

1800 MHz Auction

**Award of frequencies in the frequency bands
1720.1-1785.0 MHz and 1815.1-1880.0 MHz**

Information Memorandum

Annex A

Definitions and glossary of terms

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Annex A: Definitions and glossary of terms

For the purposes of this document, the terms set out below shall have the following meaning.

1800 MHz frequency band	The frequency band 1720.1-1785.0 MHz paired with 1815.1-1880.0 MHz.
3GPP	3rd Generation Partnership Project. A collaboration between groups of telecommunications associations to specify a globally applicable third-generation mobile communications system within the scope of the International Mobile project of the International Telecommunication Union.
A lot	A block of 2x10 MHz, assigned together with the coverage obligation in one Coverage Area Group.
Additional Bid	A bid in the third auction stage where the bidder specifies the package and the bid amount; a bidder can submit multiple additional bids alongside its headline bid in any round.
Advisors	Analysys Mason Ltd. and DotEcon Ltd. as advisors to the Danish Energy Agency.
Application	The documents filed in accordance with the Application procedure set out in the Danish Energy Agency's Decision and which include a completed Application Form, guarantee for the deposit and a signed Bidder Declaration.
Application Date	The date for submitting the Application.
Application Form	The form contained in Annex E of this Information Memorandum.
Application Stage	The stage in the Auction during which Applications are received, ending on the Application Date.
Assignment Bid	A bid for a frequency option, submitted in the fourth auction stage.
Associated Bidders	Bidders who have a relationship to each other as defined in clause 106 of the Danish Energy Agency's Decision.
Associated Person	A Person who holds a participation of 20 % or more in the Bidder as defined in clause 107 of the Danish Energy Agency's Decision.
B lot	A block of 2x5 MHz offered in the third auction stage, by default subject to the coverage obligation in Coverage Area Groups that have not been assigned in the second auction stage.
Bid amount	The price that a bidder offers to pay for a particular package of lots.

Bidder	A legal entity that has filed, intends or considers to file an Application for the Auction as defined in clause 97 of the Danish Energy Agency's Decision.
Bidder Declaration	The declaration contained in Annex G of this Information Memorandum.
Bidder eligibility	The number of eligibility points of a Bidder in a round, used in the application of the activity rules.
C1/C2/C3 exemption	Exemption from the coverage obligation in the respective Coverage Area Group. A Bidder that is assigned an exemption lot is not obligated to fulfil the coverage obligation in the relevant Coverage Area Group even if the Bidder wins B lots.
CEPT	European Conference of Postal and Telecommunications Administrations.
Closed bid	A bid that is not announced to other Bidders before the winner is determined.
Confidential Information	Information regarding bids as defined in clause 100 of the Danish Energy Agency's Decision.
Connected Person	A person as defined in clause 99 of the Danish Energy Agency's Decision.
Constrained package	The package of a bid that is subject to a relative cap.
Constraining package	The package of a Bidder's eligibility-reducing bid.
Control	As defined in clause 103 of the Danish Energy Agency's Decision.
Coverage area	One of 245 areas of 1x1 km subject to the coverage obligation.
Coverage Area Group	One of three groups, each containing a number of coverage areas.
Coverage Area Group Bid	The maximum amount that a Bidder offers to pay to be assigned a specific Coverage Area Group in relation to the coverage obligation attached to an A lot.
Coverage obligation	A requirement that Licensees must ensure provision of a mobile voice service and a mobile broadband service offering users, for most of the time, the experience of a broadband connection with a download speed of at least 30 Mbit/s and an upload speed of at least 3 Mbit/s. The coverage obligation applies at the addresses in the Coverage Area Group(s) specified in the Licence.
Deferred Payment	A Deferred Payment amounting to 80 % of the Licence Price payable in eight equal annual instalments, with the first instalment due on the date falling one year from issue of the Licence.
Demand guarantee	A demand guarantee provided in accordance with clause 68 of the Danish Energy Agency's Decision.

Deposit	A sum in the form of a demand guarantee held by the Danish Energy Agency during the Auction. The deposit is fixed at DKK 150 million.
Draft Licence	An example of a Licence that will be issued to a winning Bidder, as shown in Annex D.
ECC	European Electronic Communications Committee. The ECC was established by CEPT to develop radiocommunications policy and to co-ordinate frequency, regulatory and technical matters concerning radiocommunications. Until 2001, the ECC was known as the European Radiocommunications Committee (ERC).
Eligibility points	The number of points associated with B lots and exemption lots in the third auction stage.
Eligibility-Reducing Bid	A headline bid with activity below the bidder's eligibility, which triggers a reduction in the Bidder's eligibility.
ERP	Effective Radiated Power: Gain of transmitter antenna (relative to a half-wave dipole) multiplied by the power supplied to the antenna from a connected transmitter.
EU	The European Union.
European Parliament	European Parliament. The Parliament shares legislative powers with the European Council in defined treaty areas.
Excess demand	The difference between the total demand and the total number of lots available in a category when the former exceeds the latter.
Exemption lot	An exemption from fulfilling the coverage obligation in a specific Coverage Area Group as described in Section 2.2 of this Information Memorandum.
Exemption-compatible	A characteristic of a combination of bids which is a necessary condition for the third auction stage to be closed.
Extension Right	A right that allows a Bidder an additional 30 minutes to submit its bids if it has not done so within the scheduled duration of the round.
FDD	Frequency Division Duplex.
Feasible combination of bids	A combination of bids that includes at most one bid from each Bidder, such that all the bids in the combination can be accommodated with the available supply of lots.
Feasible placement of Licences	A combination of non-overlapping, contiguous frequency assignments where all winners of A lots and/or B lots are assigned the spectrum that corresponds to A and B lots they have been assigned.
First auction stage	Auction stage in which A lots are assigned.
Fourth auction stage	Auction stage in which specific frequencies are assigned to winners of A and/or B lots.

Frequency Act	Act No. 475 of 12 June 2009 regarding radio frequencies as subsequently amended.
Grant Stage	The stage in the auction in which the winning bidders will be granted Licences subject to payment of the Initial Payment and provision of a demand guarantee for the Deferred Payment or payment of the Licence Price in full.
Headline Bid	A bid in the third auction stage in which the bidder specifies the package and the bid amount is the round price of the package.
Hi3G's Existing Licence	Hi3G's Licence issued in 2010 to use 2x10 MHz in the 1800 MHz frequency band until 12 June 2032.
ICNIRP	International Commission on Non-Ionising Radiation Protection.
Information Memorandum	This Information Memorandum on the auction of frequencies in the 1800 MHz frequency band, issued by the Danish Energy Agency.
Initial Eligibility	The number of eligibility points held by the Bidder at the start of the third Auction stage.
Initial payment	An initial payment amounting to 20 % of the Licence price; to be paid after the end of the fourth Auction stage.
Insider	A person as defined in clause 101 of the Danish Energy Agency's Decision.
ITU	International Telecommunication Union
Last Day For Withdrawal	The last day on which Qualified Bidders may withdraw their application without being subject to a financial penalty.
Legal Entity	A company, a partnership or equivalent as defined in clause 102 of the Danish Energy Agency's Decision.
Licence Price	The Licence price to be paid by each winner, which is equal to the sum of the prices determined in each of the four auction stages.
LTE (Long-Term Evolution)	LTE (generally marketed as 4G) is a standard for wireless communication of high-speed data for mobile phones and data terminals. The LTE standard is developed by 3GPP (3rd Generation Partnership Project).
Minister's Decision	The Minister for Energy, Utilities and Climate's Decision of [date] 2016 on the 1800 MHz Auction.

Mobile operator	A person who holds a nationwide Licence in the frequency bands 791-821 MHz and 832-862 MHz, 880.1-914.9 MHz and 925.1-959.9 MHz, 1710.1-1784.9 MHz and 1805.1-1879.9 MHz, 1900-1980 MHz and 2110-2170 MHz and 2500-2690 MHz as well as persons who control a mobile operator; who are controlled by a mobile operator; or who are controlled by a person controlling a mobile operator, as defined in clause 104 of the Danish Energy Agency's Decision.
National roaming agreement	An agreement between two providers of public electronic communications networks regarding one provider's access to use the other provider's network in geographical areas where the provider requesting access does not have coverage.
Omitted Bidders	A Bidder whose bid is not included in all of the potentially winning combinations of bids. The term is used when identifying the lot categories for which round prices need to be increased.
Out-of-band emissions	Emissions at one or more frequencies outside the bandwidth that the system is licensed to use, but within the band in question. The emissions are among other factors created by the modulation in the system (but do not refer to harmful emissions, for which separate limits are in place).
Package	A combination of lots, which can include B lots and exemption lots.
Package bid	A bid for a combination of lots.
Package eligibility	The sum of eligibility points associated with the lots in the package.
Participation	Possession by one Person of ownership; the right to acquire or subscribe to ownership; voting rights; disposal rights or the right to acquire voting rights in a Legal Entity, as defined in clause 98 of the Danish Energy Agency's Decision.
Permissible package	A package that contains either no lots, or B lots (up to the maximum number of B lots for which the Bidder may bid), or a combination of B lots and at most one exemption lot in each exemption lot category (C1, C2 and C3).
Person	A natural person or a legal entity.
PMSE	Programme-Making and Special Events.
Qualification Stage	The stage in the Auction during which Applications are examined by the Danish Energy Agency, ending with the announcement of the Qualified Bidders.
Qualified Bidder	A Bidder notified by the Danish Energy Agency to have fulfilled the criteria for participating in the Auction, as specified in the Danish Energy Agency's Application Stage.

Radio Equipment Directive (RED)	Directive 2014/53/EU of the European Parliament and of the Council of 16 April 2014 on the harmonisation of the laws of the Member States relating to the making available on the market of radio equipment and repealing Directive 1999/5/EC. The Danish regulations implementing the Directive entered into force on 13 June 2016.
Relative cap	The highest amount that a Bidder may bid for a constrained package relative to the highest amount that the Bidder has bid for the relevant constraining package as described in the activity rules (see section 7.3.8 of this Information Memorandum).
Reserve Price	The minimum price at which a lot would be sold.
Round	A time interval during which Bidders may submit bids.
Round price	The price per lot in a given lot category, set by the Danish Energy Agency for each round in the third auction stage.
Second auction stage	The auction stage in which winners of A lots are assigned a Coverage Area Group.
Spectrum assignment	The amount of spectrum assigned to each winner in the Auction, which depends on the number of A lots and B lots won by the Bidder in question.
Spectrum Cap	The maximum amount of spectrum that a Bidder can bid for in the Auction. This is set at 2x30 MHz.
Spectrum lot	A contiguous spectrum block of either 2x5 MHz (B lot) or 2x10 MHz (A lot) in the 1800 MHz frequency band, to be assigned in the Auction.
The Commission	The European Commission.
The Council	The Council of the European Union.
The Danish Competition Act	Consolidated Act No. 869 of 8 July 2015.
The Danish Energy Agency's Decision	The Danish Energy Agency's Decision of [date] 2016 on the 1800 MHz Auction.
The Licence	The Licence as defined in clauses 6-7 of the Danish Energy Agency's Decision.
The Licensee	The Bidder who has received a Licence as stated in clause 73 of the Danish Energy Agency's Decision.
The third auction stage	Auction stage in which B lots and any exemption lots available are assigned.

Usage requirements	A requirement that Licensees must ensure that antennas and transmitting/receiving equipment capable of using the frequencies covered by the Licence are installed at a minimum of 100 sites. The equipment at the relevant site shall be connected to the necessary telecommunications infrastructure in a way that enables the Licensee, via the relevant sites, to offer at least one electronic communications service (at the Licensee's own discretion) to end-users by using the frequencies covered by the Licence.
User Guide	The User Guide for the Electronic Auction System (EAS).
WiMAX	Worldwide Interoperability for Microwave Access. A marketing name for systems which conform to the IEEE 802.16 specification.
Winning Bidder	A Bidder with a bid included in the winning combination of bids.
Winning bids	Bids included in the winning combination of bids.
Winning combination of bids	An exemption-compatible feasible combination of bids which has the highest total value and comprises exactly one bid from each Bidder.
Zero bid	A bid for a package not containing any lots with a bid amount of zero.