

Questions and answers – to the public consultation of the draft auction rules etc. for the allocation of spectrum in the 700 MHz and 2.1 GHz bands

Updated 8 February 2019

Question 1:

In appendix 2 «Dekningskrav i 700 MHz- Båndet» the licensee shall secure mobile broadband for 40 % of the population by using the 700 MHz band. This is in conflict with the overall framework for the auction where it is stated that any frequency band can be used to fulfill this coverage obligation. Can Nkom confirm there is a typing error and that there is no obligation to fulfill the obligation only using the 700 MHz band?

Answer to question 1:

Licensees can use all available spectrum resources to fulfill the requirement to ensure mobile broadband for at least 40 percent of the population. The final version of appendix 2 to the draft licences in the 700 MHz band, will be amended when the final auction rules are published.

Question 2:

What is the rationale of delivering a registration bid? What happens if there is no excess demand in the registration process, that is there is in total only one or no bid for each of the lots available in the auction? Will the “lot assignment stage” run after all as described in the auction rules?

Answer to question 2:

The rationale for the registration bid is primarily to commit registered bidders to actually participate in the auction. Additionally it is meant as a safeguard for bidders, in case the bidder is not able to submit a bid through the auction system in the first round, for instance due to technical failure.

The registration bid will only be valid if a registered bidder do not submit a bid through the auction system in the first round of the auction. The bidder is not required to maintain the registration bid and may submit a bid for different or fewer lots in the first round. Nkom will determine whether there is excess demand after the first round of the lot assignment stage. Given that there is at least one bidder registered for the auction, and therefore have submitted a registration bid, the “lot assignment stage” will run as described in the auction rules.

Question 3:

Will the bank guarantee size be MNOK 25 for each block registered in the initial bid independent whether the blocks are in the 2100 MHz or 700 MHz band?

Answer to question 3:

Yes, the bank guarantee requirement is NOK 25 million for each block included in the registration bid, regardless of whether the bid includes blocks in the 700 MHz band and/or the 2.1 GHz band.

Question 4:

In the form «Registrering som budgiver til auksjon av 700 MHz- og 2,1 GHz-båndene» below chapter 6 «Fullmakt – budgivers autoriserte representanter /-er» there is no signature field. Is a signature field missing?

Answer to question 4:

The signature field is missing under section 6 in this form. This form will be updated with a signature field in the final registration form that will be published together with the final auction rules.

Question 5:

What is the reason for including a new chapter 5.4 in the draft licences that we have not seen in prior licences?

«5.4 Krav til installasjoner og utstyr

Installasjoner og utstyr som benyttes skal være i samsvar med gjeldende krav til elektronisk kommunikasjonsnett og -tjeneste, tilhørende utstyr og fasiliteter, herunder krav til sikkerhet, elektromagnetisk kompatibilitet og effektiv frekvensbruk.»

Does this imply requirements that do not follow from other legislation? And specifically, what is meant with requirements of efficient usage in this setting?

Answer to question 5:

The wording in Section 5.4 has been included as standard text in all frequency licences Nkom issue and is for information only. The requirements for installations and equipment follows from other legislation and this section is added to make licensees aware that they have to familiarize themselves with the legislation concerning installations and equipment before the frequencies are taken into use.

Question 6:

Chapter 12 in the draft licences introduces a new requirement compared with prior licences. We ask that Nkom clarify:

- (1) The background for introducing this requirement
- (2) The legal basis for:
 - a. The requirement to notify the government when essential services are phased out, and
 - b. The governments competence to decide the end date for essential services
- (3) What lies in the term “essential services”
- (4) What will the consequences of this requirement have for phasing out services in the 700 MHz band (as the majority of services is produces using other frequency bands)
- (5) Which timeline might Nkom set for internal procedures when making decisions regarding the date for phasing out these services?

Answer to question 6:

The requirement follows from licences given in the 800 MHz, 900 MHz and 1800 MHz band, but the specific wording were changed when licences were assigned in the 900 MHz band in 2017. The background for the requirement is to ensure sufficient time for end users to take necessary actions if a provider of public electronic communications services phase out their entire or part of their business. These services are called “samfunnsviktige tjenester” (essential services). The consequences of phasing out a specific service must be assessed case by case, it is however essential for the Government to have knowledge regarding when essential services are phased out. Nkom will assess such a notice as soon as possible, but the internal time for procedures will vary depending on the content of the notice.