



Submission in response to  
ACMA Consultation Paper

**Expiring spectrum  
licences, Stage 4**

**Proposed application and  
decision-making process**

Public Version

February 2026

## EXECUTIVE SUMMARY

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Optus welcomes the opportunity to provide feedback on the ACMA's *Proposed application and decision-making process* as part of stage 4 of the expiring spectrum licences (ESL) process.

Clarity and certainty around the processes by which licensees can apply for the renewal of spectrum licences, and by which the ACMA will consider applications will underpin smooth renewal processes between 2026 and 2032. These processes should be designed to accommodate the practical business needs of applicants, while supporting the ACMA's legislative and policy obligations, including determining whether renewal is likely to promote the long-term public interest.

The application and decision-making process outlined in the ACMA's consultation paper makes a reasonable start, subject to some adjustments that we suggest will balance industry concerns around certainty with the ACMA's requirements.

### **Spectrum licence fee payment should be due 1 month prior to renewal**

The ACMA's proposed due date for the payment of licence renewal fees is determined by the completion of the consultation process. This has the effect of licensees having to pay for renewal up to 19 months prior to licence issue, ultimately creating payment timing uncertainty. Optus considers it unreasonable to expect licensees to provide payment this early and, given the large sums of money involved, will be highly disruptive to the financial planning and cashflow management for licensees.

An ACMA renewal offer, and renewal notification provide sufficient certainty to licensees as they are legally binding on the ACMA, thereby providing the necessary certainty of renewal to licensees. Conversely, the risk to ACMA of a licensee defaulting on an accepted renewal payment is very low. The risk is significantly lower for renewal than for an auction, as expiring licenced spectrum has already been deployed in the networks where the removal would impact the network performance and customer experience.

The ACMA should issue a renewal offer and, upon acceptance of the offer, provide a renewal notification to the licensee with payment due 1 month prior to renewal.

### **Options for instalment payments should be revisited**

Instalment payments provide a more efficient, sustainable and equitable approach to ESL renewal fees. They align payment timing with the period over which spectrum benefits are realised, improve cashflow management, and reduce the need for large upfront capital outlays that divert funds away from essential network investment. This supports continued investment in coverage, capacity, innovation and service quality—outcomes that are critical for consumers and the broader economy. For completeness, and as outlined above, we propose that payment of the first instalment should be due 1 month prior to the renewal of each licence.

The Spectrum Pricing Review 2018<sup>1</sup> (Recommendation 6) presents no apparent impediment for the ACMA to offer the option of instalment payments for spectrum renewals and we would welcome further response on this topic.

### **Repeated consultation on pricing reduces certainty and imposes unnecessary burden on licensees for the next four years**

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<sup>1</sup> [https://www.infrastructure.gov.au/sites/default/files/spectrum-pricing-review\\_0.pdf](https://www.infrastructure.gov.au/sites/default/files/spectrum-pricing-review_0.pdf) page 9

ESL prices per MHz per population (**PMPs**) should be set at one time to provide certainty of the renewal cost of all ESLs and enable informed decisions to be made regarding substitutable spectrum.

Incorporating a small number of additional benchmark data points for each ESL – likely only one or two per band based on the existing dataset, is likely to have a negligible impact on PMPs, while the consequences of prolonged uncertainty are significant for mobile network operators (**MNOs**).

Moreover, the ACMA's plan to include new benchmark data from up until six months prior to each application window would force operators to complete extensive corporate governance processes, which are required for multi-million-dollar renewal, in compressed timeframes.

**A modified application and decision-making process will overcome many of the issues highlighted above**

We have made several suggestions to make the application and submission process more balanced and to better accommodate the corporate governance requirements of applicants mentioned above.

**We support a transparent process and public release of all final renewal decisions**

It is preferable and supports transparency for the ACMA to publish the outcomes of renewal decisions, ensuring all stakeholders receive consistent and timely information.

## INTRODUCTION

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In the following sections we respond directly to the four questions posed by the ACMA and then provide feedback on, and suggested improvements to the application and decision-making process. These suggestions aim to streamline matters, provide certainty to licensees and the ACMA, reduce the financial burden on licensees and recycle and re-use already available information to simplify decision making by the ACMA.

## OPTUS RESPONSES TO CONSULTATION QUESTIONS

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The following section sets out Optus' responses to the specific questions posed by the ACMA in the consultation paper.

**Q1. Do you foresee any practical reasons that would prevent you from providing information that is accurate as of a date closer to when the application is made? (For example, accurate as of 30 days prior to when the application is made.)**

Through conversation with the ACMA, we understand that the data requested by the ACMA is as follows, for each band that is being applied for:

- Consolidated outdoor coverage for all existing and planned (over the following 3-year period) sites using the band
- The information provided needs to be accurate to 31 January prior to the licence application per technology type
- Technology deployed on each site for the band
- Site location
- Individual site identifiers (RRL site ID or RFNSA site ID)

It is further understood that the information provided will be used solely for the purpose of assessing the application to renew the expiring licence(s) for the band.

With regard to the provision of three-year projected site and coverage data, the information provided will represent the current view of both site upgrades and greenfield sites. The coverage data may, in many cases, not indicate any increase in coverage area as bands are often deployed for the purposes of capacity enhancement or network densification rather than network extension. In relation to greenfield sites, nominal location and target areas may be provided where no candidate details are available.

Generation of coverage maps is a time and resource intensive exercise. Our expectation is that coverage data current to 31 January prior to the licence application should be sufficient for the ACMA's licence application assessment, noting the ACMA can request further information on a case-by-case basis if necessary.

Our current intention is to identify approximations of capacity upgrade target areas and greenfield separately to the coverage plots noting that this level of accuracy reflects the planned status of the work. We are open to further discussion with the ACMA on this proposed approach.

It is also our understanding that this information will be provided and considered on a confidential basis. We note the ACMA's acknowledgement that planned service coverage is subject to various factors and may change over time as the applicant's business plans and the broader market environment changes.

On the basis of our understanding above, we do not foresee any issues with the provision of this data.

### ***Proposed amendment to the instrument***

To align the text in the ACMA's *draft radiocommunications spectrum licence renewal – information and documents instrument* with the consolidated coverage requirements of the application process we propose the following minor amendments:

#### *Information and documents – existing coverage*

(3) In relation to ~~each~~ mobile sites where ~~a~~ radiocommunications transmitters ~~is~~ are:

(a) operated under any of the following:

(i) the subject licence; and

(ii) a related spectrum licence for the subject licence; and

(b) used for radio (mobile);

an application must be accompanied by the outdoor coverage ~~for the mobile site~~, by frequency band for each technology type.

**Q2. Do you foresee any practical issues that would prevent you from providing the proposed documents about existing and planned sites and coverage in the required format to the ACMA as part of a renewal application?**

We do not see any issues in providing the information in the formats requested by the ACMA and anticipate the ACMA will consult on the proposed contents of the application and submission pack prior to the renewal application window opening.

**Q3. Do you foresee any practical issues that would prevent you from providing the proposed documents about third-party authorisations in the required format to the ACMA as part of a renewal application?**

Subject to appropriate commercial confidentiality protections being in place, we do not see any issue with the provision of this information.

**Q4. Do you foresee any practical issues that would prevent you from paying the spectrum access charge in full within the proposed timeframes?**

Noting that there is overlap between the application and process consultation and the updated preliminary price consultation, Optus repeats the same commentary on instalment payments and payment timing below:

Our submissions through the ESL process have advocated for instalment payments on the basis that they offer significant financial, operational, and policy advantages for both regulators and licensees. The key benefits can be summarised as:

a) Improved Cashflow Management for Licensees

Paying spectrum fees over time aligns costs with the period in which benefits are realised. It reduces large, immediate outflows that can strain financial resources and allows operators to better manage capital for ongoing investment in network rollout, upgrades, and customer service.

b) Alignment with the timing of economic benefit

Spectrum licences generate value gradually over the life of the licence, not all at the moment they are granted, and instalments mirror the way operators amortise spectrum on their balance sheets. Instalment payments more accurately track cost-avoidance and revenue benefits as they accrue over time.

c) Supports sustainable industry investment

Large upfront payments can divert funds from investment in infrastructure (5G/6G rollout, fibre backhaul, regional expansion) and innovation.

d) Reduces risk of market distortion or consolidation

Upfront lump-sum payments favour large incumbents with deep pockets. Instalment payments have the ability to reduce barriers for smaller operators or those with weaker balance sheets. This lowers the risk of market consolidation driven by cashflow constraints and higher funding costs and assists in maintaining and growing the competitive intensity in the market currently.

e) Increases certainty and predictability

Instalments provide a clear, predictable cost schedule which allows operators to plan budgets and financing requirements across many years, and regulators to benefit from more stable and recurring revenue streams. In addition, instalment payments reduce exposure to short-term interest rate or macroeconomic shocks at a single payment point.

f) Reduces real economic burden for industry

When lump-sum payments are required, operators often need to raise debt or reallocate capital rapidly. Operators face a higher cost of capital than government, which increases the overall real economic burden. Instalments smooth borrowing needs over time, reduce the likelihood of borrowing at unfavourable interest rates and lowers the overall cost of capital.

g) Reduced risk of non or partial renewal

For renewals in particular, instalments avoid forcing licensees into premature renew, exit or consolidate decisions driven by cashflow rather than value and reduces the risk that viable operators fail to renew spectrum simply because early, large payments are required.

**Optus seeks further clarification on ACMA's ability to support instalment payments.**

Recommendation 6 of the Spectrum Pricing Review 2018 has been referenced by the ACMA as a justification for requiring upfront payments for renewals.

*Recommendation 6*

*For spectrum access charges determined by auction, the ACMA should generally require upfront lump-sum payments. There may be circumstances where instalment payments are warranted shortly after the beginning of a licence term. In considering use of instalments, the ACMA should assess the risks to the state of default and the potential impact on competition. The ACMA should generally receive upfront payments before the licence period begins because it protects against the risk of payment default. It reduces the complexity and increases the certainty of spectrum auction outcomes. Upfront payments also help to reduce speculative bidding. However, the Government recognises that long term licences require a large amount of capital. Therefore, there may be circumstances where Government or the ACMA approves short term deferrals. In considering these circumstances, the Government or the ACMA should take into account the risks to competition of payment deferrals (including the role the competition limits are playing), the number and type of bidders at an auction, and the risk to the Government of unpaid licence payments. In these circumstances, requirements such as*

*a bank guarantee over a portion of outstanding funds are appropriate to reduce risk to Government.<sup>2</sup>*

It appears that this recommendation does not prevent the ACMA (or the Government) from providing an option for instalment payments for spectrum licence renewals, noting that the recommendation applies to spectrum charges determined by auction and makes no specific reference to renewals. This recommendation does provide the ACMA the ability to approve instalment payments after assessing risks for default and impact on competition. It also focuses on payments applicable to a single auction at a single point in time rather than a series of renewals due in relatively short succession. If the ACMA is able to consider instalment payments having regard to a single auction, it is reasonable to expect a similar assessment could be conducted for renewals, with specific recognition given to the short-term capital squeeze multiple renewals within a short time period creates. Whilst not the subject of this paper, it should be noted that when all the renewed ESLs are next up for renewal they will all fall within 1 year.

The ACMA has also noted that past instalment arrangements were enabled through Ministerial Direction, as occurred in the 700 MHz (2017) and 26 GHz (2021) auctions. Aside from relying on historical practice, the ACMA has not provided any substantive policy, economic, or legal rationale for requiring upfront payment of renewal fees.

Furthermore, international practice indicates that instalment arrangements are frequently offered by regulators in spectrum assignments, particularly where licence terms are long and amounts are substantial. This is reflected in DotEcon's treatment of benchmarking data, which includes adjustments to normalise for the presence of instalment payment structures—implicitly acknowledging their prevalence across jurisdictions. Recognising this global context, making instalment options available for ESL renewals would align the Australian framework with established regulatory practice and provide a balanced mechanism to manage cashflow without compromising policy objectives.

For these reasons, we again request that the ACMA give full and careful consideration to offering instalment payment options for ESL renewals. Instalments aligned with the amortisation schedules of each band would provide a more balanced, sustainable, and appropriate approach to renewal payments, while supporting continued investment and maintaining the financial health of the sector.

### **Practical issues with up-front payments within the ACMA's proposed timeframes**

As the ACMA's proposed payment of licence renewal fees is determined by the completion of the application process, this introduces significant issues for operators as there is no certainty in payment dates. If renewal application is made early in the process this could result in payments being due up to 19 months prior to renewal.

Since licensees may submit renewal applications at any point during the application window, it follows that those who apply early, as encouraged by the ACMA, would face earlier decision dates and therefore earlier payment triggers. The ACMA has not committed to issuing renewal decisions on a fixed schedule and there is a potential for further delay should additional information requests be required. Therefore, the resulting processing times and consequently payment dates may vary significantly by licence, thereby further increasing uncertainty for operators.

Further, the proposed process is misaligned with established practice. Historically, both auctioned licences and renewals require payment close to licence commencement, usually

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<sup>2</sup> [https://www.infrastructure.gov.au/sites/default/files/spectrum-pricing-review\\_0.pdf](https://www.infrastructure.gov.au/sites/default/files/spectrum-pricing-review_0.pdf) page 9

around one month beforehand. Requiring payment up to 19 months early represents a significant and unjustified departure from long-standing regulatory practice.

Requiring spectrum renewal payments at an uncertain time, and potentially up to 19 months before the renewed licence takes effect, creates a range of significant financial and operational challenges for licensees: These challenges extend well beyond standard cashflow considerations and have material implications for business planning, investment cycles, governance processes, and competitive neutrality.

a) Cashflow Volatility and Budgeting Uncertainty

Spectrum renewals involve large, multi-million-dollar payments. Without certainty on when these payments will fall due, operators cannot accurately forecast cash needs or allocate capital. This level of uncertainty is inconsistent with prudent financial management in a capital-intensive industry.

The ACMA has made it abundantly clear that early submission of licence renewal applications is preferred. If licensees follow this direction and apply at the start of the application window for the 850/1800 MHz bands (18<sup>th</sup> June 2026), then payment would fall within this current calendar year. This outcome is entirely unexpected for operators and has not been incorporated into approved budgets. Noting that Optus use April to March financial year, this would bring forward our 1800 MHz licence payment by two financial years. To align with our current financial forecasting, Optus would need to apply no earlier than October 2027 assuming payment 5 months later, for payment in financial year 2029 as previously forecasted.

b) Impact on Debt, Financing, and Capital Structure

The scale of the current renewal obligation represents a step-change relative to the previous ESL cycle. For Optus, the prior ESL bill was approximately \$700 million, whereas the current renewal liability is in the order of ~\$2 billion (if fully renewed). This material increase significantly amplifies the cashflow, financing, and opportunity-cost implications of a lump-sum payment model.

When the timing of large regulatory payments is uncertain, operators are forced to maintain higher cash reserves, reducing capital available for investment. Early payments of months or years ahead of licence commencement, mean operators must carry the debt or cost of capital for that period without receiving any benefit from the renewed licence.

c) Pressure on Corporate Governance and Board Approval Processes

Spectrum renewals require extensive internal governance, involving board approval, risk assessments, financing plans, investment trade-off analysis and shareholder reporting (for listed entities). These processes cannot be performed efficiently unless the operator knows the payment amount, and when payment is due. If Ministerial Policy Statements are released only shortly before the application window opens, and payment may be required immediately after ACMA approval, the governance cycle becomes compressed and rushed, increasing legal, financial, and operational risk.

d) Misalignment of Costs and Benefits

Requiring payment up to 19 months prior to licence commencement forces operators to incur the full cost of renewal long before receiving the legal right to the spectrum, the operational benefit, or the revenue/cost-avoidance value the spectrum provides. This creates a major negative working capital impact, inconsistent with how spectrum value is realised (which occurs gradually throughout the licence term).



e) Distortion of Long-Term Investment Priorities

Large, early payments divert capital from network deployment and upgrades, resilience improvements, rural and regional coverage investments, and technology upgrades (such as 5G to 6G). Uncertain payment timing forces operators to delay or cancel planned network programs to preserve liquidity until a renewal payment date becomes clear.

f) Disproportionate Impact on Smaller Operators

Early payment timing advantages operators with larger balance sheets, deeper capital reserves, or easier access to debt markets. Smaller operators are disproportionately affected by early, uncertain payments, increasing the risk of competitive disadvantage, weakened financial performance, or reduced ability to renew all spectrum bands. This is particularly problematic in a renewal process, where spectrum is already fully integrated into networks and critical for competition.

g) Administrative and Operational Disruption

Operational processes tied to renewal including network planning, vendor contracting, capacity forecasting, and workforce allocation, depend on knowing when renewal will occur and the certainty that the licence can be renewed. Uncertainty in payment timing cascades through to delays in procurement and deployment, misalignment of rollout schedules, and complexity in managing multi-year investment programs. This creates unnecessary operational inefficiency for both the operator and the broader ecosystem (vendors, contractors, equipment suppliers).

h) Sovereign Risk and Financial Reporting Issues

Uncertain payment timing, particularly when disconnected from licence commencement, creates challenges in financial reporting and provisioning, potential impacts on credit ratings, and increased perceptions of sovereign/regulatory risk among investors and lenders. These factors can directly influence the cost of capital and long-term investment appetite in the Australian telecommunications sector.

We do not support the proposed Spectrum Access Charge (**SAC**) adjustments and consider that a fixed payment date is the most appropriate way forward. The SAC adjustments will introduce unnecessary complexity and have consequences beyond the renewal process, as discussed below.

- a) CPI is an insufficient motivator for an operator to pay early, as it does not represent the cost of capital. Instead of CPI, the relevant metric for timing a payment decision used by operators as well as government, is the weighted average cost of borrowing / capital (**WACC**). The ACMA is currently using the long-term, post-tax nominal WACC recommendation provided by Frontier Economics of 8.49%<sup>3</sup>, which is more than double CPI (3.8% October 2025). As the spectrum renewal charges are large, and the WACC is significantly greater than CPI, this will result in considerable incentives for operators to pay and therefore apply as late as possible in the window.
- b) The SAC adjustment may adversely impact secondary market trading as licensees have paid different amounts based on the timing. This can result in different views on paid

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<sup>3</sup> <https://www.acma.gov.au/sites/default/files/2025-05/Preliminary%20views%20paper%204%20-%20Pricing%20for%20ESLs.pdf> p46

prices between different licences which could complicate any secondary market negotiations.

Operators are afforded certainty of renewal via an ACMA renewal offer and subsequent renewal notification, as both are legally binding commitments by the ACMA. These instruments give operators assurance that their licences will be renewed, without requiring payment many months in advance. Optus disagrees with the premise that certainty only arises once payment is made. A legally binding renewal offer by the ACMA provides all necessary certainty to MNOs. Additionally, there is no precedent for the ACMA rescinding such an offer. Doing so would represent a significant sovereign-risk event with likely legal implications.

Conversely, the risk to the ACMA of a licensee defaulting on a renewal payment is extremely low. No Australian mobile operator has ever defaulted on a mobile spectrum auction or spectrum renewal payment. The risk is even lower in renewal scenarios compared with auctions, because the expiring spectrum is already fully deployed in networks and underpinned by billions of dollars in infrastructure investment, meaning operators have strong commercial incentives to complete payment. For these reasons, requiring payment up to 19 months before licence commencement is neither justified nor proportionate, and provides no additional certainty beyond what is already delivered by the ACMA's own legally binding renewal offer and notification.

**The ACMA should instead issue a renewal offer and, upon acceptance of the offer, provide a renewal notification to the licensee with payment due 1 month prior to renewal.**

In support of this position and as an alternative to the process proposed by the ACMA, we have set out an alternative process and timeline for decision making in subsequent sections.

[CiC]

## FURTHER CONSIDERATIONS AND ARGUMENTS

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### **Repeated consultation on pricing reduces certainty and imposes unnecessary burden on licensees**

There are significant resource commitments associated with the ACMA's proposed renewal process over the 2026–2032 period.

Releasing PMPs incrementally over four years introduces ongoing uncertainty that is difficult for licensees to manage and delivers only limited analytical benefit. Based on the current dataset, each update is likely to incorporate only one or two additional benchmark data points per band, resulting in minimal change to PMPs. This modest benefit is outweighed by the challenges created when PMP updates occur close to application windows, particularly given the need for operators to complete detailed internal governance processes. Where new benchmark data may be added from up until six months prior to an application window opening, renewal processes risk becoming compressed and operationally complex.

The 850MHz and 1800 MHz bands illustrates this challenge as the first ESLs to enter the renewal process. Although the original intention was to release PMPs one year prior to the application window, PMPs are now expected to be available only as the window opens.

Until PMPs are finalised for each band, further assessment and internal review by potential applicants will necessarily be required. The pricing for substitutable spectrum will influence the long-term business planning decisions for the licensees, and in turn, the amount of spectrum that is considered for renewal. A holistic view of pricing for all bands delivers investment certainty and confidence to renew and deploy using expiring licences.

These processes involve substantial time and effort across regulatory, spectrum, and executive teams and typically require engagement with external advisers. Repeating these activities over multiple years adds material operational and financial burden without a commensurate policy or market benefit.

As population figures are also required to determine absolute ESL price, Optus seeks further clarification from the ACMA on the proposed population methodology.

To support efficient planning and decision-making, we maintain the position that all ESL PMPs should be released prior to the 850/1800 MHz bands application window opening, consistent with the previous ESL 2012 Ministerial determination, to provide clarity on the total ESL bill and enable fully informed decisions across substitutable spectrum bands.

### **ACMA decisions on multiple licences in the same band**

Optus considers that if an operator holds multiple licences within the same band, and the application is made for these licences in a single instance, then the ACMA should release the decision for all of these licences at the same time.

### **The ACMA should adopt a transparent approach to publishing decision outcomes**

While ACMA renewal decisions are not confidential and applicants are free to independently announce whether they have been accepted, it would be preferable and more transparent for the ACMA to publish these outcomes itself, ensuring all stakeholders receive consistent and timely information.

[CiC]

**The ACMA’s proposed process leaves applicants with significant uncertainty and governance challenges**

While we recognise the ACMA’s intention to provide greater certainty to renewal applicants, there are aspects of the proposed application and decision-making framework that do not achieve this outcome. The process provides significant flexibility for the ACMA but does not adequately account for applicants’ internal governance, compliance requirements, or decision-making timeframes, particularly as applications must be lodged without confirmed pricing information. This introduces substantial timing uncertainty for both applicants and the ACMA, a challenge further compounded by the proposal to vary the SAC based on payment timing. Taken together, these elements create unnecessary risk at a point in the process where stability and predictability are critical. We have proposed adjustments to the timelines and process flows below.

***Suggested amendments to the ACMA renewal and payment timeline***

For MNOs, there are 4 key critical dates within the application process (in order of importance):

- Licence Fee Payment date
- Operator full/partial acceptance of ACMA Offer date
- SAC Determination/ACMA Offer date
- Application date

Figure 1 below illustrates a potential revised timeline which:

- a) introduces a 2-month period after the ACMA’s spectrum access charge determination to allow licensees to execute internal governance and provide formal acceptance of the offer before the ACMA issues the invoice for the ESL, and;
- b) provides for payment occurring 1 month prior to commencement of the licence as discussed earlier in this submission.

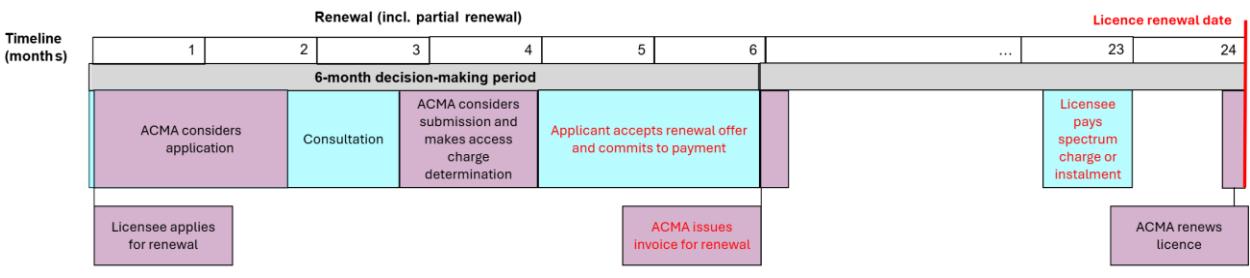


Figure 1 Estimated timeframes for undertaking application and decision-making process steps – Updated

The remaining internal ACMA timeframes appear reasonable.

### ***Suggested amendments to the end-to-end renewal and decision-making process***

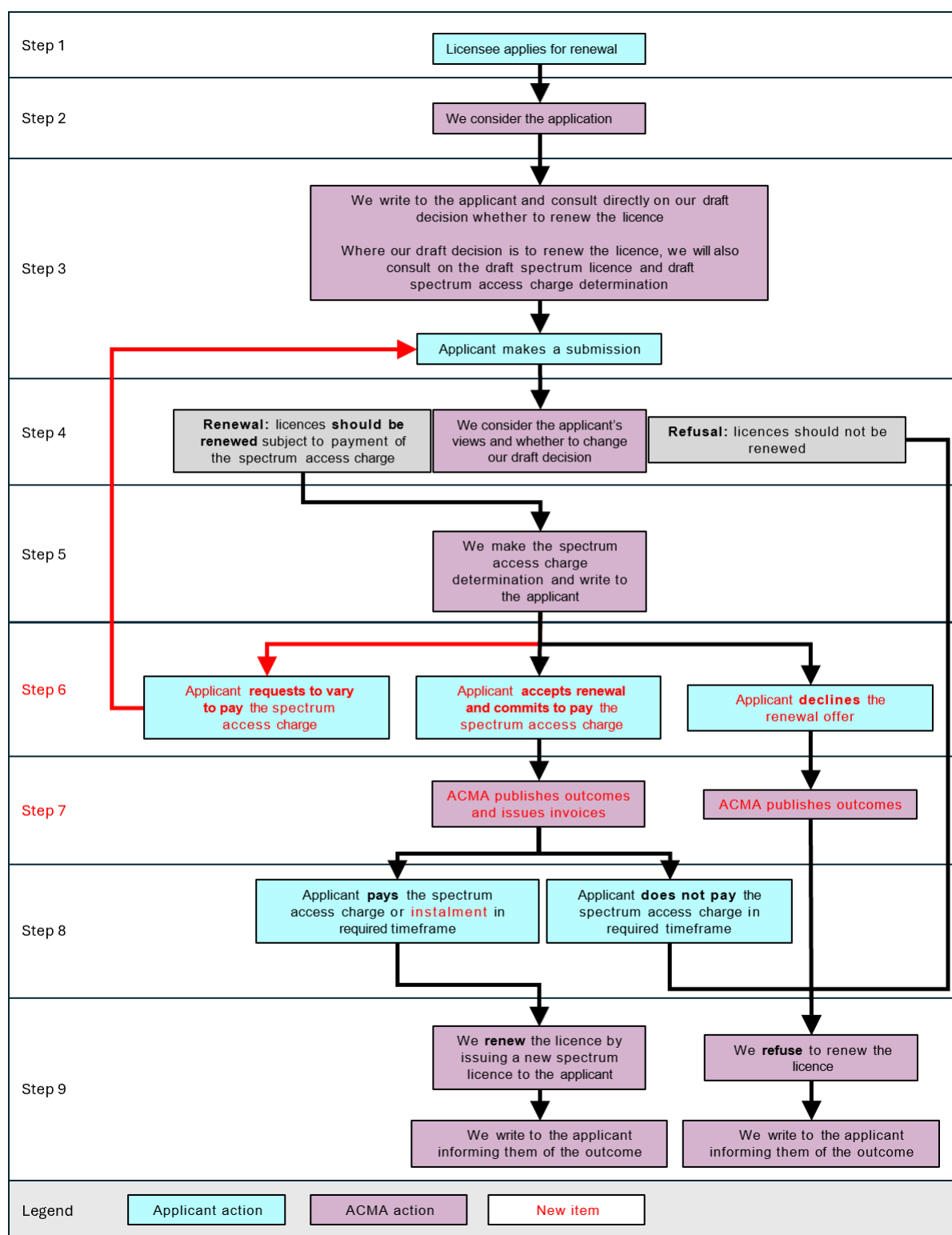


Figure 2: Flowchart of application and decision-making process steps - Updated

Step 1 – Licensee applies to renew.

This is an application to participate in the renewal process but should not be considered a commitment by the applicant to proceed further in the renewal process.

Optus requests that the ACMA confirms the population information at this stage. Optus considers using population determined from the most recent ACMA published, Hierarchical Cell

Identification Scheme (HCIS) - List of Population Data<sup>4</sup> (Population Documents) at the time of application window opening, as a reasonable approach. The population statistics at this stage should persist through the entire application process and licence duration and maintained per band.

#### Step 2 – ACMA considers the application.

No proposed changes.

#### Step 3a – The ACMA provides a draft spectrum access charge determination

This occurs if the ACMA's draft decision is to renew the licence (full or partial).

MNOs should see the final prices at this point, including population, MHz by licence and licence areas defined by HCIS blocks. Further changes to this data should only occur in the event that any information is found to be in error and the ACMA and the applicant agree to a correction.

#### Step 3b - The applicant makes a submission.

An applicant can decide to accept, decline or propose a variation to the licence at this stage. It is worth noting an applicant may choose to withdraw from the process at this stage or any subsequent stage before commitment to pay.

#### Step 4 – ACMA decides whether to offer a renewal

No proposed changes.

#### Step 5a – ACMA makes the spectrum access charge determination and writes to the applicant

This forms the ACMA offer to the applicant and includes the absolute price and population by licence and by licence areas and cannot be rescinded unless the applicant fails to meet its licence payment obligations.

#### **NEW Step 6 - The applicant decides whether to accept the ACMA offer.**

##### a) Applicant accepts renewal and commits to pay the spectrum access charge

At this stage the applicant should be provided at least 2 months to gain internal approval and to decide whether to accept or reject the ACMA's renewal offer. This time is required for the applicant to complete internal corporate governance and approvals processes and is consistent with the time allowed for auctions between registration and pre-bidding.

##### b) Applicant wishes to vary renewal

As applicants receive final pricing in Step 5, licensees may reconsider their decision on full or partial renewal. This may relate to a reduction in the MHz requested by the applicant and/or the geographical extent of licence areas. In this case, the applicant will make a new submission under Step 3 of the application and decision-making process.

##### c) Applicant declines renewal offer

Licence is not renewed

#### **NEW Step 7 - The ACMA announces renewal decisions.**

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<sup>4</sup> [https://channelfinder.acma.gov.au/hcis\\_to\\_kml/ASMG-PopulationData-2021.zip](https://channelfinder.acma.gov.au/hcis_to_kml/ASMG-PopulationData-2021.zip) 2021 Census

The ACMA should publicly announce any renewal decisions. All spectrum holders should be aware of the outcome and timing of any decisions.

Step 8 (previous Step 6) – The applicant pays the Spectrum Access Charge upfront or instalment

The ACMA issues a payment notification with two options: an upfront payment one month prior to renewal or instalment payments over the life of the licence in-line with amortisation. Further details are contained in our response to Question 4.

Step 9 (previous Step 7) The ACMA issues the renewal licence to the applicant

The following measures should be adopted to facilitate a simple and efficient transfer of registrations from old to new licences:

- a) Automatic transfer of all existing registrations to the new licences. Re-registering devices and assignments would be an unnecessarily time-consuming and costly exercise and would impose a significant administrative burden on both operators and the ACMA.
- b) Grandfathering of all existing registrations to ensure continuity and certainty for licensees during the transition.
- c) Preservation of original registration dates, which is critical for maintaining "first-in-time" protections used in interference management scenarios. Retaining these dates ensures that existing users' priority rights are not inadvertently undermined by the transition to new licence instruments.