



**First Call for Applications  
for 700 MHz Spectrum Licences**

**issued by the**

**Turks and Caicos Islands  
Telecommunications Commission**

**on**

**October 17, 2012**

## **1 Objective**

On 17 September 2012, the Turks and Caicos Islands (“TCI”) Telecommunications Commission (the “Commission”) issued Telecommunications Decision 2012-7, the 700 MHz Spectrum<sup>1</sup> Policy Decision (the "Decision"). Among other things, the Decision established a channel plan for the 700 MHz spectrum band in TCI, conditions of licence, licence fees, a two-stage licence assignment process and an associated implementation process. A key objective of the Decision is to promote the timely deployment of 4th Generation ("4G") Long-Term Evolution ("LTE") mobile broadband technology for the benefit of consumers and businesses in TCI.

The objective of this First Call for Applications ("First CFA") is to begin the first stage of the two-stage licensing process set out in the Decision. The aim of this First CFA is to solicit expressions of interest for designated 700 MHz spectrum blocks from eligible applicants. If there is excess or overlapping demand in response to this First CFA, then the Commission will undertake the second "comparative selection" stage of the licensing process by issuing the Second CFA. If there is no excess or overlapping demand in response to this First CFA, then the requested 700 MHz spectrum will be assigned based on this First CFA expressions of interest.

Parties intending to submit expressions of interest in response to this First CFA should ensure that they are fully familiar with the Commission's 700 MHz spectrum policy as set out in the Decision. This First CFA should be read in conjunction with the Decision.

## **2 Legal and Policy Framework**

For the purpose of establishing the process for licensing 700 MHz spectrum in the Decision, the Commission has taken into account the provisions set out in Part IV of the *Telecommunications Ordinance 2004*,<sup>2</sup> the *Frequency Management Regulations 2005*, the *Turks and Caicos Islands Table of Frequency Allocations 88 MHz to 59 GHz* (last updated 21 March 2011) and the licensing procedures set out in the *Telecommunications and Frequency Licensing Regulations 2005*.

As set out in the Decision, the Commission adopted the Federal Communications Commission's (FCC) channel plan for the 700 MHz spectrum band in TCI.<sup>3</sup> Under the FCC plan certain 700 MHz spectrum blocks have been reserved for future public safety, joint commercial/public safety and/or commercial uses. The remainder of the spectrum band is being available for immediate commercial use.

As explained in the Decision, the spectrum being made available for immediate commercial use has been divided into two categories: "prime" and "non-prime" spectrum blocks. The "prime" spectrum category corresponds to the blocks for which 4G LTE terminal devices and network equipment are currently available at relatively affordable prices (i.e., the Lower B & C blocks and Upper C block). The remaining commercial use blocks, where this is currently not the case,

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<sup>1</sup> Note that "700 MHz spectrum" refers to spectrum in the frequency band 698 – 806 MHz.

<sup>2</sup> Specifically, sections 30, 31, 32 and 34 of the Ordinance.

<sup>3</sup> Details of the FCC channel plan are provided in Annex 1 of the Decision.

are designated as "non-prime" spectrum (i.e., the Lower A block and unpaired Lower D and E blocks). The spectrum block designations for the 700 MHz band are summarized in Table 1.

| <b>Table 1: 700 MHz Spectrum Block Designations (698 – 806 MHz)</b> |                    |                |   |                  |
|---|--------------------|----------------|---|------------------|
| <b>Reserved for Future Use</b>                                      |                    |                |   |                  |
| <b>Block</b>  | <b>Designation</b> | <b>Pairing</b> | <b>Frequency</b>                          | <b>Total MHz</b> |
| <b>Public Safety</b>  | Reserved *         | Paired         | 763-775 MHz/793-805 MHz                   | 12 + 12 = 24 MHz |
| <b>Upper D</b>  | Reserved **        | Paired         | 758-763 MHz/788-793 MHz                   | 5 + 5 = 10 MHz   |
| <b>Guardbands</b>   | Reserved           | Unpaired       | 757-758, 775-776,<br>787-788, 805-806 MHz | 4 MHz            |
| <b>Sub-Total</b>  |                    |                |   | <b>38 MHz</b>    |
| <b>Available for Immediate Commercial Use</b>                       |                    |                |   |                  |
| <b>Block</b>  | <b>Designation</b> | <b>Pairing</b> | <b>Frequency</b>                          | <b>Total MHz</b> |
| <b>Lower A</b>  | Non-Prime          | Paired         | 698-704 MHz/728-734 MHz                   | 6 + 6 = 12 MHz   |
| <b>Lower B &amp; C</b>  | <b>Prime</b>       | Paired         | 704-716 MHz/734-746 MHz                   | 12 + 12 = 24 MHz |
| <b>Lower D</b>  | Non-Prime          | Unpaired       | 716-722 MHz                               | 6 MHz            |
| <b>Lower E</b>  | Non-Prime          | Unpaired       | 722-728 MHz                               | 6 MHz            |
| <b>Upper C</b>  | <b>Prime</b>       | Paired         | 746-757 MHz/777-788 MHz                   | 11 + 11 = 22 MHz |
| <b>Sub-Total</b>  |                    |                |   | <b>70 MHz</b>    |
| <b>TOTAL</b>  |                    |                |   | <b>108 MHz</b>   |

\* Joint public safety/commercial use may be permitted.

\*\* Public safety and/or commercial uses may be permitted.

In the Decision, the Commission adopted a spectrum assignment approach under which two licensed public mobile telecommunications ("PMT") operators would be granted a license for "prime" 700 MHz spectrum (i.e., at least 10 + 10 or 20 MHz of "prime" 700 MHz spectrum in each case). The objective in this respect is to ensure that each of the two licensed PMT operators granted "prime" 700 MHz spectrum has a sufficient quantity of spectrum to immediately launch high quality/high speed 4G LTE mobile broadband services in TCI.

Under the adopted spectrum assignment approach, the Commission will also grant licences for "non-prime" 700 MHz spectrum available for commercial use to eligible licensed operators should demand for the spectrum exist. In such case, priority would be given to assigning requested "non-prime" 700 MHz spectrum to eligible licensed operators other than the licensed PMT operators granted "prime" 700 MHz spectrum. For any operator to be granted "non-prime" 700 MHz spectrum, an immediate or near term commercial use for the spectrum must be identified to avoid the risk of spectrum warehousing.

As well, the Commission will also accept requests from eligible licensed operators for "reserved" 700 MHz spectrum as long as the intended use of the spectrum is consistent with the uses set out

in the 700 MHz Policy Decision for the spectrum blocks in question. Again, those proposed uses would need to be immediate or near term in nature to be eligible for licensing at this time.

### **3 Requirements for Responses to the First CFA**

The purpose of this First CFA is to:

- Invite licensed PMT operators to file with the Commission expressions of interest in obtaining a licence for one of the two designated "prime" 700 MHz spectrum blocks as set out Table 1 above.
- Invite licensed PMT operators and other licensed operators to file with the Commission expressions of interest in obtaining a licence for designated "non-prime" 700 MHz spectrum blocks and, if applicable, "reserved" 700 MHz spectrum blocks as set out in Table 1 above.

For the avoidance of doubt, all existing applications for 700 MHz spectrum licences previously filed with the Commission will be set aside as a result of the Decision. Failure of a party to file an expression of interest in obtaining a 700 MHz spectrum licence in response to this First CFA would make that party ineligible to be granted a 700 MHz spectrum licence as a result of this current licensing process. It would not however preclude that party from applying for a 700 MHz spectrum license in the future should any 700 MHz spectrum remain unassigned as a result of this current licensing process.

Parties who to file an expression of interest pursuant to this First CFA (i.e., "Applicants") are required to include the following information in their submission:

***i) Applicant Identification and Contact Information***

Each Applicant must identify itself by providing its name, legal status, business address, the address of its registered office and other applicable contact information.

The Commission notes that if any Applicants decide to submit an expression of interest as a joint or associated entity, they must provide a detailed description of the nature of their joint or associated entity arrangement, including a detailed description of how they intend to make joint use of the requested 700 MHz spectrum and, where applicable, also compete with one another in the retail mobile broadband market.

***ii) Expressions of Interest in "Prime" 700 MHz Spectrum***

Each Applicant must specify the specific "prime" spectrum block(s) for which it is seeking a licence – i.e., either the Lower B & C blocks or Upper C block. Moreover, it must specify its **first choice** of the two designated "prime" 700 MHz spectrum block(s) and, in addition, the Applicant should also specify its **second choice** "prime" 700 MHz spectrum block(s).

For avoidance of doubt, only currently licensed PMT operators in TCI are eligible to be granted "prime" 700 MHz spectrum licences. Therefore, only licensed PMT operators will be considered as Eligible Applicants for "prime" 700 MHz spectrum licences.

**iii) Expressions of Interest in "Non-Prime" and "Reserved" 700 MHz Spectrum**

Applicants may also submit an expression of interest in obtaining a "non-prime" and/or "reserved" 700 MHz spectrum licence. In such cases, each Applicant should identify the specific "non-prime" and/or "reserved" 700 MHz spectrum block(s) for which it is seeking a licence.

All currently licensed operators in TCI are eligible to submit expressions of interest in "non-prime" and/or "reserved" 700 MHz spectrum. If Applicants consider it necessary and helpful, they may also indicate their first and second choices of "non-prime" and/or "reserved" 700 MHz spectrum blocks. In this respect, the Commission notes that licensed PMT operators who have submitted first and second choice expressions of interest in "prime" 700 MHz spectrum should also indicate whether their expressions of interest in "non-prime" and/or "reserved" 700 MHz spectrum, if any, are dependent on their choices of "prime" 700 MHz spectrum.<sup>4</sup> In other words, their first and second choices of "prime" 700 MHz spectrum should also include, as may be applicable, corresponding choices of "non-prime" and/or "reserved" 700 MHz spectrum.

**iv) *Services to be Provided using the Requested Spectrum***

Each Applicant should also provide a brief description of the services it intends to provide using the requested 700 MHz spectrum in the immediate and longer term, specifically including the technology it plans to deploy to provide those services (e.g., 4G LTE or other). The description should make reference to each 700 MHz spectrum block for which an expression of interest is made – i.e., prime, non-prime and/or reserved, as may be applicable.

Parties submitting responses to this First CFA must also include a completed copy of the table included in Annex 1 with their submissions. Note that the designated "reserved" 700 MHz spectrum blocks listed in Annex 1 have been disaggregated to a greater degree than in Table 1 above in order to provide applicants with some additional flexibility to express interest in "reserved" 700 MHz spectrum should they choose to do so.

Where an applicant files information contained in its response to this First CFA in confidence with the Commission, it must provide the reasons for doing so in its submission (including a description of the specific direct harm to the Applicant the disclosure of the information may cause). It must also file an abridged copy of its submission for the public record. The Commission will apply the confidentiality provisions set out in section 19 the *Telecommunications (Administrative Procedure) Regulation 2008* in considering any such claims of confidentiality. The Commission notes, however, that it does not consider the

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<sup>4</sup> For instance, it may be impractical from a technological perspective to licence the Lower A block and the Upper C block to the same operator.

disclosure of an Applicant's specific expression of interest, either as a first or second choice, for any particular 700 MHz spectrum block or set of blocks would cause specific direct harm to the Applicant and therefore, the Commission considers that such expressions of interest should be placed on the public record.

Interested parties are required to file their responses to this First CFA by no later than **4:00 PM, TCI time, Wednesday, October 31, 2012**. No responses will be accepted by the Commission after that time. Parties who fail to file an expression of interest in obtaining a 700 MHz spectrum licence in response to this First CFA will be ineligible for a 700 MHz spectrum licence through the current licensing process.

Responses to this First CFA may be submitted to either one or both of the following addresses:

- a) E-mail to: [consultations@tcitelecommission.tc](mailto:consultations@tcitelecommission.tc)
- b) Delivery (paper and electronic copy) by hand or by courier to:

Mr. John Williams,  
Director General  
Turks and Caicos Islands Telecommunications Commission  
Business Solutions Complex, Leeward Highway  
Providenciales,  
Turks and Caicos Islands

Should an interested party require clarification of any aspect of this First CFA it may submit any question(s) it may have via email to the Commission. Any such questions must be submitted to the Commission no later than **4:00 PM, TCI time, Wednesday, October 24, 2012**. The Commission will undertake to answer such questions as quickly as possible. Any such questions together with the Commission's answers will be posted on the Commission's website. In addition, copies of all such questions and answers will be sent directly to the party(s) who posed the question(s), all parties to the proceeding which led to the Decision as well as any other parties who indicate to the Commission that they are interested in receiving such information.

## **4 Subsequent Licensing Process**

Based on its review submissions to this First CFA, the Commission will first determine whether each Applicant is in fact eligible to be granted a licence for the spectrum in which an expression of interest was submitted. In addition, the Commission will also consider whether the proposed use of the requested spectrum is consistent with the Commission's stated 700 MHz Spectrum Policy. If an Applicant's submission does not pass either of these basic requirements in whole or part, then that part of the Applicant's request for 700 MHz spectrum that is found to be deficient will be deemed ineligible for further consideration by the Commission.

Second, considering all eligible expressions of interest, the Commission will then determine whether there is excess and/or overlapping demand for the designated 700 MHz spectrum blocks. As noted, in event there is no excess and/or overlapping demand, the Commission would move

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directly to licensing of 700 MHz spectrum in accordance with the expressions of interest filed in response to the First CFA.

In the case where there is excess and/or overlapping demand, the Commission will move to the second stage of the 700 MHz spectrum process. In this case, the Commission will issue a Second CFA in which it will identify those Applicants who responded to the First CFA who are eligible to respond to the Second CFA – i.e., effectively providing a list of Eligible Applicants. The Commission notes that for each Eligible Applicant, the Second CFA will identify the specific 700 MHz spectrum blocks for which an expression of interest was made, including both first and second spectrum block choices where applicable.

For the avoidance of doubt, only applicants that participated in the First CFA will be eligible to participate in the Second CFA. Further, it should be noted that being an Eligible Applicant does not guarantee an assignment of 700 MHz spectrum as there may be insufficient available spectrum to meet the demands of all Eligible Applicants.

The Second CFA will also set out the final set of comparative selection criteria that each Eligible Applicant must address in support of their respective requests for 700 MHz Spectrum. While the criteria will largely be the same as those listed in Section 2.3 of the Decision, some additional considerations and refinements to those criteria may be included in the Second CFA. The Commission also intends to include a weighting scheme for the final comparative selection criteria. Based on the Commission's evaluation of the responses to the Second CFA, it will assign the designated 700 MHz spectrum blocks to those Eligible Applicants who best meet the established comparative selection criteria.

The Commission notes that it intends to issue the Second CFA, assuming it is necessary, within approximately two weeks following the deadline for responses to this First CFA.

## Annex 1

### Expression of Interest in Designated 700 MHz Spectrum Blocks

**Company Name:** \_\_\_\_\_

*(Mark requested spectrum block(s) with an "X")*

| Designated Spectrum Blocks            | Frequency               | First Choice<br>(mandatory) | Second Choice<br>(optional) |
|---------------------------------------|-------------------------|-----------------------------|-----------------------------|
| <b>"Prime" Blocks *</b>               |                         |                             |                             |
| Lower B & C                           | 704-716 MHz/734-746 MHz |                             |                             |
| Upper C                               | 746-757 MHz/777-788 MHz |                             |                             |
| <b>"Non-Prime" Blocks</b>             |                         |                             |                             |
| Lower A                               | 698-704 MHz/728-734 MHz |                             |                             |
| Lower D                               | 716-722 MHz             |                             |                             |
| Lower E                               | 722-728 MHz             |                             |                             |
| <b>"Reserved" Blocks</b>              |                         |                             |                             |
| Upper D                               | 758-763 MHz/788-793 MHz |                             |                             |
| Public Safety #1                      | 763-768 MHz/793-798 MHz |                             |                             |
| Public Safety #2                      | 768-775 MHz/798-805 MHz |                             |                             |
| Guardband #1                          | 757-758 MHz             |                             |                             |
| Guardband #2                          | 775-776 MHz             |                             |                             |
| Guardband #3                          | 787-788 MHz             |                             |                             |
| Guardband #4                          | 805-806 MHz             |                             |                             |
| <b>Total Requested Spectrum (MHz)</b> |                         |                             |                             |

*Notes: \* Only licensed PMT operators eligible for at most one designated "prime" block.*