

TELECOM

NBTC approves draft of auction conditions

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The telecom regulator's board yesterday approved a draft of auction conditions for the 700-megahertz spectrum and remedy measures for digital TV operators, divided into seven slots of 5MHz of bandwidth each.

The initial term of the 700MHz licence is 20 years, and the payment term for the licence is 10 years.

Bid winners have to pay for the first instalment in the first year at 20% of the winning price, stop paying in the second year and resume paying the rest in the third to 10th years, at a rate of 10% of the winning price each year.

Takorn Tantasith, secretary-general of the National Broadcasting and Telecommunications Commission, said the NBTC will start posting details of the planned auction conditions for the 700MHz spectrum and remedy measures for digital TV operators on the commission's website this Friday.

A grand public hearing is expected to be held

in February, and the auction could take place in May.

Mr Takorn said the NBTC subcommittee working on the valuation of the reserve price will finalise details in time for the public hearing.

"Several important details have to wait for opinions from the public hearing before the announcement of official conditions, including reserve price, terms of network roll-out requirements, the number of licences, valid terms of licence and payment terms," he said.

Mr Takorn said the board also suggested that the NBTC should raise issues via the public hearing forum on whether companies on the regulator's blacklist can participate in the planned auction.

JAS Mobile Broadband was placed on the blacklist after it defaulted on its first payment for the 900MHz licence due in March 2016. It was banned from joining bidding for the 900MHz licence last year.

Money from the auction of the 700MHz will be partly used to subsidise the operating costs of digital TV operators under a long-term survival plan.

The plan includes expansion of the subsidy for MUX rental fees from the current fund that will end in 2020 to 2022, as well as subsidising operating costs for the must-carry rule until expiry of the digital TV licence.

Currently, 45MHz of bandwidth on the 700MHz spectrum is operated by digital TV operators.

The NBTC is set to auction 35MHz of bandwidth out of a total 45MHz by dividing 35MHz into seven slots of 5MHz each.