

**WARM THE GAVEL**

The NBTC plans to auction the remaining 35MHz on the 1800MHz spectrum in February, the end of the concession era. **B3**

# Remaining 35MHz to be auctioned next year

## Longer payment terms is lure for bidders

**KOMSAN TORTERMVASANA**

The telecom regulator plans to sell leftover bandwidth on the 1800-megahertz spectrum in February — the last slot from the concession regimen before the pivot to 5G.

The National Broadcasting and Telecommunications Commission (NBTC) wants to hold auctions for the remaining 35MHz of bandwidth on the 1800MHz range, which would come with a longer term for licence payment of 8-10 years, up from the existing three years.

The move is to attract mobile operators to bid on additional spectrum bandwidth that would provide better service and capacity for customers.

The auction of the remaining 35MHz would also help the regulator end the concession era, paving the way for new auctions on spectrum ranges that would serve 5G wireless broadband in the future, said Takorn Tantasith, secretary-general of

the NBTC.

The 35MHz of bandwidth (35x2MHz, upload and download) is part of Total Access Communication's (DTAC) 1800MHz concession, which expired in September. The 35MHz will be divided into seven slots, each containing 5MHz.

The NBTC held a second auction round for 45MHz of bandwidth on the 1800MHz range on Aug 19, divided into nine slots, each containing 5MHz or 5x2MHz for upload and download.

However, only two of the nine blocks were sold for a combined price of 25 billion baht.

Advanced Info Service, through its subsidiary Advanced Wireless Network (AWN), won one block of the 1800MHz licence worth 12.51 billion baht.

DTAC through subsidiary TriNet won another block, also worth 12.51 billion baht.

Mr Takorn said the reserve price for the remaining 35MHz auction of the 1800MHz licence will begin at 12.48 billion baht for each 5MHz slot, the same as the previous auction. The reserve price was based on the winning price of the 1800MHz auction in 2015.

"The [NBTC] cannot reduce the reserve

price because it would not be fair to winners from previous auctions," he said.

A reduction of the reserve price may also create legal backlash for the NBTC.

Mr Takorn said the NBTC is considering longer licence terms for the 35MHz auction.

"New licence payment terms for the 1800MHz licence of 8-10 years will reduce the financial burden for winners," he said.

Under existing conditions, winners of the 1800MHz licence must pay 50% of the winning price within 90 days after approval of the bid results, with the remaining 25% by the following year and the rest within three years.

That means the winners of the 35MHz auction would pay only 1.25 billion baht per year during 2019-29 for each 5MHz slot if the terms is extended to 10 years.

"I believe longer licence payment terms will make it easier to bid for the slots because only 1.2 billion baht per year is a competitive price," Mr Takorn said.

AWN has already placed the first instalment of the 1800MHz licence it won from the Aug 19 auction worth 6.7 billion or 50% of the 12.5 billion baht winning price.

DTAC told the NBTC it will pay the first instalment for the 1800MHz licence on



An advertisement for the NBTC's 1800MHz spectrum auction. Beginning the 5G era is a priority for the government.  
PORNPROM SATRABHAYA

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Mr Takorn said the NBTC wants to see new players in the telecom industry.

Future auctions of spectrum licences in the 5G era should have a reasonable starting price to avoid creating untenable financial burdens for operators, he said.

Mr Takorn said the NBTC is considering auctioning low band such as 700- and 2600MHz spectra with the stipulation that winners are given high-band slots as well, such as 3500- to 3800MHz ranges and 23- to 28GHz ranges.

"The adoption of 5G is a national agenda item the government wants to see to in 2020, in line with the global trend," he said.

Mr Takorn said lower bands such as 700- and 2600MHz or even 900- and 1800MHz are coverage bands that operators can install as cell sites, major infrastructure for data traffic nationwide, called coverage bands.

High-frequency ranges such as 23- and 28GHz (23,000 and 28,000MHz) require higher network density to roll out efficient communications. The high-spectrum bands are fit to be used to serve heavy-data transmissions.

For the 3400- to 3800MHz ranges, which are partly used by satellite business provider Thaicom Plc, the NBTC is considering recalling a combined 360MHz of bandwidth on the 3500-3800MHz range.

The NBTC is also considering recalling bandwidth on the spectrum range between 23- and 28GHz, which are partially used by Thaicom.

The 700MHz spectrum for digital TV will be switched off in 2020 and be repurposed for telecom service instead, in line with the standards of ITU as well as the World Radiocommunication Conferences in 2015 that officially endorsed Thailand's position to auction the 700MHz band for mobile communications.