



29 July 2009

Jersey Competition Regulatory Authority
Salisbury House
Union Street
St Helier
Jersey JE2 3RF

Attention G Marett Esq
Case Officer

Dear Sirs

Re Expression of Interest in Licensing of 2.6 GHz Spectrum

We are pleased to reconfirm our interest in licensing 2.6GHz spectrum for the delivery of services over a broadband Fixed Wireless Access ("FWA") network in Jersey.

As you know Newtel is a licensed Public Telecommunications Operator and we have been providing services in competition with Jersey Telecom ("JT") since receiving our Public Telecommunications Operator's Licence in 2003. We currently provide broadband services, private circuits, fixed wireless circuits and data hosting services to the residential and business markets. Next to JT we are the largest independent provider of Internet access services in Jersey.

Our primary interest in utilising the 2.6 GHz spectrum is as follows:

- We estimate that our FWA network will enable us to enhance our quality of service, the committed information rates and other aspects of our present services to our existing and new customers;
- We will develop a range of "next generation" services, including voice, over our FWA network;
- We estimate that our FWA network will give us access to the majority of our present broadband customer base providing immediate benefits;
- Our FWA network will enable us to reduce our dependence on JT for "last mile" customer access which will enable us to speed up the delivery time, response to service requests and other requirements of our customers;
- By lowering our costs, increasing our efficiency and the our quality of service a FWA network will enable us to lower our prices for our services which will benefit customers and increase our competitiveness;

We are confident that the availability of the 2.6 GHz spectrum, operating to internationally agreed standards in the United Kingdom and the rest of Europe,

will result in the availability of reliable systems and equipment from manufacturers. It is our view that the cost of building FWA networks is steadily being reduced as a result of the equipment manufacturers' economies of scale as operators build new FWA networks elsewhere. This has not been the case with the spectrum that has been available for licensing to FWA network operators to date.

As far as our technical requirements for the use of the 2.6 GHz spectrum are concerned we will follow the guidelines set forth by Ofcom. It is our understanding that Ofcom will leave the operators who are awarded licences in the United Kingdom to decide whether they implement Time Division Duplex ("TDD") or Frequency Division Duplex ("FDD") standards on their networks. We assume the same option will be available to FWA network operators in Jersey. At this early stage we would specify our frequency requirements as follow:

- It is our understanding the 2.6 GHz band available for licensing in Jersey will span from 2500 MHz to 2690 MHz hence there will be a total of 190 MHz available.
- We would prefer access to bandwidth starting from 2500 MHz to optimise penetration and resiliency for our future services
- We would plan to build base stations with sectors ranging from one to three sectors per base stations depending upon the number of customers to be served from each base station;
- We would wish to have access to 10 MHz of spectrum per base station sector hence our requirement would be for 40 MHz (three sectors x 10 MHz per sector plus 10 MHz for guard band):

Base Station Channel Configuration

	<u>Single Sector</u>	<u>Two Sectors</u>	<u>Three Sectors</u>
Uplink or downlink	Both	Both	Both
Bandwidth per sector	10 MHz	10 MHz	10 MHz

In terms of building a FWA network we have various assets in place that will allow us to rapidly build our network including existing towers, access to towers and buildings, underground network and points of presence. We estimate that we will be able to roll out a FWA network covering 80% of the Island within 24 months of licensing. This schedule would be subject to confirmation of equipment and system availability from our preferred vendors, the final spectrum awarded and the number of competitors entering the market utilising the same spectrum. If we are awarded our preferred spectrum we have the financial resources available to build our planned network.

We feel strongly that the availability of spectrum in the 2.6 GHz range will, over time, bring benefits to the Island's consumers. We look forward to your further consideration of the various options available in making this spectrum band available.

Yours faithfully
NEWTEL LIMITED

PETER C FUNK
DIRECTOR

PCF/jk

Cc Nick Hutchinson - Newtel
David Stevens - Newtel
Jeremy Swetenham – Newtel
Malcolm Taylor - Newtel