

Hon. Ms.

Chairman of the Board of Directors of
ANACOM - NATIONAL COMMUNICATIONS
AUTHORITY

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Via by e-mail to pee2016@anacom.pt.

8 June, 2016

Subject: Portugal ANACOM Consultation on National Spectrum Strategy

Hon. Chairman of the Board of Directors,

ECHOSTAR MOBILE LIMITED (hereinafter “EML”), having been recently granted the Right of Use for Frequencies for 2 GHz Mobile Satellite Services in the National Territory (ANACOM No. 2/2016) and having been notified of the preparation of the National Strategic Spectrum Plan (hereinafter “Plan”), now submitted for public consultation, hereby respectfully submits its **COMMENTS**, as follows:

1. EML welcomes this Plan and the **objectives and principles** defined therein for the Radio Spectrum, in particular, the ones related to the defence of the interests of consumers, by seeking to use the radio spectrum in a socio-economically more efficient manner and by establishing technical conditions that promote greater efficiency on the basis of studies that address not only technological issues but also market-related and cost/benefit issues, for the general public, companies and society in general.
2. In what concerns specifically to the proposed strategy in the **Satellite Mobile Services** sector, EML would like to point out the recognition of the need of growth in the supply of satellite services in Portugal in parallel to what is happening in the rest of the European countries and (ii) the interests and needs of users in the implementation of "*always connected*", "*security*", the complete "*integration of terminals*", "*the high debit rate associated with high service quality*" and "*low cost solutions*".

3. In this context it is important to stress that mobile satellite service with a complimentary ground component (“MSS/CGC”) is spectrally very efficient, will bring the benefits of mobile service to rural areas and for PPDR and other uses, and being able to reuse the same spectrum to serve users for mobile broadband services in the more developed regions.
4. Finally, EML would like to take this opportunity to once more address the issue of **fees due under the currently applicable provisions** (*article 105 of the Electronic Communications Law and under the provisions laid down in Administrative Rule No 1473-B/2008, of 17 December, as amended and republished by Administrative Rule No 291-A/2011, of 4 November, and subsequently amended by Administrative Rules No 296-A/2013, of 2 October and No 378-D/2013, of 31 December (Administrative Rule No 1473-B/2008)*), to stress its extreme concern with the current and in force rates.
5. As ANACOM is fully aware, the satellite component defines the MSS system, but the integration of the terrestrial component is essential for the maximum spectrum efficiency. In fact, what makes the 2 GHz Band process unique is its combination of both satellite and terrestrial services, combining the coverage benefits of a satellite service with the throughput potential and added spectrum efficiency of a terrestrial service.
6. As such, the amount of fees to be paid will have a direct influence in the viability of the business and its implementation.
7. In fact, it cannot be disregarded the high up-front investment required for the development of the mobile satellite systems and that the implementation of the MSS with CGC must be economically viable.
8. In EML view an approach should be adopted that recognizes the significant costs incurred by satellite operators in relation to the construction and launch of their satellite(s), and in developing their mobile satellite service ecosystem.
9. In the case of EML’s operation in Portugal, the payment of €21.978,00 for each CGC, an annual basis will have impact on the use of the S-band spectrum and the provision of

important services as foreseen by the European framework for MSS 2 GHz.

10. As EML has already mentioned in the context of the comments to ANACOM's draft Decision on the authorization of the MSS in the 2GHz Band, the fees to be applicable should be structured and formulated to reflect the type of service provided, should be proportionate and transparent and should not, in any way, impede the provision of any particular use the MS and CGC network.
11. In conclusion, it is a disincentive to investment to impose significant regulatory fees on the CGC portion of MSS/CGC and, of course, this will negatively impact Portuguese consumers.
12. In addition, EML has the additional obligations that include launching and operating a mobile satellite service, ensuring that its network is integrated and only operating its CGC service in the footprint of its satellite.
13. As such, and also bearing also in mind the *"growing need of the European industry to place itself in a more competitive position similar to that of the American industry"* stressed in ANACOM's Plan, EML considers that the current fees are not appropriate and should be re-examined in the context of definition of ANACOM's objectives for 2016-2018, in order to take into account that CGC has additional obligations that are not imposed on terrestrial wireless operators and that current fees have important impact on the efficiency of the services and in Portuguese consumers.

Sincerely,

Jennifer A. Manner
Head, Regulatory Affairs