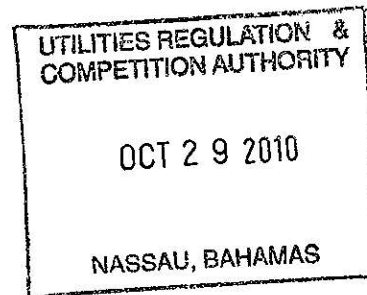




4th October, 2010

Mr. Usman Saadat
Chief Executive Officer (CEO)
Utilities Regulation and Competition Authority
P.O.Box N – 4860
Nassau, Bahamas



Dear Mr. Saadat:

Subject: Consultation Document ECS/2010, Opening New Spectrum Bands

Please see responses by Peace Holdings Co. Ltd. below with reference to the Public Consultation Document published by URCA on 1 October, 2010.

Section 3: Procedural guidelines to opening new bands

Question #1

Do you agree with URCA's proposal of factors to consider when it initiates the process to open new spectrum bands upon its own volition? If not, please provide additional or other factors that should be considered.

Answer # 1

Yes, Peace Holding does agree with URCA's proposed factors when it initiates the process to open new spectrum bands upon its own volition.

Question #2

Do you agree that URCA should also consider specific demands from the industry? If not, please indicate what should stimulate URCA to consider initiating the process to open new spectrum bands.

Answer # 2

We believe it is absolutely necessary that URCA consider specific demands from the industry.

Question #3

Do you agree with URCA's proposal that licensees should only be awarded an optimum amount of spectrum licences for services to be provided in a territory? If you disagree, please provide a framework for URCA to consider when determining the optimum amount of spectrum bandwidth to award each potential licensee.

Answer # 3

Peace Holdings does agree that only a limited amount of spectrum licences be given for services to be provided in a territory. This can be based on service demands, spectrum availability and area population.

Question #4

Do you agree that URCA should not award the entire capacity of a spectrum band to a single operator unless the applicant could prove an exception to best practices? If not, please provide details to guide URCA in considering the award of an entire band to a single operator to the exclusion of others.

Answer # 4

We concur with URCA, for the simply reasons expressed in **section 3.3 (iv)** of the consultation document.

Question #5

Do you agree with URCA's proposal on the information to be provided when requesting a new spectrum band to be opened? If not, please provide amendments or a new proposal for consideration.

Answer #5

We do agree with the proposal expressed by URCA as documented in sections 3.2 and 3.3 of the document. Peace Holdings see the listed information being necessary so as to assist URCA in the following:

1. To expedite any request for spectrum
2. The assignment of any requested spectrum is such that it minimizes the effects of harmful interference to other authorized users of the spectrum
3. URCA's knowledge of transceiver locations will assist in URCA's spectrum monitoring exercises and interference investigations. etc.

Question #6

Do you agree with URCA's proposal on guidelines on how to configure and open a new spectrum band and award licences? If not, please provide amendments or a new proposal for consideration.

Answer #6

Yes.

Section 4: New Spectrum Band To Be Opened

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 other suggestions to structure the spectrum band.

Answer #7

Peace Holdings does not agree with the splitting up of the 700MHz band as indicated by URCA in its document and should consider opening up the whole band, for the simple reasons expressed below:

1. because it limits the number of operators to only one section of the band for the provision of services;
2. services to be offered in one section of the band may be non-existing due to no new developments for that part of the band;
3. latest technologies that are being developed, are being done so in the section of the band that is closed off by the regulator which makes it futile to have the less active part of the band opened while keeping the more active part of the band closed. It stifles progress.
4. Operators seeking to provide numerous services as part of their overall plan will be hamstrung in doing so.
5. It does not allow for flexibility. To use an analogy: It's like the government issuing all one hundred dollar notes. As a result, you cannot give change, so why issue the note? there is no flexibility.
6. Most of the development now in the 700MHz band is being developed in the upper part of the band with some new services being developed in the lower end, but not to compare with the upper side.
7. All that was mentioned in the consultative document concerning the opening of the 700 MHz band was done so in harmonization with the USA, Canada and other Caribbean countries except the opening up of the whole band. If URCA considers 4.10 of the consultation document to be true, then the whole band should be opened.

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.

Answer #8

Peace Holdings does not agree for the reasons expressed in answer #7 above. It limits ingenuity, progress and the range of services to be offered in what is suppose to be a liberalized sector. Peace Holdings feels as though once a band is opened, the whole band should be opened and only those portion of the band for special services such as police, and government services should be reserved. It simply retards development.

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 subblocks to offers licences with smaller bandwidths? If not, please propose another structure for consideration.

Answer #9

Peace Holdings does not have an issue with URCA maintaining a 6 mHz channel structure and portions thereof.

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.

Answer #10

Not quite sure.

Section 9: Expression of Interest #1:

Please see attachments. Expression of interest is made in the form of an application for spectrum in the 700mHz band and for a licence to provide internet services.

RETURN ADDRESS:

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