

Response

to

Mobile Telecommunications Market – 3G Mobile License Award Consultation.

OUR Document Number: OUR 09/06, dated April 2009.

submitted by

AETCS on behalf of Clear Mobile

to the

Guernsey Office of Utility Regulation (OUR).

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Upon instruction from our client Clear Mobile, AETCS is submitting a formal response to the Guernsey OUR in the matter of its consultation document entitled "Competition in the Mobile Market – Further License Award", document reference OUR 09/06 dated April 2009.

Clear Mobile is fully apprised of and understands the background to the reasons for the proposals contained within this particular consultation document. Clear Mobile welcomes these proposals put forward by the OUR as eminently sensible in the ongoing interests of fostering competition between mobile operators and service providers in order to maximise the benefits to Guernsey consumers in terms of price, innovation and quality of service. In particular, Clear Mobile believes the Director General's decision to begin the process of spectral refarming of bandwidth currently licensed to Cable & Wireless (Guernsey) (C&WG) in 3GPP FDD Band 8 (900 MHz "GSM 900" band), pending agreement by C&WG of the proposals as iterated, is the right one. Further that the decision to reallocate FDD paired bandwidth in this part of the radio frequency spectrum in Guernsey on a mobile technology-neutral basis, as part of the proposal, is also to be welcomed, as it brings Guernsey into alignment with other regulatory jurisdictions in both Europe and other countries in the world in regard of the flexible application of 900 MHz spectrum for both voice and multimedia mobile services.

Our client firmly believes that strong competition between mobile operators affords more than just the opportunity to reduce the cost of services provided to Guernsey consumers. It is true that the introduction of Mobile Number Portability (MNP) in Guernsey in December 2008 was a key enabler to the strengthening of competition between existing mobile operators. However Clear Mobile would argue that it is not the only key enabler of strong competition in this mobile market. Our client believes that competition between mobile operators can be extended further without damaging the competitive environment that is developing in Guernsey between the existing mobile operators. This, they believe, can be achieved by encouraging the innovation of brand new non-voice service applications being delivered alongside standard 3G mobile voice and Internet services, as a holistic package.

As part of this consultation, the OUR has proposed amongst other criteria, that C&WG should actively participate in a further review of the 900MHz spectrum with the aim of refarming an additional 2 x 5 MHz paired FDD bandwidth to a fourth licensee (beyond the 2 x 5 MHz paired FDD bandwidth allocation to Airtel as proposed). Clear Mobile welcomes this

criterion as it would argue that the Guernsey mobile market is sufficiently vibrant enough to accommodate the presence of a fourth operator. To that end, Clear Mobile wishes to formally express a genuine interest in attaining a license in the 900 MHz band to provide mobile services, in respect of the specific issue of the OUR giving consideration to the refarming of a further 2 x 5 MHz paired FDD bandwidth in the 900 MHz band.

Our client will set out in a separate detailed submission to the OUR, the reasons for expressing this degree of interest, ensuring all aspects are addressed with regard to the provision of mobile services in this band in Guernsey.

END.