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Submission to ACMA on ‘Reply to Comment’ Consultation on Expiring Spectrum Licences: Stage 2

OneWiFi appreciates the opportunity to provide a ‘Reply to Comment’ submission on Expiring Spectrum Licences. We note the diversity of comments from the stakeholders and the challenge in navigating a path which ensures most efficient use of spectrum in addressing community needs, clearly a solution is required for realising the value of underutilised spectrum where the efficient use of the spectrum is not threatened.

Where there is no plan to activate spectrum in localities, the industry could work with commercial and technical solutions which enable geographic division and fragmentation of the spectrum resource to maximise public interest derived from spectrum.

In the following table we have summarised our position with regards to themes addressed in the OneWiFi submission where we see alignment with other stakeholders:

Themes	Comment
<p>Use-it-or-Lose-it (UIOLI) or Use-it-or-Share-it (UIOSI)</p>	<p>OneWiFi believes this option should be strongly considered to ensure licensees meet conditions to deliver the desired outcomes and public interest. UIOLI or UIOSI will enable others (such as multi-carrier active neutral host) to deliver services using the unused spectrum.</p> <p>We support the view of ACCAN for ESL to:</p> <p><i>“facilitate the use of UIOLI licence conditions such that UIOLI conditions can be activated if partial use of a licence is identified.”</i></p> <p>We further note that UIOLI or UIOSI are strongly support by the Victorian and NSW Governments in their respective submissions to promote more efficient use of spectrum and extend coverage and competition in regional areas.</p>

OneWiFi is aligned with the statement made by the Victorian Government submission:

“Use it or lose it/share it requirements could complement rollout obligations by discouraging spectrum hoarding and promoting a more efficient use of spectrum. If not utilised in line with licence requirements, mobile providers could be required to share or give up their licence, allowing an alternative infrastructure provider to utilise spectrum and provide more coverage and choice for customers in underutilised areas.”

By fragmenting spectrum blocks, it may facilitate use by others, such as a Mobile Neutral Host, to access the spectrum to deliver multi-carrier coverage and competition to much needed communities. This view is supported submission made by other potential secondary users and placed-based network operators, such as OmniTouch and Pivotel.

OneWiFi is keen work with all key stakeholders, including the Minister and the Department, ACMA, ACCC, and all the State/Territory Governments to maximise spectrum efficiency and public interest outcomes. We believe the ESL and UIOLI/UIOSI principles being an important component towards achieving them.

We are extremely encouraged by the submission made by the State Government stakeholders, whom are very much aligned on addressing public interest.

NSW Government:

“Like to see licensees meet rollout obligations by engaging with third parties to facilitate neutral hosting arrangements or via manual roaming”

“Neutral hosting by third parties would be preferential – enable providers to service areas where they have limited capacity (or intention) to provide infrastructure to improve coverage of the incumbent licence holder.”

“Infrastructure sharing model including active equipment sharing present a more sustainable option to increase coverage and competition”

Victorian Government:

	<p><i>“Victoria, in line with New South Wales, encourages ACMA to consider the feasibility of allocating place-based and geographically prescribed spectrum licences. This could reduce the barriers to entry into the regional mobile telecommunications market by making spectrum licences more attainable, and support expansion of coverage and competition in regional areas.”</i></p> <p><i>“Victoria has also been an advocate for initiatives (including through its Connecting Victoria Program) that could promote further implementation of multi-carrier outcomes that improve coverage in underserved areas. Multi-carrier solutions, such as neutral hosting arrangements offers multiple providers with the ability to share a third party owned piece of infrastructure in order to more cost-effectively provide coverage in less economically viable locations.”</i></p> <p>In terms of demand from the secondary market for ‘lost’ or ‘shared’ spectrum, we note strong interest from others apart from ourselves, such as Pivotel and Omnitouch, to address urgent placed-based coverage issues.</p>
<p>Shorter Licence Term + Streamlined Renewal Process</p>	<p>As per our initial submission, OneWiFi believes that assessment every 15 or 20 years is far too long to be effective, and that the ACMA should consider shorter licence duration (e.g. 5 years with renewal options) as an instrument to ensure the licensees deliver on the desired spectrum efficiency and Public Interest outcomes.</p> <p>Our view aligns with that of the ACANN submission to enforce licencing conditions over a shorter licence period will provide greater enforcement capabilities to the ACMA:</p> <p><i>“licence conditions alongside the use of shorter-term spectrum licences would positively contribute to expanding the enforcement capabilities of the ACMA.”</i></p> <p>With regards to several incumbent licensees stating that short license durations will discourage investment innovation due to uncertainty, we believe that such fear should be alleviated and have limited impact if the incumbent licensees fully intend on meeting fair and reasonable licensing conditions. Such risk for the incumbents only arises with potential lack of commitment or conviction towards maximising spectrum use and addressing public interest.</p>

	<p>Clarity in use conditions which would facilitate expiring licence renewal would further allay concerns of non-renewal for incumbent licensees. The potential uncertainty of retaining spectrum can be further mitigated if the ACMA can streamline the renewal process for those which have satisfactory met the licencing conditions.</p>
<p>Low Band Spectrum Conditions</p>	<p>In order to maximise public interest, in particular mobile coverage and competition for regional and First Nations Communities, the ESL instruments (UIOLI/UIOSI, Shorter Licensing Terms + Renewal) need to strongly focus on Low Band spectrum. Low Band spectrum is key to deliver the widest 4G/5G coverage, but currently completely locked up by the 3 national mobile network operators.</p> <p>If spectrum holders have no intention to use the Low Band spectrum – let others such as a Mobile Neutral Host to deliver multi-carrier service on an active sharing basis. OneWiFi supports views that facilitate sharing in low band spectrum including through band fragmentation and smaller licence areas where licensees are not able to use it efficiently.</p> <p>OneWiFi would encourage the ACMA to review pricing for spectrum released under UIOLI/UIOSI as affordability is a very high barrier to entry for many prospective users of the low band spectrum, as noted by the ‘Anonymous’ submission:</p> <p><i>“The prices achieved at spectrum auctions far outprice anything that a smaller operator will be able to afford, without a requirement for the winners to actually use the spectrum in the allocated areas.</i></p> <p><i>This allows the purchasers of the coverage spectrum to effectively squat on the spectrum across Australia, killing any opportunity for competition and stopping local operators from offering long-range mobile coverage to their communities.”</i></p>



OneWiFi will be pleased to provide additional information or clarification if required.

Yours faithfully,



Director of Policy and Regulatory Engagement

ONEWIFI & INFRASTRUCTURE