
STATUTORY INSTRUMENTS

2020 No. 1199

The Wireless Telegraphy (Licence Award) Regulations 2020

PART 6

Assignment stage

CHAPTER 1

Overview

No assignment stage if there are no winning principal stage bidders

56. Where there are no winning bidders following completion of the principal stage there shall be no assignment stage and no licences shall be granted.

Assignment stage process

57. Where there is one winning bidder, or more than one winning bidder, following completion of the principal stage, there shall be one assignment stage round and OFCOM shall determine the assignment of lots in light of that round (and in light of the negotiation period, if any).

CHAPTER 2

Assignment of lots of a particular type without bidding

Assignment of numbered 3.6 GHz lots without bidding

58. Where there is only one winning bidder for all of the 3.6 GHz lots, OFCOM shall assign all of the 3.6 GHz lots to that winning bidder.

Assignment of 700 MHz individual frequency lots without bidding.

59. Where there is only one winning bidder for all of the 700 MHz individual frequency lots, OFCOM shall assign all of the 700 MHz individual frequency lots to that winning bidder.

Assignment of 700 MHz paired frequency lots without bidding

60. Where there is only one winning bidder for all of the 700 MHz paired frequency lots, OFCOM shall assign all of the 700 MHz paired frequency lots to that winning bidder.

CHAPTER 3

Assignment of lots of a particular type by means of a bidding process (and negotiation period, if any)

Assignment of 3.6 GHz lots by bidding

61. Except where regulation 58 applies, the particular numbered 3.6 GHz lots that are to be assigned to the winning bidders for 3.6 GHz lots shall be determined by—

- (a) bidding in the assignment stage round in accordance with the procedure set out in regulations 68 to 70; and
- (b) the outcome of the negotiation period (if any).

Assignment of numbered 700 MHz individual frequency lots by bidding

62. Except where regulation 59 applies, the particular numbered 700 MHz individual frequency lots that are to be assigned to the winning bidder or bidders for the 700 MHz individual frequency lots shall be determined by bidding in the assignment stage round in accordance with the procedure set out in regulations 71 to 73.

Assignment of numbered 700 MHz paired frequency lots by bidding

63. Except where regulation 60 applies, the particular numbered 700 MHz paired frequency lots that are to be assigned to the winning bidder or bidders for the 700 MHz paired frequency lots shall be determined by bidding in the assignment stage round in accordance with the procedure set out in regulations 74 to 76.

Assignment stage round

64.—(1) Only the following bidders may bid in the assignment stage round—

- (a) winning bidders for 3.6 GHz lots;
- (b) winning bidders for 700 MHz individual frequency lots; and
- (c) winning bidders for 700 MHz paired frequency lots.

(2) The assignment stage round shall begin and end at the times notified by OFCOM under regulation 77.

CHAPTER 4

Assignment stage form

Assignment stage form

65.—(1) OFCOM shall provide each winning bidder with an assignment stage form.

(2) To bid in the assignment stage round, a bidder must specify on the assignment stage form—

- (a) the bidder's 3.6 GHz assignment stage bids, if any, in accordance with regulation 70;
- (b) the bidder's 700 MHz individual frequency lot assignment stage bids, if any, in accordance with regulation 73; and
- (c) the bidder's 700 MHz paired frequency lot assignment stage bids, if any, in accordance with regulation 76.

Valid assignment stage form

66. An assignment stage form is a valid assignment stage form if—
- (a) the bidder has complied with regulations 70(1) and 70(2), regulations 73(1) and 73(2) or regulations 76(1) and 76(2) in respect of all assignment stage bids specified on the form; and
 - (b) the bidder has submitted the form in accordance with regulation 78 or 79.

Notification that an assignment stage form is not valid

67. Where a bidder submits an assignment stage form which is not a valid assignment stage form, OFCOM shall, after the end of the assignment stage round, notify the bidder of that fact and shall give the reasons why the assignment stage form is not a valid assignment stage form.

CHAPTER 5

3.6 GHz lot assignment stage bidding

Bidding for numbered 3.6 GHz lots in the assignment stage

68.—(1) A 3.6 GHz assignment stage bid shall be a bid for a licence that authorises the use of frequencies corresponding to the particular numbered 3.6 GHz lots comprised in a block of numbered 3.6 GHz lots.

(2) OFCOM shall determine which blocks of numbered 3.6 GHz lots a bidder may bid for, and notify that bidder of its determination.

(3) The list of possible blocks of numbered 3.6 GHz lots provided to each bidder may be different for each bidder.

(4) The list shall be known as the “3.6 GHz assignment stage option list” and each block of 3.6 GHz lots in that list shall be known as a “3.6 GHz assignment stage option”.

Preparing a 3.6 GHz assignment stage option list for each bidder

69.—(1) OFCOM shall determine which 3.6 GHz assignment stage options shall be included in the 3.6 GHz assignment stage option list for each bidder which is eligible to bid.

(2) A bidder’s 3.6 GHz assignment stage options shall be each of those blocks of numbered 3.6 GHz lots which satisfy all of the following conditions—

- (a) the number of 3.6 GHz lots contained in the block is equal to the number of that bidder’s winning principal stage bids for 3.6 GHz lots;
- (b) if that bidder were assigned the 3.6 GHz lots contained in the block the following two conditions would be satisfied—
 - (i) each other bidder could be assigned 3.6 GHz lots contained in a block that, in respect of that other bidder’s winning principal stage bids for 3.6 GHz lots, satisfies the condition in sub-paragraph (a);
 - (ii) the 3.6 GHz lots not assigned to that bidder or any other bidder (the “leftover 3.6 GHz lots”) would form a single block of numbered 3.6 GHz lots; and
- (c) if a bidder made winning principal stage bids for fewer than five 3.6 GHz lots and that bidder were to be assigned the 3.6 GHz lots contained in the block, at least one of the following five conditions would be satisfied—
 - (i) the block would include either 3.6 GHz frequency lot 1 or 3.6 GHz lot 24;

- (ii) the block would be adjacent to a block of fewer than five 3.6 GHz lots which would include 3.6 GHz lot 1 or 3.6 GHz lot 24;
- (iii) the block would be adjacent to the block of leftover 3.6 GHz lots which includes 3.6 GHz lot 1 or 3.6 GHz lot 24;
- (iv) the block would be adjacent to a block of fewer than five 3.6 GHz lots which would itself be adjacent to a block in a series of other contiguous blocks of fewer than five 3.6 GHz lots, provided that at least one block in this series would include 3.6 GHz lot 1 or 3.6 GHz lot 24; or
- (v) the block would be adjacent to a block in a series of contiguous blocks (which comprises the block of leftover 3.6 GHz lots and blocks containing fewer than five 3.6 GHz lots) provided that at least one block in this series would include 3.6 GHz lot 1 or 3.6 GHz lot 24.

3.6 GHz assignment stage bids

70.—(1) In order to bid for a 3.6 GHz assignment stage option, a bidder must, on the assignment stage form, specify an amount in whole thousands of pounds that it is willing to pay, in addition to the total 3.6 GHz base price for that bidder’s winning principal stage bids for 3.6 GHz lots, for a licence that authorises the use of the frequencies corresponding to the block of numbered 3.6 GHz lots that is the 3.6 GHz assignment stage option.

(2) A bidder may make no more than one 3.6 GHz assignment stage bid for each 3.6 GHz assignment stage option.

(3) A bidder is not required to make a 3.6 GHz assignment stage bid.

(4) A 3.6 GHz assignment stage bid is a valid 3.6 GHz assignment stage bid if—

- (a) the bid is specified on a valid assignment stage form; and
- (b) the bidder has paid the full sum of the required assignment stage deposit by the deadline specified by OFCOM.

(5) Where a bidder does not make a valid 3.6 GHz assignment stage bid for a 3.6 GHz assignment stage option that bidder will be deemed to have made a valid 3.6 GHz assignment stage bid with a value of zero pounds for that 3.6 GHz assignment stage option.

CHAPTER 6

700 MHz individual frequency lot assignment stage bidding

Bidding for numbered 700 MHz individual frequency lots in the assignment stage

71.—(1) A 700 MHz individual frequency lot assignment stage bid shall be a bid for a licence that authorises the use of frequencies corresponding to the particular numbered 700 MHz individual frequency lots comprised in a block of numbered 700 MHz individual frequency lots.

(2) OFCOM shall determine which blocks of numbered 700 MHz individual frequency lots a bidder may bid for, and notify that bidder of its determination.

(3) The list of possible blocks of numbered 700 MHz individual frequency lots provided to each bidder may be different for each bidder.

(4) The list shall be known as the “700 MHz individual frequency lot assignment stage option list” and each block of 700 MHz individual frequency lots in that list shall be known as a “700 MHz individual frequency lot assignment stage option”.

Preparing a 700 MHz individual frequency lot assignment stage option list for each bidder

72.—(1) OFCOM shall determine which 700 MHz individual frequency lot assignment stage options shall be included in the 700 MHz individual frequency lot assignment stage option list for each bidder which is eligible to bid.

(2) A bidder's 700 MHz individual frequency lot assignment stage options shall be each of those blocks of numbered 700 MHz individual frequency lots which satisfy the following conditions—

- (a) the number of 700 MHz individual frequency lots contained in the block is equal to the number of that bidder's winning principal stage bids for 700 MHz individual frequency lots; and
- (b) if that bidder were assigned the 700 MHz individual frequency lots contained in the block the following conditions would be satisfied—
 - (i) each other bidder could be assigned 700 MHz individual frequency lots contained in a block that, in respect of that other bidder's winning principal stage bids for 700 MHz individual frequency lots, satisfies the condition in sub-paragraph (a); and
 - (ii) the 700 MHz individual frequency lots not assigned to that bidder or any other bidder would form a single block of numbered 700 MHz individual frequency lots.

700 MHz individual frequency lot assignment stage bids

73.—(1) In order to bid for a 700 MHz individual frequency lot assignment stage option, a bidder must, on the assignment stage form, specify an amount in whole thousands of pounds that it is willing to pay, in addition to the total 700 MHz individual frequency lot base price for that bidder's winning principal stage bids for 700 MHz individual frequency lots, for a licence that authorises the use of the frequencies corresponding to the block of numbered 700 MHz individual frequency lots that is the 700 MHz individual frequency lot assignment stage option.

(2) A bidder may make no more than one 700 MHz individual frequency lot assignment stage bid for each 700 MHz individual frequency lot assignment stage option.

(3) A bidder is not required to make a 700 MHz individual frequency lot assignment stage bid.

(4) A 700 MHz individual frequency lot assignment stage bid is a valid 700 MHz individual frequency lot assignment stage bid if—

- (a) the bid is specified on a valid assignment stage form; and
- (b) the bidder has paid the full sum of the required assignment stage deposit by the deadline specified by OFCOM.

(5) Where a bidder does not make a valid 700 MHz individual frequency lot assignment stage bid for a 700 MHz individual frequency lot assignment stage option that bidder will be deemed to have made a valid 700 MHz individual frequency lot assignment stage bid with a value of zero pounds for that 700 MHz individual frequency lot assignment stage option.

CHAPTER 7

700 MHz paired frequency lot assignment stage bidding

Bidding for numbered 700 MHz paired frequency lots in the assignment stage

74.—(1) A 700 MHz paired frequency lot assignment stage bid shall be a bid for a licence that authorises the use of frequencies corresponding to the particular numbered 700 MHz paired frequency lots comprised in a block of numbered 700 MHz paired frequency lots.

(2) OFCOM shall determine which blocks of numbered 700 MHz paired frequency lots a bidder may bid for, and notify that bidder of its determination.

(3) The list of possible blocks of numbered 700 MHz paired frequency lots provided to each bidder may be different for each bidder.

(4) The list shall be known as the “700 MHz paired frequency lot assignment stage option list” and each block of 700 MHz paired frequency lots in that list shall be known as a “700 MHz paired frequency lot assignment stage option”.

Preparing a 700 MHz paired frequency lot assignment stage option list for each bidder

75.—(1) OFCOM shall determine which 700 MHz paired frequency lot assignment stage options shall be included in the 700 MHz paired frequency lot assignment stage option list for each bidder which is eligible to bid.

(2) A bidder’s 700 MHz paired frequency lot assignment stage options shall be each of those blocks of numbered 700 MHz paired frequency lots which satisfy the following conditions—

- (a) the number of 700 MHz paired frequency lots contained in the block is equal to the number of that bidder’s winning principal stage bids for 700 MHz paired frequency lots; and
- (b) if that bidder were assigned the 700 MHz paired frequency lots contained in the block the following conditions would be satisfied—
 - (i) each other bidder could be assigned 700 MHz paired frequency lots contained in a block that, in respect of that other bidder’s winning principal stage bids for 700 MHz paired frequency lots, satisfies the condition in sub-paragraph (a); and
 - (ii) the 700 MHz paired frequency lots not assigned to that bidder or any other bidder would form a single block of numbered 700 MHz paired frequency lots.

700 MHz paired frequency lot assignment stage bids

76.—(1) In order to bid for a 700 MHz paired frequency lot assignment stage option, a bidder must, on the assignment stage form, specify an amount in whole thousands of pounds that it is willing to pay, in addition to the total 700 MHz paired frequency lot base price for that bidder’s winning principal stage bids for 700 MHz paired frequency lots, for a licence that authorises the use of the frequencies corresponding to the block of numbered 700 MHz paired frequency lots that is the 700 MHz paired frequency lot assignment stage option.

(2) A bidder may make no more than one 700 MHz paired frequency lot assignment stage bid for each 700 MHz paired frequency lot assignment stage option.

(3) A bidder is not required to make a 700 MHz paired frequency lot assignment stage bid.

(4) A 700 MHz paired frequency lot assignment stage bid is a valid 700 MHz paired frequency lot assignment stage bid if—

- (a) the bid is specified on a valid assignment stage form; and
- (b) the bidder has paid the full sum of the required assignment stage deposit by the deadline specified by OFCOM.

(5) Where a bidder does not make a valid 700 MHz paired frequency lot assignment stage bid for a 700 MHz paired frequency lot assignment stage option that bidder will be deemed to have made a valid 700 MHz paired frequency lot assignment stage bid with a value of zero pounds for that 700 MHz paired frequency lot assignment stage option.

CHAPTER 8

Procedure for bidding in the assignment stage

Notice to bidders before the assignment stage round

77. Before the start of the assignment stage round, OFCOM shall notify each bidder that may make an assignment stage bid in the assignment stage round of—

- (a) the 3.6 GHz assignment stage options, 700 MHz individual frequency lot assignment stage options and the 700 MHz paired frequency lot assignment stage options, that are available to that bidder in the assignment stage round; and
- (b) the date on which, and the times on that date within which, the assignment stage round will take place.

Submission of assignment stage form to OFCOM

78.—(1) A bidder must submit the completed assignment stage form to OFCOM by using the electronic auction system, except as provided for in regulation 79.

(2) The completed assignment stage form must be received by OFCOM by the time notified to bidders under regulation 77 as the end of the assignment stage round.

Alternative method for submission of assignment stage form

79.—(1) Where OFCOM are satisfied that a bidder is unable to submit an assignment stage form by using the electronic auction system because of technical failure (or an event or circumstance with similar effect on the bidder's ability to use the electronic auction system), OFCOM shall notify the bidder of an alternative method of submitting the assignment stage form and any requirements relating to the authentication of communications made by means of the alternative method.

(2) The bidder must submit the assignment stage form by means of the alternative method and must comply with any requirements which have been notified to it under paragraph (1) relating to the authentication of communications.

Incomplete or defective assignment stage form

80.—(1) Where, due to the manner of completion, an assignment stage form is incomplete or defective but OFCOM believe that they can ascertain the bidder's intention in relation to the making of assignment stage bids, OFCOM shall ask the bidder to confirm in a notice to OFCOM by a deadline specified by OFCOM that OFCOM have correctly ascertained the bidder's intention in relation to the making of assignment stage bids.

(2) Where the bidder confirms in a notice given to OFCOM by the deadline which is signed by two authorised persons that OFCOM have correctly ascertained the bidder's intention, the assignment stage form in its entirety shall be accepted by OFCOM on that basis.

(3) Where the bidder does not give such confirmation, the assignment stage form in its entirety shall be rejected by OFCOM and none of the assignment stage bids made on that assignment stage form shall be valid, and regulations 70(5), 73(5) and 76(5) shall apply.

Required assignment stage deposit

81.—(1) A further sum in pounds must be paid into OFCOM's bank account, with accompanying information which identifies the bidder, by a deadline specified by OFCOM (the "required assignment stage deposit").

(2) The required assignment stage deposit shall be an amount such that the total amount that the bidder has on deposit is not less than the amount which is the sum of—

- (a) the amount which is the bidder's total base price for its winning principal stage bids;
- (b) the amount which is the bidder's highest 700 MHz individual frequency lot assignment stage bid for a 700 MHz individual assignment stage option;
- (c) the amount which is the bidder's highest 700 MHz paired frequency lot assignment stage bid for a 700 MHz paired frequency lot assignment stage option; and
- (d) the amount which is the bidder's highest 3.6 GHz assignment stage bid for a 3.6 GHz assignment stage option.