



ETNO Reply to the Draft RSPG Opinion on Licensed Shared Access

August 2013

Executive Summary

ETNO believes that exclusive licensing is the appropriate regulatory approach for efficient use of spectrum by public cellular mobile networks.

ETNO considers that the LSA concept is a good instrument to improve the efficiency of spectrum use in underutilised bands.

The LSA concept should be applied to make underutilised spectrum resources available to telecommunications services that are currently assigned to non-commercial “incumbents” (Defence, public administrations, civil aviation, etc.) and also allocated to mobile service and/or identified for IMT.

ETNO is of the opinion that the LSA concept should not be applied to bands for which mobile network operators have acquired exclusive spectrum usage rights.

Therefore the main approach for future spectrum assignments for mobile network operators must remain exclusive use.

Introduction

ETNO welcomes the opportunity to express its views and comments on the “Draft RSPG Opinion on Licensed Shared Access”. In the Draft Opinion the Radio Spectrum Policy Group has proposed a revised definition of Licensed Shared Access (LSA). The revised definition does not imply a new licensing regime anymore and now only refers to a regulatory approach.

ETNO welcomes the modified definition for discussion and wishes to underline the following points in order to explain its view about the concept and the scope of LSA and consequently propose some further modifications to the LSA concept and the framework definition.

ETNO view

- ETNO believes that exclusive licences have shown to be the appropriate regulatory approach for public cellular mobile networks. Such exclusive access licensing has well known advantages such as good interference management, high degree of certainty for market players necessary to create an adequate investment and innovation environment, improved standardisation and thus economies of scale necessary for business development. Last but not least it has created positive effects on investments, job creation and social welfare and has encouraged competition through the development of innovative services.
- ETNO considers that the LSA concept is a good instrument to improve the efficiency of spectrum use in underutilised bands.
- ETNO believes that the frequencies awarded to mobile network operators (individual rights of use) are already very well efficiently used, as operators have to maximise the return on associated investments. As a consequence the mobile industry is a clear example of high technical and economic efficient use of spectrum.
- In ETNO's view the LSA concept should be applied to make underutilised spectrum resources available to telecommunications services that are currently assigned to non-commercial "incumbents" (Defence, public administrations, civil aviation, etc.) and also allocated to mobile service and/or identified for IMT.
- The LSA concept could therefore increase the amount of overall spectrum resources for telecommunication services through frequency sharing of bands that are allocated to mobile service and/or identified for IMT but are not exploited for commercial purposes yet.
- Consequently in ETNO's view the LSA concept should not be applicable to bands for which mobile network operators have acquired exclusive spectrum usage rights.
- The main approach for future spectrum assignments for mobile network operators must remain exclusive use.

Comments on the Draft RSPG Opinion

The definition of LSA

Based on the considerations above ETNO would like to propose an alternative text to define the LSA approach as follows (modifications are highlighted with revision marks):

“A regulatory approach aiming to facilitate the introduction of radiocommunication systems operated by a limited number of licensees under an individual licensing regime in a frequency band already assigned or expected to be assigned to one or more **non-commercial** incumbent users. Under the LSA framework, the additional users are allowed to **share the underutilised** spectrum (or part of the spectrum) **under commercial terms**, in accordance with sharing rules included in their rights of use of spectrum, thereby allowing all the authorized users, including incumbents, to provide a certain QoS”.

The definition of Incumbent

ETNO agrees that in section V page 13 it is stated that “[...] it is currently envisaged that major opportunities of application of the LSA concept would be in the case of an incumbent being a governmental user. [...]”.

ETNO notes that the proposed incumbent definition is the following:

“an incumbent is a current holder of spectrum rights of use”.

Based on the assumption that incumbents may be distinguished depending on the type of rights of use, ETNO is of the opinion that only governmental and/or non commercial incumbents should be considered in the LSA definition above, thus excluding ECNs/ECSs providers from the proposed regulatory regime. The spectrum trading is a tool already providing efficiency and flexibility in spectrum use in ECNs/ECSs bands.

Therefore for the definition of incumbent, ETNO proposes an alternative text as follows(modifications are highlighted with revision marks):

“an incumbent is a current holder of spectrum rights of use **which have not been granted through an award procedure (first come, first served – beauty contest – auction) for commercial use**”.

The Background

ETNO notes that in the Background section the RSPG lists the licensed bands harmonised for ECS. ETNO wishes to underline that the 1900-1920 MHz and 2010-2025 MHz bands should be added to the list in brackets as long as they are harmonised for ECS.

The Current Shared Access Practices in EU Member States

Among the examples reported in Section IV of the draft Opinion, the RSPG lists the MCA/MCV application. According to ETNO's interpretation the MCA/MCV is an example of geographical sharing of spectrum for the same service which does not need any additional legal provisions. Therefore it is out of scope of LSA.