

Auction of 850/900 MHz band spectrum

Notice under subsection 30(1) of the Radiocommunications (Spectrum Licence Allocation—850/900 MHz Band) Determination 2021

The Australian Communications and Media Authority (the ACMA) gives notice under subsection 30(1) of the Radiocommunications (Spectrum Licence Allocation—850/900 MHz Band) Determination 2021 (the allocation determination) of the upcoming auction of spectrum licences in the 850/900 MHz band.

The 850/900 MHz band consists of:

- > the 850 MHz expansion band (frequency ranges 814 MHz to 824 MHz and 859 MHz to 869 MHz)
- > the 900 MHz band (frequency ranges 890 MHz to 915 MHz and 935 MHz to 960 MHz)
- > the downshift spectrum (frequency ranges 824 MHz to 825 MHz and 869 MHz to 870 MHz).

Key dates

Key dates for parties interested in applying to participate in the auction shown in Table 1.

Table 1: Key dates for the 850/900 MHz band auction

Event	Date
Applications open The ACMA advertises the auction, publishes the applicant information package and applications open.	1 September 2021
Application deadline By this date and time, any person wishing to be an applicant will need to: <ul style="list-style-type: none"> > give a completed application form > give a completed Deed of Acknowledgement form > give a completed Deed of Confidentiality form > pay the application fee to the ACMA on behalf of the Commonwealth. Set-aside participants will need to elect whether or not they take up their set-aside lots by the application deadline.	2 pm, 21 September 2021
Eligibility deadline By this date and time, applicants will need to: <ul style="list-style-type: none"> > give a completed eligibility nomination form > pay an eligibility payment, or give a deed of financial security, to the ACMA on behalf of the Commonwealth, or a combination of both. 	2 pm, 3 November 2021
Estimated auction commencement	Late November / early December 2021
Licence commencement	1 July 2024

Important note: The key dates in Table 1 may be subject to change. Interested parties should monitor the ACMA's website for the latest information about the auction.

Parts of the spectrum to be auctioned

Except as set out below, spectrum licences in the 850/900 MHz band will be allocated in 2 geographic areas. The first area consists of a group of major population centres and the second area consists of regional and remote areas. Together, these areas cover all of Australia excluding the mid-west Radio Quiet Zone (RQZ). The auction guide in the applicant information pack provides maps and an area description of the geographic areas to be spectrum licensed.

The ACMA has set the starting price for the lots of each product in accordance with paragraph 28(1)(a) of the allocation determination.

Table 2: Products on offer in the 850/900 MHz band allocation

Product	Product name	Frequency range (MHz)	No. of lots	Lot bandwidth (MHz)	Starting price (per lot)		
1	850MAJ01	850 major population product	814–819 819–824	859–864 864–869	2	10 (2 x 5)	\$261,787,000
2	850REG01	850 regional product	814–819 819–824	859–864 864–869	2	10 (2 x 5)	\$23,138,000
3	900MAJ01	900 lower major population product	890–895	935–940	1	10 (2 x 5)	\$170,730,000
4	900REG01	900 lower regional product	890–895	935–940	1	10 (2 x 5)	\$15,090,000
5	900MAJ02	900 upper major population product	895–900 900–905 905–910 910–915	940–945 945–950 950–955 955–960	4*	10 (2 x 5)	\$261,787,000
6	900REG02	900 upper regional product	895–900 900–905 905–910 910–915	940–945 945–950 950–955 955–960	4*	10 (2 x 5)	\$23,138,000

Note: The products listed in Table 2 correspond to the products in Schedule 1 to the Radiocommunications Spectrum Marketing Plan (850/900 MHz Band) 2021.

* In accordance with the Radiocommunications (Spectrum Licence Limits – 850/900 MHz Band) Direction 2021, set-aside lots of the 900 upper products are being offered to specific persons to enable continuity of services. If a set-aside applicant elects to take up a set-aside lot, this will have the effect of reducing the supply in each 900 upper product by one lot. The generic set-aside lots are allocated for a pre-determined price.

Table 3: Set-aside lots

Product	Product name	No. of lots (per set-aside participant)	Lot bandwidth (MHz)	Set-aside price (per lot)
900MAJ02	900 upper major population product	1	10 (2 x 5)	\$327,803,000
900REG02	900 upper regional product	1	10 (2 x 5)	\$28,972,000

The downshift spectrum (824–825 MHz and 869–870 MHz) will be allocated in 2 geographic areas. The first area consists of 5 metropolitan areas and the second area consists of regional and remote areas. Together, these areas cover all of Australia excluding the mid-west RQZ. The *Auction guide* in the applicant information package provides maps and an area description of the geographic areas to be spectrum licensed.

The downshift metropolitan lot will be allocated to the bidder who is allocated the sole lot of the 900 lower major population product in the primary stage or secondary stage.

The downshift regional lot will be allocated to the bidder who is allocated the sole lot of the 900 lower regional product in the primary stage or secondary stage.

Further information about these lots is contained within the Radiocommunications Spectrum Marketing Plan (850/900 MHz Band) 2021 (marketing plan).

How the auction will be conducted

The auction will be conducted in accordance with the procedures specified in the allocation determination, using an enhanced simultaneous multi-round ascending (ESMRA) auction format.

As outlined in the allocation determination, the ESMRA auction format consists of the following stages:

1. **Primary stage** – clock auction offering frequency-generic lots in each region to determine the quantity of spectrum won by each bidder. The primary stage includes a pre-bidding phase where bidders may confirm or change their provisional start demands and minimum spectrum requirement (MSR) selections.
2. **Secondary stage** – if required, for each product for which only one lot was left unallocated after the primary stage.
3. **Assignment stage** – assignment of specific frequencies to lots allocated in the primary and secondary stages.

If a set-aside applicant elects to take up their set-aside lots, those lots will be allocated to the person immediately before the primary stage.

Invitation to participate

The ACMA invites interested persons to apply to take part in the auction.

Applicant information package

To help prospective participants prepare for the auction, the ACMA has published the applicant information package (AIP). The AIP includes the *Auction guide*, legislative instruments, forms, details about fees and payments, key dates, and information on how to lodge auction documents.

The AIP can be obtained from the [ACMA's website](#).

Auction guide

The *Auction guide* is a plain English explanation of the lots on offer, and how interested parties can take part in the auction.

Relevant legislative instruments

Legislative instruments relevant to the 850/900 MHz band auction are:

- > allocation determination
- > marketing plan
- > Radiocommunications (Unacceptable Levels of Interference—850/900 MHz Band) Determination 2021

- > Radiocommunications Advisory Guidelines (Managing Interference from Spectrum Licensed Transmitters—850/900 MHz Band) 2021
- > Radiocommunications Advisory Guidelines (Managing Interference to Spectrum Licensed Receivers—850/900 MHz Band) 2021
- > Radiocommunications (Trading Rules for Spectrum Licences) Determination 2012
- > Radiocommunications (Spectrum Re-allocation—850/900 MHz Band) Declaration 2020
- > Radiocommunications (Spectrum Licence Limits—850/900 MHz Band) Direction 2021.

Application fee

The application fee for the auction is A\$10,000. This fee is non-refundable, except for circumstances outlined in subsection 26(2) of the allocation determination.

Withdrawing from the auction

The eligibility deadline (or extended eligibility deadline if there is one) is the latest point at which a person may withdraw from the auction. A person who has registered to participate in the auction may only withdraw from the auction by giving written notice to the ACMA by the eligibility deadline (or extended eligibility deadline if there is one).

A set-aside applicant who has elected to take up set-aside lots is prohibited from withdrawing unless the ACMA varies starting prices.

For more information about the extended eligibility deadline, see the *Auction guide*.

How to contact us

Questions about the auction can be directed to:

Eleanor Kay
Auction Manager

Phone: (02) 6219 5151

Email: spectrumallocations@acma.gov.au

For media enquiries, please contact ACMA Media on 0438 375 776 or media@acma.gov.au.