

Submission

August 7 2023

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PO Box 13112
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Re: Proposed approach to expiring spectrum licences

The Australian Communications Consumer Action Network (**ACCAN**) thanks the Australian Communications and Media Authority (**ACMA**) for the opportunity to comment on the Proposed approach to expiring spectrum licences consultation paper (**the Paper**).

ACCAN is the peak body that represents consumers on communications issues including telecommunications, broadband, and emerging new services. ACCAN provides a strong unified voice to industry and government as we work towards communications services that are trusted, inclusive and available for all.

ACCAN supports the ACMA's proposed 4-stage process for considering renewals of expired spectrum licences (**ESL**).¹ In particular, we support:

- The introduction of public interest criteria to spectrum licensing considerations.²
- The ACMA requesting information from spectrum licence holders to improve its understanding of existing spectrum utilisation.³
- The ACMA reviewing future expired spectrum licenses simultaneously rather than individually to ensure that the ESL process aligns with the public interest.⁴
- Measures to improve the ACMA's understanding of the end users who rely on spectrum services.⁵

Please see **Attachment A** for ACCAN's responses to the questions set in the Paper.

¹ ACMA. 2023. Approach to expiring spectrum licences consultation paper. p.2. Available at: <https://www.acma.gov.au/consultations/2023-05/proposed-approach-expiring-spectrum-licences>.

² Ibid.

³ Ibid p.23.

⁴ Ibid p.24.

⁵ Ibid p.28.

Attachment A

1. What are your views on the proposed public interest criteria? Are there other criteria we should consider?

ACCAN is satisfied with the proposed introduction of public interest criteria. Given the rapid rate of innovation and technological development, the ACMA should give appropriate consideration to the issuing of shorter licensing periods for spectrum licences. Additionally, the ACMA may consider limiting the use of licensing terms in excess of 10 years.

Shorter licensing terms, e.g., 10 years, may allow for efficient reallocation as new technologies emerge. In contrast, licensing terms of 20 years may lock-in inefficient uses of spectrum.

2. What are your views on the proposed 4-stage approach to undertaking the ESL process?

ACCAN supports the 4-stage approach to undertaking the ESL process. In particular, we support:

- The ACMA's plans to request spectrum use information from spectrum licensees. This will improve the ACMA's understanding of spectrum utilisation.⁶
- The ACMA's aim to review all expired spectrum licenses simultaneously rather than individually.⁷ This approach would allow the ESL renewal process to be contextualised within the wider framework of spectrum licenses.
- Measures to improve the ACMA's information gathering capabilities to understand the types of end users who rely on spectrum services.⁸

Additionally, ACCAN supports the ACMA exploring pathways under the *Telecommunications Act 1997* (Cth) to improve its information gathering powers.⁹

ACCAN considers that due to the rapid rate of innovation and technological development, priority consideration should be given to spectrum licensing options which provide the ACMA the most flexibility. Additionally, ACCAN supports the Paper's assertion that the ESL renewal process carry no presumptions of licence renewal for current spectrum licence holders.¹⁰

3. Are there any band-specific issues that we should consider as part of this ESL process?

ACCAN is currently unaware of any band-specific issues that the ACMA should consider as part of the ESL process.

4. Are there any other matters that we should consider in connection with the ESL process?

ACCAN agrees with the ACMA's estimation that the number of device registrations linked to spectrum use may not be a reliable indicator of actual levels of utilisation.¹¹ ACCAN would support the ACMA requesting general information about the number of spectrum end users and the types of services that are being provided to them from licensees, where appropriate.¹²

⁶ ACMA. 2023. Approach to expiring spectrum licences consultation paper. p.23. Available at: <https://www.acma.gov.au/consultations/2023-05/proposed-approach-expiring-spectrum-licences>.

⁷ Ibid p.24.

⁸ Ibid p.28.

⁹ Ibid p.31.

¹⁰ Ibid p.1.

¹¹ Ibid p.31.

¹² Ibid p.28.

The ACMA should consider requesting spectrum license utilisation and trading data from licensees to examine the take up of spectrum license trading.

5. What are your views on the proposed approaches to valuing the spectrum and payment arrangements?

ACCAN considers that the sophistication and complexity of pricing approaches should be proportionate to the potential value or costs associated with inaccurate spectrum pricing. Accordingly, pricing methods should be proportionately sophisticated to the risks associated with pricing errors. In practice this framework would align with the ACMA's existing approach, with auctions used for high-value spectrum (as established from historic pricing), and administrative methods being applied for localised, use specific apparatus licenses.

Noting the pace of innovation in spectrum and connectivity delivery, misallocations in spectrum licenses could lead to market inefficiencies which may persist for decades.

6. What are your views on the proposed approach to examining use under existing spectrum licences?

ACCAN supports the ACMA's approach to examining use under existing spectrum licences. Examining the use of spectrum as part of existing and future spectrum licences will provide the ACMA with considerable utility. ACCAN supports measures which ensure that existing spectrum license holders provide extensive information regarding the use of their allocated spectrum.

ACCAN considers that the ACMA gathering detailed information on spectrum use is critical to informing its understanding of the constraints of the existing spectrum network. Additionally, the ACMA should:

- Consider gathering a record of historical and future spectrum investment by existing and future spectrum license holders.
- Request additional service coverage information from spectrum licensees.
- Request comprehensive information on the licensees' future spectrum use.

These improvements will bolster the ACMA's knowledge of the spectrum trading market. The ACMA should consider the role of Low Earth Orbit Satellites (**LEOSat**) and the potential for emerging technologies to provide for the delivery of communications services.

While ACCAN understands that a technology neutral approach to spectrum allocation is consistent with best practice, the ACMA should consider how the licensing framework can contribute to dynamic efficiency.

Future uptake of LEOSat technology may heavily disrupt investment in terrestrial infrastructure and ensuring that future spectrum allocations take this into account is consistent with best practice.

We thank the ACMA for the opportunity to comment on the Paper. Should you wish to discuss any of the issues raised in this submission further, please do not hesitate to contact me at:

[REDACTED]

Yours sincerely,

[REDACTED]

[REDACTED]

The Australian Communications Consumer Action Network (ACCAN) is Australia's peak communication consumer organisation. The operation of ACCAN is made possible by funding provided by the Commonwealth of Australia under section 593 of the Telecommunications Act 1997. This funding is recovered from charges on telecommunications carriers.

ACCAN is committed to reconciliation that acknowledges Australia's past and values the unique culture and heritage of Aboriginal and Torres Strait Islander peoples. [Read our RAP](#)
