

NBTC's spectrum auction woes go on

Only 2 of 9 blocks sold as second round ends

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After a first-round farce where the country's three largest operators failed to bid, the second-round auction of 1800-megahertz spectrum licences ended yesterday with only two out the nine blocks having been sold.

Advanced Info Service (AIS), through its subsidiary Advanced Wireless Network, won one block containing 10 MHz of bandwidth for upload and download for 12.5 billion baht, while Total Access Communication (DTAC) through dtac TriNet won another block for the same price.

The National Broadcasting and Telecommunications Commission (NBTC) plans to make changes before seeking bids for the rest of the 1800-megahertz spectrum.

"We [NBTC] did our best, but the auction result was down to the consideration of the bidders," said NBTC chairman Gen Sukit Khamasundara.

The winning price was 12.5 billion baht, marginally above the reserve price of 12.48 billion baht per block. The reserve price was based on the winning price of the 1800-MHz auction in 2015.

According to NBTC secretary-general Takorn Tantasith, the NBTC is likely to carry out the next round of auctions by the end of the year.

However, NBTC is considering extending

payment terms to attract competition.

Under the existing conditions, winners must pay 50% of the winning price within 90 days of the bid result, then 25% by the end of the second year and the remaining 25% by the end of the following year.

Mr Takorn said another possibility is to amend the reserve price.

"The NBTC will urgently conclude it's package of revisions to the auction and submit them to its board for approval."

Mr Takorn added that mobile operators currently have enough bandwidth to provide 3G and 4G services but not enough for the upcoming 5G standard, adding that the agency is keen for the country to keep pace with other nations.

The NBTC yesterday auctioned 90-MHz of bandwidth on the 1800-MHz spectrum divided into nine blocks of 10-MHz per licence.




NBTC executives and telecom analysts had expected AIS would bid for one block and DTAC for two blocks for a total of 37.5 billion baht.

However, Rajiv Bawa, DTAC's chief of corporate affairs and business development said only one block, or 10-MHz of bandwidth for upload and download, on the 1800-MHz spectrum would be enough for the company after its current concession expires in September.

DTAC chief Lars Norling insisted that the single block, in addition to its current spectrum portfolio, will not only allow DTAC to maintain 2G service for a large base of customers but will also provide improved 4G network capacity to serve the massive growth of data usage.

AT A GLANCE

Mobile spectrum bandwidth (upload and download) of three major operators as of September 2018 and the expiry of DTAC's concession.

Ranges (MHz)	850	900	800	2100	2300	Total
 AIS	0	20	40	60*	0	120
 true	30	20	30	30	0	110
 dtac	0	0	10	30	60**	100

Remark:

*AIS partners with TOT for providing mobile service via 30MHz of TOT's 2100-MHz spectrum until 2025, in addition to AIS's own 30-MHz of bandwidth under licence.

**DTAC partners with TOT for providing service via 60-MHz on TOT's 2300-MHz spectrum until 2025.

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