

Sub no - DA 250
ID no - 305

22 May 2002



Review of Radiocommunications Acts
Productivity Commission
Locked Bag 2
Collins St East
Melbourne, Vic.8003

ABN 70 006 480 431

Attention: Delwyn Rance, Administrative Officer

80-82 Bell Street,
Heidelberg Heights,
Victoria, 3081
Australia

RE: Radiocommunications Act Review- Public Inquiry

Telephone:
+61 3 9457 6422

Dear Sir/Madam

Facsimile:
+61 3 9457 6354

I should like to submit that the Department implement a "Lose it or use It" policy on Radio Communication Licences of all Kinds.

Email:
info@mcsdigital.com.au

Our Company has been constrained for 10 years by "hoarding" of spectrum in the 800 Mhz Trunked Radio Band where one supplier does not have all published Licences converted by active Transmitters.

Applications in the past (1997) have resulted in Auctions of 2 x 5 channel blocks, which were purported to be the last channels and I am sure that these and other channels are not active in total.

I would request that this be considered

Kind regards,

Don Warring
Engineering Director



Spectrum Management Agency

3rd Floor, 5 Riverside Quay,
South Melbourne VIC 3205
PO Box 6444, St Kilda Road Central VIC 3204

Telephone: (03) 9685 3564
Facsimile: (03) 9685 3100

Our reference: Client number: 147567
Correspondence number: 3023499

Mobile Communication Systems Pty Ltd
80-82 Bell Street
Heidelberg Heights VIC 3081

Attention: Ms Sue Jones
Administration Manager

Dear Ms Jones

I refer to your application for five additional 800MHz trunked frequencies, dated 23 September 1996, copy attached. Before we can agree to allocate these frequencies the Spectrum Management Agency is obliged to ensure that your five existing trunked channels are "loaded" to the prescribed level. To assist you in providing the information we require I have attached pages 4 to 7 of Radiocommunication Assignment and Licensing Instruction: *Land Mobile number 3*, also known as LM3. I particularly draw your attention to paragraph 5.4 on pages 6 and 7.

In addition to the information requested in LM3, please also advise if your request for five additional channels is for additional coverage or whether it is to provide "infill" for areas of poor reception.

If you have any queries please contact me on 03 9685 3564 or Mr Ian McDonald on 03 9685 3542.

Yours sincerely

David Gunn
Senior Licensing Clerk
Customer Services Team West

8 October 1996

4.2. High Demand Areas(HDAs).

TLMS HDAs for the purposes of managing TLMS assignments are **defined** as those areas within 100 km radius of the GPOs of:

- . Sydney;
- . Melbourne;
- . Brisbane;
- . Adelaide; and
- . Perth.

Note: The inclusion of areas in this category is subject to periodic review.

A system whose operational area, regardless of actual site location, **extends into**, and thus **denies spectrum** to others in an HDA, will be **subject to HDA** requirements.

4.3. Low Demand Areas (LDAs).

TLMS LDAs means any location outside an HDA.

5. HIGH DEMAND AREA REQUIREMENTS

5.1. Application for channels.

The initial issue, or re-issue, of a licence or FRC will be subject to stringent assessment by the Department:

5.1.1. Initial Issue

In the case of '**initial issue**', applicants will be required:

- to demonstrate plans for a realistic, projected system growth and support this with capital and site investment details and market research analysis; and
- to give a firm commitment to achieve **OPTIMUM LOADING OF ALL CHANNELS WITHIN A SET PERIOD (NOT EXCEEDING ~ 3 YEARS)** after the 'start-up period';
 - ° **N.B:** a lesser period may apply depending upon the number of channels assigned to a system - refer 5.3.

5.1.2. Re-Issue

In the case of 're-issue',

- a satisfactory level of system operation must be demonstrated; and
- the **commitment** to achieving the growth target (i.e. OPTIMUM LOADING OF ALL CHANNELS WITHIN A SET PERIOD) must be re-confirmed;

5.1.3. All Cases

In all cases, the Department will:

- assess all applications on the basis of certified data provided by the applicant supplemented by inspection, monitoring and discussion as appropriate; and
- put the efficient use of the spectrum as a higher priority than all other considerations; and
- seek to ensure equity of access to the spectrum for all users; and
- take into account competing demand for TLMS channels.

5.2. Projected loading

5.2.1. Declared by applicants

The **projected number of mobiles** must be declared accurately

- when applying for either a Base/Mobile or System licence; or
- on form DOC 285 (First and Final Notice), prior to licence re-issue;

5.2.2. Maintenance of Records by operators

Operators will be expected to **maintain**, and make available to the Department for inspection on request, **accurate records** of their system usage. The number of operational mobiles will be confirmed by the Department on a regular basis by reference to these records and by employing occupancy monitoring as necessary.

5.2.3. Recording by the Department

The projected number of mobiles will be:

- recorded on SMIS; and
- used as the basis for assessment of channel loading.

5.3. Channel Entitlements (HDAs)

The number of channels to be **initially** licensed or reserved in an operational area (see 3.) will be based on a ratio of **one** channel for each **100** mobiles projected over the loading period, up to a **maximum** of 20 channels for a single site system or 30 in the case of a multi-site system. For systems of 10 channels in total or less, lesser loading levels will apply (refer Figure 1). This arrangement is of course dependent on spectrum availability.

As a **minimum** requirement, the initial applications in respect of any trunking system shall cover a group of **5** channels which will be required to be covered by **active** licences (i.e. Base/Mobile or System).

Subsequent frequencies will be assigned in **groups of 5** wherever possible and must be covered by either licences (which permit operation) or FRCs (which do not authorise operation) or a combination of these.

The **NUMBER** of FRCs will be **strictly LIMITED** to a maximum as determined by the projected loading and in any case may not exceed 25.

After the end of the 'start-up year', **FRCs** are expected to be **converted progressively** to active System licences **within the development time frame** (refer Fig 2), this means, for example in the case of a system with 10 channels or more, achieving, as a minimum, 33 % of full loading after one year of operation and at least 66 % after two years. As general policy, the re-issue, or conversion of any FRC (to a licence), is not automatic. The Department will review annually the case for the re-issue of both FRCs and licences and will take into account such matters as inadequate channel loading and the competing demand for spectrum.

If, after **ONE** year from initial licence issue, the system is **not operational**, then all assigned channels may be reclaimed for assignment to other applicants; and

If, at the end of the prescribed loading period, (up to a **MAXIMUM** of a further 3 years), full loading has not been achieved, **channels** commensurate with the deficiency in mobile numbers **may be reclaimed** for assignment to other applicants.

5.4. Application for additional channels

An operator may apply to licence a maximum of a **further 5 channels** providing loading of the existing system has reached a **prescribed level**. This prescribed level is determined by reading from the graph in figure 1 the number of mobiles which correspond with 5 less than the number of channels currently held e.g. for an operator holding 20 channels in a system, reapplication would be considered when a system loading level of 1500 mobiles is reached.

The additional 5 channels, once licensed, would be subject to a **development time frame** as indicated in figure 2. in respect of a 5 channel allocation.

number of mobiles

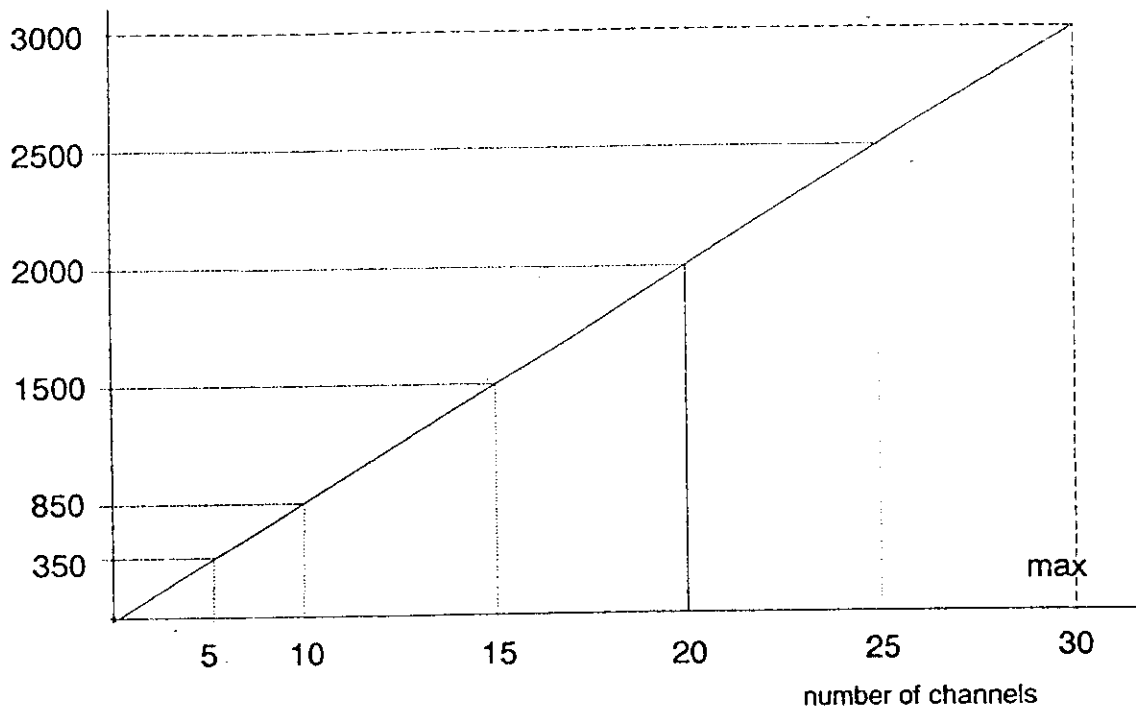
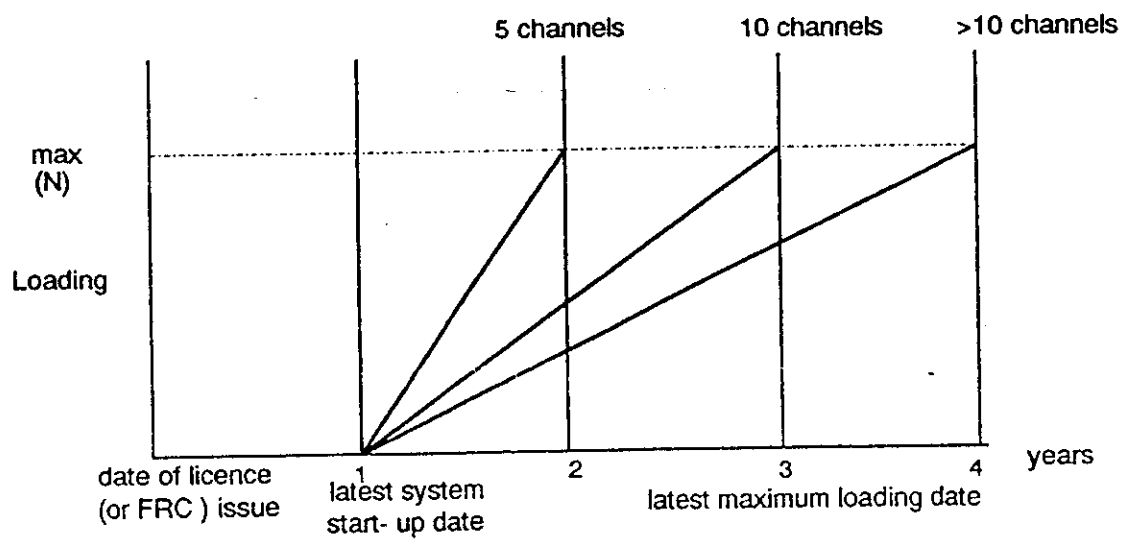


Figure 1 - System Loading Levels



N = Required number of mobiles in figure 1.

Figure 2 - Maximum system loading periods - HDAs only

28 October 1996

Mr. David Gunn
Senior Licensing Clerk
Spectrum Management Agency
3rd Floor, 6 Riverside Quay,
SOUTH MELBOURNE, VIC., 3205

Dear David,

REF: OUR APPLICATION OF 23/9/96 FOR 5 X 800 MHZ FREQUENCIES

I write with regard to the above and in response to your letter of 8 October outlining the requirements of the SMA for the allocation of additional frequencies.

After reviewing the guidelines stated in the LM3 document, and referring specifically to paragraph 5.4 as advised, I make the following points in support of our application:

- 1) The wording of paragraph 5.4 reads that loading levels should be measured against the loading chart by taking 5 less than the number of channels held. As we only hold 5 channels at this site, it would seem from this that this particular form of measurement is not applicable in our case.

Should this refer to the maximum number of channels held over a multi-site system (in our case 10 channels), then I would make the point that our sites are operated as stand alone sites, and are not linked by any permanent connection. It does not follow therefore that we have an equivalent capacity of 10 channels.

- 2) As our CBD site is our Premiere site offering extensive coverage, we are filling this site more rapidly than our Ferny Creek site (at a ratio of 5:1). Therefore, should the regulations apply to the total number of channels held, we will have serious capacity problems at our city site should sales continue at the same rate.

- 3) Our system utilises one channel as a control channel, and does therefore not trunk voice communications.

We have one channel which is so badly affected by interference that we have been forced to disconnect it, reducing our system effectively to 3 working channels.

- 4) The EDACS trunking system is the most efficient system on the market today. The system utilises a high speed digital signalling protocol allowing calls to be set up in 250 milliseconds. In addition it uses 'Transmission' trunking versus 'Message' trunking, which prevents channels being held up during pauses in conversation. This allows more calls per hour over EDACS than conventional analogue trunking systems.

Efficiency levels on EDACS can be demonstrated through provision of data from the NZ operation, which caters for approximately 1500 mobiles on 14 channels.

- 5) MCS has a commitment to both maximising and expanding its trunking system demonstrable by the recent purchase of more than \$200,000 USD of equipment to both enhance the features offered by the system, and to make provision for our anticipated sales growth to December 1996 and beyond.

David, I trust the above information will favourably support our application for the abovementioned frequencies.

Should you require additional information or discussion, please do not hesitate to contact me at the Office on 9457 6422.

Yours sincerely,

Jane Warring
Mobile Communication Systems Pty Ltd