

Digicel

The Bigger, Better Network.

**Digicel's Response to the URCA's Draft Policy
for New Spectrum Bands
ECS 1/2012**

February 2012

Digicel Comments on URCA's Draft policy for New Spectrum Bands

General Remarks

We understand that a new mobile licence will be issued in 2014. We thereby assume that the 700 MHz band will be reserved for the new operator to allow for a level playing field amongst competing operators. As URCA points out in the Draft policy document ECS 1/2012 (page 4) the 700MHz band is significant 'with propagation and power characteristics conducive to serving customers over a large area'. A mobile operator without this band would be at a significant disadvantage.

As URCA describes the 700MHz band in the Bahamas is 'entirely unused and available' therefore every opportunity should be given to the new licence operator to acquire portions of this band in 2014 if not before.

Question 7

Do you agree with URCA's proposal to split the 700 MHz band into a Lower band and an Upper band as discussed? If not, please state reasons why the band should not be divided and offer suggestions to structure the spectrum band.

We understand that URCA will no longer pursue the split Upper/Lower band configuration.

URCA believes that there are cogent reasons for adopting a plan that is compatible with the USA. Digicel agrees with URCA. The Bahamas close proximity with the US makes the most logical, cost effective option.

Question #8

Do you agree with URCA's proposal that the 700 MHz Upper Band should be reserved for future use? If not, please give reasons, providing details for the band to be used otherwise at this time.

Digicel believes that as mobile competition is carded for 2014 that any new operator should have the opportunity to acquire portions of the 700 MHz band. URCA has noted that 'they are minded to ensure that any new entrant, should it wish to do so, would be able to deploy LTE technology in the 700 MHz band'. Digicel supports URCA's proposal to earmark a portion of the 700 MHz band for licensing to operators authorized to provide mobile services.

Question #9

Do you agree with the proposal to maintain a 6 MHz RF channel structure in the 700 MHz Spectrum Band? Do you further agree with the proposal to split one or more of the 6 MHz blocks into smaller sub-blocks to offer licences with smaller bandwidths? If not, please propose another structure for consideration.

Digicel agrees with the SRG proposal with respect to bands 12, 13 and 14 as highlighted in the following band plan:

e-UTRA Operating Band	Uplink Operating Band BS Receive UE Transmit	Downlink Operating Band BS Transmit UE Receive	Pairing	Channel Bandwidth (MHz)
12	698 MHz to 716 MHz	728 MHz to 746 MHz	2 x 18 MHz	1.4, 3, 5, 10
13	777 MHz to 787 MHz	746 MHz to 756 MHz	2 x 10 MHz	5, 10
14	788 MHz to 798 MHz	758 MHz to 768 MHz	2 x 10 MHz	5, 10

The above band 12, 13 and 14 allocations are based on US suppliers who have the buying power so it makes economic sense for Caribbean operators to purchase equipment that match the US allocations.

Question #10

Do you agree with URCA’s proposed interim pricing for the 700 MHz band? If not, please state reasons why and offer other suggestions.

Digicel notes that URCA has not yet conducted its proposed comprehensive review of spectrum fees charged in the Bahamas although we understand it intends to do so in 2012. Digicel would like to suggest that URCA takes the following general comments into consideration:

- a) There should be an underlying policy objective to allocate spectrum to the people best able to make use of it at the minimum cost.
- b) Spectrum fees should not be seen as an opportunity to extract as much money as possible out of the industry. Rather, fees should only be imposed to the extent that it might be necessary to allocate spectrum efficiently. At all times it should be the specific objective of the regulator to minimise fees to be imposed so that maximum investment is encouraged.

END.