

**[NTC MEMORANDUM CIRCULAR NO. 10-10-97,
October 20, 1997]**

SPECTRUM USER FEES

Pursuant to the Provisions of RA 7925 otherwise known as the "Public Telecommunications Policy Act" and its Implementing Rules and Regulations, the Commission hereby promulgates the following:

1. Spectrum fees shall be collected annually in addition to all existing fees collected by the Commission.

2. The SUF shall be based on the amount of spectrum used, the type of service being offered and the economic classification of the areas covered by the radio stations.

3. The SUF shall be paid not later than 31 January of each year. A surcharge of 25% of the amount of the SUF due plus 1% of the principal per month of delay shall be imposed for late payments. In case a carrier defaults from the payment of the SUF for a period of one (1) year, the Commission shall initiate action and after due process and finding the defaulting carrier guilty effect the immediate transfer of the frequencies to other duly authorized carriers providing the same service without adversely affecting the subscribers of said carrier.

4. The following spectrum user fee shall be imposed:

4.1 FOR CELLULAR MOBILE TELEPHONE SERVICE (CMTS)

4.1.1 800MHz and 900MHz bands

PHP10.00/KHz/station (Metro Manila)

5.00/KHz/station (Highly Urbanized Cities)

2.50/KHz/station (All Other Areas)

4.1.2 If the number of channels required for a specific number of subscribers using traffic per subscriber of 20 milli-erlang and quality of service of 0.03 are used is exceeded, the SUF for the excess channels shall be reduced by 75%. The table representing the number of channels and the corresponding number of subscribers shall be released not later than 30 days from the effectivity of this circular.

4.2 FOR PRIVATE MOBILE RADIO SERVICE

Non-Repeatered System