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For Immediate Release

Telecom Regulatory Authority of India

TRAI releases recommendations on "Method of allocation of spectrum for Public Mobile Radio Trunking Service (PMRTS), including auction, as a transparent mechanism"

New Delhi, 20th July, 2018– The Telecom Regulatory Authority of India (TRAI) has today released recommendations on "Method of allocation of spectrum for Public Mobile Radio Trunking Service (PMRTS), including auction, as a transparent mechanism".

2. PMRTS is a well proven niche market service having its unique capability of communication instantly within the closed user group (CUG). The service has found its growing prominence in all critical infrastructure sectors such as Manufacturing, Oil & Gas, Mining, Construction, Courier, Emergency Medical Services, Utilities, Transportation (Road, Airports, Harbours), Energy & Communication apart from the utility for rescue and relief during emergency situation. In the past, as an alternative, PMRTS have has been often used for communications by agencies involved in protection of life and property, disaster relief and emergency responses.

3. The Department of Telecommunications (DoT) vide its letter dated 13th July, 2017, requested TRAI to provide its recommendations on 'Method of allocation of spectrum for Public Mobile Radio Trunking Service (PMRTS) including auction, as a transparent mechanism' with applicable reserve price, and other associated conditions for auction of spectrum for PMRTS under the terms of clause 11 (1) (a) of TRAI Act, 1997 (as amended).

4. In this context, TRAI had issued a consultation paper on 8th February 2018, which, *inter-alia*, included the aspects of methodology of allocation of spectrum, duration of license, assignment of spectrum (throughout the license area or city wise), preferable frequency bands for PMRTS, block size, reserve price, spectrum cap etc. Written comments/inputs on the issues raised in the Consultation Paper were invited from the stakeholders by 22nd March, 2018 and counter-comments by 5th April, 2018. An Open House Discussion (OHD) was convened on 16th May, 2018.

5. After considering the comments received from the stakeholders and further analysis, the Authority has finalized its recommendations on "Method of allocation of spectrum for Public Mobile Radio Trunking

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Service (PMRTS), including auction, as a transparent mechanism". The salient features of the recommendations are given below:

- The existing Licensed Service Area (LSA) based authorization criteria for a period of 20 years for PMRTS license should continue.
- Taking into consideration factors viz. PMRTS market conditions; spectrum demand and supply; the assignment of spectrum for PMRTS should be made administratively on the basis of demand.
- In order to promote efficient use of spectrum, the existing cap on the number of PMRTS handsets per channel that can be imported, should be removed.
- Carrier size for assignment to PMRTS licensee (both for analog or digital) shall be 6.25 KHz and multiples of 6.25 KHz.
- Carriers (frequency pairs) of 25 KHz already assigned to the service providers should be allowed to be retained by the service providers and additional assignment of carriers for the existing analogue system shall continue @ carrier size of 25 KHz (counted as 4 carriers of 6.25 KHz each).
- Assignment in new cities / Service Areas shall be made for digital systems only.
- Initially for each city, twelve carriers (frequency pairs) of carrier size 6.25 KHz in metro licensed service area and eight carriers (frequency pairs) in non-metro license service area shall be assigned for PMRTS (Digital system) depending on the availability.
- The Royalty charges for the PMRTS on an yearly payment option shall be Rs.1200/- per year per 6.25 KHz channel for link distance upto 30 Km and Rs.2400/- per year per 6.25 KHz channel for link distance upto 60 Km.
- The PMRTS providers shall also have an option of onetime upfront payment of Royalty charges.
- The Spectrum Usage Charge (SUC) for the spectrum allocated to PMRTS provider shall be levied @ 1% of AGR and while determining the AGR for the purpose of levy of license fee and SUC, the revenue from sale of handsets (the cost of which is separately identifiable) shall be allowed as deduction from the GR of PMRTS for the purpose of levy of licence fee. The Authority is however not making any specific recommendation on license fee of PMRT Service.
- An overall combined spectrum cap of 35% in a LSA on the spectrum identified and available for assignment to PMRT Services, as per provision of NFAP-2011, shall be applicable to PMRT licensee.
- In order to make the spectrum available for Broadband-Public Protection Disaster Relief (BB-PPDR) networks, existing PMRTS assignments in the band 814-819/859-864 MHz should be

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refarmed and further accommodated in the 811-814/856-859 MHz band. The refarming process should be completed within a period of two years.

- The agencies handling PPDR networks who have been operating in the band 806-824 MHz paired with 851-869 MHz should be confined to and accommodated in the proposed PPDR network for which the assignment of spectrum is proposed in 814-824/859-869 MHz sub-band.
- Upon refarming the bands mentioned above, the sub-band 806-811/851-856 MHz should be made available both for PMRTS and CMRTS on need and justification basis.
- Allocations of the frequencies in the sub-band 338-340/348-350 MHz shall be predominantly considered for PMRTS. Provisions for allocation in sub-band 351-358/361-368 MHz and 380-389.9/390-399.9 MHz shall remain unchanged.

6. The recommendations have been placed on TRAI's website <u>www.trai.gov.in</u>. For clarification/ information, if any, Shri S. T. Abbas, Advisor (Network Spectrum & Licensing), TRAI may be contacted at Telephone Number +91-11-23210481.

(U.K. Srivastava) Secretary i/c, TRAI