

PRESS RELEASE

January 28, 2016

FOR IMMEDIATE RELEASE

URCA's Final Decision and Statement of Results on Spectrum Pricing Review

On January 28, 2016, the Utilities Regulation and Competition Authority (URCA) published its Final Decision and Statement of Results on its "Review of Radio Frequency Spectrum Pricing" ECS 01/2016. The document may be downloaded from URCA's website at http://www.urcabahamas.bs/download/033195700.pdf.

Section 93 of the Communications Act, 2009 authorizes the imposition of charges by the Minister with responsibility for the Electronic Communications Sector (ECS) (currently the Prime Minister) for the allocation or use of spectrum in premium bands, and by URCA in respect of spectrum in standard bands, which charges must reflect the need to ensure efficient and optimal use of this finite state resource.

Commencing in 2013, URCA undertook a comprehensive review of the fees currently charged for spectrum and on April 11, 2014, published for comment its Consultation Document "Review of Radio Frequency Spectrum Pricing" ECS 04/2014. The Consultation Document, proposed certain changes to the fees consistent with the spectrum pricing principles set out in Section 6.1 of the National Spectrum Plan 2014 – 2017 (ECS 03/2014). Comments were received from various licensees on the proposals contained in that document, and URCA has considered those comments and responded in the Statement of Results, and made its final decisions in respect the proposals in its Final Decisions. In respect of standard spectrum, the Final Decision imposes the new spectrum fees which will result in amendments to the existing Fee Schedule, while in respect of premium spectrum the Final Decision sets out the recommendations URCA has made to the Prime Minister. Once the Prime Minister has made a decision, URCA will implement any changes reflected in that decision.

The proposed changes to spectrum fees were due to be implemented in 2015 but were delayed by URCA to afford the sector time to prepare for the impending changes, based on comments received during the consultation. The changes will now be reflected in URCA's 2016 Fee Schedule, and will be effective from January 1, 2016. URCA advises that it will delay its consideration and any implementation of the Spectrum Management Fee for a further year, to afford the sector more time to adjust to the revised spectrum fees.

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