



June 2, 2021

NATIONAL TELECOMMUNICATIONS COMMISSION
NTC Building, BIR Road, East Triangle
Diliman, Quezon City

For the Attention of: **HON. EDGARDO V. CABARIOS**
Deputy Commissioner

Subject : **PIPOL BROADBAND POSITION ON JUNE 2 PUBLIC HEARING
RE CLARIFICATION ON MC 09-09-2003 (WIRELESS DATA NETWORKS AND DEVICES) AND MC
06-08-2005 (FREQUENCY BAND ALLOCATION FOR BROADBAND WIRELESS ACCESS)**

Dear Deputy Commissioner Cabarios,

Greetings from Pipol Broadband!

Below please find the written summary of our officially expressed opinion in today's public hearing on the above subject.

OVERALL COMMENT/POSITION:

- (1) Pipol Broadband is in support of NTC's draft MC as posted in the NTC website ntc.gov.ph that clarified that the proper Spectrum User Fee (SUF) to be paid by telcos in the use of Wi-Fi spectrum is the one based on MC 09-09-2003 which NTC now specifically and clearly states in its draft MC.
- (2) But while Pipol Broadband is in agreement with the overall statements of NTC in this draft MC, it takes a strong exception to NTC limiting the implementation of the appropriate SUF for the use of Wi-Fi spectrum radio links by telcos only to "4th, 5th and 6th class municipalities" which is in section 2.2 of the said draft. That's because in doing so, NTC is not making the clarified regulation inclusive for all consumers who deserve a proper and affordable Wi-Fi internet service. In fact, it will appear disenfranchising deserving consumers who are found all over the country if the correct Wi-Fi SUF on Wi-Fi links is applied only to those living in 4th, 5th and 6th class municipalities. We are therefore of the opinion for NTC to amend this portion of its MC clarification to state that the proper Wi-Fi SUFs based on MC 09-09-2003, be applicable to all Wi-Fi radio base stations and radio links "nationwide".

The justification for our position above is detailed in the section **JUSTIFICATION** found below. This includes a brief discussion of our opinion as well as our recommended



solutions on the issue of radio frequency interference within telcos using the Wi-Fi spectrum where this issue seems to have been a concern why NTC wishes initially to limit the use of WiFi radio links only to 4th, 5th and 6th class municipalities.

- (3) Pipol Broadband likewise wishes to clarify that the discussion and hopefully eventual implementation of this draft MC of NTC, is without prejudice to the on-going House Bill 8168 which is now taking its own independent course in aid of legislation within the House of Congress. Deputy Commissioner Cabarios has expressed in today's public hearing that he is aware of and recognizes this.

JUSTIFICATION:

- (a) On our first point above (Overall Comment/Position), we note and laud NTC for recognizing what the proper SUF charges are for telcos which use Wi-Fi. And we certainly look forward to its implementation.
- (b) In today's deliberations NTC raised the possibility of radio frequency interference within the use of Wi-Fi being an "open and unprotected frequency" which therefore made NTC initially consider limiting the use of Wi-Fi links only to 4th, 5th and 6th class municipalities. Relative to a licensed frequency where only one telco uses it for itself, Wi-Fi frequency which is "open and unprotected" is of course subject to interference but none in such magnitude as possibly implied nor to be concerned here. Please realize the following—
 - i. The aim in using Wi-Fi is more in favor of the poor who are unconnected or underserved in terms of internet access anywhere in the country as these citizens including SMEs who want a more economical and quicker to install connectivity solutions, are found nationwide. Being unconnected and/or underserved therefore means there is zero or very little chance of any interference because there is no pervasive use of Wi-Fi spectrum in such a specific area. As such those who are underserved like the poor who live in urban enclaves, the nearby SMEs and the unconnected poor communities in far flung rural places, we have actually seen in our market surveys and market interviews that there is little or no interference and can still be robustly served by Wi-Fi. Please note that even as with the preponderance of fiber optic technology in areas like urban a Metro Manila, Cebu and Davao to serve as links for Wi-Fi, such fiber optic are not laid out anymore in "eskinitas" where, therefore, only Wi-Fi links are the proper and affordable solution in such populous but poor areas. This is not like the highly urbanized commercial business districts, and the affluent and middle income homes, that have a

preponderance of indoor and outdoor Wi-Fi such as those from CCTV, Wi-Fi enabled home appliances and gadgets etc that create high Wi-Fi interference. Besides, these are areas that are not the target of those telcos trying to use Wi-Fi for the poor or where those SMEs that can properly be served by Wi-Fi can be found.

- ii. To be technically correct, the interference is not caused by any other telco who uses licensed radio frequencies as licensed frequencies and Wi-Fi frequencies each use two different roads, so to speak, and will never interfere with each other even if you put them side by side. The interference is more caused by more than one player using Wi-Fi which is open and unprotected. But then again, one must realize that in every given urban poor or far flung rural area, the use of Wi-Fi's 2.4 GHz and 5 GHz frequencies alone is wider in radio frequency breadth than most licensed frequencies assigned to telcos who paid for them. Having said that, in the event that two or more telcos who use Wi-Fi find themselves interfering with each other, the simplest and most practical thing to do is find a segment in the wide breadth of 2.4 GHz and 5 GHz where both or more can operate uninterrupted. And by the way, to do so is very easy to do technically after applying with NTC for a specific segment within the Wi-Fi bandwidth. Let it also be said that no less than NTC itself, declares that to use open and unprotected frequencies (Wi-Fi), the principle to be adhered to is a no-interference policy. So in this issue, all parties can be reassured that using Wi-Fi can be a robust let alone a low-cost affordable experience most especially for the poor who deserve better internet service. We hope to remove the anxiety of this interference concern, as sowing fear of it, would alone already disenfranchise the poor, wherever they may be living, from accessing a very low cost and yet reliable technology which is Wi-Fi as soon as NTC implements this draft MC.
- iii. In summary, the proper solution to ensure that the Wi-Fi links are applicable nationwide, are as follows—
 1. NTC stands firm on a "no interference" policy for telcos on the use of Wi-Fi spectrum. NTC does this best when someone being interfered with brings its complaint to NTC, because NTC will enforce that the interferor move to another segment of the Wi-Fi frequency which the the interferor needs to apply for again.
 2. In fact, there is a positively "unseen hand" component to this policy favorable not only to the NTC but for all stakeholders in naturally regulating the proper use of Wi-Fi spectrum minimizing unnecessary interference—
 - i. specifically, in cases of interference between two



telcos using the same Wi-Fi spectrum segment, both their clients will be complaining already such that there lies no need for each one to complain but rather to just apply with NTC to operate in a cleaner portion of such Wi-Fi bandwidth.

- ii. In the case where the entity interfered with is an ultimate user, said user simply complains to NTC and NTC demands the interferor telco to move. And to easily track this, NTC ensures that all suppliers of radios including PTEs who purchase their own devices must register all such devices with the NTC. All these are within the already existing purview of policies and resources of NTC to undertake the proper regulation.
- iii. And to eliminate the proliferation of "colorum" radio frequency users which create undue interference, all of these must be reported by all PTEs or affected parties including consumers to NTC to put order in the proper use of the Wi-Fi spectrum such that "colorum" Wi-Fi operators are stopped by the NTC if they do not have the proper legislative franchise for telecommunications nor the proper permits.

Having said all the above, the proper regulation to include in the NTC's MC draft section 2.2 is to make available the use of the Wi-Fi links and under the same appropriate rates this MC clarification mentions, to a more inclusive statement which is to make it "nationwide" instead of just limiting it to 4th, 5th and 6th class municipalities.

Truly yours,

A handwritten signature in black ink, appearing to read "Anastacio", written over a horizontal line.

Anastacio "Boy" Martirez
Chairman, President and Founder
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