

**Authorisation of terrestrial mobile networks complementary to 2 GHz
mobile satellite systems**

Question 1: Do you agree that the CGC licence should be in the form of a spectrum access licence with standard terms and conditions?

Yes

Question 2: Do you agree that such licences should be awarded on a UK-wide basis?

Yes

Question 3: Do you agree that the CGC licence should authorise the complete set of frequencies assigned under the EC process?

Yes

Question 4: Do you agree that the initial grant of the CGC licence should made be to the MSS operator only?

Yes

Question 5: Subject to certain safeguards, would it be appropriate to license the CGC in advance of the satellite service coming into operation and if so, what criteria should be applied to determine whether the satellite component of the MSS network is operational and what period of time do you consider would be appropriate?

It is not entirely clear what Ofcom is proposing. Paragraph 7.12 appears to contemplate authorisation of CGC in advance of the planned date on which the satellite comes in to operation. However, paragraph 7.13 defines the criteria to be applied to determining whether the satellite system is operational. Vodafone suggests that the licence for the CGC becomes effective once the satellite system is operational (determined by the criteria that Ofcom outlines) although it may be issued before that date. In short, the CGC can only be used for commercial service once the satellite system is operational. If this is not the case then Ofcom will need to stipulate under what conditions it will remove the licence in the event that the satellite system is not brought into operation.

Question 6: Do you agree that the CGC licence should not include a coverage obligation?

Yes. Vodafone does not support the imposition of coverage obligations.

Question 7: Do you agree that the CGC licence should be provided on a service and technology neutral basis?

Yes but only insofar as Ofcom is not prescribing any specific technology. The licence is clearly not service neutral because it is designated for mobile satellite service to which the CGC must be complementary. It is important that the rights of use

associated with the authorisation must include conditions aligned with the Article 95 Decision and any other additional conditions necessary to ensure that the CGC is a bona-fide complementary part of a hybrid MSS system.

Vodafone believes that one such criterion, which is not clearly addressed in the Ofcom consultation document, is the need to ensure that CGC's are only authorised in geographical areas which fall within the defined service area of the associated satellite system.

Question 8: Do you agree that if CGC licences should be tradable and, if so, that they should be both totally or partially tradable and both outright or concurrently tradable, that Ofcom's consent should be required for transfers and that the grounds on which Ofcom may withhold consent should be limited as proposed?

Yes. However the necessary conditions associated with the licence to ensure that the CGC remains a true part of an associated satellite system would need to be maintained when the licence is traded.

Question 9: Do you agree that AIP should be applied to CGC licences at a level that reflects the associated opportunity cost?

As a matter of principle Vodafone does not believe that licences that are tradeable should be subject to an AIP.

Question 10: Do you agree that the licence fees should be set at around £554,000 per 2 x 1MHz?

See above

Question 11: If you believe that setting fees at this level would result in CGC systems not being deployed, please provide your reasons and full supporting evidence including a detailed business case.

See above