

COMMUNICATIONS

TUC to buy 700MHz licence

KOMSAN TORTERMOVASANA

True Move H Universal Communication (TUC) is the first mobile operator to agree to buy a new 700-megahertz licence under Section 44 in exchange for a five-year extension of payment terms for the 900MHz spectrum auction in 2015.

Advanced Info Service (AIS) and Total Access Communication (DTAC) must submit their proposals by the Friday deadline to decide whether to buy 700MHz licences.

May 10 is also the deadline for existing digital TV channels to submit proposals if they wish to exit the business without having to pay additional penalties.

Seven or eight channels have expressed interest in exiting the business, according to a source at the National Broadcasting and Telecommunications Commission (NBTC).

The source said AIS and DTAC are expected to follow TUC in submitting 700MHz proposals by Friday.

The NBTC plans to allocate 45MHz of bandwidth on the 700MHz range for sale, dividing it into three licences of 15MHz each with a reserve price between 25 billion and 27 billion baht. The licences will have a 10-year validity period.

The measures are in line with the Section 44 order announced on April 10.

The major three mobile operators each will be allowed to extend their 900MHz licence payment terms for an additional five years, but only if they buy the 700MHz licences.

The move will waive the remaining two terms of all digital TV operators' licence payments at a combined 13.6 billion baht, as well as subsidise rental fees for broadcasting networks worth 18.7 billion baht for the remaining nine years of the digital TV licences.

Money from the planned allocation of 700MHz for sale will be partly used to assist all digital TV operators.

The NBTC yesterday held a meeting with representatives of all digital TV channels to discuss the conditions of Section 44 if they decide to exit the business.

According to Section 44, channels that shut down will receive compensation based on the remaining valid term of their licence.

NBTC secretary-general Takorn Tanasith said the regulator plans to use some of its on-hand funds to pay compensation to digital TV channels that quit. Then, after the sale of the 700MHz licences, the regulator will use some of that money to subsidise the digital TV industry.

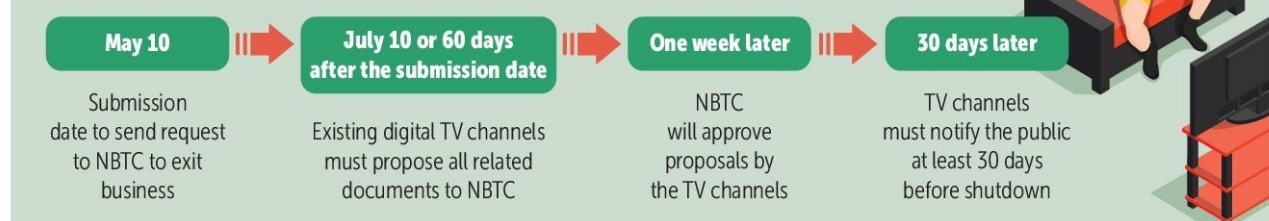
Mr Takorn said that if the digital TV operators exit the business, the NBTC will get more spectrum bandwidth for the 700MHz sale.

TIMELINE OF THE 700MHZ LICENCE ALLOCATION SALE



BANGKOK POST GRAPHICS

TIMELINE FOR EXISTING DIGITAL TV CHANNELS THAT WANT TO EXIT THE BUSINESS



Note: The TV channels would get compensated one day after shutdown

BANGKOK POST GRAPHICS