



*Russ Friesen*  
Vice President, Regulatory  
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MTS Allstream

2 October 2014

**by Email**

Ms. Heather Hall  
Senior Director  
Spectrum Licensing Policy Branch  
Industry Canada  
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Dear Ms. Hall:

**Subject: Gazette Notice SLBP-004-14, Consultation on the Technical, Policy and Licencing Framework for Advanced Wireless Services in the Bands 1755-1780 MHz and 2155-2180 MHz (AWS-3) – MTS Inc. reply comments**

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1. Pursuant to the procedure set out in Gazette Notice SLPB-004-14, *Consultation on the Technical, Policy and Licensing Framework for Advanced Wireless Services in the Bands 1755-1780 MHz and 2155-2180 MHz (AWS-3)* (Notice SLPB-004-14), issued on 2 August 2014, MTS Inc. (MTS) is in receipt of comments filed by various interested parties and provides the following reply comments.
2. Broadly speaking MTS continues to have no objections to Industry Canada's (IC) proposed rules.
3. In the opening comments of SLPB-004-14, a number of participants have proposed amendments to IC's auction framework including amending Tier 2 allocations, shortening the licence terms, delaying the timing of the auction for non-set aside blocks and changing the eligibility for participation in the set-aside blocks.
4. MTS will not comment on many of these proposals. Failure by MTS to address any specific issue or proposal however, should not be construed as agreement with a proposal where such agreement would be contrary to MTS' interests.

5. Specifically, MTS will only comment on the proposals of Xplornet Communications Inc. and the Public Interest Advocacy Centre (PIAC) to amend the criteria for eligibility for the AWS-3 set-aside to include possible new entrants that are not already facilities-based competitors.
6. MTS strongly opposes such proposals. The Government of Canada and IC have been clear in their intent to promote facilities-based competition. Bidding on AWS-3 set-aside spectrum licences should be restricted to new entrant bidders that are actively providing commercial mobile wireless service to the general public and operating a wireless network.
7. As noted previously by MTS, the 2008 AWS spectrum auction set-aside allocated spectrum to many new entrants but much of this spectrum has remained unused. Many winners have simply not deployed. Allowing participants without existing facilities to participate within the set-aside would lead to more speculative activity rather than allocate spectrum to those that are serious about providing competition in the wireless market.
8. MTS continues to advocate that if IC has deemed it necessary to set-aside valuable AWS-3 spectrum for new entrants to promote and enhance competition, this set aside spectrum should be targeted to serious facilities-based competitors and not to those that have not deployed or have no intention to deploy in the immediate and medium term.

Yours truly,

for Russ Friesen  
Vice President, Regulatory Affairs

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