

Manager, Emerging Networks
Radiocommunications and Broadcasting Regulatory Branch
Industry Canada
300 Slater Street, 15th Floor
Ottawa, Ontario K1A 0C8
spectrum.operations@ic.gc.ca

re: Notice No. DGRB-005-09

Good day,

ABC Communications is pleased to comment on the transition to Broadband Radio Service (BRS) in the band 2500-2690 MHz. We believe that Industry Canada's commitment to flexible policies that respond to market forces continues to advance the telecommunications industry for Canadian consumers. The transition from MDS and MCS services to BRS services in the 2500-2690 MHz band is a prescient policy that will enhance the telecommunications industry in Canada.

ABC is anxious to see the policies of Industry Canada result in the improved ability of small, local service providers to offer broadband service to the rural and remote communities of Canada. Significant amounts of spectrum, suitable for fixed broadband service, are held by incumbents in rural areas and are undeployed. Throughout many of these areas, local service providers have access only to unlicensed spectrum, susceptible to interference and therefore unsustainable as a network model. It is our belief that the FCFS licencing policy, coupled with smaller service areas, is the most effective policy in promoting sustainable broadband deployments by local service providers. While we recognize that the current notice pertains to mobile services that would be deployed on a national level, we note that the frequency band in question is commonly used for fixed multipoint services, and cost-effective equipment for this application in this frequency band is available. In upcoming spectrum allocations, we hope that IC continues to consider the digital divide in formulating future licencing policies.

Below are our responses to the questions posed by Industry Canada.

The Department is seeking comments on its proposal to adopt a firm transition date to BRS rather than renew MCS and MDS licences.

Should a firm transition to BRS be adopted, the Department is proposing March 31, 2011, as the transition date to BRS, as it coincides with the end of licence term for the current MCS licences.

ABC agrees with the principle of a firm transition date policy. In execution, such a policy should be implemented with some degree of flexibility, giving consideration to any company with significant investment into infrastructure (i.e. equipment) that would be affected by the transition policy.

The Department seeks comments on the options that should be applied to the Manitoba school boards and the commercial MCS licensee:

- * Option 1 - Eligible for conversion to BRS;
- * Option 2 - Subject to a transition policy; or
- * Option 3 - Grandfathered.

When a corporation obtains a spectrum licence from Industry Canada, it is understood that the terms and cost of the licence will not change during the term of the licence. In most cases, it is further understood that the licence can be renewed at the end of the term, and that the terms and cost of the licence will remain substantially the same upon renewal. The corporation makes an infrastructure investment, which is intended to continue to function and produce revenue or cost savings beyond the licence term. In order to maintain high confidence in the licencing process, Industry Canada should strive to maintain **or enhance** the form of existing licences to the extent possible.

ABC believes that these existing licences should be **eligible for conversion**. **Where the licensee has significant investment, IC should take this investment into consideration in determining conversion policies for that licensee**. In general, market forces will encourage licence holders to transition their licences to take advantage of newer and more cost-effective technologies.

Industry Canada invites comments on which component(s) (i.e. CRTC Decision, Industry Canada broadcasting certificate, and CRTC licence) should be required for licensed MDS in order to qualify for conversion to BRS in a given area.

Should MDS stations that do not meet the eligibility criteria be protected through a transition policy (notification period prior to displacement) in the event that a firm transition date to BRS is adopted?

ABC has no comment on this question.

Comments are also sought on whether CRTC licence-exempt systems that serve small, rural and remote communities having small populations should be treated differently from the CRTC-licensed systems.

Should these undertakings not be eligible for conversion and a firm transition date to BRS is adopted, the Department seeks comments on what would constitute a suitable notification period for these stations to retune to available frequencies or cease operating. Notification would be given only if the MDS station would prevent the deployment of a BRS system.

ABC suggests that systems providing Internet services to small, rural and remote communities with small population be exempt from any transition requirement. In these rural and remote communities, there is typically a significant amount underutilized mobile spectrum remaining for deployment by national carriers. In this environment, there is no benefit to obliging existing operators to embark upon a costly transition. Should these undertakings not be exempt, a suitable notification period would be one year.

Industry Canada seeks comments on whether Tier 3 or Tier 4 licence areas are the most appropriate for the conversion of site-specific MCS licences to BRS spectrum licences, where applicable, and for conversion of MDS authorizations, including Industry Canada spectrum licences issued in the 2596-2690 MHz band.

ABC Communications supports the use of Tier 4 licence areas. Smaller-sized licence areas are more affordable to smaller companies, and the availability of more affordable licences encourages deployment by small and local internet service providers.

Kind regards,

Bob Allen, President
ABC Communications