

RESPONSE
TO
CONSULTATION ON
PROPOSAL FOR ASSIGNMENT OF SPECTRUM IN THE 700 MHZ
BAND

LIME

By E-mail to: consultation@ectel.int

Landline | Internet | Mobile | Entertainment

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I. Introduction

1. CWI Caribbean Limited, on behalf of its affiliates Cable & Wireless Dominica Limited, Cable & Wireless (St. Lucia) Limited, Cable & Wireless Grenada Limited, Cable & Wireless St. Kitts and Nevis Limited and Cable & Wireless St. Vincent and the Grenadines Limited, all trading as LIME (“**LIME**”), is pleased to provide the following comments on the Commission’s ‘Consultation on Proposal for Assignment of Spectrum in the 700 MHz Band’ (the “**consultative document**”) published July 20, 2012.

2. LIME expressly states that failure to address any issue raised in this consultative document does not necessarily signify its agreement in whole or in part with the Commission’s position. LIME reserves the right to comment on any issue raised in the consultation at a later date.

II. Developments Since ECTEL First 700 MHz Consultation in 2008

3. ECTEL advises that its “Policy On The Allocation And Assignment Of Frequencies In The 700 Mhz Band” (“**the Policy**”) was approved at ECTEL’s 47th Board of Directors Meeting in April 2009. LIME was at no point in time advised of the tabling or approval of the Policy. Nor did ECTEL respond to the issues raised by the industry in its response to the first consultation.

4. Rather than proceeding as if nothing has changed, and much has, ECTEL should take this opportunity to review best practice for 700 MHz at this time. This could result in a revision of the Policy.

5. The key determinant of the desirability of spectrum is the availability of equipment that will work in the bands. The handsets and other mobile devices used or to be used by customers in the ECTEL States will either look for CDMA or for HSPA/+ networks, depending on whether the handset/mobile device was originally developed for Verizon or AT&T, but not for both. The method of allocation of spectrum in the 700 MHz band will directly affect the quality of service which a provider's customer base will receive. Another crucial component is backward compatibility and this is particularly so for customers who are in-bound roamers. The 700 MHz band assignment proposed by ECTEL is most aligned to the USA block allocation assigned to Verizon. Note that Verizon runs a CDMA network. AT&T runs a GSM network. The current Block assignments mean that to co-ordinate deployments to AT&T devices, three blocks would need to be assigned (Block A', Block *B and half of Block C). This contravenes the policy of only two blocks being assigned to any operator and also wastes 6MHz of Block C (760-776MHz). The major mobile operators (LIME and Digicel) in the ECTEL region run a GSM network. Note that none of the carriers running 3G on their GSM networks can support roaming for Verizon customers on CDMA. Current roaming agreements for the USA are with AT&T. As at April 30th 2012, AT&T has 104 million subscribers, while Verizon has 93 million, as per the following article: <http://untether.tv/2012/verizon->

[sprint-and-att-which-carrier-is-iphone-5-ready/](#). Consequently, it would be most beneficial for the ECTEL markets if the 4G LTE spectrum assigned supports AT&T roamers. Also of note, due to the size of the Caribbean markets, and any volume commitments that could be made, little influence can be exercised on device manufacturers to change their roadmaps for devices to support the Verizon block allocation with GSM rather than CDMA.

6. 4G LTE devices are normally backward compatible with 3G/2G (HSPA/GSM) but not with CDMA. This means that if for whatever reason, roaming fails on the 4G LTE network for an inbound Verizon roamer, that customer's call could not be handed over to the 3G/2G network because of the different technologies used on the different networks. In effect that roaming customer would have no service. On the other hand, an AT&T customer would be able to roam on the 3G network as happens today because of the compatibility of the networks and the frequencies used.

7. This means then that for the ECTEL countries, it makes more commercial sense to align with the AT&T / HSPA+ blocks in addition to the Verizon / CDMA block assignment. LIME urges the Commission to review its Block Subdivision Plan to align it with the HSPA+ frequency plan adopted by the FCC in the U.S. This should not be difficult to do at this stage since operators have not yet made a commitment to the band plan and ECTEL should be open to changing with developments. LIME recommends

taking 740-746MHz from Block C and adding this to Block *B. This would make block allocation *B 12MHz and Block C 6MHz.

III. Assignment of 12 MHz Spectrum to Existing Operators

8. LIME notes that the Commission has advised that all operators will be required to re-apply for 700 MHz spectrum, LIME agrees that this is a reasonable and fair approach to take. LIME also agrees that existing providers should receive priority in the assignment of spectrum.

9. The assignment of 12 MHz of spectrum, while absolutely necessary, is not sufficient to provide wireless broadband service at an acceptable Quality of Service (QoS). LIME recommends for consideration the approach proposed by the regulator in Turks & Caicos, where the Turks & Caicos Island Telecommunications Commission (TCITC) sought comments on the allocation of 700MHz spectrum. LIME supported the 20MHz option as set out below:

Two Licensed PMT Operators Granted "Prime" 700 MHz Spectrum

Two of the three licensed PMT operators would be granted "prime" 700 MHz spectrum: In this case, two of the three Applicants would be granted a license for some "prime" 700 MHz spectrum – i.e., at least 10 + 10 or 20 MHz of "prime" 700 MHz spectrum in each case. in either Lower B and C or Upper C. The objective in this case would be to ensure that each of the two Applicants granted "prime" 700 MHz spectrum would have a sufficient quantity of spectrum to immediately launch high quality/high speed 4G LTE services in TCI.

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Under this option, the third Applicant would be provided with a first right of refusal for being assigned either "non-prime" 700 MHz spectrum, other 700 MHz spectrum reserved for future commercial and/or public safety uses (after the Applicant identifying an immediate or near term commercial and/or joint commercial and public safety use for the spectrum) or for spectrum in another frequency band for the purposes of deploying LTE technology (e.g., 1700/2100 MHz, 2500/2600 MHz or other frequency band).

10. In its response to this consultation from the Turks & Caicos Islands, LIME chose this option because it provided an opportunity to deliver wireless broadband at an acceptable, competitive QoS. LIME believes that ECTEL's proposal would be enhanced by adopting this option developed by the TCITC. For further details please see <http://www.telecommission.tc/info--ID--263.html>.

11. LIME agrees that administrative pricing is most suitable for the pricing of the 700 MHz spectrum. This should facilitate ECTEL's objectives of:

- Ensuring the most rapid rollout /deployment of spectrum possible; and
- Ensuring that a reasonable measure of priority is given to the provision of access to the spectrum for the purpose of upgrading existing networks and customer services – especially those networks with large subscriber bases.

IV. First Come, First Serve

12. As indicated in the immediately foregoing section, LIME recommends that the Commission include the recommended option, where at least two (2) existing companies

can be awarded 20 MHz (plus guardbands) of 700 MHz spectrum. This would mean that at least two providers would be able to roll out a robust wireless broadband solution which is impossible to do with only 12 MHz.

13. In the event that there are conflicting applications, then LIME suggests that ECTEL could use a beauty contest to decide which operator should be awarded 20 MHz of spectrum.

V. Notice to be Published

14. The Commission has advised that a Notice is to be published once the amended Fees Regulation has been adopted. The Notice is expected to do the following:

- i) Advise the public of the availability of 700 MHz spectrum.*
- ii) Describe the process to be employed for award of 700 MHz spectrum.*
- iii) Set a 90 calendar days deadline by which an existing PMT or BWA service provider should apply in order to be assured of an assignment of at least 12 MHz of spectrum provided that the application passes the normal evaluation process.*
- iv) Outline any conditions under the 700MHz policy that are unique to the assignment of 700 MHz spectrum.*

15. ECTEL has not said whether or not it will allow comments on the Notice. The Notice however will contain positions which have significant impact on the existing providers and ought properly to be the subject of a consultation. Accordingly LIME anticipates that the Notice will be open to comments in keeping with the rules of natural

justice and one of ECTEL's main purposes under Article 4 (1) (j) of the ECTEL Treaty to promote national consultations in the development of telecommunications.

16. LIME suggests that instead of saying '*...Those rules only address aspects of the proposed assignment process that are different from the normal assignment process. All other existing rules that are not in conflict with the rules below will continue to apply...*' the Commission specify all the criteria for the assignment of the spectrum. The Commission would not want any operator to challenge its assignments on the basis that rules exist that are not clear, are not well defined or are not communicated. For the avoidance of doubt it is best to state all the criteria relevant for the assignment of 700 MHz spectrum in the Notice, although this should properly be in this consultative document, and allow operators to comment.

VI. Deployment Within Six (6) Months of Assignment

17. Of the countries in the English speaking Caribbean which have addressed the matter of the assignment of 700 MHz in recent times, none has proposed that the spectrum be deployed within six (6) months. Technically, it is likely to be challenging to deploy the spectrum in 6 months. This is because the process involves selecting an overseas manufacturer who would have to build and ship the required equipment. When it has arrived in port the appropriate customs clearance procedure for imports will have to be complied with. Once the equipment is cleared then the network will be built locally.

Both the Bahamas and Turks & Caicos Islands have established an eighteen (18) month timeframe for deployment. LIME recommends the same to ECTEL.

VII. Closing Remarks

18. LIME thanks the Commission for the opportunity to participate in the consultation. Kindly send any communication in relation to this consultation to:

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