

Title:

Mr

Forename:

Guy

Surname:

Lachlan

Representing:

Organisation

Organisation (if applicable):

British Business & General Aviation Association (BBGA)

Email:

What do you want Ofcom to keep confidential?:

Keep nothing confidential

If you want part of your response kept confidential, which parts?:

Ofcom may publish a response summary:

Yes

I confirm that I have read the declaration:

Yes

Ofcom should only publish this response after the consultation has ended:

You may publish my response on receipt

Additional comments:

The British Business & General Aviation Association is pleased to have been included in OFCOM's consultation exercise on the above topic. We represent over 170 companies engaged in the business of Business & General Aviation (B&GA). As such, our membership comprises a diverse range of interests from commercial and private aircraft operators, to aerodromes, flying schools, radio manufacturers etc. The

aircraft in our sector (ie non-airline, non-recreational civil aviation) comprise about 8% of all British Instrument Flight Rules (IFR) air traffic, and typically make a disproportionately large contribution to the national economy both directly in the form of maintenance, employment, services and indirectly through the inward investment resulting from owners and users of such aircraft choosing to base themselves in or operate through UK.

Most jet aircraft in BBGA members' fleets currently have 8.33 kHz enabled radios, which are in operation above FL195 in European high-level airspace. BBGA Strongly recommends that NATS in conjunction with the CAA and OFCOM enable the usage of similar operating procedures in the UK. This would alleviate some of the problems of spectrum congestion and bring returns to the aircraft owners and operators who have installed this radio hardware at considerable expense.

While we, of course, encourage and welcome any regulatory reform or change in management which increases safety and efficiency within the business and general aviation sector, we continue to believe that AIP principles cannot be applied to the aviation sector due to the uniquely protected nature of the spectrum involved which would preclude any non-aviation use.

Furthermore, we believe that no one has looked at the total cost burden of regulation on our sector, especially with regard to Air Traffic Control fees and en route charges which might reasonably be considered hitherto to include the provision of radio communication spectrum. Any licence fees attributable to spectrum use should be taken from NATS' substantial profit base and the operator protected from simply passing through any new levy relating to spectrum. The fees paid by users to operate in UK airspace are already the highest in Europe.

In addition, no thought appears to have been given to the health of the UK economy, and the very real prospect of ATC providers simply moving offshore to provide radio comms with high-altitude traffic. Also, the fact that much of the congestion from this type of traffic results in conflicts with ATC stations outside the UK, and therefore outside the reach of AIP, would mean that domestic UK service providers are simply and unfairly being targetted whereas their European neighbours will have access to the same frequencies, in the same airspace, at no charge. This is unfair and stifles competition in a way that would certainly be open to legal challenge.

Above all of this, we must reiterate the primary argument from our original response which is that further taxation on the already heavily-regulated Business and General Aviation industry in the UK would have disastrous consequences. There is a real question mark over the future of this valuable British industry and additional taxation, in the form of access fees to spectrum or any other aspect of regulation-driven cost increases (of which there are many!), would place its future in certain jeopardy.

In summary, BBGA is hopeful that this is the final attempt to apply AIP to the aeronautical sector. It does not fit with the problem, and will not incentivise greater efficiency through any other method than simply forcing operators out of the skies due to increased costs. That is not efficiency, it is a return to a technological dark-age.

Question 1: Do you consider that our proposed fee rates for licences in the aeronautical VHF frequencies are appropriate?:

No. Small users (eg small airfields) should be exempted from all fees. They are already struggling to survive, and this is another straw on the back of the camel. A thorough impact assessment of this specific sector should be performed.

Question 2: In devising our revised proposals, have we identified all of the aeronautical uses of VHF communications frequencies which require a distinct approach to fee setting, as set out in tables 5 and 6?:

No comment

Question 3: Do you agree with our proposal not to charge any fees for Fire assignments?:

Yes

Question 4: Do you agree with our proposal to set a £75 fee for licences in any of the sporting frequencies?:

No comment

Question 5: Do you agree with our proposal to set an annual fee of £19,800 per ACARS or VDL assignment, with no variation related to the number of transmitters?:

Yes, as long as there is cast-iron legislation that prevents any of these costs being passed-through to operators. Absent that provision, no.

Question 6: Do you consider that our proposed approach to phasing in fees for use of the aeronautical VHF communications channels are appropriate? If there are particular reasons why you consider that any user or group of users would need longer phasing-in periods, please provide any supporting evidence for us to consider. Specifically, do you have any evidence for us to consider that would support either of Options 1 and 2 for the highest proposed fee in this sector?:

No. We believe that no one has looked at the total cost burden of regulation on our sector, especially with regard to Air Traffic Control fees and en route charges which might reasonably be considered hitherto to include the provision of radio communication spectrum. Any licence fees attributable to spectrum use should be taken from NATS' substantial profit base, and the operator protected from simply passing through any new levy relating to spectrum. The fees paid by users to operate in UK airspace are already the highest in Europe.

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Question 7: Do you have any further quantified information to contribute to the analysis of financial impacts of the proposed fees on particular spectrum users, as set out in Annex 5? We would like to publish all responses, but will respect the confidentiality of any material which is clearly marked as such.:

It is meaningless to look at the impact of these fees in isolation. Massive increases in the cost of airworthiness regulation (in the order of hundreds of percent), Emissions Trading, Taxes etc MUST be taken into consideration in any attempt to assess the burden of any completely new charge, especially one which could reasonably be considered to have been included in the already high ATC service fees charged in this country.

Question 8: Do you consider that our assessment of the impacts of our proposals has taken full account of relevant factors? If you consider that there is additional evidence that would indicate particular impacts we should take into account, we would be grateful if you could provide this.:

No - see above