



Montreal, October 24th, 2017

(by email: ic.spectrumauctions-encheresduspectre.ic@canada.ca)

Senior Director
Spectrum Licensing and Auction Operations
Innovation, Science and Economic Development Canada
235 Queen Street
Ottawa, Ontario
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RE: Additional Comments to Consultation on a Technical, Policy and Licensing Framework for spectrum in the 600 MHz Band (Canada Gazette, Part I, Gazette Notice SLPB-005-17, posted on August 4, 2017)

Dear Sir / Madam,

1. After reviewing comments from interested parties on Consultation on a Technical, Policy and Licensing Framework for spectrum in the 600 MHz Band, Ecotel Inc. ("Ecotel") is pleased to submit these additional comments to Canada's Minister of Innovation, Science and Economic Development.
2. Ecotel is very pleased to notice the amount of parties interested in this Consultation and to see that smaller players and entities representing smaller players and rural regions interests unanimously raised their concerns about the fact that tier-2 license areas would completely foreclose smaller operators from the spectrum auction and once again prevent rural and remote areas to be covered for another 20 years.
3. The message is clear: there is an urgent need to put the spectrum in the hands of parties that have the knowledge and the expertise to serve rural and remote areas in priority.
4. The proposed rules for the spectrum auctions in the band 600 MHz go in the opposite directions.
5. ISED must put in place the right measures for parties interested in rural and remote areas to have access to the spectrum they need. Several of those measures and other incentives were proposed from the proponents of rural and remote areas but all have the same common element: give access to spectrum to the parties that will

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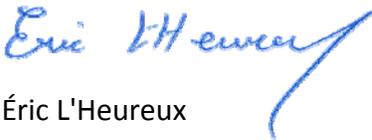
bring the most benefits to rural and remote areas and those parties are the small players, not the big carriers.

6. Ecotel raised its concerns in its first submission for this Consultation and would like to reiterate the followings:
 - a. Ecotel looks forward at this new spectrum band being auctioned in a near future and would like to be an active player in the auction but using tier-2 license areas will prevent Ecotel and other smaller carriers, whose business plans specifically target rural and remote areas, to be part of the process and bid in the upcoming spectrum auctions.
 - b. Ecotel emphasizes that we need to place innovation and the current smaller market needs at the forefront of our objectives when allocating new spectrum licenses and that allowing access to tier 4 markets will promote innovation and opportunistic ideas within different sectors such as mining, gas and oil. If it is the Department's goal to promote innovation, then license areas based on these small markets need to be offered in the upcoming spectrum auction.
 - c. The proposed rules do not allow smaller players to take advantage of the set-aside spectrum, as they do not offer the possibility to bid on tier-4 license areas or even smaller areas and address the needs of rural and remote areas.
 - d. Tier-2 license areas are way to big and to expensive, and represent a barrier for any small carrier that would be interested to bid in this auction.
 - e. Licenses must be offered on a per tier-4 basis and set aside spectrum must be available for small carriers for any tier-4 licenses covering rural and remote areas.
 - f. Having tier-4 license areas would encourage smaller and potential niche carriers to obtain the spectrum they need in specific remote areas while letting the densest markets to bigger carriers where their business plans better suits the type of requirements for such bigger markets. It is clearly not Ecotel's interest to deploy and cover population in areas well served by other carriers. In the same vein, covering rural and remote areas is just not part of any Incumbents' and 2008 New Entrants' business plans.
 - g. When it comes to concerns of interference should tier-4 license areas be implemented, Ecotel is of the view that there are several techniques today to

mitigate any interference risk and that the benefits to implement tier-4 license areas far outweigh any potential negative impact.

- h. As was also proposed by several parties in their submissions, ISED should start contemplating additional incentives and license conditions to facilitate or mandate subordination agreements in locations where licensed spectrum is not put to use.
 - i. Proposed auction formats remain complex and put small players at disadvantage and constitute another entry barrier. Simpler auction formats must be implemented.
 - j. As a consequence of using tier-4 licensing instead of tier-2, opening bids for tier-4 areas must be adjusted taking into account the reality of the tier-4 markets.
7. Ecotel thanks the Department for the opportunity to provide these additional comments.

Yours truly,



Éric L'Heureux

President and CEO