Spectrum, the NBN and numbering discussed at ATUG regional conference

ACMA's Acting Deputy Chair Chris Cheah was invited to speak at the ATUG regional conference held at the War Memorial in Canberra on 14 July. Below is an edited extract of his speech, which covered a range of current ACMA activities including the 400 MHz review, the digital dividend and the rollout of the National Broadband Network.

Spectrum

The ACMA has been devoting considerable attention to spectrum matters. We now have a structured process for getting user input into our strategic planning of spectrum via our *Five-year Spectrum Outlook*. This is a five-year look into the future which also gives a sense of our internal prioritisation of work. It is updated annually on a rolling basis and we welcome user input.

We have also articulated more clearly our approach to thinking about spectrum planning and allocation via our spectrum management principles. I won't go through those today, other than to make the point that we are quite structured in our thinking about the range of factors that come to bear when making important spectrum decisions.

The best way to illustrate our thinking is to talk about some of our recent decisions and approaches that are of particular interest to regional users.

The 400 MHz review

A good place to start is with the ACMA's review of the important 400 MHz band. This took over a year to do because it is an important band with many issues, many types of users and a huge number of licences and licensees. The allocation map for the 400 MHz band was starting to look like a fragmented hard disk drive—there were congestion issues in the cities. And perhaps worst of all, after several bushfires, we still had emergency service organisations who had radio equipment that did not allow for interoperability.

When we announced our new approach to this band earlier this year, it not only took on the spectrum efficiency and fragmentation issues, we were also able to do this against the background of a new, COAG-endorsed approach to developing a National Interoperability Framework for emergency services organisations between now and 2020.

The ACMA's strong insistence on finding a harmonised set of bands was one of the key supports, and maybe even drivers, for this excellent result, and one which should see better outcomes in situations where interoperability counts, like bushfire emergencies.

The new approach also endorsed in principle the use of opportunity cost pricing for the 400 MHz band, which has the potential to possibly reduce costs for spectrum use in less densely populated areas, although work is still being undertaken in this area.

Spectrum in 3.6 GHz band for broadband wireless access services

Another regional focus in relation to spectrum has been something of an ongoing quest to find suitable spectrum to support broadband wireless access services in regional and remote areas of Australia for smaller ISPs. The ACMA's strategy for addressing that challenge was to find a clever way of identifying suitable spectrum in the 3.6 GHz band that could be freed up.

Since our announcement of the new approach in October 2009, we have been moving quickly, but in a way that properly allows for testing of the market so that spectrum goes to where it is needed.

We opened the first application window in November 2009 for spectrum in parts of south-east South Australia, Victoria, Tasmania and southern New South Wales. The ACMA received 113 applications and allocated 107 licences.

Licence allocations in Area 2, which includes the Cape York region, western Queensland and inland northern New South Wales, have just been completed. A total of 54 applications for spectrum were received in these areas and from the 54 applications received we've issued 39 licences. The remaining 15 failed the coordination phase.

The ACMA has now opened the application window for Area 3, covering parts of Western Australia, the Northern Territory and northern South Australia.

This latest release of spectrum in the 3.6 GHz band will further support the deployment of broadband wireless access services in these regions and is consistent with the ACMA's decision to make this spectrum available in regional and remote areas of Australia.

Spectrum in the 2 GHz band for mobile telecommunications services

Another example of the ACMA's responsive approach is finding extra spectrum for mobile operators to provide 3G mobile services in regional areas. This issue arose when Optus wanted to extend their coverage to some regional centres, but found that they did not have relevant spectrum. This is clearly an important business issue for everyone, so we went to work to see what might be done to assist, while not undermining the integrity of the overall spectrum management regime or creating new competition policy issues.

We are delighted by the high level of demand from industry for additional spectrum in the 2 GHz band in regional and remote Australia. In the first round of licensing, the ACMA is planning to issue licences to Optus for 972 sites. It is encouraging to see industry participants take advantage of the release of this spectrum by the ACMA to improve the mobile elecommunications services available to regional Australia.

The second round of licensing will occur after assessment of Telstra's application for multiple sites has been completed. The number of sites applied for by both Optus and Telstra should lead to a significant increase in the availability of 3G mobile phone services in regional and remote Australia.

Analog TV switchoff and the 700 MHz digital dividend

Just two weeks ago, the Mildura/Sunraysia region was the first area in which analog broadcasts were switched off. Remaining analog signals across Australia will be switched off, region-by-region, between 2010 and 2013.

The ACMA has a significant role in all of this. In addition to planning and managing spectrum for digital television services, the ACMA is undertaking technical field surveys and working with broadcasters and local communities to assess digital television coverage so that viewers get the best possible access to new digital services.

On regulation, I would like to talk briefly about the emergence of the new world order in the fixed line world, the National Broadband Network (NBN).

The NBN process has a long way to run, and one of my predictions is that our role in it will grow as the policy system turns its collective mind to how a range of issues currently embedded in telecommunications regulation are worked through. We are on the record as having welcomed the Minister's announcement last year that the government intends to review the current system.

In the interim, the ACMA already has a number of roles and will continue to administer a range of telecommunications consumer safeguards in the NBN world, including the Universal Service Obligation (USO), the Customer Service Guarantee (CSG), and the Network Reliability Framework, as they are applied to the existing fixed line (copper) network.

Amendments to the telecommunications legalisation, as set out in the Telecommunications Legislation Amendment (Competition and Consumer Safeguards) Bill 2009, would introduce new powers to strengthen the protections offered by the USO and the CSG. Under these powers, the Minister for Broadband, Communications and the Digital Economy would be able to set annual performance standards and benchmarks for the existing copper network, where failure to comply could attract financial penalties. These amendments are aimed at protecting consumers in the transition to the NBN, addressing the risk of falling service quality and ensuring continued access to basic voice services.

The Numbering Project
Finally, I would like briefly to mention a project that touches on both our facilitation and regulatory roles— the ACMA's Numbering Project.

The current numbering arrangements have mostly evolved incrementally in the 50 years since the Postmaster-General created the Community Telephone Plan in 1960. The last major review of numbering was

undertaken 20 years ago by AUSTEL to address number run out issues and to take into account the introduction of competition. Since then there has been a massive shift in consumer behaviour and service preferences, in technology, both at a network and device level, and in the composition of the industry. Both industry and consumers have raised issues with the ACMA regarding the current framework and, as we look to the future, including the rollout of the NBN, now is an excellent time to consider whether the current arrangements are fit for the future.

The ACMA has commenced an examination of a range of emerging numbering issues. The Numbering Project will be undertaken over the course of the next 12 months and will help inform any new approach to the allocation of telephone numbers under the Numbering Plan and the regulation of numbering administrative arrangements.

The ACMA hopes to release a series of issues papers during the remainder of 2010. Key topics are likely to cover:

> the structure of the numbering plan and, specifically, service definitions

> numbering administration and institutional arrangements

> the role of numbers in industry taxation and charging arrangements

> personal information, identity and attribute management

> the information numbers provided to users particularly in call price, managing unsolicited communications and related information.

The ACMA recognises that the views of both consumers and industry will need to be taken into account and, in addition to public consultation on the issues papers, has commissioned a significant new piece of consumer research to ensure the ACMA understands how consumers use and value numbers.

At the conclusion of the process, the ACMA intends to develop a directions paper that responds to the issues raised both in response to the issues papers and through consultation with industry and consumers. It will identify, where possible, the changes needed to improve the efficiency and effectiveness of the Numbering Plan and numbering administration arrangements.

The first module of the work program will be divided into two parts. It aims to introduce the work program and will outline the pressures for change, set the scope and assumptions and introduce the principles that will guide the ACMA's assessment of numbering arrangements. The second half of the module will consider how changes in consumer and industry use of numbers is putting pressure on the current structure of the Numbering Plan. It will look specifically at service definitions.

Reconnecting the Customer inquiry
The ACMA is making 2010 a year in which we are investing considerably in telecommunications matters with a focus on the consumer.

I'm sure it will be of great interest to all of you here today and for our part, we are hoping that ATUG and its members will contribute insights into how we can all make the telecommunications markets in Australia work for the long term interests of consumers everywhere. ☻

ACMA's Acting Deputy Chair, Chris Cheah, delivering his speech at the ATUG regional conference on 14 July.

Photo courtesy of Communications Day.