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To: GCRA Suite 4, 1st Floor La Plaiderie Chamers La Plaiderie St Peter Port Guernsey GY1 1WG

Satellite Licensing Framework Consultation (Satellite User Terminals and Earth Station Gateways)

February 10th, 2022

Comments of Kepler Communications Inc.

Kepler Communications Inc. ("Kepler") hereby submits these comments in response to the public consultation issued by the Guernsey Competition and Regulatory Authority ("GCRA").¹ The GCRA seeks comments from interested parties on proposed changes to be made to telecommunications licenses to authorize the provision of satellite services as well as on the proposed two-stage award process. Kepler's comments are generalized in regard to the proposed changes to the overall licensing process.

Kepler supports the proposed changes to GCRA telecommunications licenses. The suggestion to attach a new Part to the existing standard fixed license will improve the overall licensing process and ensure future administrative ease.² It will be immediately clear both to the

¹ GCRA, Satellite Licensing Framework: Satellite User Terminals and Earth Station Gateways-Consultation and Call for Expressions of Interest, (published December 14th, 2021) ("Consultation").

² Consultation at 10 and Annexes 4 and 5.



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GCRA and licensees that they are authorized to provide satellite services, thus distinguishing them from existing fixed licensees.

The GCRA is proposing a two-stage award mechanism. The first stage will be used to establish whether there is excess demand and the second stage has two options, the choice of which is contingent on the results of stage one. The GCRA has proposed that if it is determined that there is excess demand, they will implement a competitive award process. If, however, this is not the case, the GCRA intends to award according to a "first-come, first-served basis".³ Kepler supports this proposal, as it appears to be a sensible method by which to initiate a fair and reasonable awards process. A two-step system not only will enable the GCRA to establish how competitive the NGSO licensing environment in Guernsey will be, but it also ensures that there is not unnecessary administrative time spent on the awards process. The GCRA has requested opinions on the "optimal competitive method" for awarding a satellite license and access to spectrum. Though Kepler is not submitting an expression of interest at this point in time, a beauty contest is the best method to ensure a transparent and predictable awards mechanism. Though Guernsey is a much smaller jurisdiction than others for which operators seek spectrum assignments, it is nonetheless necessary to establish a clear requirements framework for the provision of satellite services. This would help maintain a degree of transparency which ensures an equitable process both now and in the future. The GCRA has indicated that excess demand in the licensing process arises when "the use of spectrum for one purpose denies its availability to

³ Consultation at 1.



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other users."⁴ A beauty contest will ensure that operators will meet specific criteria which best suit the needs and requirements of Guernsey's population. A beauty contest would also avoid precluding new entrants to the market by removing the financial barriers associated with auctions.

Kepler commends the GCRA for their decision to seek comments on their licensing framework and planned awards procedure. Kepler supports the GCRA's objectives to create a transparent and equitable licensing process and underlines the importance of it maintaining certainty to existing and potential new operators.

Respectfully submitted,

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⁴ Consultation at 12.



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