**Response from Inmarsat to the ACMA**

**PROPOSED RE-ALLOCATION OF THE 3.6 GHz FREQUENCY BAND**

**27 November 2017**

Inmarsat hereby provides comment in response to the proposed re-allocation of the 3.6 GHz frequency band. Inmarsat understands that the ACMA proposes a 5-year reallocation period, after which Inmarsat’s Perth earth station will no longer be entitled to protection from interference.

Inmarsat is disappointed by the proposal from the ACMA in this regard. Inmarsat proposed a solution based on sharing of the 3.6 GHz band but the ACMA has chosen a more draconian approach that would effectively place a notice period of five years on our operations at Perth.

Inmarsat therefore expects to have to open a new C-band earth station to replace the Perth facility and we are currently evaluating the costs involved.

We notice that ACMA has previously proposed a 7-year notice period in its Options Paper of June 2017 on the 3.6 GHz (3575 - 3700 MHz) band "Future Use of the 3.6 GHz Band ", but has now proposed a 5-period for Perth. While we would prefer a longer period than seven years, we believe that as a minimum the ACMA should retain that proposal for a 7-year period, at least for the band 3599 - 3629 MHz currently licensed to Inmarsat. For the other parts of the 3.6 GHz band, Inmarsat understands that the other C-band operators who might use that spectrum in Perth can transition to other parts of C-band and so mobile broadband operators in those bands would not practically be constrained. The 7-year period would grant Inmarsat greater benefit from the financial investment made in Perth over many years.

Whether the ACMA maintains the 7-year notice period or its latest proposal for a 5-year notice period, we believe that consideration should be given to compensation for the costs of moving the Perth operations to a new location. In its consultation on the 3.6 GHz band in June 2017, the ACMA estimated that the benefits of making the 3.6 GHz band available for mobile broadband outweigh the costs of moving all operations in the 3.6 GHz band in Perth, and so the benefits from mobile broadband could be used to compensate for Inmarsat’s costs. Inmarsat understands that the case for compensation is an issue for the Department of Communications and we will pursue that option separately with the DoC. Nonetheless, the question of compensation and the notice period are interlinked - a shorter notice period leading to higher relocation costs - and so these issues need to be considered in unison.

Whatever notice period is decided, Inmarsat also requests a review of the situation 18 months before the end of the notice period. This would allow the ACMA to make a final assessment of the need to reallocate the 3.6 GHz band, taking into account evidence of the actual deployment of mobile broadband systems in the 3.6 GHz band in Australia. Considering the history of mobile broadband deployment in the C-band around the world, there is a good chance that mobile broadband operators will not be able to make a successful business from terrestrial systems in this band and there will be very limited deployment and uptake of MBB systems in the 3.6 GHz band. In that event, and it would be incongruous to remove C-band earth station operations to make space for a service that does not really need it.

Inmarsat remains ready to work with the ACMA to establish a pragmatic and fair plan to re-allocate the 3.6 GHz band.

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