



Comments on the SMA's:

Proposed Spectrum Holdings Policy

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## A. Introduction

Flow welcomes the opportunity to respond to the Spectrum Management Authority's (SMA's) consultation on its **Proposed Spectrum Holdings Policy**. Flow's comments represent the views of both Cable and Wireless Jamaica Ltd and Columbus Communications Jamaica Ltd.

Flow reserves the right to expand on its comments later. Kindly direct any questions that you may have to Charles Douglas, Senior Manager, Regulatory Affairs at [charles.douglas@cwc.com](mailto:charles.douglas@cwc.com).

## B. Proposed Spectrum Holdings

In principle, Flow does not object to the SMA's spectrum holdings proposal. That is, it is reasonable to:

- a) replace the current spectrum cap by utilizing a spectrum screen for mobile spectrum assignments above 120 MHz for the spectrum frequency bands: 700MHz, 850MHz, 900MHz, 1800MHz, 1900MHz and 1700/2100MHz.
- b) Implement a 30% in-band Screen on all other suitable and available bands allocated for mobile services.

In the context that *"The SMA's aim is to ensure that all operators are given equal opportunity to compete"*, the Authority must give itself the flexibility to correct the current situation where Flow is placed at a competitive disadvantage. Flow only has access to 10MHz of the 700 frequency, as compared to 20MHz to its competitor and the 24MHz reserved for a new Entrant. As explained by the FTC this results in Flow incurring much higher costs to build out its network and by extension deliver its services. The use of the spectrum screen must necessarily seek to offset this disadvantage.

## C. In-band Screen

Flow does not object in principle to the SMA's in-band screen proposal.

However, in the interest of transparency and objectivity, it would be very useful for the SMA to more clearly outline the criteria that it would consider assigning spectrum that exceeds the 120MHz screen.

## D. Next Review Period for the Spectrum Holdings Policy

It is prudent to review the spectrum holdings policy from time to time. However, regulatory certainty is required by the Industry to effectively plan and implement a business model to deliver fast broadband speeds and innovative services. As such, reviews of the holdings should seek to avoid reducing holdings already assigned. It should also avoid including additional frequencies under the current cap/screen at short notice, and since this approach is likely to derail well laid plans to the detriment of customers. Flow considers that a period of half yearly reviews with the intent to change the policy is too frequent.

## **E. General Observations & Questions**

The proposals put forward by the SMA are meaningful. We note however, that lower bands such as the 400MHz and 600MHz that have the potential for mobile developments were not mentioned. As such we would like the SMA to clearly indicate how it plans to assign these bands going forward and to confirm that any assignment of these frequencies will be excluded from the proposed spectrum holdings screen.

Transparency requires that the SMA provides further insights into how the spectrum screen process will work. And indicate if service providers will be allowed to participate by sharing their views on the potential competitive effects that any such an assignment above the screen is likely to have on the market.

**End of document**