

Wireless Internet Service Provider Association
of Australia Inc

**Response to : Planning options for the
3700–4200 MHz band**



The Manager, Wireless Broadband
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Thank you for the opportunity to provide a response to the ACMA “Planning options for the 3700–4200 MHz band” consultation paper. The Association represents a broad range of carriers in Metropolitan and Regional areas, typically smaller operators who have limited or no access to spectrum.

Thank you for the opportunity to respond to this paper, we sincerely hope our contributions have been valuable and encourage the ACMA to commence a trial of this type of licensing system.

Issues for comment

The ACMA invites comments on the issues set out in this paper.

Specific questions are featured in the relevant sections of this paper and are collated below. Details on making a submission can be found in the Invitation to comment section at the end of this document.

1. Comment is sought on the case for action and desirable planning outcomes for the 3700–4200 MHz band, including the supporting information at Appendices A, B and C.

WISPAU agrees that there is a strong case for action, the current arrangements within this band do not maximise the public benefit.

We also agree with the ACMA’s assessment that a mix of uses within this band would maximise the overall public benefit.

The current approach to assessing precisely what mix of competing uses we believe is flawed, it’s akin to central planning versus the free market.

Allocation of scarce resources such as spectrum, which have alternative uses like Satellite, Fixed and Mobile broadband must be rationed.

The current approach is political, each interest group lobbies the regulator, in this case the ACMA. Each access seeker puts forward their particular case for being granted priority over other uses and the regulator picks the winners and losers.

We propose allocation by economic means, where consumers decide which products or services they wish to consume in which geographic area, then by purchasing the service gives the service provider the financial capability to outbid the other operators in a competitive market.

The implementation of a Dynamic Spectrum License Management (DSLMM) system can facilitate this type of market and provide the best outcome for consumers.

2. Comment is sought on the proposed options, including appropriate values for frequency segment breakpoints as well as any alternative options.

Our preferred option is Option 2 as it provides access to the greatest amount of spectrum on an equal basis for all parties.

The terms Wide Area Wireless Broadband (WA WBB) and Local Area Wireless Broadband (LA WBB) used in this paper can be equated with Spectrum Licensing (WA WBB) and Area-Wide Apparatus licence (AWL) respectively.

The key difference between the two license types are as follows :

	Spectrum License	Area-Wide Apparatus License
Geographic Area	Very Large (Cities, States, Regions)	Small (Single Property, Block or Town)
Upfront Cost	Multi-million dollar outlay	Small allocation fees
Ongoing Cost	No Yearly Fees	Yearly Fees
License Duration	10 - 20 Years	1 - 5 Years
Target Market	Mobile Network Operators (MNO)	Wireless Broadband Service Providers (WISP)
ACMA Terms	WA WBB	LA WBB

As the table above illustrates, WA = Spectrum = MNO where as LA = AWL = WISP.

The key difference here is that MNO's are able to purchase AWL license types however smaller operators lack the scale to be able to purchase Spectrum Licenses, we see this as systemic discrimination against smaller operators.

Comments on the various options :

Option 1 - A large portion of this band will go to Auction and only be available to MNOs, requiring incumbents to vacate the band. This is WISPAU's least preferred option as it grants significant amounts of spectrum to Mobile Network Operators (MNO's), clears FSS from the lower half of the band and only grants access for WISPS in remote areas.

Option 2 - Will keep a level playing field for all operators and provide the most protection for incumbent users, with the exception of a DSLM system, this is WISPAU's preferred option. It strikes a balance between the interests of incumbent users by preserving access and new entrants by requiring coordinated access for various users without preferences granted to MNO's.

Option 3 - Is likely the preferred option my Mobile Network Operators (MNO's) as it grants exclusive use to spectrum between 3700 - 3800 in Metro and Regional areas with all incumbent uses being cleared, we are pleased to see that the ACMA has proposed sharing within the Remote (3700 - 3800) and Australia Wide (3800 - 4000) band, and would much prefer the mechanism for sharing being a Dynamic Licensing System as opposed to an ACMA declaration.

3. Comment is sought on the discussion and outcomes of the assessment of options, including the cost benefit analysis and its assumptions. This includes any evidence for the value placed on the band for WBB and FSS use.

"It is acknowledged that FSS operators would prefer not to be geographically restricted in order to maximise business opportunities and reduce complexity in their deployments."

The Satellite industry being unable to accommodate particular geographic restrictions may unfortunately result in a smaller amount of accessible bandwidth for exclusive use, as is being proposed in all three options. Should the Satellite industry be able to accommodate different areas having access to various portions of the band as they do between countries, this would allow regulators and other industries to apply a more flexible approach, such as Dynamic Spectrum Licensing Management.

4. The ACMA invites comment on its preliminary preferred option.

Although WISPAU's preference would be the implementation of a Dynamic Spectrum Licensing system across the entire band, we do accept that the ACMA have existing procedures and processes and must balance the interests of multiple stakeholders, under those circumstances we accept that Option 3 does provide benefit for each group and if enacted would be significantly better than either Option 1 or to take no action at all.

The longer the ACMA delays the development and implementation of a Dynamic Spectrum Licensing Management (DSLM) System, the more bands will be subject to replanning without the benefits made possible by such a system.

Regards,

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