STATUTORY INSTRUMENTS

2019 No. 1004

ELECTRONIC COMMUNICATIONS

The Wireless Telegraphy (Licence Charges for the 3.4 GHz Frequency Band and the 3.6 GHz Frequency Band) Regulations 2019

Made - - - -	*7th June 2019*
Coming into force	
for the purpose of regulation 3	*30th December 2019*
for the purpose of the remainder	*31st July 2019*

The Office of Communications ("OFCOM") make the following Regulations in exercise of the powers conferred by sections 12, 13(2) and 122(7) of the Wireless Telegraphy Act 2006 ("the Act")(**a**).

Before making these Regulations, OFCOM have given notice of their proposal to do so in accordance with section 122(4)(a) of the Act, published notice of their proposal in accordance with section 122(4)(b) of the Act, and have considered the representations made to them before the time specified in the notice in accordance with section 122(4)(c) of the Act.

Citation and commencement

1.—(1) These Regulations may be cited as the Wireless Telegraphy (Licence Charges for the 3.4 GHz Frequency Band and the 3.6 GHz Frequency Band) Regulations 2019.

(2) Regulation 3 shall come into force on 30th December 2019, and all other regulations shall come into force on 31st July 2019.

Interpretation

2. In these Regulations—

"concurrent licence" means a licence held by two or more persons;

"MHz" means megahertz;

"OFCOM" means the Office of Communications;

"2011 Regulations" means the Wireless Telegraphy (Licence Charges) Regulations 2011(**b**);

"3.4 GHz frequency band" means the frequencies from 3480.0 to 3500.0 MHz and 3580.0 to 3600.0 MHz;

"3.4 GHz payment date" means 31st July 2019;

(**a**) 2006 c. 36.
(**b**) Amended by S.I. 2012/1075, 2013/917, 2014/1295, 2015/1334, 2015/1995, 2016/643 and S.I. 2018/1368.

"3.6 GHz frequency band" means the frequencies from 3600.0 to 3680.0 MHz; and

"3.6 GHz payment date" means 31st December 2020.

Amendment to the 2011 Regulations

3.—(1) Schedule 2 (Licence Charges and Payment Intervals) to the 2011 Regulations shall be amended in accordance with paragraph (2).

(2) In the row entitled "Spectrum Access (3.6 GHz)" and under the column entitled "Variable Sums"—

(a) insert "in the 3925.0 to 4009.0 MHz band" immediately after the reference to "(a) £8,436 for each 1 MHz national slot"; and

(b) insert "in the 3925.0 to 4009.0 MHz band" immediately after the reference to "(b) £2,226 for each 1 MHz national slot".

Licence charges payable for the 3.4 GHz frequency band

4.—(1) This regulation applies to each holder on the 3.4 GHz payment date (and on each anniversary of that date) of a wireless telegraphy licence of the Spectrum Access 3.5 GHz licence class.

(2) Each holder of a wireless telegraphy licence to whom this regulation applies shall pay to OFCOM on the 3.4 GHz payment date (and on each anniversary of that date) a total sum which comprises the amount in pounds sterling calculated in accordance with paragraphs (3) and (4), for each authorisation under its licence of use of one MHz of radio frequencies in the 3.4 GHz frequency band.

(3) The formula to calculate the total sum mentioned in paragraph (2) is—

$$S = £435{,}000 \times (CPI_t \div CPI_0)$$

Where—

"S" means the total sum;

"CPI_t" means the most recent CPI value that is available on 30th June of the year in which the charges are due;

"CPI_0" means the CPI value for April 2018; and

"CPI value" means the number given in respect of that month in the monthly all items consumer prices index published by the Statistics Board.

(4) If the total sum calculated in accordance with paragraph (3) is a fraction of a whole number, it shall be rounded down to the nearest whole number.

One-off licence charge payable in instalments by holders of licences for the 3.6 GHz frequency band on 31st July 2019

5.—(1) Each holder of a wireless telegraphy licence on 31st July 2019 of the Spectrum Access 3.6 GHz licence class shall pay to OFCOM the amounts set out at paragraph (2) on the dates set out in that paragraph, for each authorisation under its licence of use of one MHz of radio frequencies in the 3.6 GHz frequency band.

(2) The amounts referred to in paragraph (1) are—

(a) on 31st July 2019, £18,299.60;

(b) on 31st August 2019, £18,299.60;

(c) on 30th September 2019, £18,299.60;

(d) on 31st October 2019, £18,299.60; and

(e) on 30th November 2019, £18,299.60.

(3) If any amount referred to in paragraph (2) is not paid on the day it falls due all of the subsequent amounts referred to in paragraph (2), if any, shall become immediately due for payment.

(4) Sums payable under this regulation are in addition to any sums which may be payable to OFCOM under regulation 4 of the 2011 Regulations in respect of the 3.6 GHz frequency band and the 3925.0 to 4009.0 MHz band.

One-off licence charge payable by holders of licences for the 3.6 GHz frequency band on 31st December 2019

6.—(1) Each holder of a wireless telegraphy licence on 31st December 2019 of the Spectrum Access 3.6 GHz licence class shall pay to OFCOM £335,168 for each authorisation under its licence of use of one MHz of radio frequencies in the 3.6 GHz frequency band.

(2) Sums payable under this regulation are in addition to any sums which may be payable to OFCOM under regulation 4 of the 2011 Regulations in respect of the 3925.0 to 4009.0 MHz band.

Licence charges payable for the 3.6 GHz frequency band from 31st December 2020

7.—(1) This regulation applies to each holder on the 3.6 GHz payment date (and on each anniversary of that date) of a wireless telegraphy licence of the Spectrum Access 3.6 GHz licence class.

(2) Each holder of a wireless telegraphy licence to whom this regulation applies shall pay to OFCOM on the 3.6 GHz payment date (and on each anniversary of that date) a total sum which comprises the amount in pounds sterling calculated in accordance with paragraphs (3) and (4), for each authorisation under its licence of use of one MHz of radio frequencies in the 3.6 GHz frequency band.

(3) The formula to calculate the total sum mentioned in paragraph (2) is—

$$S = £435{,}000 \times (CPI_t \div CPI_0)$$

Where—

"S" means the total sum;

"CPI_t" means the most recent CPI value that is available on 30th November of the year in which the charges are due;

"CPI_0" means the CPI value for April 2018; and

"CPI value" means the number given in respect of that month in the monthly all items consumer prices index published by the Statistics Board.

(4) If the total sum calculated in accordance with paragraph (3) is a fraction of a whole number, it shall be rounded down to the nearest whole number.

(5) Sums payable under this regulation are in addition to any sums which may be payable to OFCOM under regulation 4 of the 2011 Regulations in respect of the 3925.0 to 4009.0 MHz band.

Payment by instalments

8.—(1) If OFCOM receive notice from the holder of a licence to which regulation 4, regulation 6, or regulation 7 applies of its intention to make payment in ten equal instalments of the total sum prescribed in any of those regulations, that holder of a licence—

(a) shall not be required to make payment of that total sum at the prescribed time other than in accordance with this paragraph; and instead

(b) shall make payment of the sum in ten equal instalments with the first instalment to be paid to OFCOM on the day which shall be the same day as the total sum was due to be paid to OFCOM and each subsequent instalment to be paid on the same day in each of the nine consecutive months thereafter (or in a month in where there is no such day, on the last day of the month).

(2) Where at any time the holder of a licence fails to make payment in accordance with paragraph (1)(b), all of the outstanding instalment payments, if any, shall become immediately due for payment.

Concurrent licences

9. In the case of a concurrent licence, the "holder of a licence" in these Regulations shall refer to all the concurrent holders of the licence.

Philip Marnick
Group Director, Spectrum Group
7th June 2019 For and by the authority of the Office of Communications

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations set the level of charges payable to OFCOM in respect of the licences of the Spectrum Access 3.5 GHz licence class granted under section 8 of the Wireless Telegraphy Act 2006 (c.36) for the use of the frequencies in the bands 3480.0-3500.0 MHz and 3580.0-3600.0 MHz.

These Regulations also increase the level of charges payable to OFCOM in respect of the licences of the Spectrum Access 3.6 GHz licence class granted under section 8 of the Wireless Telegraphy Act 2006 (c.36) for the use of the frequencies in the band 3600.0-3680.0 MHz.

Regulation 3 removes the charges payable by holders of a Spectrum Access 3.6 GHz licence for use of the frequencies in the band 3600.0 – 3680.0 MHz from Schedule 2 of the Wireless Telegraphy (Licence Charges) Regulations (S.I. 2011/1128, amended by S.I. 2012/1075, S.I. 2013/917, S.I. 2014/1295, S.I. 2015/1334, S.I. 2015/1995, S.I. 2016/643 and S.I. 2018/1368) with effect from 30th December 2019.

Regulation 4 prescribes the fees payable by holders of a Spectrum Access 3.5 GHz licence in respect of the frequencies in the bands 3480.0-3500.0 MHz and 3580.0-3600.0 MHz on each 31st July after these Regulations commence.

The Statistics Board is at 1 Drummond Gate, London, SW1V 2QQ. Its executive function is known as the Office of National Statistics and the monthly all items consumer prices index is available on its website at www.ons.gov.uk . Telephone number: 0845 604 1857.

Regulation 5 prescribes additional fees payable by holders of a Spectrum Access 3.6 GHz licence from 31st July 2019 by instalments in respect of the frequencies in the band 3600.0-3680.0 MHz. The fees payable under Regulation 5 are in addition to any fees due under the Wireless Telegraphy (Licence Charges) Regulations 2011 in respect of the 3600.0-3680.0 MHz and 3925.0-4009.0 MHz bands.

Regulation 6 prescribes one-off fees payable from 31st December 2019 by holders of a Spectrum Access 3.6GHz licence in respect of the frequencies in the band 3600.0-3680.0 MHz. The fees payable under Regulation 6 are in addition to any fees due under the Wireless Telegraphy (Licence Charges) Regulations 2011 in respect of the 3925.0-4009.0 MHz band.

Regulation 7 prescribes the fees payable in respect of the frequencies in the band 3600.0-3680.0 MHz on each 31st December from and including 31st December 2020. The fees payable under Regulation 7 are in addition to any fees due under the Wireless Telegraphy (Licence Charges) Regulations 2011 in respect of the 3925.0-4009.0 MHz band.

A regulatory impact assessment of the effect of these Regulations has been prepared. Copies of this assessment have been placed in the library of the Houses of Parliament.

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