

Results of the 26 GHz Band Spectrum Award 2018

Information Notice

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1 Results of the 26 GHz Band Spectrum Award 2018

1.1 Introduction

- 1.1 This Information Notice sets out the results of the "26 GHz Band Spectrum Award" which the Commission for Communications Regulation (ComReg) commenced on 25 April 2018¹.
- 1.2 The newly awarded spectrum rights of use will support the requirement for Point-to-Point radio links, a critical piece of backbone infrastructure for Ireland's mobile communications networks. During the consultation process, operators have highlighted the importance of the 26 GHz band². Point-to-Point Licences in the 26 GHz band at present allow for over 3000 Point-to-Point link sites.
- 1.3 The awarding of 840 MHz³ of new spectrum rights of use in the 26 GHz band has resulted in a 25% increase in 26 GHz spectrum rights of use. Specifically, 15 of 19 Lots of 2 x 28 MHz in the range 24.745 25.277 GHz paired with 25.753 GHz 26.285.
- 1.4 The 26 GHz Band Spectrum Award consisted of a "sealed bid combinatorial auction" using a second price rule and applying processes and rules as set out in the Information Memorandum.
- 1.5 The new rights of use for radio frequencies will be assigned to the Winning Bidders upon payment of the applicable fees and through licences granted under the Wireless Telegraphy (National Point-to-Point Block Licences) Regulations 2018.⁴
- 1.6 All licences will be of ten years duration and will permit licensees to operate Pointto-Point radio communications links, on a national basis utilising "Frequency Division Duplexing" technology.

¹ Following two rounds of public consultation and by publishing a Response to Consultation and Final Decision (Document 18/31 and D04/18) and an Information Memorandum (Document 18/32 - "the IM"). ²ComReg Document 18/12b – Published 23 February 2018.

³ Consisting of 2 × 420 paired spectrum.

⁴ S.I. 158/2018, made by ComReg under s.6 of the Wireless Telegraphy Act 1926, as amended, with the consent of the Minister for Communications Climate Action and Environment under s.37 of the Communications Regulation Act 2002, as amended.

1.2 Results of the 26 GHz Band Spectrum Award

- 1.7 Winning Bidders will pay approximately⁵ €5,000,000 for spectrum rights of use, comprising €1,250,000 in upfront fees and €3,750,000 in spectrum usage fees which will be paid over the 10 year duration of the licences.
- 1.8 The Award Process resulted in 3 Winning Bidders:

| Winning Bidder | Lots won ⁶ | Base Price ⁷ | Additional Price ⁸ | | | |
|--|-----------------------|-------------------------|----------------------------------|--|--|--|
| Three Ireland (Hutchison) Limited ("Three") | A4 – A8 | 350,000 | 0 | | | |
| Meteor Mobile Communications Limited ("Meteor") | A9 – A13 | 350,000 | 0 | | | |
| Vodafone Ireland Limited ("Vodafone") | A14 – A18 | 350,000 | 200,000 | | | |
| (vouaione) | | | | | | |

Table 1. Summary of Auction Results

1.9 The availability of the Lots in the band is subject to the completion of Transition Activities to be set out in the Transition Plan and agreed between existing and new licensees in keeping with the steps outlined in Section 3.9 of the IM.

⁵ All SUFs will be index-linked to the Consumer Price Index ("CPI"). As a result, a SUF may increase or decrease over the duration of a Licence.

⁶ As per table 1 of the IM.

⁷ The price to be paid by a Winning Bidder for the number of Lots allocated to it in the Assessment Stage of the Auction (determined using a second price rule).

⁸ The Additional Price for a Winning Bidder, if any, is the price associated with the assignment of specific Lots to this Winning Bidder as determined in the Assignment Stage of the Award Process.

1.10 ComReg was advised on the design and implementation of its award by DotEcon, a global supplier of design and build services for Auctions. The results of the award have been independently verified.

Annex: 1 Band Plan showing the Award Results

| A1 | A2 | A3 | A4 | A5 | A6 | A7 | A8 | A9 | A10 | A11 | A12 | A13 | A14 | A15 | A16 | A17 | A18 | A19 |
|------------|------------|------------|-------|-------|-------|-------|-------|--------|--------|--------|--------|--------|----------|----------|----------|----------|----------|------------|
| Unassigned | Unassigned | Unassigned | Three | Three | Three | Three | Three | Meteor | Meteor | Meteor | Meteor | Meteor | Vodafone | Vodafone | Vodafone | Vodafone | Vodafone | Unassigned |

Figure 1. Results of the 26 GHz 2018 Award - Band Plan