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March 16, 2015

**BY ELECTRONIC MAIL**

**spectrum.engineering@ic.gc.ca**

Senior Director, Spectrum Development and Operations  
Industry Canada  
300 Slater Street (JETN, 15th floor)  
Ottawa, Ontario K1A 0H5

Dear Sir/Madam,

**Canada Gazette Part 1, March 7, 2015, Notice No. DGSO-001-15  
Consultation on Changes to the Definition of Competitive  
and User-Defined Service Areas for Spectrum Licences**

Pursuant to the procedures set forth in the above-referenced notice of consultation, please find attached the comments of Xplornet Communications Inc.

Yours truly,

A handwritten signature in blue ink, appearing to read "C. Prudham", is written over a light blue horizontal line.

Christine J. Prudham

CJP/  
Attachment

**Canada Gazette, Part I, March 7, 2015**

**DGSO-001-15**

**Consultation on Changes to the Definition of Competitive and User-Defined Service Areas  
for Spectrum Licences**

**Comments of**

**Xplornet Communications Inc.**

**March 16, 2015**

**INTRODUCTION**

1. These comments are submitted by Xplornet Communications Inc. (“Xplornet”) pursuant to the directions on procedure set forth in Industry Canada’s *Consultation on Changes to the Definition of Competitive and User-Defined Service Areas for Spectrum Licences*, (the “Consultation Paper”), dated February 26, 2015.
2. As Canada’s largest rural broadband provider, deploying fixed wireless and satellite broadband services across all regions of Canada, Xplornet welcomes the opportunity to provide comments on the changes to the definition of the service areas for spectrum licences in Canada.
3. Xplornet would like to commend Industry Canada for the remarkable job it has done redefining the service boundaries with so very few exception or issues. The proposed solutions for the exceptions are logical and practical. Industry Canada has done a great job on a detailed and complex project.
4. Below are specific responses to the proposals on which Industry Canada is seeking comments in the Consultation Paper.

## **Population – Coverage and Associated Fees**

### **1. Freeze the existing population values for all existing spectrum licences for the remainder of the licence term.**

5. Xplornet supports the concept of freezing the existing population values for the duration of the remainder of the applicable licence term. This approach should minimize confusion during the transition and allow for continuity in assessing usage under licence conditions.

### **2. Apply new population values based on square grid cells when calculating fees for a new spectrum licence, when changes are made to modify the service area of an existing spectrum licence (e.g. subdivision) or when a new fee order is established.**

6. Xplornet agrees with this proposal. As noted above, this approach minimizes confusion during the term of the licence.
7. Based on the information provided by Industry Canada in the Consultation Paper, it appears the maximum change in fees for a licensee would likely be 1.5% and, in cases where a licensee holds more than one licence, would very likely be less than 1.5% in aggregate. As a result, Xplornet would not be opposed if Industry Canada subsequently opted to select a fixed date in the future on which to switch all legacy licences to the new population values for the purpose of calculating fees on spectrum licences.

## **Location of Deployed Sites**

### **3. Sites that fall outside of the new service area but that are within the original licence area will be grandfathered. Licensees can continue to offer services to customers that are within the original licence area, but outside of the new area defined by square grid cells.**

8. Xplornet believes grandfathering the existing locations to continuing providing service to customers in the original area, but not outside of that area, represents a fair and workable solution.

9. It appears four of the seven locations involve spectrum licences in the 3.65 GHz spectrum band. Given the 3.65 GHz spectrum licences are not exclusive, Xplornet believes it would be reasonable to limit the time during which a 3.65 GHz location is grandfathered to six months. This would allow the licensee to make an application for the 3.65 GHz licence in the relevant new licensed area and co-ordinate with any existing licensees, if necessary.
10. With respect to locations using spectrum subject to exclusive licences, Xplornet would suggest that a location should be grandfathered for the duration of the spectrum licence and any renewals thereof, provided such location remains in active use serving customers, and the use from that location would continue to be counted towards the coverage and use requirements under the original licence terms.
11. Industry Canada may consider encouraging licensees to swap spectrum blocks to resolve these matters where it is practical to do so.

### **Technical Considerations**

#### **4. Require licensees to meet the specified PFD at the new service area boundary or coordinate with the adjacent licensee if a licensee makes changes to an existing station.**

12. Given operators are today working together to mitigate service impacting interference from transmissions at levels lower than the power flux density (PDF) levels specified by Industry Canada, Xplornet believes Industry Canada's proposal to require all licensees to meet the specified PFD at the new service area boundary or to co-ordinate with adjacent licensees is reasonable and will not create any new issues.
13. Xplornet thanks Industry Canada for the opportunity to provide these comments on the proposals in the Consultation Paper.

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