

EIS(5)-07-19(P3)

Eleanor Marks
Director of Ofcom
Caspian Point
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CF10 4DQ

15 February 2019

Dear Eleanor,

Consultation: Award of the 700 MHz and 3.6-3.8 GHz spectrum bands

I write with reference to my previous letter dated 24 October 2018 and your response dated 12 December 2018 (both attached) and Ofcom's current consultation on the award of the 700 MHz and 3.6-3.8 GHz spectrum bands.

I note in the current consultation that the revised proposal for Wales's geographic coverage obligation remains at 83%, as it was in the March proposal. In response to calls to increase these coverage obligations in Wales and Scotland, Ofcom states in the current consultation document that "Such an approach would significantly raise the overall cost of the coverage obligations to operators, increasing the risk that the coverage obligations go unsold."

However, following the **Committee's work** on this area, it remains of the view that the current proposals for Wales's geographic coverage obligation are not ambitious enough. The weight of evidence outlined in the consultation document - including the Welsh Government, the Ofcom Advisory Committee for Wales, the NFU and the CLA - supports a higher coverage requirement. As the CLA states the original targets for Wales (and Scotland) were "insufficient and would reinforce and entrench economic divide between the nations". It should be noted that EE already has 83% geographic coverage of 4G services in Wales, demonstrating the lack of challenge posed by the proposed 83% target in the current proposals.




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The proposal for Wales entails a smaller uplift than is proposed in Scotland (7 percentage points compared to 12), and still leaves geographic coverage in Wales far behind Northern Ireland and England. We call on Ofcom to increase the geographic coverage obligation for Wales and create a more equitable coverage across the UK.

The Committee would also like to know what Ofcom's estimates are for a) the number of additional premises that would be able to receive 4G services in Wales, and b) the number of additional base stations that would be built in Wales, under its current proposals. I look forward to receiving your response.

Yours sincerely,

A handwritten signature in black ink that reads "Russell George". The signature is written in a cursive style with a large initial 'R' and a long horizontal flourish at the end.

Russell George
Chair, Economy, Infrastructure and Skills Committee

