



May 6, 2011

TCI Telecommunications Commission
P.O. Box 203
872 Business Solutions Building
Leeward Highway
Providenciales, Turks and Caicos Islands, BWI

Dear Sirs,

Islandcom Telecommunications, Ltd. (“Islandcom”) is pleased to provide the following comments to the Turks and Caicos Island Telecommunications Commission’s Public Consultation Document for 700 MHz dated April 18, 2011. Islandcom believes that any measures taken by the Commission with respect to the 700 Mhz spectrum should be in the context of policy objectives promoting sustainable competition. On behalf of Islandcom, I thank you for the opportunity to submit these comments, and request the right to comment on any additional issues raised in the consultation at a later date.

Question 1

Do you agree that the 700 MHz spectrum should be channelized in the Turks and Caicos Islands based on 18 channels of 6 MHz each or should we adopt the approach taken by the FCC?

The Turks and Caicos Island Telecommunications Commission (the “Commission”) should adopt the 700 MHz allocations made by the FCC, in order to (i) ensure terminal interoperability with the United States, (ii) comply with 3GPP LTE 700 MHz frequency allocations and (iii) ensure that terminals and wireless infrastructure are readily available to Turks and Caicos at reasonable prices.

The FCC 700 MHz allocations are as follows:

Block	Spectrum	Band
Upper 700 MHz block C	746-757 MHz 776-787 MHz 2X11 MHz	Terminal band class 13
Lower 700 MHz block A	698-704 MHz 728-734 MHz 2X6 MHz	Terminal band class 12
Lower 700 MHz block B	704-710 MHz 734-740 MHz 2X6 MHz	Terminal band class 12, 17
Lower 700 MHz block C	710-716 MHz 740-746 MHz 2X6 MHz	Terminal band class 12, 17

Question 2

Do you agree with the proposal to split one or more of the 6 MHz blocks into smaller sub-blocks to offers licences with smaller bandwidths? If not, please propose another structure for consideration.

No. As a rule larger frequency blocks are more efficient than smaller ones. Islandcom is unaware of any proposed or current business case for any use of narrow band channels such as 1, 1.5 or 2 MHz. The Turks and Caicos Islands would be better served to reserve larger blocks that could be sub-divided later commercially, by regulation or through leased spectrum.

Question 3

Do you agree with the proposal that the service provider can use any technology of its choosing within the band? If not, why?

Yes, Islandcom agrees with the Commission's proposal that service providers may use their preferred technology, however, this policy should require that any technology used shall not interfere with other adjacent and in-band operators. In the event that the Commission seeks to designate new standards or technologies to be used in the Turks and Caicos Islands, Islandcom requests an explicit and prompt announcement, and recommends that the Commission adopt incentives for carriers to use such technologies.

Question 4

Indicate your need for additional spectrum for commercial mobile service applications and how much spectrum is required.

(a) What deployment timelines are being considered?

(b) What types of applications/uses are envisioned?

(c) To what degree will your business anticipated spectrum needs be addressed by having access to the 700 MHz spectrum?

(a) Islandcom is currently assessing its deployment timelines for new services but it is abundantly clear that 700 MHz spectrum will be required in the near future to effect its migration to next generation services.

(b) Islandcom currently anticipates that it will add more mobile voice and data products and services in the future. Within the next five years, 60% mobile data usage is predicted to be video download or streaming. In order to support such usage, Islandcom needs additional spectrum to support this type of 4G or LTE technology

(c) Islandcom will need additional spectrum to provide 4G or LTE-type services in 3GPP LTE bands.

Question 5

Do you agree with the Commission'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 the Commission to consider when determining the amount of spectrum bandwidth to award each potential licensee.

Islandcom requests that the Commission clarify this sentence.

Question 6

Do you consider 12MHz of spectrum per operator to be sufficient considering the Commission's conditions of bandwidth requirements and customer base? If not, what bandwidth would you recommend and for what reasons?

No. Although 12 MHz is necessary, it is not sufficient. 12 MHz or 2X6 MHz is the minimum amount existing operators would need to be able to overlay their existing networks with a technology like LTE. LTE is a broadband technology requiring a minimum of 2X 5 MHz to operate. The larger the block of spectrum, the more efficient LTE can be. Therefore, a total of 12 MHz or 2X6 MHz is the minimum amount required to be aligned with 3GPP LTE allocations.

Question 7

Do public safety agencies need spectrum for broadband applications? If so:

(a) How much and for which type of applications?

(b) What are the anticipated deployment plans and the possible constraints, if any, in implementing these plans?

(c) Is there suitable alternate spectrum to the 700 MHz to meet these broadband requirements?

Islandcom recognizes the importance of a robust public safety network, however, without a proper policy being defined, it does not benefit the people of Turks and Caicos to have an “ad hoc” undefined plan. The need to access and share data and images during times of emergency is apparent, however, the use of 700 MHz spectrum is not necessary to ensure the proper construction of such networks. Public safety networks can be successfully built on broadband wireless mesh networks such as WiMax or Wi-Fi, and 4.9 GHz. While these networks can be regional in scope, they can also maintain connections with highly mobile workers, deliver large amounts of low-cost bandwidth with extremely high reliability, and support real-time video, voice and data. Islandcom believes these networks are a suitable alternate to the use of 700 MHz for public safety purposes.

Question 8

Do you agree that the traditional first-come, first-served method of assigning spectrum in the Turks and Caicos Islands is appropriate in the case of the 700 MHz spectrum, or would it be preferable to use a comparative selection method?

No. Given today's rapid changes in technology, a country is best served by not using a traditional “first-come, first-served” method of assigning spectrum. The existing three wireless operators in the Turks and Caicos should all be treated fairly, and the 700 MHz band and total spectrum holdings should be made available to all three existing wireless operators.

Question 9

Would you consider auction as an appropriate method for awarding Licences/frequencies in the 700 MHz band? What type of auction would you consider best if auctions were to be used?

In new or growing markets, properly constructed auctions are an efficient way to award licenses in a non-discriminatory and fair basis. However, in the absence of any new proposed players to

the telecommunications sector in the Turks and Caicos market, Islandcom proposes that a certain amount of the 700 Mhz spectrum be awarded to each of the current providers, in part to recognize the investments already made in Turks and Caicos.

Question 10

Would you consider administrative pricing as an appropriate method for awarding Licences/frequencies in the 700 MHz Band? What costs would you include for consideration in determining the regulatory costs?

As the use of the 700 Mhz would be for the deployment of new technologies, Islandcom believes that the Commission should price the spectrum in such a way as to encourage investment in deployment and further innovation. As a reminder, due to the relatively small size of the population in Turks and Caicos, a provider's recovery time for its investment tends to be prolonged. Spectrum and administrative fees, therefore, should be set at a reasonable level, and in no event above the current fees associated with the 850 MHz spectrum.

Question 11

Do you consider that it is appropriate to reserve any channels of the 700 MHz band for future use?

No. In the absence of any clear government policy decisions on the 700 Mhz band, Islandcom does not see the need to reserve any of the 700 Mhz band for future use.

Kind Regards,

A handwritten signature in black ink that reads "Kate Bonner". The signature is written in a cursive, flowing style.

Kate Bonner
Chief Executive Officer
ISLANDCOM TELECOMMUNICATIONS, LTD.