RSA for Receive Only Earth Stations in the Bands 1690 – 1710 MHz, 3600 – 4200 MHz and 7750 – 7850 MHz

About Arqiva

Arqiva is technology- and service-neutral and operates at the heart of the broadcast and mobile communications industry. We are at the forefront of network solutions and services in an increasingly digital world. The company provides much of the infrastructure behind television, radio and wireless communications in the UK and has a growing presence in Ireland, mainland Europe and the USA.

Arqiva has some 2,300 employees with its headquarters near Winchester and other major UK offices in London, Warwick, Buckinghamshire and Yorkshire. The company is owned by a consortium of long-term investors, comprising the Canada Pension Plan Investment Board (CPPIB), and Macquarie entities, and other long term investment funds.

Arqiva now has 9 international satellite teleports, over 70 other manned locations, and around 9000 shared radio sites throughout the UK and Ireland including masts, towers and rooftops from under 30 to over 300 metres tall.

In addition for broadcasters, media companies and corporate enterprises Arqiva provides end-to-end capability ranging from –

- outside broadcasts (10 trucks including HD, used for such popular programmes as Antiques Roadshow, Question Time, Proms in the Park, and a wide range of sporting events);
- satellite newsgathering (30 international broadcast SNG trucks);
- 10 TV studios;
- spectrum for Programme-Making & Special Events (PMSE), through JFMG;
- playout (capacity to play out over 70 channels including HD); to
- satellite distribution (over 1200 services delivered).

In the communications sector the company supports cellular, wireless broadband, video, voice and data solutions for the mobile phone, public safety, public sector, public space and transport markets.

Major customers include the BBC, ITV, Channel 4, Five, BSkyB, Classic FM, all four UK mobile operators, Viacom, Turner Broadcasting, Metropolitan Police and RNLI.

Technical and geographical parameters

Question 1: Do you agree with the list of proposed RSA parameters for assessing interference and for setting fees for receive-only earth stations? Are sufficient parameters defined for a grant of RSA? If you disagree, please give your reasons and suggest alternatives.

Arqiva has no comment at this time on these proposals.

Fees for RSA

Question 2: Do you agree with the proposals for introducing fees for RSA for receive-only earth stations in the bands concerned on the basis of parity with existing PES fees (with a minimum fee of £500) and that the full fees be implemented from the date of grant of RSA? If you disagree, please give your reasons and suggest alternatives.

Arqiva agree that, in principle, Ofcom should aim for equity of treatment between satellite and terrestrial planes, so that RSA fees should approximate fees to existing licensed services. We also agree that the ability of the operators of the limited number of affected stations to apply for RSA shouldn't be delayed by a comprehensive fees review.

If the proposed RSA fees are relatively small for existing users then dispensing with phasing in RSA would be sensible however, in general, Ofcom may not be best placed to judge the impact this may have on commercial operations.

Notwithstanding our support for the principle of RSA, Arqiva would be concerned if Ofcom were to propose any future extension of RSA to other satellite bands, with respect both to the fee methodology which may be employed and Ofcom's judgement on whether to phase fees in or not.

As our answer to Question 6 below makes clear, Ofcom should have regard for specific existing satellite uses and the potential for innovative new uses to launch, both of which could be adversely affected by future extensions of RSA.

Term of grant

Question 3: Do you agree that grants of RSA in the bands should normally be on a rolling annual basis, with a 5-year revocation period?

The granting of RSA to receive-only earth stations differs in one key respect from the award of spectrum licences, which is a dependency upon the terms on which the space segment has been obtained. The RSA revocation period should therefore have regard to the typical licence period for the space segments of existing affected uses.

Tradability and conversion

Question 4: Do you agree that grants of RSA in the bands should be tradable and that grants of RSA and WT licences should be inter-convertible? If so, do you agree with our proposal to model the process for trading and conversion on that for RSA for radio astronomy?

Arqiva supports the principle of making spectrum tradable to encourage more efficient use of spectrum, however it is far from clear what the applicability to a receive-only earth station of the proposed conversion of grants would be.

The process for granting RSA

Question 5: Do you agree with our proposed procedure for considering applications for the grant of RSA to receive-only earth stations. If you disagree, please give your reasons and suggest alternatives?

Yes, we agree.

The Case for Introducing RSA

Question 6: Do you agree that RSA for receive-only earth stations could provide greater security against interference and help promote optimal use of the 1690 - 1710, 3600 - 4200 and 7750 - 7850 MHz bands? If not, please explain why and describe any alternative mechanism that you consider to be necessary.

Arqiva is generally supportive of the principle of equity of treatment between satellite and terrestrial, where licences provide Ofcom with the information necessary to conduct effective spectrum management and AIP is being progressively introduced. We also support the rights of passive users of spectrum to be recognised.

However we don't believe that the case has been proven in respect of these spectrum bands that RSA would provide significant improvement in spectrum management over the addition of a registration scheme to the current situation. Even without such a scheme, Ofcom probably has access to sufficient information about virtually all of the limited numbers of relevant receive-only earth stations for spectrum management purposes. If it does, and the impact of the likely increase in terrestrial use of 3.6 – 3.8 GHz on them is small, then introducing RSA for these bands would arguably not have been proportionate. What probably tips the balance in favour in making RSA available as an option is the potential additional benefit of more efficient use of spectrum. But we suspect that any independent cost/benefit analysis would be finely balanced.

Where Arqiva does have particular concern is if Ofcom were to propose an extension of RSA to other satellite bands, not because the principle would be wrong, but in case this had unfortunate consequences for innovation, competition and public policy.

In the UK and other countries Direct-To-Home television "DTH" operators have been the engine of innovation for many years in terms of improving both the customer experience and the range of services offered to broadcasters and other

service providers. As a result of considerable and ongoing investment by those operators advanced EPGs/ESGs, “red button” functionality, PVR functionality, push VOD, High Definition and now 3D have all been launched with major marketing campaigns.

With the exception of 3D, which is still at an early stage, all of these developments have achieved mass penetration, increasing the value consumers extract from consuming the broadcast services delivered. All of these developments have subsequently been copied by competing television distribution platforms.

In addition, DTH offers the “nursery slopes” for services to launch at minimal cost, but instantly reach millions of consumers.

If RSA is applied to DTH spectrum bands, there is scope for a fee methodology to be adopted which injects uncertainty into this investment and acts as a brake on innovation. Even if temporary, this could have considerable impact especially if Ofcom determined that the fees were relatively small, and so wouldn’t be phased in, and/or the revocation period adopted didn’t have regard to typical contract lengths for DTH transponder capacity.

In addition, beyond the distribution of broadcast services, there would be a risk that implementing too high a fee too quickly would raise barriers to entry and discourage innovative satellite services including country-specific broadband operators which will have a crucial role to play in delivering the key, Europe-wide public policy objective of universal broadband.