

# SaskTel Comments:

## Issues Related to the Preliminary Phase of the Antenna Tower and Site-Sharing Process

March 6, 2009

Saskatchewan Telecommunications (“SaskTel” or “the Company”) is in receipt of Industry Canada’s (“the Department’s”) proposals published in “Consultation Letter – Issues Related to the Preliminary Phase of the Antenna Tower and Site-Sharing Process”, dated Feb 17, 2009 (“the proposals”).

SaskTel commends the Department for providing an opportunity for industry players to submit comments on the proposals. SaskTel understands that this input will be considered in the establishment of guidelines to be used in responding to complaints of non-compliance to the tower and site sharing process.

SaskTel’s response is organized according to the format and content of the consultation letter. Extracts from the letter are given below, along with SaskTel’s comments on the issues.

## **TIME LINES FOR ANTENNA TOWER & SITE-SHARING PROCESS**

*“The Department has considered the impact of multiple requests being submitted and considers that the time lines described in the licence conditions and the clarifications proposed below would apply to all cases irrespective of workload.”*

SaskTel disagrees with the determination by the Department that the time lines for the tower sharing process should “*apply to all cases irrespective of workload.*”

Requests for information and/or site access involving large numbers of tower locations; or large numbers of requests involving single sites, submitted either simultaneously or within a short time frame; simply cannot be accommodated on the same time line as single or small volume requests. As further clarified below, it takes time to respond to these requests. With a limited engineering staff available to accomplish these tasks, it is simply not reasonable for the Requesting Operator to make multiple requests and expect the same turnaround.

SaskTel notes that the company itself only upgrades 15 to 20 tower sites in a typical year, (this is in addition to the ongoing antenna installation and maintenance work for existing sites). A new wireless player could conceivably ask for information and/or site access regarding all, or a large portion of, SaskTel's sites in one request. It is not logical that SaskTel would be able to respond to such a request in the same short time frames as small requests. In a competitive industry where profits are key, SaskTel simply cannot afford to have the resources required to effect such a turnaround waiting on standby for such requests which may indeed never occur.

SaskTel suggests that any Requesting Operator making multiple requests for information and/or site access in a short time frame should be required to provide a prioritization for the desired towers, and that more time be allowed to provide the requested information for the additional locations.

### **Preliminary Site Investigation (CPC-2-0-17 Section 8.0 Licence Condition 3)**

- ***“Request for preliminary technical information package: The request should include at a minimum the licensee's site reference number (if available), site address and/or geographical coordinates and Requesting Operator's reference number.”***

SaskTel concurs with this proposed addition to the licence condition.

- ***“Response to request for preliminary technical information: Within a week of receiving a complete request for preliminary technical information containing the information described above, the Licensee is expected to produce a response including as a minimum: tower loading profile including imminent future use (see Reservations for Future Use below) and contracted third-party lease arrangements, compound layout, tower foundations design, Transport Canada and/or NAV Canada form, site lease summary as well as site access information, such as contact, procedure and any specific restriction relating to a site visit.”***

SaskTel believes that a mandatory one week turnaround time is not reasonable. A normal time frame in the industry for such a request would be 21 days, and SaskTel

currently works to meet the 21 day time frame. It takes time to locate, verify, and assemble the

required information. In some cases the information must come from different files, and in many cases the information is not in electronic or soft copy form for easy retrieval. Hard copy drawings have to be verified and duplicated.

The same engineering resources that are busy with current and upcoming SaskTel tower construction, additions, and modifications are also responsible for coordinating site sharing requests, and the extra engineering work involved with planning and implementing tower and site access for Requesting Operators. As with all wireless industry players, SaskTel is currently very busy with wireless network growth and expansion, and in these very uncertain economic times cannot afford to increase staffing levels.

SaskTel therefore suggests that a 21 day time frame is more reasonable for a “Response to request for preliminary technical information.”

- **“Site Access:** *The Licensee is to coordinate and grant access to the site on request. Generally speaking, this access should be granted **within one week of the request.** Extenuating circumstances, such as access to a remote location, could justify a short delay. “*

SaskTel does not believe a one week time frame is reasonable for granting site access, when all of the factors are considered. In order to properly answer questions from the Requesting Operator’s representative(s), and for most effective information flow, a SaskTel representative from our Towers Engineering staff in Regina must be on site for the site visit. This requires travel from Regina to the remote radio site for our Engineering staff. For many of the more remote SaskTel sites, access is only possible by air, or by winter road.

SaskTel recommends a two week minimum time frame for coordinating and granting site access for locations with normal or relatively easy access. SaskTel concurs with the Department making allowance for a “*short delay*” for access to remote locations.

## RESERVATIONS FOR FUTURE USE

*"It is hereby proposed that only **imminent future use** should be considered in the context of the preliminary information package and that "imminent" would include plans which are clearly and specifically identified in the Licensee's annual capital plan."*

SaskTel has serious concerns regarding the proposal to limit consideration of future loads to only "*imminent future use*", and to "*plans which are clearly and specifically identified in the Licensee's annual capital plan*". As the Department is well aware, all of the wireless industry players are very actively growing, expanding, and evolving their wireless networks to meet demands for higher data rates and new services. SaskTel is no exception.

SaskTel responds to demands for additional network capacity and coverage using a relatively short planning cycle. However, wireless network evolution and large scale expansions are planned on a longer five year planning cycle. Typical wireless industry business case analysis and economic studies use 5 or even 10 year payback periods because of the large capital investments required. It's no secret that the entire wireless industry will be experiencing major network evolution and transformation, with almost all network operators planning major UMTS/HSPA and/or LTE network builds within the next five years. Network architecture, including required microwave backhaul facilities, equipment and antenna configurations, and site locations, are identified and established early in the planning cycle in order to produce budgetary project costs. A significant portion of the project costs are often the costs to reinforce or replace towers, and in this highly competitive industry it is vital that our tower construction and reinforcement costs be minimized through proper long term planning and engineering.

SaskTel makes great efforts to properly plan and engineer tower loading. All existing, planned, and proposed future loads are considered as part of the integrated planning process, in order to minimize tower construction costs. By including all future loads, SaskTel is able to reinforce towers in a more prudent manner. It is far more economical to reinforce a tower once, as construction costs for a single reinforcement contract would be much lower compared to multiple reinforcement projects done at different times in different fiscal years.

The exclusion of future loads will also add more uncertainty to the planning process. By not including future loads, it is more likely that licensees will be faced with an unexpected and unplanned tower replacement. This unplanned replacement will incur additional costs for both the tower owner and the sharing parties.

SaskTel recommends that tower information utilized for the tower and site sharing process include all identified future loads, based on an industry normal 5 year planning cycle. This will provide the greatest amount of certainty in the planning and budget process for all operators.

## REQUIREMENTS FOR CONFIDENTIALITY

*“Furthermore, with the strict disclosure of only imminent future plans and basic technical information during the preliminary phase, the Department does not consider the signature of a non-disclosure agreement as a reason to delay providing a Preliminary Information Package as described above.”*

SaskTel has serious concerns about sharing Preliminary Information Packages that contain current and future tower loading information with a third party (competitor or otherwise) without the prior establishment of a non-disclosure agreement. The wireless industry is extremely competitive, and even the sharing of *“only imminent future plans and basic technical information”* could cause SaskTel harm by prematurely revealing future network plans to competitors. SaskTel strongly believes that the provision of tower information, with or without future tower load information, can only be conducted after the signing of a non-disclosure agreement by all parties involved. SaskTel sees no reason why industry standard non-disclosure agreement forms cannot be signed by all parties involved in a timely manner, while still allowing a reasonable response time to the initial request by the sharing party for preliminary technical information.