

**Consultation on a Licence Renewal Process for Advanced Wireless Services and  
other Spectrum**

**Comments**

**Xplornet Communications Inc.**

Innovation, Science and Economic Development Canada (ISED)

July 25, 2017

Innovation, Science and Economic Development Canada

SLPB-002-17, June 2017

Spectrum Management and Telecommunications

**Consultation on a Licence Renewal Process for Advanced Wireless Services and other Spectrum**

1. These comments are submitted by Xplornet Communications Inc. (Xplornet) in response to the above-referenced consultation.
2. Xplornet welcomes this opportunity to comment on the proposed process for renewal of Advanced Wireless Services (AWS-1) licences. Having recently acquired AWS licences in the Province of Manitoba, Xplornet has a direct interest in the outcome of this consultation.

**Equipment Ecosystems**

3. Xplornet has no comments at this time on the assessment of the AWS-1, G Block and I Block equipment ecosystems.

**Renewal Eligibility**

4. Xplornet agrees that AWS-1, G Block and I Block licenses should be renewed if the licensee has met the conditions of licence.

**Opportunistic Access to Licensed Spectrum**

5. Xplornet is not aware of the timeframe for equipment that makes opportunistic access to AWS licensed spectrum feasible. In Xplornet's view, any decision to change current spectrum policy to accommodate such a development should be preceded by a full consultation of the implications of doing so. The mere emergence of equipment capable of this functionality does not necessarily mean that a fundamental change in spectrum planning and usage is in the public interest or is otherwise justified.

**Licence Term**

6. Xplornet agrees with the Department that a twenty-year term of licence for the AWS spectrum and for the G Block is appropriate. As noted in the Consultation Notice, the uses of AWS spectrum and the G Block are well-established and not likely to change for the foreseeable future. A twenty-year term provides strong incentive for expansion of networks. Twenty years also provides sufficient time for licensees to invest in new 5G technology and to recover their investment. A shorter term adds risk to such investment and makes it more difficult and more expensive to attract the capital required to carry out such upgrades.

Xplornet believes that a 20 year licence term for the I Block spectrum licences is also warranted. This would give an adequate period of time for equipment to be developed and deployed and allow a sufficient time for investment in the network to be recovered.

### **Deployment Requirements**

7. Xplornet agrees with the Department that spectrum is a public resource that should be used in ways that serve the public interest. Xplornet also agrees that the economic and social benefits that Canadians derive from the use of the radio frequency spectrum resource should be maximized. Idle spectrum serves no public interest and has the negative impact of depriving others from making better use of the resource. For these reasons, deployment obligations make good sense. This is particularly important with the longer twenty-year licence term.

Xplornet favours the approach taken in the AWS-3 Licensing Framework, which required licensees to deploy a percentage of the population within each Tier 3 service area of the licence within eight years. Xplornet does not favour the other option, to require licensees to deploy to a percentage of each Tier 4 area within the Tier 2 or 3 licence area. Xplornet is concerned that some Tier 4 areas may be too difficult to serve to the prescribed level given their propagation characteristics.

### **Other Conditions of Licence**

8. Xplornet does not have any comments on the other conditions of licence at this time.
9. Xplornet thanks the Department for considering these comments.