

Allocation round three: call for applications

3.5 GHz Crown-retained spectrum allocation

Call for applications: round three

Introduction and background

In December 2001 Cabinet agreed to auction nine management right pairs of 7 MHz in the 3.5 GHz spectrum band, and to create and retain two further management right pairs. The 3.5 GHz band is one of several bands suitable for fixed wireless access use. Cabinet agreed that licences in the retained pairs were to be made available for specific geographic areas to promote local and regional broadband services.

After completion of the auction in mid 2002, eleven management right pairs in the 3.4 - 3.6 GHz ("3.5 GHz") bands were registered to: the Crown (2 lots), TelstraClear Ltd (3), Vodafone Mobile (NZ) Ltd (1), Counties Power Ltd (2), and Broadcast Communications Ltd (3). These rights expire on 31 October 2022.

The two Crown-retained management right pairs were reconfigured as area spectrum licences defined by the boundaries of territorial local authorities. These were offered to interested parties at a fixed price, subject to contiguity conditions and an acquisition cap, with competing interests to be resolved by tender. Applicants were required to implement a wireless broadband service within two years. The Crown completed round one of the allocation in December 2006. At the conclusion of the round 77 lots remained unsold.

A second allocation round for the remaining lots was completed in March 2008, under similar conditions. At the conclusion of the round 37 lots remained unsold.

Applications for round three

From 1 September 2008, the Ministry of Economic Development will accept applications from interested parties for the remaining unsold lots. A full list of the lots and their reserve prices can be found [here](#).

The allocation process is as follows.

1. Applicants may apply for specific lots by forwarding the [application form](#) to

3.5 GHz Area Spectrum Licences,
Radio Spectrum Policy and Planning,
Ministry of Economic Development,
P O Box 1473,
Wellington.

2. There is no closing date. The allocation round will remain open until all licences have been sold.

[Top](#)

3. Applicants must be recognised as Qualifying Applicants in conformity with the following terms.

1. Within ten (10) working days of the Ministry confirming receipt of an application, the applicant must, in order for the Chief Executive or his/her delegate to determine whether the applicant is a Qualifying Applicant, provide in support of its application, a statutory declaration specifying:

1. that the Area Licence it is applying for will be used to provide or extend a Fixed Wireless Access service — applicants are to provide details of the proposed Fixed Wireless Access service;
2. details of its, and any of its [Associates](#)', Controlling Interests in alternative spectrum rights or radio licences (excluding general user rights and licences) which could reasonably be used for the provision of Fixed Wireless Access services or in a substitute broadband delivery system;
3. that neither it, nor any of its Associates, has a Controlling Interest in sufficient alternative spectrum rights or radio licences (excluding general user rights and licences) for the provision of Fixed Wireless Access services or in a substitute broadband delivery system which could reasonably be used to provide the proposed Fixed Wireless Access service — what constitutes a substitute broadband delivery system will be determined at the absolute discretion of the Chief Executive but will include a fixed line network which is capable of (or will be capable of following an upgrade) providing broadband services to at least 25% of the population in the area of the Area Licence;

4. that it, including its Associates, will if successful in its application for every Area Licence applied for under this call for applications, have a Controlling Interest in Area Licences covering no more than ten (10) Territorial Local Authority areas;
 5. if the applicant is not a publicly listed company, the identity of its principals including board members, Chief Executive Officers and Senior Managers (or similar) and/or ultimate owners (beneficial or otherwise and including parent companies and holding companies).
 6. If the applicant is a trust, the identity of its trustees and the ultimate beneficiaries of the trust.
1. The Chief Executive or his/her delegate will determine whether the information in the statutory declaration provided is satisfactory. The Chief Executive may, in his or her absolute discretion, reject an application or may seek further information but if that information is not provided or still does not satisfy the Chief Executive, the application may be rejected.
 1. No application will be accepted from any party that has participated in previous rounds of the allocation and, as a Provisionally Successful Applicant, has failed to complete the settlement process.
 2. The Ministry will advertise on its web pages and in its monthly Business Update details of any individual application received and the name of the Qualifying Applicant. Should no qualifying competing application be received within 30 business days of the application's being advertised, the area spectrum licence(s) applied for will be assigned to the Qualifying Applicant at the reserve price.
 3. Should a qualifying competing application be received by the Ministry within 30 business days of the application's being advertised, the Ministry will offer the area licence(s) applied for at tender or auction after the conclusion of the notice period.
 4. Successful Applicants will be required to sign a licence agreement specifying conditions of implementation and use. A template of the licence agreement can be found [here](#).

[3.5 GHz Crown-Retained Spectrum Allocation: round three](#)

The full list of lots and their reserve prices.