

---

STATUTORY INSTRUMENTS

---

**2018 No. 86**

**The Wireless Telegraphy (Licence Award) Regulations 2018**

**PART 8**

Grant Stage

CHAPTER 1

Licences available, the determination of licence fees  
and the precise frequencies for particular licences

**Interpretation**

**91.** In these Regulations—

- (a) a “2.3 GHz licence” is a licence that authorises the use of particular frequencies corresponding to a block of such number of 2.3 GHz lots as that bidder won in accordance with regulation 38;
- (b) a “2.3 GHz withdrawn lot licence” is a licence that authorises the use of particular frequencies corresponding to a block of such number of 2.3 GHz lots as that bidder won in accordance with regulation 39 (following the withdrawal of standing high bid status);
- (c) a “3.4 GHz licence” is a licence that authorises the use of particular frequencies corresponding to a block or pair of blocks (as the case may be) of such number of 3.4 GHz lots as that bidder won in accordance with regulation 38;
- (d) a “3.4 GHz withdrawn lot licence” is a licence that authorises the use of particular frequencies corresponding to a block or pair of blocks (as the case may be) of such number of 3.4 GHz lots as that bidder won in accordance with regulation 40 (following the withdrawal of standing high bid status).

**Determination of licences, licence fees and frequencies associated with particular licences**

**92.** After notification of the results of the assignment stage under regulation 90, OFCOM shall determine—

- (a) the licences which may be granted; and
- (b) for each licence—
  - (i) the licence fee payable to OFCOM, in accordance with regulations 94 to 98; and
  - (ii) the particular frequencies, in accordance with regulations 99 to 101.

**Licences which may be granted under this award process**

**93.** The licences which may be granted to a bidder under this award process are—

- (a) for a bidder which won 2.3 GHz lots in accordance with regulation 38, a 2.3 GHz licence;

*Status: Point in time view as at 31/01/2018.*

*Changes to legislation: There are currently no known outstanding effects for the The Wireless Telegraphy (Licence Award) Regulations 2018, PART 8. (See end of Document for details)*

- (b) for a bidder which won 2.3 GHz lots in accordance with regulation 39, a 2.3 GHz withdrawn lot licence;
- (c) for a bidder which won 3.4 GHz lots in accordance with regulation 38, a 3.4 GHz licence;
- (d) for a bidder which won 3.4 GHz lots in accordance with regulation 40, a 3.4 GHz withdrawn lot licence; and
- (e) where the pre-existing licence holder is a bidder and did apply for a replacement licence, a replacement licence.

**Licence fee payable by a winning bidder for a 2.3 GHz licence**

**94.** The licence fee payable by a winning bidder for a 2.3 GHz licence shall be an amount equal to the sum of—

- (a) that bidder's total 2.3 GHz base price A; and
- (b) that bidder's 2.3 GHz additional price.

**Licence fee payable by a winning bidder for a 2.3 GHz withdrawn lot licence**

**95.** The licence fee payable by a winning bidder for a 2.3 GHz withdrawn lot licence shall be an amount equal to the sum of—

- (a) that bidder's total 2.3 GHz base price B; and
- (b) except where that bidder also won 2.3 GHz lots in accordance with regulation 38, that bidder's 2.3 GHz additional price.

**Licence fee payable by a winning bidder for a 3.4 GHz licence**

**96.** The licence fee payable by a winning bidder for a 3.4 GHz licence shall be an amount equal to the sum of—

- (a) that bidder's total 3.4 GHz base price A; and
- (b) that bidder's 3.4 GHz additional price.

**Licence fee payable by a winning bidder for a 3.4 GHz withdrawn lot licence**

**97.** The licence fee payable by a winning bidder for a 3.4 GHz withdrawn lot licence shall be an amount equal to the sum of—

- (a) that bidder's total 3.4 GHz base price B; and
- (b) except where that bidder also won 3.4 GHz lots in accordance with regulation 38, that bidder's 3.4 GHz additional price.

**Licence fee payable by the pre-existing licence holder for a replacement licence**

**98.** The licence fee payable by the pre-existing licence holder for a replacement licence shall be—

- (a) where the pre-existing licence holder does not win any additional 3.4 GHz lots in the principal stage, the amount which is the pre-existing licence holder's 3.4 GHz additional price; or
- (b) where the pre-existing licence holder won additional 3.4 GHz lots in the principal stage, zero pounds.

**Particular frequencies to be included in 2.3 GHz licences and 2.3 GHz withdrawn lot licences**

**99.**—(1) Where a winning bidder won 2.3 GHz lots in accordance with either regulation 38 or 39 (but not both), any 2.3 GHz licence or 2.3 GHz withdrawn lot licence granted to that bidder shall authorise the use of the frequencies corresponding to the 2.3 GHz assignment stage option for which the bidder made the winning 2.3 GHz assignment stage bid (“2.3 GHz winning option”).

(2) Where a winning bidder won 2.3 GHz lots in accordance with both regulations 38 and 39—

(a) the 2.3 GHz licence granted to that bidder shall authorise the use of the frequencies corresponding to the block which—

- (i) includes such number of lots as won in accordance with regulation 38; and
- (ii) comprises the higher frequencies included in that bidder's 2.3 GHz winning option; and

(b) the 2.3 GHz withdrawn lot licence granted to that bidder shall authorise the use of the frequencies corresponding to the block which—

- (i) includes such number of lots as won in accordance with regulation 39; and
- (ii) comprises the lower frequencies included in that bidder's 2.3 GHz winning option.

**Particular frequencies to be included in 3.4 GHz licences and 3.4 GHz withdrawn lot licences granted to a winning bidder where the pre-existing licence holder is not a bidder or where the pre-existing licence holder is a bidder but did not apply for a replacement licence**

**100.**—(1) This regulation applies in respect of the grant of a 3.4 GHz licence or a 3.4 GHz withdrawn lot licence to—

- (a) each winning bidder for 3.4 GHz lots other than the pre-existing licence holder; and
- (b) where it is a bidder and did not apply for a replacement licence but makes one or more winning principal stage bids for 3.4 GHz lots, the pre-existing licence holder.

(2) Where a winning bidder to which this regulation applies won 3.4 GHz lots in accordance with either regulation 38 or 40 (but not both), any 3.4 GHz licence or 3.4 GHz withdrawn lot licence granted to that bidder shall authorise the use of the frequencies corresponding to the 3.4 GHz assignment stage option for which the bidder made the winning 3.4 GHz assignment stage bid (“3.4 GHz winning option”).

(3) Where a winning bidder to which this regulation applies won 3.4 GHz lots in accordance with both regulations 38 and 40—

(a) the 3.4 GHz licence granted to that bidder shall authorise the use of the frequencies corresponding to the block or pair of blocks which—

- (i) includes such number of lots as won in accordance with regulation 38; and
- (ii) comprises the higher frequencies included in that bidder's 3.4 GHz winning option; and

(b) the 3.4 GHz withdrawn lot licence granted to that bidder shall authorise the use of the frequencies corresponding to the block or pair of blocks which—

- (i) includes such number of lots as won in accordance with regulation 40; and
- (ii) comprises the lower frequencies included in that bidder's 3.4 GHz winning option.

**Particular frequencies to be included in any 3.4 GHz licence, 3.4 GHz withdrawn lot licence and replacement licence granted to the pre-existing licence holder where it is a bidder and did apply for a replacement licence**

**101.**—(1) This regulation applies in respect of the grant to the pre-existing licence holder of a 3.4 GHz licence, a 3.4 GHz withdrawn lot licence and a replacement licence under this award process where that pre-existing licence holder is a bidder and did apply for a replacement licence.

(2) Where the pre-existing licence holder to which this regulation applies did not win any additional 3.4 GHz lots in the principal stage, any replacement licence granted to that pre-existing licence holder shall authorise the use of 40 MHz corresponding to its 3.4 GHz winning option.

(3) Where the pre-existing licence holder to which this regulation applies won 3.4 GHz lots in accordance with either regulation 38 or 40 (but not both)—

- (a) the replacement licence granted to that pre-existing licence holder shall authorise the use of 40 MHz corresponding to the block which comprises the higher frequencies included in that pre-existing licence holder's 3.4 GHz winning option; and
- (b) the 3.4 GHz licence or 3.4 GHz withdrawn lot licence granted to that pre-existing licence holder shall authorise the use of the frequencies corresponding to the block of additional 3.4 GHz lots which comprises the lower frequencies included in the pre-existing licence holder's 3.4 GHz winning option.

(4) Where the pre-existing licence holder to which this regulation applies won 3.4 GHz lots in accordance with both regulations 38 and 40—

- (a) the replacement licence granted to that pre-existing licence holder shall authorise the use of 40 MHz corresponding to the block which comprises the higher frequencies included in that pre-existing licence holder's 3.4 GHz winning option;
- (b) the 3.4 GHz licence granted to that pre-existing licence holder shall authorise the use of the frequencies corresponding to the block which—
  - (i) includes such number of lots as won in accordance with regulation 38; and
  - (ii) comprises the frequencies immediately below the block included in the replacement licence referred to in sub-paragraph (a); and
- (c) the 3.4 GHz withdrawn lot licence granted to that pre-existing licence holder shall authorise the use of the frequencies corresponding to the block which—
  - (i) includes such number of lots as won in accordance with regulation 40; and
  - (ii) comprises the lower frequencies included in that pre-existing licence holder's 3.4 GHz winning option.

## CHAPTER 2

### Withdrawn lot licences

#### Acceptance or refusal of the withdrawn lot licence

**102.**—(1) Following the determination by OFCOM of the licences which may be granted to each winning bidder, each winning bidder's licence fees and particular frequencies, OFCOM shall notify each bidder that won 2.3 GHz lots or 3.4 GHz lots in accordance with regulations 39 or 40 (following the withdrawal of standing high bid status) of—

- (a) the licence fee payable by that bidder to OFCOM in respect of its withdrawn lot licences, as determined in accordance with regulations 95 and 97; and
- (b) the particular frequencies the use of which would be authorised by those withdrawn lot licences, as determined in accordance with regulations 99 to 101.

(2) Each winning bidder so notified by OFCOM must, by a deadline specified by OFCOM, indicate whether or not it wishes to accept the withdrawn lot licences.

(3) Where a winning bidder has won both 2.3 GHz lots and 3.4 GHz lots in accordance with regulations 39 and 40, that bidder must indicate either—

- (a) that it wishes to accept withdrawn lot licences for both lot types; or
- (b) that it does not wish to accept withdrawn lot licences for both lot types.

(4) Where a winning bidder does not notify OFCOM in accordance with paragraphs (2) and (3), that bidder shall be deemed to have indicated that it does not wish to accept any withdrawn lot licences.

### **Refusal payment for withdrawn lot licences**

**103.**—(1) Where a winning bidder has indicated that it does not wish to accept any withdrawn lot licences in accordance with regulation 102, OFCOM shall determine the amount payable by that bidder in respect of the withdrawn lot licences that it has refused (“refusal payment”) in accordance with paragraph (2).

(2) The refusal payment shall be an amount equal to the sum of—

- (a) the 2.3 GHz refusal payment, which is the amount payable by a winning bidder in respect of any 2.3 GHz withdrawn lot licence that it does not wish to accept, determined in accordance with paragraph (3); and
- (b) the 3.4 GHz refusal payment, which is the amount payable by a winning bidder in respect of any 3.4 GHz withdrawn lot licence that it does not wish to accept, determined in accordance with paragraph (4).

(3) The amount referred to in paragraph (2)(a) shall be an amount equal to the sum of—

- (a) one half of that bidder's total 2.3 GHz base price B; and
- (b) except where that bidder also wins 2.3 GHz lots in accordance with regulation 38, that bidder's 2.3 GHz additional price.

(4) The amount referred to in paragraph (2)(b) shall be an amount equal to the sum of—

- (a) one half of that bidder's total 3.4 GHz base price B; and
- (b) except where that bidder also wins 3.4 GHz lots in accordance with regulation 38, that bidder's 3.4 GHz additional price.

## **CHAPTER 3**

### **Total auction sum**

#### **Determination of the total auction sum payable by winning bidders to OFCOM**

**104.**—(1) Following the determination of the refusal payment (if any), OFCOM shall determine the total auction sum payable by each winning bidder in accordance with paragraph (2).

(2) The total auction sum payable by a winning bidder shall be the sum of—

- (a) for that winning bidder's 2.3 GHz licence (if any), the licence fee determined in accordance with regulation 94;
- (b) in respect of that winning bidder's 2.3 GHz withdrawn lot licence (if any) —
  - (i) the licence fee determined in accordance with regulation 95; or
  - (ii) where that bidder has indicated that it does not wish to accept any withdrawn lot licences in accordance with regulation 102, the 2.3 GHz refusal payment determined in accordance with regulation 103(3);

---

*Status: Point in time view as at 31/01/2018.*

*Changes to legislation: There are currently no known outstanding effects for the The Wireless Telegraphy (Licence Award) Regulations 2018, PART 8. (See end of Document for details)*

---

- (c) for that winning bidder's 3.4 GHz licence (including for a 3.4 GHz licence for additional 3.4 GHz lots (if any)), the licence fee determined in accordance with regulation 96; and
- (d) in respect of that winning bidder's 3.4 GHz withdrawn lot licence (including for a 3.4 GHz withdrawn lot licence for additional 3.4 GHz lots (if any)) —
  - (i) the licence fee determined in accordance with regulation 97; or
  - (ii) where that bidder has indicated that it does not wish to accept any withdrawn lot licences in accordance with regulation 102, the 3.4 GHz refusal payment determined in accordance with regulation 103(4); and
- (e) for that winning bidder's replacement licence (if any), the licence fee determined in accordance with regulation 98.

#### **Notification of the total auction sum payable by winning bidders to OFCOM**

**105.** Following the determination of the total auction sum payable by each winning bidder to OFCOM, OFCOM shall notify each winning bidder of the total auction sum payable by that winning bidder to OFCOM.

#### **Further payment where the amount of a winning bidder's deposit is less than its total auction sum**

**106.** Where, after the notification given in accordance with regulation 105, the total amount that a winning bidder has on deposit is an amount that is less than the total auction sum payable by that bidder to OFCOM, the bidder must, by a deadline specified by OFCOM, pay into OFCOM's bank account, with accompanying information which identifies the bidder, the sum in pounds which is the difference between such amount and the amount the bidder has on deposit.

### CHAPTER 4

#### Grant of licences

#### **Entitlement to the grant of licences**

**107.—(1)** Where, following the passing of the deadline under regulation 106, the total amount that a winning bidder has on deposit is an amount that is equal to or more than the total auction sum payable by that bidder to OFCOM, OFCOM shall grant to that bidder the relevant licences referred to in regulation 108.

(2) Subject to paragraph (3), where, following the passing of the deadline under regulation 106, the amount of the deposit of a winning bidder remains less than the total auction sum payable by that bidder to OFCOM, that bidder—

- (a) shall not be entitled to the grant of any licences under these Regulations and shall not receive a refund of any sum which the bidder has paid as a deposit under these Regulations which shall (where not already forfeited) be forfeited, together with any interest which has accrued on that deposit; and
  - (b) shall remain liable to pay the amount which is the difference (if any) between—
    - (i) the amount which is the total auction sum payable by that bidder to OFCOM; and
    - (ii) the amount the bidder has on deposit.
- (3) Where—
- (a) the pre-existing licence holder applies for a replacement licence; and

- (b) following the passing of the deadline under regulation 106, the amount of the deposit of the pre-existing licence holder remains less than the total auction sum payable by the pre-existing licence holder to OFCOM,

the pre-existing licence holder will remain entitled to the grant of a replacement licence (but no other licence) under these Regulations.

### **Grant of licences**

**108.** The licences referred to in regulation 107(1) are—

- (a) where the winning bidder won 2.3 GHz lots in accordance with regulation 38, a 2.3 GHz licence which authorises the use of the frequencies determined in accordance with regulation 99;
- (b) where the winning bidder won 2.3 GHz lots in accordance with regulation 39 (following the withdrawal of standing high bid status) and has indicated that it wishes to accept a 2.3 GHz withdrawn lot licence, a 2.3 GHz withdrawn lot licence which authorises the use of the frequencies determined in accordance with regulation 99;
- (c) where the winning bidder won 3.4 GHz lots in accordance with regulation 38, a 3.4 GHz licence which authorises the use of the frequencies determined in accordance with regulation 100 or 101;
- (d) where the winning bidder won 3.4 GHz lots in accordance with regulation 40 (following the withdrawal of standing high bid status) and has indicated that it wishes to accept a 3.4 GHz withdrawn lot licence, a 3.4 GHz withdrawn lot licence which authorises the use of the frequencies determined in accordance with regulation 100 or 101; and
- (e) where the winning bidder concerned is the pre-existing licence holder, and the pre-existing licence holder did apply for a replacement licence, a replacement licence which authorises the use of the frequencies determined in accordance with regulation 101.

## **CHAPTER 5**

### **Completion of the award process**

#### **Refunds**

**109.** Where, following the grant of licences, the total amount a bidder has on deposit at that time is an amount that is greater than the total auction sum payable by that bidder to OFCOM, OFCOM shall refund to that bidder a sum in pounds which is the difference between—

- (a) the amount which is the total auction sum payable by that bidder to OFCOM (if any); and
- (b) the amount the bidder has on deposit.

#### **Notification to bidders following the grant of licences**

**110.** Following the grant of licences and the refund (if any) of deposits, OFCOM shall notify each winning bidder of the names of all of the persons to whom licences were granted, and, in relation to each of them—

- (a) the frequencies in respect of which the licences were granted; and
- (b) the licence fees paid, indicating the total base prices and the additional prices.

#### **Completion of the award process**

**111.** OFCOM shall complete the award process by publishing on OFCOM's website—

---

**Status:** Point in time view as at 31/01/2018.

**Changes to legislation:** There are currently no known outstanding effects for the The Wireless Telegraphy (Licence Award) Regulations 2018, PART 8. (See end of Document for details)

---

- (a) the names of the winning bidders to whom licences were granted, and, in relation to each of them—
  - (i) the frequencies in respect of which the licences were granted; and
  - (ii) the licence fees paid;
- (b) the names of the winning bidders that did not wish to accept withdrawn lot licences and, in relation to each of them—
  - (i) the frequencies in respect of which, if the withdrawn lot licences had been accepted, those withdrawn lot licences would have been granted; and
  - (ii) the refusal payment paid.
- (c) the names of any winning bidders who, following the passing of the deadline under regulation 106, had an amount on deposit which is less than the total auction sum payable by them to OFCOM, and, in relation to each of them—
  - (i) the frequencies in respect of which, if they held on deposit an amount equal to the total auction sum, licences would have been granted; and
  - (ii) the total auction sum payable to OFCOM; and
- (d) details of all valid principal stage bids, valid withdrawals of standing high bid status, valid assignment stage bids made by each bidder, and occurrences of an eligibility event in respect of each bidder.



**Status:**

Point in time view as at 31/01/2018.

**Changes to legislation:**

There are currently no known outstanding effects for the The Wireless Telegraphy (Licence Award) Regulations 2018, PART 8.