2020 .UK EXPIRING DOMAINS CONSULTATION

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Overview

Introduction

Following our 2019 .UK Policy Consultation, we have decided to implement a more transparent process for informing registrars and the wider public when an expired domain name will be made available for re-registration. We are also considering different methods for releasing highly desired expired domains which are contested (i.e. there are multiple parties seeking to register the domain name).

This consultation comprises two areas for input:

a. Whether domains should be made available for re-registration throughout the day at a specific point in time, based on the time stamp we have for the original registration, or be released at specified single point in time, say 2pm every day; and

b. Since a very small minority of domains are intensely contested with multiple parties interested in re-registration, whether to alter the way in which we release these domains.

The questions are set out at the end of this paper, to participate in the consultation please visit: nominet.uk/policy and submit a response by 14th August 2020.

All stakeholders are also invited to attend a virtual roundtable to discuss these issues on Tuesday 11th August. Register at nominet.uk/roundtable

History

Our 2019 .UK Policy Consultation ran from 9 October – 16 December 2019. In this consultation we sought views on the current system for releasing expired domains for re-registration, including competition in the secondary market and whether Nominet should publish official information on expiring domains (i.e. a "drop list").

Our 2019 .UK Policy Consultation briefing document contains the full details.

Generally, stakeholders agreed the current system could be improved. Most supported the principle of a drop list for registrars (89%), and for the general public (68%). There was support for clarity, transparency and standardisation with the wider industry and gTLDs. We agree that the exact time point when a domain is going to be available for re-registration should be published in the form of an official drop list.

Several respondents also raised concerns that a drop list alone would not resolve what they perceived to be the real problem – that the very small number of highly desirable domain names tend to be re-registered within a fraction of a second by specialist registrars. This has a number of negative consequences according to the consultation respondents: it is impossible for members of the public to register a desirable expired domain; genuine use of good domain names is reduced as these domains tend to be parked for resale; the market for re-registration is very limited to a small number of individuals with significant barriers to entry for new players and effectively perpetuates a closed market. Some respondents expressed a view that quality of service should drive competition between registrars. Some

secondary market registrars specifically requested being able to purchase an expired domain at a precise market-based price point.

Numerous suggestions were made to look more radically at the process for re-registration to address this issue, and internally we have also considered some further ideas. Suggestions included:

- **Registry auction**: Expiring domains are open to bids for a specified time period, the highest bid wins and can be registered with the winner's registrar of choice. Domains that do not receive any bids will then be released through the normal process.

- **Wait lists**: Implement a Registry operated system to allow the general public to register interest in a domain before it is due to expire (i.e. creating a queuing system). Once it expires the person at the top of the queue would have first preference on registering the domain. If they choose to register the domain, they would then do so through their preferred registrar. Wait lists would typically be maintained for a modest annual fee, although of course there is no guarantee that a domain name will ever expire.

- **Landing pages**: Redirect expired domains to a landing page which includes: a) the day and the exact time that a domain will become available for general registration if it is not renewed, and b) a Nominet spinner of registrars who offer drop catching services (similar to theukdomain.uk/buy-a-domain).

- **Expression of interest ballot**: Expired domains are given a specified "expression of interest period". Expressions of interest are all treated equally, at the end of the expression of interest period a technical algorithm picks a winner at random.

These suggestions are concerned with the allocation of domains that are perceived to be of inherent high value - for example, generic words or short domain names with the potential to score highly in Search Engine Optimisation (SEO). Highly desired domains are a very small proportion of expiring domain names. The current system of randomly making a domain name available over a 24 hour period results in these domains being targeted in a technical "arms race" and drives the incentive to pool resources and avoid our Acceptable Use Policies (AUPs). These domain names account for approximately 0.7% of cancelled domain names but the vast majority of the system access for domain availability checks.

As a result of the consultation input, we decided to further consider the implications of implementing a drop list in the context of maintaining world class registry systems and stated that we would update all stakeholders in due course. We committed to include a decision on whether we would consult on the alternative release mechanisms for highly desirable domains: registry auctions, waitlists, landing pages and ballots for future .UK policy consultations. This document provides the update following further consideration and seeks stakeholder input on options for releasing expired domains.

Our Response and Summary of Feedback of the 2019 Consultation contains full details.

Update on progress

Following the 2019 consultation we have given significant thought to the responses we received and the issues we would like to address.

Considering the support in the 2019 .UK consultation for greater transparency, clarity and standardisation **we propose to publish the date and exact time that expiring domains will become available for re-registration**.

Since the exact time point at which a domain will become available for re-registration will be public, we recognise that this might have consequences which need addressing by means of further policy changes. For example, since we do not charge for registrar status, and since there may be a perceived competitive advantage in having multiple registrar TAGs (and hence EPP connections to our registry systems), we can see that in the absence of further policy changes or economic incentives to limit the number of TAGs, we may face an excessive number of requests for new TAGs in order to maximise the chances of successfully registering an expired domain in a highly competitive environment.

We have conducted an evaluation of the various options available which would address the allocation of desirable names, whilst also removing incentives for registrars to create duplicate accounts and collude in order to game systems access and AUPs. In addition to the suggestions in our 2019 consultation, we have considered wider industry practice as well as the possibility of retaining the current status quo.

During this evaluation we were guided by the following principles:

1. **Technical load on .UK infrastructure:** Does the option proposed allow us to safely manage technical load and ensure the resilience of .UK, without undue interference with the registration systems for standard non-expired domain registrations?

2. **Simplicity and clarity:** Does the option result in a system that can be easily explained to people outside the domain industry, including potential registrants?

3. **Reduce incentive to collude:** Does the proposed option remove the incentive to create additional memberships and accounts in order to avoid our AUPs?

4. **Standardisation: Is there any industry precedent for this option?** While there is no need to be tied to existing practices, we are conscious the industry is international and do not want to create entirely unique and unprecedented practices unless there is a strong benefit to doing so.

5. **Complications:** Are there reasons that make this option unfeasible for .UK? For example, the technical implementation would be excessive or there are other unintended consequences or legal implications.

The options we considered are summarised below. All options were considered against the backdrop that we would also implement a drop list to tell all interested parties the exact day and time an expired domain would be available for re-registration.

Current consultation

Having considered the issue and options available **we believe it is necessary to change the process by which expiring domains will become available for registration in conjunction with publishing the exact date and time that expiring domains will become available for re-registration**.

From our evaluation we believe there are two viable options that meet our guiding principles: (i) a registry auction or (ii) economically controlled access to expiring domains. In addition, in the event of implementing option (ii) we propose to segregate this registration process from our standard registration systems.

The remainder of this paper sets out a description of the current system of registration, an analysis of how all the options considered address the overarching principles and we then outline the two options for determining how highly desired expiring domains could be registered that we consider most effectively address the issues raised in the 2019 consultation and the principles we have set out.

- Option 1: Auction model – two variations
- Option 2: Economically controlled access to expiring domains

Secondly, all other domains that are not contested will still need to be released for re-registration. The second part of the consultation seeks input on options for providing the exact time and date of all other expiring domain names.

- Option 1: Specified times throughout the day
- Option 2: Single diary time of release e.g. 2pm

Finally, all consultation questions are set out on the final page.

To participate in the consultation please visit: nominet.uk/policy and submit a response by 14 August 2020.

Background

Current system of domain expiry

Currently all .UK domains are allocated on a first come, first registered basis. This applies to newly registered domains and expiring domains.

If a .UK domain name is not renewed by its registrant, then it will be made available from 90 days after its expiry. For the first 30 days the domain name will function as normal and then it will be put into suspended state (i.e. no email associated with the domain will function, and it will not be possible to navigate to any website on the internet via that domain name).

In 2018 the average number of expired domains released for re-registration on each day was 4,849. The maximum number of domains released on any day was 9,534, the minimum was 1,255, the median was 4,701.

From 90 days from the expiry date domains that have not been renewed are released for re-registration randomly throughout a 24 hour period.
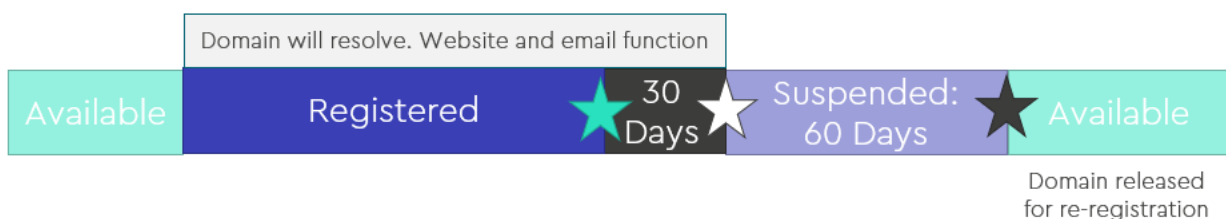
Expiry. When a domain name comes to the end of its contracted registration period.

Suspension. Domain is removed from the zone file. The domain will not work as part of a website or email while suspended.

Cancellation. Deleted from the register (will therefore not work as part of a website or email, and will be released for re-registration on a first come, first registered basis).

This creates demand for look ups using Nominet's Domain Availability Checker (DAC) as registrars query whether domains have been released. This is particularly important when many registrars are attempting to register the same domain name, because the registrar which is first to register will be successful.

A DAC account is available only to registrars who are Nominet members, and costs £25 a year. There are system limits which provide for a maximum of 432,000 DAC queries over a 24 hour period, and 1,000 over 60 seconds.[1]

Once a registrar knows that a domain can be registered, they can submit a registration request, generally this is done using Nominet's EPP protocol.[2] Frequently, registrars whose businesses focus on the re-registration of expired domains will additionally own or licence proprietary software in order to maximise the efficiency of their DAC query use and automate an EPP registration request.

When a domain name is registered it is placed on a registrar's TAG. TAGs are currently available to members and non-members for free and there is no limitation on the number of TAGs. Each TAG is limited to six simultaneous connections to the EPP service.[3] There is a limit on the number of failed EPP create requests that can be sent over a given time period (1,000 in any 24 hour period). An EPP create request will fail if the domain name is already registered.

In 2018, 1,769,802 .UK domain names were cancelled, of these:

- ~13% (229,352) were re-registered within a year
- ~5% (87,410) were re-registered within a day
- ~0.7% (12,109) were re-registered in the same timestamp they were cancelled (i.e. within a second)

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[1] https://registrars.nominet.uk/uk-namespace/registration-and-domain-management/query-tools/uk-domain-availability-checker/dac-instructions-for-use/

[2] https://registrars.nominet.uk/uk-namespace/registration-and-domain-management/registration-systems/epp/

[3] https://registrars.nominet.uk/uk-namespace/registration-and-domain-management/acceptable-use-policy/#epp

	1. Technical load on .UK infrastructure: Does the option proposed allow us to safely manage technical load and ensure the resilience of .UK, without undue interference with the registration systems for standard non-expired domain registrations?	2. Simplicity and clarity: Does the option result in a system that can be easily explained to people outside the domain industry, including potential registrants?	3. Reduce incentive to collude: Does the proposed option remove the incentive to create additional memberships and accounts in order to avoid our AUPs?	4. Standardisation: Is there any industry precedent for this option? While there is no need to be tied to existing practices, we are conscious the industry is international and do not want to create entirely unique and unprecedented practices unless there is a strong benefit to doing so.	5. Complications: Are there reasons that make this option unfeasible for .UK? For example, the technical implementation would be excessive or there are other unintended consequences or legal implications.
Retain the existing approach. **Overall:** ✘	No. While our systems can manage the load, the design is not optimal. ✘	No. While the current system is well understood by those closest, it is challenging to explain to anyone outside the domain industry. ✘	No. The current system unintentionally incentivises collusion between members to gain access to the DAC and avoid look up limits. Following the implementation of a drop list, this incentive would be reduced. However, with no further action there would remain an incentive to collude based on the perceived advantage that multiple TAGs increases the chances of success in being first to register a desirable expiring domain through an increased number of connections and access to higher EPP create limits (which apply to failed create attempts). ✘	No. Nominet's current system is unique. However, there may be justification in making minor alterations considering the existing unique starting point. ✘	N/A

Key: ✘ = did not meet guiding principle / - = neutral or partly met guiding principle / ✓ = met guiding principle

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	1. Technical load on .UK infrastructure	2. Simplicity and clarity	3. Reduce incentive to collude	4. Standardisation	5. Complications
Registry auction: Expiring domains are open to bids for a specified time period, the highest bid wins and can be registered with the winner's registrar of choice. Domains that do not receive any bids will then be released through the normal process (a transparent release of domain names at a known date and time – either: See the Expired Domains section of this consultation). **Overall:** ✔	Yes - domains which cause our systems a heavy load would be allocated on the basis of price not a technical race. ✔	Yes – an auction process is intuitively straightforward to understand and explain to people who are not familiar with technical programming. ✔	Yes – domains are now allocated through a market based price mechanism. There is no advantage to multiple memberships and accounts. ✔	Partly – auctions are common in sunrise processes for gTLDs and to manage the release of premium names. We are aware of one other ccTLD that releases domains through auctions, Estonia. internet.ee/domain-auctions –	We considered several different types of auctions, including a "Dutch Auction" of descending value and premium pricing auctions determined by the registry. Ultimately, we decided Nominet is not well placed to determine the exact price point of contested domains and any auction model should rely on multiple interested parties to determine price. Significant change to the current first come, first registered policy. Perception of profit raising. –
Wait lists: Implement a system to allow the general public to register interest in a domain before it is due to expire. Once it expires they could have first preference on registration through their preferred registrar. **Overall:** ✖	Possibly, although we have concerns the announcement of such a system would result in a rush to enter a waitlist, or the start of each wait list period would see a rush. –	Yes. ✔	Possibly, if the wait list is allocated on a first come, first registered basis it may simply replicate the problem. –	Partly. For example, Denmark's ccTLD uses a Waiting List: dk-hostmaster.dk/en/waiting-list Terms for .dk waiting list –	This may simply move the technical rush to registration to a rush to enter a waiting list. We are also concerned it would be challenging to ensure intent and contact details are still correct between the point of entering the waiting list and receiving the opportunity to register the domain. If there is an annual cost to remain on a wait list, then setting the wait list fee is not straightforward given the huge range of value of domains. ✖

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	1. Technical load on .UK infrastructure	2. Simplicity and clarity	3. Reduce incentive to collude	4. Standardisation	5. Complications
Landing pages: Redirect expired domains to a landing page which includes: a) the day and the exact time that a domain will become available for general registration if it is not renewed, and b) a Nominet spinner of registrars who offer drop catching services (similar to theukdomain.uk/buy-a-domain). **Overall:** ✖	No. ✖	Yes - in the sense it provides information to potential registrant on how to approach a registrar. However, it does not change the factors that determine whether the registrant will be able to register the domains. ✓	No. ✖	No. ✖	We consider landing pages to be an interesting suggestion but not a solution to the issues raised and dependent on transparent information on the expiry of domains. There is nothing in our current consultation that would preclude us from considering landing pages for expiring domains at a later date. –
Expression of interest ballot: Expired domains are given a specified "expression of interest period". Expressions of interest are all treated equally, at the end of the expression of interest period a technical algorithm picks a winner at random. **Overall:** ✖	Yes. ✓	Yes. Easy to understand but it does not provide any clarity on whether the registrant is likely to be successful. ✓	Yes. ✓	No. ✖	There are legal challenges in allocating domain names in an expression of interest lottery basis. ✖

	1. Technical load on .UK infrastructure	2. Simplicity and clarity	3. Reduce incentive to collude	4. Standardisation	5. Complications
Economically controlled access to expiring domains: Create a transparent system that allows any interested registrar to purchase access to registering highly desired expiring domains immediately after they are cancelled. **Overall:** ✓	Yes. Technical load will be predictable and limited. ✓	Partly. Removing the random nature of release will help those outside the industry understand when domains become available for re-registration and the concept of economically controlled access is not unique to domains. The exact determinates of which registrar is opaque. —	Yes. The exact time point at which a domain will become available for re-registration will be publicly available. Registrars will still seek to gain an advantage by purchasing additional access – however, there would be no need to do this through multiple memberships or accounts. ✓	No. However, it is most similar to our existing system. —	We are conscious the cost and limits will be crucial to this option creating a successful economic disincentive for creating additional accounts. We are also conscious that not all members are registrars, and of those who are, not all wish to participate in the secondary market. We do not want their experience of membership to be negatively impacted. Perception of profit raising. —
Premium pricing: Registry sets the price based on what they think the market will accept recognising it may take longer to find a buyer. **Overall:** ✖	Yes, if priced correctly. ✓	Yes. Domains determined to be higher value have a higher price. ✓	Yes, if priced correctly. ✓	Premium pricing is common in generic Top Level Domains (gTLDs). ✓	In order to implement premium pricing, Registry Operators have to identify which names have perceived value in the market. This would require detailed analysis of each potential string to determine value and once the pricing is set registrar systems have to be configured to cater for them. Perception of profit raising. ✖

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	1. Technical load on .UK infrastructure	2. Simplicity and clarity	3. Reduce incentive to collude	4. Standardisation	5. Complications
Domain Availability Checker (DAC) fees: Increase fees for the DAC to create an economic disincentive for the proliferation of memberships to optimise access. **Overall:** ✖	We expect DAC load would reduce regardless of price with the implementation of a drop list. _	No. ✖	Yes to the extent this is linked to DAC usage. _	No. An alteration of existing non-standard tool. ✖	Perception of profit raising. _

Highly desired expiring domains

Once a drop list is introduced, there will no longer be a question of when domains will expire. Given that all registrars will know the specific time point to target we anticipate DAC usage to reduce. We have also considered removing the DAC as a service. Providing a drop list will provide the information on when expired domains will become available without members having to pay £25 for the DAC. However, there will still be a technical race to be the first to register names which are perceived to have an intrinsic high value in excess of the registration fee.

Several comments in our 2019 consultation referred to the reduction in genuine domain name usage, because specialist registrars with the best systems and scripts will remain the most likely to be successful in registering domains for which there is competition. Some respondents therefore suggested removing the technical advantages of specialist registrars and adopting a market-based system, which a registry auction model would deliver.

We agree that there is logic, both in terms of transparency and systems load, to having an auction process decide who the winning registrant for a contested domain should be. An auction model has the benefit of removing the most contested domains and the associated technical race from our standard registration systems. In addition, as far as we are aware there would be little incentive for registrars to collude or seek to abuse or avoid registration system limits and Acceptable Use Policies.

One of our concerns with implementing an auction model is that there will be a perception that this is merely a way of raising funds for Nominet. We have therefore set out our intention on how we think any additional profit should be spent to best benefit the .UK namespace and invited stakeholder comment. We have also extended this rationale to any profits received from an economically controlled access system (Option 2).

If either of the options proposed are implemented, we envisage that any profits derived from the auction or economically controlled access models will be directed towards public benefit activity and/or ringfenced to provide specific services to registrars e.g. a training fund. However, we are also seeking ideas on how any profits would be best spent to benefit the .UK namespace in this consultation.

Option 1: Auction model

In the case of an auction model, the registry would not replace the role of the registrar, it would merely facilitate a way to determine which registrant can register an expiring domain for which there is more than one interested party.

In both variations set out below we expect an auction model will generally be of more interest to registrars than potential registrants. However, we do not intend to place restrictions on who can participate in an auction. The successful bidder will receive a token to take to the .UK registrar of their choice. Potential registrants may also decide to pre-emptively authorise a registrar to enter an auction on their behalf.

Determining contention

The auction option is aimed at addressing the domains which are highly contested. We expect highly contested domains amount to around ~0.7% of expiring domains, those registered within a second after cancellation. It may extend to ~5%, those registered on the same day as cancellation.

Both proposed models involve a specified time period in which to determine whether the domain has contention, i.e. more than one party who wants to register it. This determination is likely to take place during a Pending Delete period after expiry, following suspension but before cancellation (note: this Pending Delete period is discussed later in this consultation). During the Pending Delete period, the domain name cannot be renewed by the previous registrant.
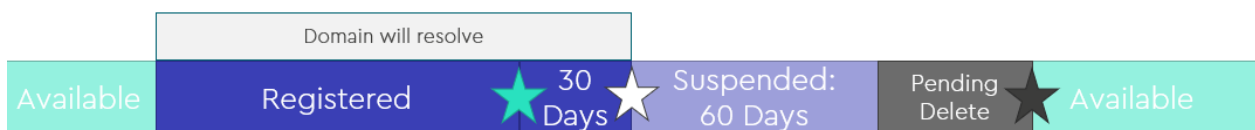
The purpose of the Pending Delete period is to determine which domains are highly contested i.e. desirable to justify a financial commitment towards the opportunity to register. We considered auctioning all domains but concluded this was unnecessarily expensive given the small proportion of contested domains.

Tokens: RFC 8495

If we implement an auction system, we anticipate using a system of tokens to allow the registrant to register with any registrar. This would require registrars to participate in a token system – either through our EPP protocol or Web Domain Manager. EPP is a computer protocol used to register domain names in .UK.[4] Web Domain Manager is our user interface system that allows registrars to register domain names in a web browser.[5]

Nominet would implement the tokens EPP extension described in RFC 8495 to enable tokens to be provided with an EPP domain create operation. Registrars will need to implement this extension in their clients if they wish to register these domains using EPP. Alternatively, Web Domain Manager will be amended to accept these tokens and could be used to manually register a domain name won at auction. **We are seeking views on this implementation, in particular we ask registrars to consider whether they would participate in a token system.**

We propose there are two feasible auction options:

(a) Ascending price auction for contested domain names

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[4] EPP is a client-server protocol, where all communications use XML as defined by a series of schemas. For more information on EPP in .UK https://registrars.nominet.uk/uk-namespace/registration-and-domain-management/registration-systems/epp/

[5] https://registrars.nominet.uk/uk-namespace/registration-and-domain-management/registration-systems/web-domain-manager/

During a time period before the domain name is deleted, interested parties pay a small non-refundable fee (<£10) to participate in the auction for an expired domain name they wish to register. If more than one party pays to register interest then the domain is auctioned between them. If only one party pays a fee, then the domain will be theirs for the normal price of registration.

(b) Sealed bid auction

During a time period before the domain name is deleted, interested parties submit a private bid of the amount they are willing to pay for a given domain name. If there is more than one bid, the highest bidder wins – similar to the recent auction system introduced in .ee ccTLD. The winning bidder is liable to pay the amount they bid. If only one party submits a bid, then the domain will be theirs for the normal price of registration.

In both cases, domains that do not receive either an expression of interest fee (a) or a sealed bid (b) will be released through the normal mechanism.

Summary of the auction models

	Pending Delete time period. The domain has expired but has not been released for re-registration.	If more than one party expresses an interest in the domain.	If only one party expresses an interest	If no parties express an interest
(a) Ascending price	Interested parties pay a small non-refundable fee to indicate their interest in participating in an auction.	The domain is auctioned between them. The highest bidder wins. They can then register the domain with their registrar of choice (e.g. through a token).	The domain will be theirs for the normal price of registration (e.g. through a token to take to their registrar of choice).	The domain is released through the normal process: see Expiring Domains below.
(b) Sealed bid	Interested parties submit a private bid of the amount they are willing to pay for a given domain name. This may involve a small non-refundable fee or the provision of credit card details to ensure commitment to payment.	The bidder who submitted the highest bid will be able to register the domain for the price they promised to pay. Upon payment they will be able to choose a registrar of choice (e.g. through a token).		

Option 2: Economically controlled access to expiring domains

In the event that we retain a first to register policy we would be maintaining the technical race as the method for determining the allocation of domains. To ensure this is indeed a technical race and to remove the incentive for registrars to seek to gain an advantage either through collusion or through AUP avoidance measures, we propose some necessary changes to the process for re-registering expired domains.

A single Nominet TAG provides six connections to our domain registration system enabling a registrar to simultaneously submit six registration requests for a single domain name. At this time additional TAGs may be registered at no cost. We therefore anticipate that while publishing a specified or single time point at which a domain will be released will significantly reduce demand for the DAC, it will increase the demand for multiple TAGs and therefore connections to the registration system.

While our analysis suggests that targeted registration activity using only one connection can be highly effective at registering a domain name, in practice we see registrars attempting to submit multiple registration requests using multiple connections in an attempt to register their desired domain name.

This issue would be further exacerbated if domains are released at a single time point on a given day because multiple desirable names may be released in the same batch.

To avoid shifting the current incentive to register multiple memberships (to gain access to the DAC) to an incentive to register multiple (possibly 100s) of TAGs we propose some new policies:

1. Domains will only be available via a dedicated connection for the first hour after deletion;

2. To connect to this system a registrar will be required to be a member and have previously registered to participate in drop catching;

3. To participate a registrar may pay for batches of EPP connections (6 per batch)

4. There will be a fee for each batch of connections; and

5. A limit on the number of batches of connections a member may hold.

Those who wish to participate in drop catching may do so for a transparent cost. We are conscious the cost and limits will be crucial to this option creating a system that is open to those that wish to participate in drop catching whilst also disincentivising the creation of additional memberships to circumvent the limit on the number of batches of EPP connections a single member may hold.

Our assumption is that EPP connections for drop catching would be available at a price point of approximately £600 per six connections with a limit of no more than 10 batches per member. Even if all domains were released at one single point in time, our analysis indicates that having more than six EPP connections would not provide any material advantage. **We therefore see no reason why any business/individual would need more than one membership to successfully participate in the secondary market.**

Expiring domains

Respondents to the 2019 .UK Policy Consultation generally agreed that the current system of randomly releasing domains over a 24 hour period could be improved. Most supported the principle of having a specific date and time for releasing domains (89% that registrars should have this information, 68% for this information being made available to the general public). Other supportive comments referred to the benefits of closer harmonisation with industry standards in other domain registries. We are therefore going to provide a specific time point when a domain will become available for registration. The exact time point of domain expiry will be public for registrars who are interested in registering expired domains and for potential registrants who will then be able to approach registrars.

Pending Delete period

Currently, the .UK expiration process requires registrars to allow registrants to renew their expired domain at any point up until cancellation and deletion. Our .UK Registry Registrar Agreement states:

> *"B.1. Regardless of TAG Classification, as a TAG user, you must: ...*
>
> *B.1.13. ... always allow a Registrant to renew a domain name (and maintain the registration in their own name) at any point up to the point at which we would otherwise have cancelled and deleted that domain name ...;"*

In order to provide the exact time and date an expired domain name will be become available for registration we will need to introduce a time period of certainty where the domain cannot be renewed by its previous registrant and has not yet been deleted and made available for registration by a new registrant. This is known as a Pending Delete period in generic Top Level Domains (gTLDs).

The length of this time period may be determined by a decision regarding whether an auction model is introduced – for example, to allow enough time to determine which domains have contention and needed to be processed in an auction and which could be released through the standard process.

In the absence of a requirement for this time period to meet certain specifications we are minded to align this period of certainty to our gTLD domains (.cymru and .wales)[6] and introduce a five day Pending Delete period – during which time a drop list would be published.

Release options

In order to provide an exact time and date on a drop list we would also need to remove the random nature of releasing domains. There are two options which we are seeking .UK stakeholder input on:

- **Option 1: Specified time** - domains are released throughout the day, based for example on the original time of registration.

- **Option 2: Single time** - domains which are being made available on a given day will all be released together, for example at 2pm UK time. If this is the preferred option, expired domains will probably need to be released on a separate server and EPP connection to ensure that peak volumes do not risk any compromise to our regular domain registration systems.

Both options should be considered in light of us introducing either an auction model, or an economically controlled access model to address the highly desired domains.

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[6] https://registrars.nominet.uk/gtlds/domain-lifecycle/

Questions

Highly desired expiring domains

1. Considering our guiding principles: (1) Does the option proposed allow us to safely manage technical load and ensure the resilience of .UK, without undue interference with the registration systems for standard non-expired domain registrations? (2) Does the option result in a system that can be easily explained to people outside the domain industry, including potential registrants? (3) Does the proposed option remove the incentive to create additional memberships and accounts in order to avoid our AUPs? (4) While there is no need to be tied to existing practices, we are conscious the industry is international and do not want to create entirely unique and unprecedented practices unless there is a strong benefit to doing so. (5) Are there reasons that make this option unfeasible for .UK? For example, the technical implementation would be excessive or there are other unintended consequences or legal implications.

   Which option do you think Nominet should introduce for contested expiring domains? (i.e. domains that have more than one party interested in registering them) [select one]

   - **Option 1 (a):** Ascending price auction

   - **Option 1 (b):** Sealed bid auction

   - **Option 2:** Economically controlled access to expiring domains

2. **Do you have any comments on the options for highly desired expiring domains?** [freetext]

3. If either of the options proposed are implemented, we envisage that any profits derived from the auction or economically controlled access models will be directed towards public benefit activity and/or ringfenced to provide specific services to registrars e.g. a training fund. **Where should Nominet direct the profits from holding auctions for expired domain names, or charging for drop catching connections?** [freetext]

4. If we implement an auction system, we anticipate using a system of tokens to allow the registrant to register with any registrar. Nominet would implement the tokens EPP extension described in RFC 8495 to enable tokens to be provided with an EPP domain create operation. Registrars will need to implement this extension in their clients if they wish to register these domains using EPP. Alternatively, WDM will be amended to accept these tokens. **What do you think of the proposed token method of facilitating an auction? If you are a registrar, would you be willing use the token system described?** [freetext]

Expiring domains

5. In order to provide the exact time and date an expired domain name will be become available for registration we will need to introduce a time period of certainty where the domain cannot be renewed by its previous registrant and has not yet been deleted and made available for registration by a new registrant (i.e. a Pending Delete period). We would consider a Pending Delete period of around five days. **Do you have any views on how long the time period of the Pending Delete status (during which a drop list would be published) should be?** [freetext]

6. In order to provide an exact time and date on a drop list we would also need to remove the random nature of releasing domains. **There are two options which we are seeking .UK stakeholder input on, which option do you prefer?** [select one]

    a. **Option 1: Specified time** - domains are released throughout the day, based for example on the original time of registration.

    b. **Option 2: Single time** - domains which are being made available on a given day will all be released together, for example at 2pm UK time. If this is the preferred option, expired domains will probably need to be released on a separate server and EPP connection to ensure that peak volumes do not risk any compromise to our regular domain registration systems.

7. **Do you have any comments on the options for expiring domains?** [freetext]