

Blue Reach Services Limited

Response to

Radio Spectrum Management

Discussion document

**“Renewal of Management Rights in the 1800MHz and
2100 MHz bands”**

May 2018

Introduction

Blue reach is a start-up wireless telecommunications company with some national spectrum licences. Bluereach holds no spectrum in the bands under consideration. Bluereach operates a wholesale open access model and is deploying LTE with the intention of moving to 5G as equipment becomes available.

Due to resource constraints Bluereach is unable to research the issues in depth and this response is limited to answering the questions posed in the discussion document.

Response

Q1. Bluereach favours Option 2 (partial renewal of existing holdings). This approach is suitable for use with both the 1800 and 2100 bands. It is most suitable because it frees up spectrum for a new entrant while not materially disadvantaging the incumbents (provided appropriate restraints are put on their ability to acquire any additional allocations).

Q2. Bluereach has an interest in acquiring spectrum below 2200 MHz as it currently only has access to 2.6GHz nationwide. Consequently, Bluereach is interested in acquiring either/both 1800 and 2100 spectrum, with preference for 1800. Given that Bluereach is currently rolling out 4.5G LTE and intends to move to 5G in response to demand, the greater the spectrum available, the greater the speed and bandwidth that can be delivered. Further the spectral efficiencies from the move from FDD to TDD as well as the price are also considerations. Bluereach considers that it would require a minimum 15 MHz in each band. It is worth noting that Bluereach currently holds the 1800 guard band and has undertaken limited trials using the central 10 MHz, with some push-back from adjacent parties. There is potential in a re-allocation of the 1800 to consider this option. Note the 1800 TDD guard band is not a 3GPP specified band, so somewhat proprietary.

Q3. Given that the 1800 and 2100 bands are the only sub 2200 bands potentially on offer in the time frame leading up to the introduction of 5G, Bluereach will take what is on offer. It is not clear yet which bands the ITU and 3GPP will specify for 5G but in any event the spectrum can be used for LTE.

Q4. If it is determined that there are strong policy reasons for the introduction of further competition into the uses of the bands, then action will need to be taken to limit the amount of spectrum in the bands that can be acquired by the incumbents. Past behaviour by the incumbents would indicate a tendency to seek to foreclose the market to new entrants so this needs to be nullified.

A two tier competitive allocation process is needed with the incumbent rights holders competing for the new allocations and non-incumbents competing for the newly freed-up balance.

Q5. Bluereach would be prepared to participate in a competitive allocation process provided there were adequate constraints placed on the incumbents and the size of the spectrum blocks on offer were suitable.

Q6. As previously stated the term needs to be long enough to encourage investment by allowing a suitable time to deliver a return yet short enough to encourage prompt utilisation as well as allowing flexibility to government to respond to changes in the market. Bluereach considers that a fifteen year term delivers this. Bluereach sees no particular reason why there should be different terms between the bands unless government wishes to preserve a higher degree of flexibility in one of the bands.

Q7. As stated above, Bluereach, as a new entrant, considers fifteen years to be the optimal term for new management rights in both bands.

Q8. Bluereach does not consider that incumbent spectrum licences should be extended beyond 2021.