



Pan-Channel Island Award of 800 MHz, 1800 MHz and 2.6 GHz Spectrum

Information Notice

Channel Islands Competition and Regulatory Authorities

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Introduction

CICRA¹ (the Channel Islands Competition and Regulatory Authorities) consulted in July and December 2013 on the appropriate method of allocating available LTE spectrum for the purpose of enabling the provision of LTE services² in the Channel Islands. CICRA thanks the respondents to these consultations³. These responses, together with a range of consumer and operator issues arising in the mobile sector that have been brought to CICRA's attention through contact with stakeholders have all informed its conclusions as to how it will run the award of this newly available spectrum. This Information Notice briefly describes the outcome of this consultation process.

CICRA has decided to make a joint award of 800 MHz, 1800 MHz and 2.6 GHz spectrum. This spectrum is referred to in the rest of this document as the 'award spectrum'.

CICRA, similarly to Ofcom, has duties under the respective telecommunications regulatory legislation in Jersey and Guernsey, among other things, to protect the interests of consumers, contribute to and further the economic interests of the Bailiwicks, and promote competition where appropriate. In sectors such as telecommunications where technology, products and markets are evolving very fast, the promotion of competition is particularly able to stimulate innovation that can bring benefits for customers.

CICRA will use the current spectrum award process to achieve a number of objectives including defragmentation and alignment of spectrum. This will be done with the cooperation of the operators concerned and, if necessary, in full observance of the processes that Ofcom needs to follow when revoking or varying the spectrum licences it has issued Channel Island operators.

CICRA anticipates it will be able to announce the result of its award by the end of July 2014.

¹ *The Jersey Competition Regulatory Authority (JCRA) and the Guernsey Competition and Regulatory Authority (GCRA) are together referred to as CICRA and unless otherwise stated, all references to CICRA in this Decision are to each of the JCRA and GCRA*

² *As the spectrum under consideration for allocation may be used for a variety of services – mobile or fixed or hybrid – the term 'LTE' is used to describe, generically, the services that the use of LTE or 4G standards allows on spectrum that support LTE standards.*

³ *Non-confidential responses to CICRA's December's consultation are on CICRA's website.*

1. Applying for spectrum

CICRA's Invitation to Bid (ITB) is open to operators wishing to bid for the 'award spectrum'. An initial £10,000 application fee is payable by all parties applying for this ITB. This fee will contribute to covering the costs that CICRA is incurring in running this spectrum award and is not refundable.

Organisations interested in bidding for the 'award spectrum' are invited to send an e-mail to info@CICRA.gg or info@CICRA.ie. In response, they will receive detailed information on where to pay the £10,000 fee. Upon making this payment, they will receive an electronic copy of the ITB, which contains further application instructions.

2. Spectrum CICRA is Allocating

CICRA intends to award three lots of spectrum in a single comparative selection process. It will recommend that Ofcom awards this spectrum to the selected operators at the conclusion of this competition. These three lots each consist of:

- 2 x 10 MHz in the 800 MHz band, and
- Up to 2 x 20 MHz in the 1800 MHz band⁴ and
- 2 x 10 MHz in the 2.6 GHz band.

3. Minimum Requirement

Only those applicants that comply with the minimum requirements of the competition shall be considered for the granting of the LTE Recommendation to Ofcom. Where applicable, CICRA will reflect these minimum requirements in licence conditions attached to the spectrum award

4. Evaluation Criteria

The evaluation for the award of LTE spectrum will be carried out by assessing the eligible applications that satisfy the minimum requirements against seven criteria, namely:

- Coverage
- Quality of service
- Quality of Business Plan
- Promotion of Protection of the Environment

⁴ The 20 MHz allocation in the 1800 MHz band is to include an amount of 1800 MHz spectrum equivalent to any currently held by a winning applicant. The actual amount of spectrum to be awarded in the 1800MHz band thus depends on the outcome of the award process, specifically the number of incumbent winning applicants. In the event that two or more of the current holders of 1800 MHz spectrum are not among the three highest scoring applicants there would be less than 2x20MHz of spectrum in this band for allocation to the third highest scoring applicant. In this event, CICRA reserves the right to offer the third highest scoring applicant an alternative process with the intention of identifying a substitute for the 2x20MHz of 1800 spectrum that would adequately support its application.

- Consumer benefits
- Performance Guarantees
- Experience

5. Fees

Applicants should note that there is a number of fees payable in relation to the spectrum award offered. These fees consist of both one-off and recurring charges. Payment of the application, deposit and mitigation fees is a minimum requirement of this competition. All applicants must pay the application fee of £10,000 in order to obtain the Invitation to Bid Tender Document. This fee is non-refundable.