

## Update on the DECT guard band policy

### Summary

- 1.1 We consulted in late 2016 on a number of policy options relating to the authorisation of the DECT guard band (1876.7-1880 MHz, paired with 1781.7-1785 MHz). We also consulted on a range of spectrum pricing options for these authorisations. The purpose of this Update is to tell stakeholders that we are not planning to make significant changes to the current shared access authorisation regime in a way that would alter the ability of the existing DECT guard band Concurrent Spectrum Access (CSA) licensees to access the spectrum as permitted under their existing CSA licences.
- 1.2 Whilst we are not minded to move to an alternative regime in which the spectrum in this band is licensed to a single user for high power mobile, we are still considering whether there is a case to provide additional spectrum access opportunities in the band, either by making additional licences available on a light licence basis alongside the existing licences, or by allowing higher power deployments in certain situations (e.g. to support mobile coverage in rural locations). If we decide to put forward specific proposals on these potential matters, we will consult accordingly. We would not expect this to be before Autumn 2017 at the earliest.

### The consultation

- 1.3 In our September 2016 consultation on the Policy for DECT guard band, we noted that the Initial Term of the existing 12 CSA licences expired in May 2016. We also noted that it seemed appropriate to take stock and review whether the current licensing arrangement continued to be the most appropriate way of promoting optimal use of this spectrum in the long term. We identified a number of potential options, including the possibility of:
  - i) reconfiguring the 1800 MHz band to permit the DECT guard band to be increased from the current 2 x 3.3 MHz to 2 x 5 MHz and to change the current low power shared access use to high power mobile for single use; or
  - ii) retaining the existing light licence concurrent access with the possibility of increasing the number of permitted licences; or
  - iii) moving to a fully licence exempt regime based on the existing technical conditions of the licences.
- 1.4 We further noted, in the consultation, that Ofcom's general policy on auctioned licences, such as the DECT guard band Concurrent Spectrum Access (CSA) licences, is to consider the introduction of fees after licences have come to the end of their Initial Term. We outlined a range of options for setting the fees for spectrum use

in this band, from fees based on Administrative Incentive Pricing (AIP), set with reference to the opportunity cost of high power mobile (as the relevant alternative use of the band), to cost-based fees or no fees depending on the estimated opportunity cost of the spectrum use and/or the future authorisation regime for the band.

## Retention of low power shared access regime

- 1.5 Having reviewed responses to the consultation we are strongly minded to retain the DECT guard band as a 2 x 3.3 MHz block for low power use on a shared access, light licence basis.
- 1.6 We are not minded to reconfigure the spectrum to create a 2x5 MHz high power licenced block for a number reasons:
- i) It would be at least 5 years before the spectrum could be made available as a 2x5 MHz block because of the need to give 5 years' notice of licence revocation;
  - ii) The process of reconfiguring the band and auctioning the new 2x5MHz block would be complex and could incur significant costs;
  - iii) The DECT guard band is the only band available to parties other than the MNOs to support innovation using mobile technology.
- 1.7 No responses to the consultation supported the idea of reconfiguring the band to create a 2x5 MHz high power licensed block.
- 1.8 The consultation also considered the case for expanding access to the band in a low power, shared access environment, either through a more open light licence regime or by making use of the band licence exempt. Respondents generally favoured a continuation of a light-licence regime (as opposed to a move to licence exemption). Of the fourteen responses received, seven supported a light-licence regime (five of whom are DECT guard band spectrum licensees) with only one (a non-licensee) supporting a licence exempt regime, whilst 6 provided no comments. Only one respondent argued against the idea of expanded access within a light licence regime.
- 1.9 We recognise that there is a risk of interference between different users who are in close proximity, even though these are low power applications. This makes a licence exempt regime a less attractive authorisation approach in this band (certainly at this time whilst we still have limited experience of more widespread deployments).
- 1.10 Respondents suggested that it would be appropriate to retain a mechanism to facilitate co-ordination between licensees (whether or not the light-licence regime is expanded to more than twelve licensees) because:
- i) It offers a pragmatic option to managing interference as GSM and LTE, which are the likely technologies to be deployed, are not explicitly designed for shared use unlike technologies such as Bluetooth and Wi-Fi.
  - ii) It would support Quality of Experience levels capable of stimulating investments in the band.
- 1.11 We are minded to continue with a light licence regime with a mechanism to facilitate co-ordination and support interference mitigation in the band.

## Next Steps

1.12 We are still considering:

- the possibility of permitting additional access to the band (beyond that allowed under the existing CSA licences) through a more open, light licence regime - and the impact that this might have on the approach to co-ordinating deployments,
- our approach to setting fees for use of the band.

1.13 If we decide to put forward specific proposals on these matters, we will consult further. Currently, we do not anticipate this would be before Autumn 2017 at the earliest.