

power to you



Jersey Competition Regulatory Authority  
2<sup>nd</sup> Floor,  
Salisbury House,  
Union Street,  
St Helier,  
Jersey,  
JE2 3RF.

04/02/2014

**For the attention of Mr Andrew Risely**

Dear Andrew,

**"Pan-Channel Island Second Consultation on award of 800 MHz and 2.6 GHz Spectrum "**

With reference to your letter CICRA 13/54 dated 23 December 2013, please find response below,

We appreciate and support the efforts by CICRA for reviewing the spectrum allocations. We also believe that electro-magnetic spectrum is a national resource and should be put to use for interest of consumers and development of telecommunication market in Jersey and Guernsey.

**Q1. Views are sought on whether the objectives as set out remain appropriate for informing the award process for LTE spectrum?**

**JAL/GAL response** – Yes, we believe the objectives are valid and remain relevant for consideration during the spectrum award process for LTE.

**Q2. Views are sought on whether the proposed two-stage award approach meets CICRA's objectives as set out?**

**JAL/GAL response** – Airtel is of the view that sufficient competition already exists in the Channel Islands in telecom industry. The same was also indicated in our response to consultation document 13/38. We believe introduction of any new entrant will not help any cause as:

- New masts will be needed
- New entrant, if there is one, will not be profitable
- New entrant, if there is one, will not be a sustainable option

***Airtel believes that the highly valuable sub 1GHz spectrum should not be partitioned in a way which is unfavorable to the existing and potential customers of any of the current telecom operators.***

We agree with CICRA that putting a cap of 2x25MHz on sub -1GHz spectrum will allow incumbents to release the excess spectrum in 900 band which can be put to efficient use.

Jersey Airtel Limited, 1<sup>st</sup> Floor, Le Masurier House, La Rue le Masurier, St. Helier, Jersey JE2 4YE  
Guernsey Airtel Limited, 45 High Street, St Peter Port, Guernsey GY1 2JT

[www.airtel-vodafone.com](http://www.airtel-vodafone.com)

power to you



*Lastly, CICRA should make 900MHz band de-fragmentation and realignment mandatory for existing operators to allow efficient use of the same. This should be done in time bound manner and all efforts to realign spectrums should be done simultaneously.*

**Q3. Views are sought on whether the amount and mix of spectrum in each lot is consistent with the purposes of making these awards?**

**JAL/GAL response** – Airtel believes that award of LTE spectrum is the right opportunity for CICRA to **re-align all spectrum holdings** of the existing telecom operators. This is what we have stated in our response to consultation No.13-38.

Channel Islands, although a small telecom market, also have the advantage that they have surplus spectrum. With just 3 operators (or maybe a new entrant), this allows existing operators to use available radio spectrum in a **more economical and environment friendly way**. Bearing this in mind Airtel had proposed in its earlier response that CICRA should look to realign and reassign 900 MHz and 1800 MHz within this allocation exercise.

**1800 MHz:** We propose that CICRA allocates **additional spectrum** to existing operators to increase their overall holding to **15MHz in 1800 band in both Jersey and Guernsey**. This additional allocation should be linked to operators agreeing to realignment to create contiguous bands. Further this allocation should be made **technology neutral** at the same time. This will incentivise existing operators to efficiently use 1800 MHz for launch of LTE and GSM within this band. This will also allow remaining 20MHz of 1800 band to be distributed to two other potential operators for LTE or can be reserved for future use. The advantages for such an approach are many.

- LTE Band 3 (1805-1880 (DL) and 1710-1785(UL) has been allocated to operators within Europe and UK. Many devices exist (for example iPhone5s) which support LTE Band 3. Multiple commercial LTE networks in LTE Band 3 have been rolled out in Europe and UK which **will allow seamless roaming for Channel Islands customers**.
- 1800 Band re-alignment will allow existing operators to optimise the CAPEX by deploying SDR (Software defined radio) supporting GSM and LTE within same radio module hence **reducing hardware and antenna** requirement for roll out of LTE services.
- Similarly re-alignment of **900 MHz** band to allow contiguous block of 5MHz will facilitate operators to migrate UMTS within this band and also use SDR (Software Defined Radio) to rollout GSM and UMTS within same radio module saving CAPEX and antenna requirement.
- This deployment will promote innovation and reduce overall antennas required for providing 2G, 3G and 4G services. **This will further reduce overall impact on environment which is one of the key objectives of CICRA within spectrum allocation process.**

power to you



Lastly, the spectrum bundles should be realigned as below and another bundle C can be created to include remaining 1800 band. The band allocation should be made mutually exclusive so that existing operators cannot bid for bundle C.

Bundle A: 2 lots, each comprising 2 x 10 MHz in the 800 MHz band and 2 x 10 MHz in the 2.6 GHz band

Bundle B: 2 lots, each comprising 2 x 5 MHz in the 800 MHz band and 2 x 15 MHz in the 2.6 GHz band

For future allocation as stage 3

Bundle C: 2 lots, each comprising 2 x 10 MHz in the 1800 MHz band and 2 x 10 MHz in the 2.6 GHz band

**Q4. Views are sought on the above minimum requirements, whether this is the appropriate set of issues to include and if the strength and clarity of the requirements is adequate?**

**JAL/GAL response** - Airtel is of the opinion that requirements and rules are needed during allocation to ensure that no one operator gets undue control of spectrum. But at the same time these requirements should facilitate positive investment. Our response to each requirement is as below:

**Requirement 1:** Agreed.

**Requirement 2:** Agreed.

**Requirement 3:** While this can be achieved, however, CICRA need to share OFCOM's Compliance Verification Methodology.

**Requirement 4:** Agreed.

**Requirement 5:** Agreed. However, Airtel is of the opinion that 2.6 GHz may not be required by operators if 1800 MHz is available for LTE. Operators using 2.6GHz should pay for mitigation of interference with airport radar.

**Requirement 6:** Agreed.

**Requirement 7:** It should be made mandatory that operators work with OFCOM to de-fragment and realign the existing holdings in the 900 and 1800 spectrum bands to maximise the size of contiguous blocks of spectrum. This is also as per "Duties of OFCOM" as per section 3 of WTA to promote the efficient management and use of the part of electromagnetic spectrum available for wireless telegraphy.

**Availability of 5MHz contiguous block in 900 band has allowed UK operators to shift UMTS to this band. UMTS has better spectral efficiency and coverage as compared to GSM.**

**Requirement 8:** Agreed.

**Requirement 9:** Agreed.

**Requirement 10:** Agreed.

**Requirement 11:** Agreed.

**Requirement 12:** Agreed.

power to you



Q5. JAL/GAL response to this question is confidential and can be found in Annex 1.

**Q6. Views are sought on the above, in particular whether respondents are in agreement with this proposal and any issues this raises for operators?**

**JAL/GAL response** – Airtel believes that, in the light of allocation being suggested by CICRA i.e. 800 MHz and 2600 MHz bundles, will leave 2.6 GHz unused in the near future. This band is needed once LTE network matures and customer density increases. Even then, with 1800 MHz being made available for LTE, use of 2.6 GHz will not be possible in foreseeable future.

Consequently, Airtel is of the opinion that withdrawing telecommunication license and hence the WTA license is an extreme step and is not required to achieve the objective of efficient spectrum utilization. This in essence implies that operator will, at worst lose right to operate 2G and 3G networks, and at the least, will have to tear down running LTE network. This will be potentially unfavorable for operator's existing customers.

CICRA can instead implement necessary clause within telecommunication license reserving the right to withdraw any allocated spectrum which remains unused after the specified period of 2 years.

**Q7. Views are sought on the draft tender document in Annex A and whether the specific elements raise issues for respondents?**

**JAL/GAL response** – No, we believe the draft tender document is complete and needs no modification as such. However, it is requested that the points we have raised above are considered favorably.

**Q8. Respondents are asked to comment on any other issues they wish to raise arising from the matters set out in this consultation?**

**JAL/GAL response** – Airtel, once again thanks CICRA for providing the opportunity to present its opinion. We would like to reiterate our stand that LTE spectrum allocation should be used as an opportunity to realign and defragment 900 and 1800 spectrum holding.

1800 is favorable as compared to 2600 due to better coverage characteristics. This will reduce impact on environment by reducing number of masts. Further, operators will not need to shell out extra CAPEX for radar filters at airports. Operators and Channel Islands can also benefit by reducing the number of network nodes required on site.

Similarly 900 is favorable for UMTS as compared to 2100. This will allow GSM and UMTS to run in a single node using single antenna port thus reducing visual impact of telecom activity.

The biggest advantage of a cohesive spectrum exercise will be that, operators and hence their customers, will be spared the cost of re-investing in network hardware in immediate future if realignment is delayed or done after present LTE spectrum allocation.

power to you



JAL/GAL look forward to receiving CICRA's response on their comments noted above at CICRA's earliest convenience.

Please do not hesitate to contact the undersigned should you have any further questions in this respect.

Yours sincerely

A handwritten signature in black ink, appearing to read 'L. Moyse', written in a cursive style.

**Ms. Lisa Moyse**  
**Head-Roaming, Legal & Regulatory Affairs**