payments and bidding units for each construction permit are set forth in Attachment A of the *Auction No. 32 Procedures Public Notice*.

43. Former defaulters should calculate their upfront payment for all construction permits by multiplying the number of bidding units they wish to purchase by 1.5. In order to calculate the number of bidding units to assign to former defaulters, the Commission will divide the upfront payment received by 1.5 and round the result up to the nearest bidding unit.

**Note:** An applicant's actual bidding in any round will be limited by the bidding units

reflected in its upfront payment, in conjunction with the selections made on the FCC Form 175.

## iv. Applicant's Wire Transfer Information for Purposes of Refunds

44. The Commission will use wire transfers for all Auction No. 32 refunds. To ensure that refunds of upfront payments are processed in an expeditious manner, the Commission is requesting that all pertinent information as listed be supplied to the FCC. Applicants can provide the information electronically after the FCC Form 175 becomes available for review. Wire Transfer Instructions can also be manually faxed to the FCC, Financial Operations Center, Auctions Accounting Group, ATTN: Tim Dates or Gail Glasser, at (202) 418-2843 by November 15, 2002. All refunds will be returned to the payer of record as identified on the FCC Form 159 unless the payer submits written authorization instructing otherwise. For additional information, please call (202) 418-1995.

Name of Bank

ABA Number

Contact and Phone Number

Account Number to Credit

Name of Account Holder

FCC Registration Number (FRN)

Taxpayer Identification Number

Correspondent Bank (if applicable)

ABA Number

Account Number

(Applicants should also note that implementation of the Debt Collection Improvement Act of 1996 requires the FCC to obtain a Taxpayer Identification Number (TIN) before it can disburse refunds.) Eligibility for refunds is discussed in section V.D.

## D. Auction Registration

45. Approximately ten days before the auction, the FCC will issue a public notice announcing all qualified bidders for the auction. Qualified bidders are those applicants whose FCC Form 175 applications have been accepted for filing and have timely submitted upfront payments sufficient to make them eligible to bid on the construction permit for which they applied.

46. All qualified bidders are automatically registered for the auction. Registration materials will be distributed prior to the auction by two separate overnight mailings, one containing the confidential bidder identification number (BIN) required to place bids and the other containing the SecurID cards. These mailings will be sent only to the contact person at the contact address listed in the FCC Form 175.

47. Applicants that do not receive both registration mailings will not be able to submit bids. Therefore, any qualified applicant that has not received both mailings by noon on Tuesday, December 3, 2002, should contact the Auctions Hotline at 717-338-2888. Receipt of both registration mailings is critical to participating in the auction and each applicant is responsible for ensuring it has received all of the registration material.

48. Qualified bidders should note that lost bidder identification numbers or SecurID cards can be replaced only by appearing *in person* at the FCC Auction Headquarters located at 445 12th Street, SW., Washington, DC 20554. Only an authorized representative or certifying official, as designated on an applicant's FCC Form 175, may appear in person with two forms of identification (one of which must be a photo identification) in order to receive replacements. Qualified bidders requiring replacements must call Technical Support prior to arriving at the FCC.

## E. Electronic Bidding

49. The Commission will conduct this auction over the Internet. Telephonic bidding will also be available. As a contingency, the FCC Wide Area Network will be available as well. The telephone number through which the backup FCC Wide Area Network may be accessed will be announced in a later public notice. Qualified bidders are permitted to bid telephonically or electronically, *i.e.*, over the Internet or the FCC's Wide Area Network. In either case, each authorized bidder must have its own Remote Security Access SecurID card, which the FCC will provide at no charge. Each applicant with less than three authorized bidders will be issued two SecurID cards, while applicants with three authorized bidders will be issued three cards. For security purposes, the SecurID cards and the FCC Automated Auction System user manual are only mailed to the contact person at the contact address listed on the FCC Form 175. Please note that each SecurID card is tailored to a specific auction, therefore, SecurID cards issued for other auctions or obtained from a source other than the FCC will not work for Auction No. 32. The telephonic bidding phone number will be supplied in the first overnight mailing of the confidential bidder identification number. Each applicant's bidding preference has been defaulted to electronic. Applicants should modify this preference during the FCC Form 175 resubmit window if they intend to bid telephonically.

50. Please note that the SecurID cards can be recycled, and we encourage bidders to return the cards to the FCC. We will provide pre-addressed envelopes that bidders may use to return the cards once the auction is over.

#### *F. Mock Auction*

51. All qualified bidders will be eligible to participate in a mock auction on Thursday, December 5, 2002. The mock auction will enable applicants to become familiar with the FCC Automated Auction System prior to the auction. Participation by all bidders is strongly recommended. Details will be announced by public notice.

#### **IV. Auction Event**

52. The first round of bidding for Auction No. 32 will begin on Tuesday, December 10, 2002. The initial bidding schedule will be announced in the public notice listing the qualified bidders, which is released approximately 10 days before the start of the auction.

##### *A. Auction Structure*

##### **i. Simultaneous Multiple Round Auction**

53. In the *Auction No. 32 Comment Public Notice*, we proposed to award all construction permits in a simultaneous multiple round auction. We received no comments on this issue. We therefore conclude that it is operationally feasible and appropriate to auction the new AM broadcast station construction permits through a simultaneous multiple round auction. Unless otherwise announced, bids will be accepted from eligible bidders on all construction permits in each round of the auction.

##### **ii. Maximum Eligibility and Activity Rules**

54. In the *Auction No. 32 Comment Public Notice*, we proposed that the amount of the upfront payment submitted by a bidder would determine the maximum initial eligibility (as measured in bidding units) for each bidder. We received no comments on this issue.

55. For Auction No. 32, we adopt our proposal. The amount of the upfront payment submitted by a bidder determines the maximum initial eligibility (in bidding units) for each bidder. Note again that each construction permit is assigned a specific number of bidding units equal to the upfront payment listed in Attachment A of the *Auction No. 32 Procedures Public Notice* on a bidding unit per dollar basis. The total upfront payment defines the maximum number

of bidding units on which the applicant will be permitted to bid and hold high bids. As there is no provision for increasing a bidder's maximum eligibility during the course of an auction, prospective bidders are cautioned to calculate their upfront payments carefully. The total upfront payment does not affect the total dollars a bidder may bid on any given construction permit.

56. In addition, we received no comments on our proposal for a single stage auction. Therefore, in order to ensure that the auction closes within a reasonable period of time, we adopt our proposal with the following activity requirements: a bidder must either, place a valid bid and/or be the standing high bidder during each round of the auction rather than wait until the end before participating. A bidder is required to be active on 100 percent of their bidding eligibility. Failure to maintain the requisite activity level will result in the use of an activity rule waiver, if any remain, or a reduction in the bidder's bidding eligibility, thus eliminating them from the auction.

##### **iii. Activity Rule Waivers and Reducing Eligibility**

57. In the *Auction No. 32 Comment Public Notice*, we proposed that each bidder in the auction would be provided three activity rule waivers. Bidders may use an activity rule waiver in any round during the course of the auction. We received no comments on this issue.

58. Based upon our experience in previous auctions, we adopt our proposal that each bidder be provided three activity rule waivers that may be used in any round during the course of the auction. 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. We are satisfied that our practice of providing three waivers over the course of the auction provides a sufficient number of waivers and flexibility to the bidders, while safeguarding the integrity of the auction.

59. The FCC Automated 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. If a bidder has no waivers remaining and does not satisfy the required activity level, the bidder's eligibility will be

permanently reduced, eliminating them from the auction.

60. A bidder may proactively use 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 system) during a bidding period in which no bids are submitted, the auction will remain open and the bidder's eligibility will be preserved. An automatic waiver invoked in a round in which there are no new valid bids will not keep the auction open. Note: Once a proactive waiver is placed during a round, that waiver cannot be unsubmitted.

##### **iv. Auction Stopping Rules**

61. For Auction No. 32, the Bureaus proposed to employ a simultaneous stopping rule. Under this rule, bidding will remain open on all construction permits until bidding stops on every construction permit. The auction will close for all construction permits when one round passes during which no bidder submits a new acceptable bid on any construction permit, or applies a proactive waiver. After the first such round, bidding closes simultaneously on all construction permits.

62. The Bureaus also proposed retaining discretion to implement a modified version of the simultaneous stopping rule. The modified version will close the auction for all construction permits after the first round in which no bidder submits a proactive waiver, or a new bid on any construction permit on which it is not the standing high bidder. Thus, absent any other bidding activity, a bidder placing a new bid on a construction permit for which it is the standing high bidder will not keep the auction open under this modified stopping rule.

63. The Bureaus further proposed retaining the discretion to keep the auction open even if no new acceptable bids or proactive waivers are submitted in a round. In this event, the effect will be the same as if a bidder had submitted a proactive waiver. Thus, the activity rule will apply as usual, and a bidder with insufficient activity will either lose bidding eligibility or use an activity rule waiver (if any remain).

64. In addition, the Bureaus proposed that they reserve the right to declare that the auction will end after a designated number of additional rounds ("special stopping rule"). If the Bureaus invoke this special stopping rule, it will accept bids in the final round(s) only for construction permits on which the high bid increased in at least one of the preceding specified number of rounds. The Bureaus proposed to exercise this



option only in circumstances such as where the auction is proceeding very slowly, where there is minimal overall bidding activity or where it appears likely that the auction will not close within a reasonable period of time. Before exercising this option, the Bureaus are likely to attempt to increase the pace of the auction by, for example, increasing the number of bidding rounds per day, and/or adjusting the amount of the minimum bid increments for the construction permits.

65. The Bureaus received no comments on these issues, therefore, we adopt all of the proposals concerning the auction stopping rules. Auction No. 32 will begin under the simultaneous stopping rule, and the Bureaus will retain the discretion to invoke the other versions of the stopping rule. The Bureaus believe that these stopping rules are most appropriate for Auction No. 32, because their experience in prior auctions demonstrates that the auction stopping rules balance the interests of administrative efficiency and maximum bidder participation.

#### v. Auction Delay, Suspension, or Cancellation

66. In the *Auction No. 32 Comment Public Notice*, the Bureaus proposed that, by public notice or by announcement during the auction, the Bureaus 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 conduct of competitive bidding.

67. Because this approach has proven effective in resolving exigent circumstances in previous auctions, we adopt our proposed auction cancellation rules. By public notice or by announcement during the auction, the Bureaus 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 Bureaus, in their 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 Bureaus to delay or suspend the auction. We emphasize that exercise of this authority is solely within the discretion of the Bureaus, and its use is not intended to be a substitute for

situations in which bidders may wish to apply their activity rule waivers.

#### B. Bidding Procedures

##### i. Round Structure

68. The initial bidding schedule will be announced in the public notice listing the qualified bidders, which is released approximately 10 days before the start of the auction. The round structure for each bidding round contains a single bidding round followed by the release of the round results. Multiple bidding rounds may be conducted in a given day. Details regarding round result formats and locations will also be included in the qualified bidders public notice referenced.

69. The Bureaus have the discretion to change the bidding schedule in order to foster an auction pace that reasonably balances speed with the bidders' need to study round results and adjust their bidding strategies. The Bureaus may increase or decrease the amount of time for the bidding rounds and review periods, or the number of rounds per day, depending upon the bidding activity level and other factors.

##### ii. Reserve Price or Minimum Opening Bid

70. *Background.* The Balanced Budget Act 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 or construction permits are subject to auction (*i.e.*, because mutually exclusive applications have been accepted), unless the Commission determines that a reserve price or minimum opening bid is not in the public interest. Consistent with this mandate, the Commission directed the Bureaus to seek comment on the use of a minimum opening bid and/or reserve price prior to the start of each auction. Among other factors, the Bureaus must consider the amount of spectrum being auctioned, levels of incumbency, the availability of technology to provide service, the size of the geographic service areas, the extent of interference with other spectrum bands, and any other relevant factors that could have an impact on valuation of the spectrum being auctioned. The Commission concluded that the Bureaus should have the discretion to employ either or both of these mechanisms for future auctions.

71. In the *Auction No. 32 Comment Public Notice*, the Bureaus proposed to establish minimum opening bids for Auction No. 32 and to retain discretion to lower the minimum opening bids. Specifically, for Auction No. 32, the

Bureaus proposed calculating the minimum opening bid based on the potential value of the spectrum, including the type of service, market size, industry cash flow data and recent broadcast transactions. The Bureaus received no comments on this issue, therefore, they adopt their proposal. The specific minimum opening bids for each construction permit are set forth in Attachment A of the *Auction No. 32 Procedures Public Notice*.

##### iii. Minimum Accepted Bids and Bid Increments

72. In the *Auction No. 32 Comment Public Notice*, the Bureaus proposed to use a fixed percentage to calculate minimum acceptable bids. They further proposed to retain the discretion to change the minimum acceptable bids and bid increments if circumstances so dictate. The Bureaus received no comment on this issue.

73. In each round, each eligible bidder will be able to place a bid on the particular construction permit for which it applied in any of nine different amounts. The Auctions Bidding System interface will list the nine acceptable bid amounts for each construction permit.

74. For Auction No. 32, the Bureaus proposed to use a fixed 10 percent bid increment. This means that the minimum acceptable bid for a construction permit will be approximately 10 percent greater than the previous standing high bid received on the construction permit. The minimum acceptable bid amount will be calculated by multiplying the standing high bid times one plus the fixed percentage—*i.e.*, minimum acceptable bid amount = (standing high bid) \* (1.10){rounded}. We will round the result using our standard rounding procedure for minimum acceptable bid calculations: results above \$10,000 are rounded to the nearest \$1,000; results below \$10,000 but above \$1,000 are rounded to the nearest \$100; and results below \$1,000 are rounded to the nearest \$10.

75. At the start of the auction and until a bid has been placed on a construction permit, the minimum acceptable bid for that construction permit will be equal to its minimum opening bid. Corresponding additional bid amounts will be calculated using bid increments defined as the difference between the minimum opening bid times one plus the percentage increment, rounded as described, and the minimum opening bid—*i.e.*, bid increment = (minimum opening bid)(1 + percentage increment){rounded} – (minimum opening bid). At the start of



the auction and until a bid has been placed on a construction permit, the nine acceptable bid amounts for each construction permit consist of the minimum opening bid and additional amounts are calculated using multiple bid increments (*i.e.*, the second bid amount equals the minimum opening bid plus the bid increment, the third bid amount equals the minimum opening bid plus two times the bid increment, etc.).

*Example bid amount calculation for construction permits at the start of the auction and without standing high bids:*

1st bid amount = minimum opening bid  
2nd bid amount = minimum opening

bid + (bid increment)

3rd bid amount = minimum opening bid  
+ 2(bid increment)

\* \* \* \* \*

9th bid amount = minimum opening bid  
+ 8(bid increment)

76. Once there is a standing high bid on the construction permit, the Auctions Bidding System will calculate a minimum acceptable bid for that construction permit for the following round, as described. The difference between the minimum acceptable bid and the standing high bid for each construction permit will define the bid increment—*i.e.*, bid increment = (minimum acceptable bid)—(standing high bid). The nine acceptable bid amounts for each construction permit consist of the minimum acceptable bid (the standing high bid plus one bid increment) and additional amounts calculated using multiple bid increments (*i.e.*, the second bid amount equals the standing high bid plus two times the bid increment, the third bid amount equals the standing high bid plus three times the bid increment, etc.).

*Example bid amount calculation for construction permits with standing high bids:*

1st bid amount = standing high bid +  
bid increment

2nd bid amount = standing high bid  
+2(bid increment)

3rd bid amount = standing high bid  
+3(bid increment)

\* \* \* \* \*

9th bid amount = standing high bid  
+9(bid increment)

77. The Bureaus retain the discretion to change the minimum acceptable bids and bid increments and the methodology for determining the minimum acceptable bids and bid increments if they determine circumstances so dictate. The Bureaus will do so by announcement in the FCC Automated Auction System. The Bureaus may also use its discretion to

adjust the minimum bid increment without prior notice if circumstances warrant.

#### iv. High Bids

78. At the end of each round, the FCC Automated Auction System determines the standing high bid for each construction permit based on the gross dollar amounts of the bids received for each construction permit.

79. In the case of tied high bids, a random number generator will be used to determine the standing high bid. A random number will be assigned to each bid. The tie bid having the highest random number will become the standing high bid.

#### v. Bidding

80. During a bidding round, a bidder may submit a bid, subject to its eligibility, as well as remove a bid placed in the same bidding round. Bidders also have the option of making multiple submissions in each bidding round. If a bidder submits multiple bids for a construction permit in the same round, the system takes the last bid entered as that bidder's bid for the round. Bidders should note that the bidding units associated with the construction permit for which the bidder has removed its bid do not count towards the bidder's activity at the close of the round.

81. Please note that all bidding will take place remotely either through the FCC Automated Auction System or by telephonic bidding. (Telephonic bid assistants are required to use a script when entering bids placed by telephone. Telephonic bidders are therefore reminded to allow sufficient time to bid by placing their calls well in advance of the close of a round. Normally, four to five minutes are necessary to complete a bid submission.) There will be no on-site bidding during Auction No. 32.

82. A bidder's ability to bid on a specific construction permit in the first round of the auction is determined by two factors: (i) The construction permit applied for on FCC Form 175 and (ii) the upfront payment amount deposited. The bid submission screens will allow bidders to submit bids on only the construction permit for which the bidder applied on its FCC Form 175.

83. The FCC Automated Auction System requires each bidder to be logged in during the bidding round using the bidder identification number provided in the registration materials, and the generated SecurID code. Bidders are strongly encouraged to print bid confirmations *after* they submit their bids.

84. In each round, eligible bidders will be able to place bids on a given construction permit in any of nine different amounts. For each construction permit, the FCC Automated Auction System interface will list the nine acceptable bid amounts in a drop-down box. Bidders may use the drop-down box to select from among the nine acceptable bid amounts. The FCC Automated Auction System also includes an import function that allows bidders to upload text files containing their bid information.

85. Until a bid has been placed on a construction permit, the minimum acceptable bid for that construction permit will be equal to its minimum opening bid. Once there is a standing high bid on a construction permit, the FCC Automated Auction System will calculate a minimum acceptable bid for that construction permit for the following round, as described in section IV.B.iii.

#### vi. Bid Removal and Bid Withdrawal

86. In the *Auction No. 32 Comment Public Notice*, we proposed bid removal and bid withdrawal procedures. With respect to bid withdrawals, we proposed that bidders not be permitted to withdraw bids in any round. We received no comments on this issue. Therefore, the Bureaus adopt their proposal and will not permit bidders to withdraw bids in any round during the auction.

87. Bid Removal Procedures. Before the close of a bidding round, a bidder has the option of removing any bids placed in that round. By using the "remove bid" function in the bidding system, a bidder may effectively "unsubmit" any bid placed within that round. Removing a bid will affect a bidder's activity for the round in which it is removed, *i.e.*, a bid that is subsequently removed does not count toward the bidder's activity requirement. Once a round closes, a bidder may no longer remove a bid. No comments were received on this issue, therefore, we adopt these procedures for Auction No. 32.

#### vii. Round Results

88. Bids placed during a round will not be published until the conclusion of that bidding period. After a round closes, the Bureaus will compile reports of all bids placed, current high bid, new minimum accepted bid, and bidder eligibility status (bidding eligibility and activity rule waivers), and post the reports for public access. Reports reflecting bidders' identities and bidder identification numbers for Auction No. 32 will be available before and during

the auction. Thus, bidders will know in advance of this auction the identities of the bidders against which they are bidding.

#### viii. Auction Announcements

89. The FCC will use auction announcements to announce items such as schedule changes. All FCC auction announcements will be available by clicking a link on the FCC Automated Auction System.

### V. Post-Auction Procedures

#### A. Down Payments

90. After bidding has ended, the Commission will issue a public notice declaring the auction closed, identifying the winning bidders and winning bids for each construction permit, and any down payments due.

91. Within ten business days after release of the auction closing notice, each winning bidder must submit sufficient funds (in addition to its upfront payment) to bring its total amount of money on deposit with the Government to 20 percent of its net winning bids (actual bids less any applicable bidding credit).

#### B. Long-Form Application

92. Within thirty days after release of the auction closing public notice, winning bidders must electronically submit a properly completed long-form application and required exhibits for the construction permit won through Auction No. 32. Winning bidders that are claiming new entrant status must include an exhibit demonstrating their eligibility for the bidding credit. Further filing instructions will be provided to the auction winners at the close of the auction.

#### C. Default and Disqualification

93. Any high bidder that defaults or is disqualified after the close of the auction (*i.e.*, fails to remit the required down payment within the prescribed period of time, fails to submit a timely long-form application, fails to make full payment, or is otherwise disqualified) will be subject to the payments described in 47 CFR 1.2104(g)(2). In such event the Commission may re-auction the construction permit or offer it to the next highest bidder (in descending order) at their final bid. In addition, if a default or disqualification involves gross misconduct, misrepresentation, or bad faith by an applicant, the Commission may declare the applicant and its principals ineligible to bid in future auctions, and may take any other action that it deems necessary, including institution of proceedings to revoke any existing

licenses or construction permits held by the applicant.

#### D. Refund of Remaining Upfront Payment Balance

94. All applicants that submitted upfront payments but were not winning bidders for a construction permit in Auction No. 32 will be entitled to a refund of their upfront payment balance after the conclusion of the auction. All refunds will be returned to the payer of record, as identified on the FCC Form 159, unless the payer submits written authorization instructing otherwise.

95. Qualified bidders that have exhausted all of their activity rule waivers and have no remaining bidding eligibility must submit a written refund request. If you have completed the refund instructions electronically, then only a written request for the refund is necessary. If not, the request must also include wire transfer instructions, Taxpayer Identification Number (TIN) and FCC Registration Number (FRN). Send refund request to: Federal Communications Commission, Financial Operations Center, Auctions Accounting Group, Gail Glasser or Tim Dates, 445 12th Street, SW., Room 1-C863, Washington, DC 20554.

96. Bidders are encouraged to file their refund information electronically using the refund information portion of the FCC Form 175, but bidders can also fax their information to the Auctions Accounting Group at (202) 418-2843. Once the information has been approved, a refund will be sent to the party identified in the refund information.

**Note:** Refund processing generally takes up to two weeks to complete. Bidders with questions about refunds should contact Gail Glasser at (202) 418-0578 or Tim Dates at (202) 418-0496.

Federal Communications Commission.

**Margaret Wiener,**

*Chief, Auctions and Industry Analysis Division, WTB.*

[FR Doc. 02-27816 Filed 10-31-02; 8:45 am]

**BILLING CODE 6712-01-P**

### FEDERAL RESERVE SYSTEM

#### Change in Bank Control Notices; Acquisition of Shares of Bank or Bank Holding Companies

The notificants listed below have applied under the Change in Bank Control Act (12 U.S.C. 1817(j)) and § 225.41 of the Board's Regulation Y (12 CFR 225.41) to acquire a bank or bank holding company. The factors that are considered in acting on the notices are

set forth in paragraph 7 of the Act (12 U.S.C. 1817(j)(7)).

The notices are available for immediate inspection at the Federal Reserve Bank indicated. The notices also will be available for inspection at the office of the Board of Governors. Interested persons may express their views in writing to the Reserve Bank indicated for that notice or to the offices of the Board of Governors. Comments must be received not later than November 15, 2002.

**A. Federal Reserve Bank of Atlanta**  
(Sue Costello, Vice President) 1000 Peachtree Street, N.E., Atlanta, Georgia 3030-B4470:

1. *Lee Investments, LLLP*, Lakeland, Georgia, including William Larry Lee, Ann S. Lee, William Alexander Lee, and Mary Carol Lee Green; to acquire voting shares of FMB Bancshares, Inc., Lakeland, Georgia, and thereby indirectly acquire voting shares of Farmers & Merchants Bank, Lakeland, Georgia.

Board of Governors of the Federal Reserve System, October 28, 2002.

**Robert deV. Frierson,**

*Deputy Secretary of the Board.*

[FR Doc. 02-27858 Filed 10-31-02; 8:45 am]

**BILLING CODE 6210-01-S**

### FEDERAL RESERVE SYSTEM

#### Formations of, Acquisitions by, and Mergers of Bank Holding Companies

The companies listed in this notice have applied to the Board for approval, pursuant to the Bank Holding Company Act of 1956 (12 U.S.C. 1841 *et seq.*) (BHC Act), Regulation Y (12 CFR Part 225), and all other applicable statutes and regulations to become a bank holding company and/or to acquire the assets or the ownership of, control of, or the power to vote shares of a bank or bank holding company and all of the banks and nonbanking companies owned by the bank holding company, including the companies listed below.

The applications listed below, as well as other related filings required by the Board, are available for immediate inspection at the Federal Reserve Bank indicated. The application also will be available for inspection at the offices of the Board of Governors. Interested persons may express their views in writing on the standards enumerated in the BHC Act (12 U.S.C. 1842(c)). If the proposal also involves the acquisition of a nonbanking company, the review also includes whether the acquisition of the nonbanking company complies with the standards in section 4 of the BHC Act (12 U.S.C. 1843). Unless otherwise