



**Invitation to Tender – Comparative Evaluation of
Applications for LTE Spectrum Awards in the Channel
Islands**

January 2014

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INVITATION TO TENDER

Award of Spectrum in Bailiwicks of Jersey and Guernsey

PART I: INTRODUCTION

1. This document constitutes an invitation from the Channel Island Competition and Regulatory Authorities (“CICRA”) to tender for a contract to provide specialist advice and assistance to CICRA relating to the award of spectrum within the Bailiwicks of Jersey and Guernsey.
2. CICRA invites interested companies to tender for a contract to advise on the finalisation of the Invitation to Tender document that will be issued by CICRA at the end of Q1 2014, and to participate as members of the evaluation panel in the assessment of applications for the award of LTE spectrum through a comparative evaluation of applications in response to that Invitation to Tender. The evaluation panel will also comprise up to two staff members of CICRA.
3. Part I of this invitation describes the contract on offer. Part II provides further information which the applicant may wish to take into account in drawing up a tender. Part III states the information that CICRA requires in order to consider the tender.

Submission of the application

4. The closing date for responses is **Friday 14^h of February 2014**.
5. Proposals should be addressed to Lisa White, Channel Islands Competition and Regulatory Authorities, Suites B1 & B2, Hirzel Court, St Peter Port, Guernsey, GY1 2NH, and must be delivered to this address or emailed to lisa.white@cicra.gg before 5pm on the closing date.
6. Applicant submissions should be clearly marked “*Proposal to advise on award of LTE Spectrum in Channel Islands*”.
7. Short-listed applicants may be invited to discuss their proposals. CICRA expects to be able to announce the outcome of this tender process within one week of the closing date.
8. Following the selection of the successful applicant, CICRA will expect to agree a contract with that applicant within one week of the decision being announced. CICRA reserves the right to include the material from the Invitation to Tender and the material contained in the successful tender into the terms and conditions of the contract.
9. CICRA will accept no liability for any expenditure incurred by the applicant in preparing a tender, whether or not submitted, and whether or not successful.

PART II: BACKGROUND INFORMATION FOR THE TENDER

Regulatory Regime

The Channel Islands Competition and Regulatory Authorities or 'CICRA' is the name given to the Jersey Competition Regulatory Authority and the Guernsey Competition and Regulatory Authority (formerly the Office of Utility Regulation).

The JCRA was established under the Competition Regulatory Authority (Jersey) Law, 2001, and the GCRA was established under the Guernsey Competition and Regulatory Authority Ordinance, 2012. In Jersey, the telecoms and postal sectors are regulated by the JCRA, which is also responsible for administering and enforcing the Competition (Jersey) Law 2005. In Guernsey the telecoms, postal and electricity sectors are regulated by the GCRA, which is also responsible for administering and enforcing The Competition (Guernsey) Ordinance, 2012.

By working together, sharing resources and expertise between the islands, CICRA's aim is to ensure that consumers receive the best value, choice and access to high quality services, in addition to promoting competition and consumers' interests. In addition, CICRA provides guidance and advice to Ministers and to business, and has a role in representing the Islands overseas.

In recognition of developments in the area of spectrum availability and demand for services requiring spectrum and the new opportunities they offer, the States of Jersey and Guernsey have requested CICRA to run a process of spectrum allocation designed to achieve certain key policy objectives common to both Governments. The new spectrum to be allocated includes the 800 MHz spectrum band – which becomes available through the digital switchover programme ('digital dividend') – and consideration is being given to awarding spectrum over 1 GHz, such as the 2.6 GHz spectrum band – for which standards and an international framework for its use have now been agreed, and/or the 1.8 GHz band. Together, these frequency bands are referred to as LTE spectrum. They provide a substantial increase in the available spectrum as well as valuable opportunities to further the interests of the wider economies and societies of the Channel Islands.

For the purpose of allocating this spectrum, it is intended that successful applicants for spectrum would be all subject to the same awards and regulatory obligations

through a single award process across both Jersey and Guernsey Bailiwicks. Account may however need to be taken of differences arising from States policy or other features that may be relevant, such as international obligations. As with the two Channel Island governments, the regulators have broadly similar duties under the Telecommunications Law (Jersey) 2002 and the Regulation of Utilities (Bailiwick of Guernsey) Law 2001 and, among other objectives, must further the interests of consumers and the economic well-being of each island.

The telecommunications regulators in the Channel Islands – acting jointly as CICRA - have now commenced a programme of consultation which will enable them to make LTE spectrum available to the operators best placed to bring benefits to Guernsey and Jersey through improved services. Issues to be considered include the identification of the allocation process most likely to yield such benefits, the role and form of competition between operators (new and existing), the uses to which spectrum may be put, the impact on the environment and the timing of any awards. An initial consultation on aspects of the spectrum awards was published in July 2013 (http://www.cicra.gg/_files/Spectrum%20Consultation%2031713.pdf) with the second consultation published in December 2013 (http://www.cicra.gg/_files/13-54%20second%20spectrum%20consultation.pdf).

These consultations inform the broader regulatory decision framework and the basis for LTE spectrum allocation. The intention is that by the end of Q1 2014, CICRA will issue a final tender document to which applicants would submit their proposals that would be assessed through a comparative evaluation process.

CICRA is therefore seeking to appoint consultants to advise on the finalisation of the Invitation to Tender document that will be issued by CICRA at the end of Q1 2014, and participate as members of the evaluation panel in the assessment of applications for the award of the available spectrum. The assessment of applications would be carried out through a comparative evaluation of the applications responding to that Invitation to Tender. CICRA would also intend to have up to two of its own staff members on that evaluation panel. A final decision awarding the spectrum is intended to be issued by the end of Q2 2014.

PART III: OBJECTIVES AND SCOPE OF THE PROJECT

Objectives

The award of the available spectrum is intended to further a set of objectives as set out by CICRA in its December 2013 consultation. These main objectives are:

- to further consumers' interests in the short and long term, having regard to prices and costs, and the availability and range of services suitable to consumers' different needs;
- to promote competition as a mechanism to further the consumer interest objective;
- to have regard to and, where it lies within its powers and is practicable, to lessen the impact of the spectrum-dependent activities that CICRA regulates on the environment; and
- to the extent allowed by legislation, to deal with the Jersey and Guernsey Bailiwicks as a single economic and social entity.

To support the above four objectives the allocation process will seek:

- to facilitate the provision of progressive wireless technology services, including mobile services, that increase the benefits to consumers to the maximum extent possible; and
- to promote the health of the telecoms markets in the Channel Islands through a fairer and more competitive market for wireless services,

achieved through:

- Establishing a more even playing field for competing providers by re-balancing historic allocations of spectrum now biased in favour of incumbents in each island;
- Increasing the amount of spectrum available to providers so they can provide more advanced wireless services; and
- Potentially extending facilities-based competition so that wireless services can provide competition in a wider range of telecoms markets than at present.

CICRA has determined that its statutory duties to promote the interests of consumers and the economic and social development of the Bailiwicks are best furthered by ensuring the provision of high quality services.

The Commerce and Employment Department in Guernsey and the Department of Economic Development in Jersey have now also provided CICRA with an agreed policy position, the key elements of which are set out in Annex B of CICRA's December 2013 consultation. These are that the departments expect the roll-out of LTE services will deliver benefits to mobile consumers in the Channel Islands as well as to the economies of Guernsey and Jersey, that awards are aligned with that of the UK and France, and successful applicants would meet the cost of the roll-out of services including mitigating potential interference to digital terrestrial television and air traffic control radar (in Jersey). There is also support from both departments for the award process to take advantage of the opportunity to re-organise existing 900 MHz and 1800 MHz spectrum allocations. For Guernsey only, successful applicants for spectrum would be subject to a charge on their revenue, the details of which will be set out in a final policy paper yet to be published by the Commerce and Employment Department.

The deadline for responses to CICRA's December 2013 consultation is 4th February 2014.

Scope of the Project and Tasks

The role in providing specialist advice and assistance to CICRA will involve the assessment of consultation responses for purposes of advising on the final form of the award process, in particular the minimum requirements, award criteria and weights applied to the award criteria. The role will also involve providing persons with the appropriate expertise as members of the evaluation panel, with the evaluation panel carrying out the evaluation process and making the final award recommendation to the boards of CICRA for decision. CICRA would also provide up to two staff members to the evaluation panel, with the position of chair of that panel a matter on which CICRA is willing to take advice. This is not a comprehensive list and tendering parties are invited to state clearly the approach and process they propose to use to meet the requirements of this ITT.

A drafting of the evaluation procedures document has already been carried out internally by CICRA staff and finalisation of that document will not be required of the role. That document will however set out the specific internal processes for receiving, managing and processing the applications, as well as incorporating the conclusions of the public consultation process such as the minimum requirements, criteria and weights, as advised by the successful applicant to this ITT.

The wireless telegraphy licences required from Ofcom will be allocated in accordance with its normal licensing procedures.

In terms of the timetable going forward the relevant key milestones are:

Date	Event
4 th February 2014	Closing date for responses to the second consultation.
31 st March 2014	Final decision on award process and Invitation to Tender issued.
30 th June 2014	Awards finalised and published.

Qualifications

The consultant should have:

- a. Substantial experience in telecommunications in general and mobile telecommunications in particular;
- b. A proven track record in advising on licence awards using comparative selection processes; and
- c. Team members who have specific relevant experience to the project.

Confidentiality

The successful applicant must agree to a confidentiality agreement covering the firm and the individuals assigned to the project.

Deliverables

Tendering parties are invited to propose the project deliverables associated with the specific work programme and processes specified in their proposal. The work will be conducted in English and all deliverables will be submitted in English.

The following information is required from the applicant for the tender:

1. Demonstration of a clear understanding of the work to be performed.
2. A description of services to be provided and an outline of the methodology that the applicant proposes to adopt.
3. Information regarding the expertise and experience of the specific people who will carry out the work including full CVs of the staff proposed for the project.
4. Description of previous relevant project experience of the organisation.
5. A clear statement that the firm has no existing conflict of interest in relation to the proposed assignment and will not place itself in such a position while retained by CICRA. Tendering parties are required to disclose any matter which may give rise to a potential conflict of interest.
6. Daily rates of each team member in pounds Sterling (daily rates to be based on 8 hours per day).
7. The total cost of the services tendered for including a breakdown of the person days or effort required (stating whether this is inclusive or exclusive of VAT).

CICRA wishes to leave the applicant free to supplement the required information, and to provide illustrations or add background details where they are necessary to provide a clear understanding of the proposals or are likely to add materially to CICRA's understanding of the applicant's intentions in providing the service. However, the submission from applicants should be no longer than 20 A4 pages, with supplementary information contained in relevant annexes.

The applicant may be invited to clarify submitted information. CICRA requires a fixed cost quotation for the work and rates must be fixed for the duration of the project. The tender must define payment terms and any exchange rate risk will be borne by the applicant.

CICRA is not bound to accept any tender received. Similarly it is not bound to accept the lowest tender. Selection will be based on compliance with the administrative aspects of this request for proposal documentation and, inter alia, the following:

- Understanding of the issues;
- Approach and methodology proposed and its appropriateness for the Guernsey and Jersey market;
- The calibre of the team;
- Previous experience; and
- Value for money.

27th of January 2014.