

Notice of Ofcom's proposals to make regulations: The Wireless Telegraphy (Licence Charges) Regulations 2005

Consultation document

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Section 1

Summary

- 1.1 Under the Communications Act 2003 ('the 2003 Act'), Ofcom has the general duty to promote the optimal use of the spectrum. The Wireless Telegraphy Act 1998 ('WT Act') facilitated the use of market mechanisms in spectrum management for the first time in the UK. For non-auctioned spectrum, the WT Act enabled 'Administered Incentive Pricing' (AIP), whereby prices for annual licence fees are set above administrative cost to reflect a range of spectrum management objectives. These WT Act licence fees, set through AIP must be prescribed in regulations in the form of a statutory instrument.
- 1.2 The 2003 Act transferred responsibility for making regulations under the WT Act concerning fees to Ofcom. The pricing proposals outlined in Ofcom's Statement entitled "Spectrum Pricing: A statement on proposals for setting Wireless Telegraphy Act licence fees ("Spectrum Pricing Statement") published on 23 February 2005 http://www.ofcom.org.uk/consult/condocs/spec_pricing/ will take effect as the Wireless Telegraphy (Licence Charges) Regulations 2005 when they come into force.
- 1.3 The regulations which Ofcom proposes to make are set out in draft in Annex 3 for consultation. These regulations:
- Introduce a new set of fees for certain licence classes, including:
 - Fixed Point to Point Links, where a new mechanism is introduced to encourage more effective spectrum use.
 - Revised fees for Programme Making and Special Events, increased to help cover a shortfall in the recovery of direct costs.
 - Some increases in minimum fee levels for Satellite Permanent Earth Stations to help cover a shortfall in the recovery of direct costs.
 - Minor fee adjustments to Scanning Telemetry to reflect the phasing out of a previous transitional change.
 - Consolidate and, in some cases simplify, presentation of existing fee levels, most notably:
 - Business Radio classes brought under one combined sector.
 - Fixed Wireless Access classes brought under one sector.
 - Enable fee conditions to transfer with traded licences as if they were continuous, rather than as a new licence issue.
 - A significant number of minor presentational clarifications to other existing classes.
 - Introduce fees for some new licence classes:

- 5.8 GHz FWA (same fee as previous temporary charge introduced at end of 2003).
 - 3.6-4.2 GHz FWA Jersey, Guernsey and Isle of Man.
 - New satellite classes for Earth stations on Vessels, Earth stations on Aircraft, for Earth stations for non fixed satellite services and Earth stations for non-geostationary services.
- 1.4 Notice of these proposals is hereby given in accordance with section 403(4)(a) of the 2003 Act and published in accordance with section 404(4)(b) of the 2003 Act for a statutory consultation period of one month and one day, which ends on 24 March 2005.
- 1.5. In line with Ofcom's overall approach to spectrum pricing, (ie continuing and widening the application of AIP), Ofcom is making detailed proposals to update the level of fees for certain licence classes (including those where AIP is not appropriate and also for new types of radio use), which would apply when the new regulations come into force. This document describes the changes which are proposed. The policy reasoning for the changes is described in detail in the Spectrum Pricing Statement. The key textual changes proposed in the draft Regulations are summarised in Figure 1.

Next steps

- 1.6 This consultation is open for comments until 24 March 2005. The new regulations will revoke the existing regulations and, amongst other things, make certain changes necessary to implement the policy decisions set out in the Spectrum Pricing Statement. Subject to considering any representations made during the consultation, Ofcom expects to make these regulations in April with a view to them coming into force in early May 2005.

Figure 1: Summary of proposed key changes to Wireless Telegraphy (Licence Charges) Regulations comparing the new regulations with those made in 2002 as updated in 2003

Regulation 1	Provides citation, commencement and extent.
Regulation 2	Consequential revocation of existing Regulations.
Regulation 3	Interpretation of the Regulations. Presentational changes only and consequential to Schedule 2.
Regulation 4	Charging Mechanisms and timings for payment. Presentational changes but to same effect. Includes some new provision for ensuring licence payments under transfer are treated as if the licence was continuous.
Regulation 5	Concerns concessionary charges. Presentational changes but to same effect
Regulation 6	Concerns ability to make other licence charges for other types of use. Simplified but to same effect. Provision regarding television licensing removed as no longer relevant.
Schedule 1 (Revocations)	Consequential changes only.
Schedule 2 (Licence Charges and Payment Intervals)	<p>Broadcasting sector</p> <p>New licence class for Community Radio (using the same pricing approach as for National and Local Radio).</p> <p>New Business Radio sector</p> <p>New sector 'Business Radio' brings together Private Business Radio, Public Access Mobile Radio (PAMR) and Common Base Stations (CBS).</p> <p>Redundant former public mobile operator and private business radio classes are removed.</p> <p>Some licences classes which can be traded have fees for narrower frequency partitioning added.</p> <p>Fixed Links Sector</p> <p>Revised Point to Point Security CCTV Services class (name changed from Point to Multi-point at 31GHz) .</p>

New pricing algorithm for Point to Point Fixed Links introduced. This replaces tables for different bands and areas and slightly increases average fee levels.

Scanning Telemetry class updated to remove previous first transition step introduced previously when fees changed in 2003.

Fixed Wireless Access Sector

New class of licence under Fixed Wireless Access introduced ie Fixed Wireless Access (5.8 GHz).

Maritime Sector

Minor presentational changes to maritime licence classes.

Programme Making and Special Events Sector

Increased fees for Programme Making and Special Events (Fixed Site, Link, Low Power, UK area Wireless Microphone (Annual), and UK Area Wireless Microphone (Biennial)).

Public Wireless Networks Sector

Public Wireless Networks sector reduced to cellular mobile networks only.

Licences for Channel Islands and Isle of Man extended to include 3G channels.

Satellite Services Sector

New increased minimum fees for Permanent Earth Stations class.

New fees introduced for new satellite services products, ie Earth Station on Board Vessels (ESV), Aircraft Earth Station (AES), Earth Station (Non Geostationary Satellite) and Earth Station (Non Fixed Satellite Service).

Schedules 3-6

Congestion designations for business radio remain the same. No change in effect. Minor clarification that all other fees attract non-congested rate. Some interpretations clarified.

Schedule 7	A new formula for calculating fees for point to point fixed licences has been inserted. This totally replaces the previous mechanism for calculating fixed link fees using tables.
Schedule 8	Amended to reflect satellite changes in Schedule 2. Provides an additional formula for the two additional classes: aircraft earth station and earth station on board vessel licences. Mechanism for calculating Transportable Earth Station licence fees re-presented for clarity but to same effect.
Explanatory Note	Summarises key points from above.

Section 2

Notice of proposals

- 2.1 Ofcom hereby gives notice of its proposals to make regulations, as well as publishes such a notice, under section 403 of the Communications Act ("the 2003 Act").
- 2.2 Section 403(5) of the 2003 Act provides that the above mentioned notice must:
- (a) state that Ofcom proposes to make the Regulations in question;
 - (b) set out the general effect of the regulation;
 - (c) specify an address from which a copy of the proposed regulations may be obtained; and
 - (d) specify a time before any representations with respect of the proposal must be made to Ofcom. This time must be no earlier than the end of the period of one month beginning with the day after the latest day on which the notice is given or published.
- 2.3 Each of these procedural requirements is dealt with below.
- 2.4 Ofcom proposes to make the Wireless Telegraphy (Licence Charges) Regulations 2005 attached in Annex 3.
- 2.5 A Regulatory Impact Assessment for these regulations is included in section 4. This assessment sets out the risks, costs and benefits of the proposals and the effects that the proposals will have on the costs to business.
- 2.6 The general effect of the Wireless Telegraphy (Licence Charges) Regulations 2005 is set out in section 3.
- 2.7 Comments or representations with respect to the proposed regulations are invited by 24 March 2004. This is shorter than Ofcom's standard 10 week period (see Annex 1) as this consultation simply provides further detail following Ofcom's initial consultation on spectrum pricing, published on 29 September 2004, which closed on 3 December 2004
http://www.ofcom.org.uk/consult/condocs/spec_pricing/spec_pricing/.

Comments or representations should be forwarded to:

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- 2.8 Following this consultation, Ofcom will consider any representations, and subject to that, expects to make the regulations in April with a view to coming into effect in early May 2005.
- 2.9 Further copies of this notice and the proposed Wireless Telegraphy (Licence Charges) Regulations 2005 can also be obtained from the above point of contact.
- 2.10 Electronic copies are also available and this notice has been placed on Ofcom's web site.

Section 3

General effect of the proposed Wireless Telegraphy Regulations

The legislative framework

- 3.1 These regulations will provide the legal framework for the spectrum pricing arrangements of all licence classes managed by Ofcom. In making the proposed regulations, Ofcom will have had regard to the matters specified in section 154 of the 2003 Act and is exercising its powers under sections 1 and 2(2) of the Wireless Telegraphy Act ("the WT Act"), which enable Ofcom to set charges for wireless telegraphy licences, and section 403 (7)(d) of the 2003 Act. Ofcom is proposing to extend these regulations to the Channel Islands and Isle of Man.
- 3.2 When these regulations come into force, the Wireless Telegraphy Act (Licence Charges) Regulations 2002 (S.I. 2002/1700, as amended by S.I.s 2003/2155, 2003/2983, and 2003/2984) – "the existing regulations" will be revoked.
- 3.3 Under section 2(2) of the WT Act, Ofcom may, if it thinks fit in the light of duties under section 154 of the 2003 Act, prescribe fees which would be greater than those necessary for the purposes of recovering costs incurred by Ofcom in connection with its functions under the enactments relating to the management of the radio spectrum. In particular, pursuant to section 154, it is Ofcom's duty in relation to the management of radio spectrum to have regard to:
- the availability of electro-magnetic spectrum for use for wireless telegraphy;
 - the present and future demand for its use;
 - the desirability of promoting its efficient management and use;
 - the economic and other benefits that may arise from its use; and
 - the development of innovative services and competition in the provision of electronic communications services.
- 3.4 In particular, Ofcom is empowered under section 1 of the WT Act to prescribe by regulations fees payable for wireless telegraphy licences on their issue, or subsequently at such times during the terms of the licences as may be prescribed therein. Those powers also enable Ofcom to prescribe in regulations that licensees shall pay to Ofcom such fees (whether on the issue of the licence or subsequently) as Ofcom may in the particular case determine. The existing regulations therefore contain provisions both as to the specific fees for certain wireless telegraphy classes and as to other licence charges that may be decided in the particular case (see, in particular, Schedule 2 to, and regulation 6 of, those regulations, respectively).

- 3.5 Annex 3 contains a draft of the regulations which Ofcom proposes to make. The provisions of that draft take account of comments received following the publication on 29 September 2004 of Ofcom's consultation on spectrum pricing and it reflects the detailed proposals for changes in spectrum fees in several licence classes for April 2005. The policy reasoning for the proposed changes is further explained in Ofcom's Statement on Spectrum Pricing http://www.ofcom.org.uk/consult/condocs/spec_pricing/statement/ and reflected in the Regulatory Impact Assessment in section 4 of this document. Ofcom wishes to emphasise that in many licence classes it is proposed to retain fees at current levels.
- 3.6 The purpose of this consultation is to invite representations concerning the detail of the proposed regulations.

Proposed changes to existing regulations

- 3.7 By way of introduction, the proposed changes to the existing regulations are presentational or classificatory changes only and which are consequential to the proposed changes to Schedules 2 to 8.
- 3.8 Regulation 1 sets out the citation and commencement. In addition it makes it clear that the regulations extend to the Channel Isles and Isle of Man.
- 3.9 Regulation 2 provides for the revocation of the existing regulations.

Regulation 3

- 3.10 Regulation 3 sets out the provisions concerning the interpretation of the regulations. Most of these relate to Schedule 2. For example, a new definition for "earth station" has been added. The prescribed payment intervals (which links to Schedule 2 and regulation 4) are clarified.
- 3.11 The former reference in Regulation 3(3) to the 'Coverage of Independent National and Local Radio Stations' list has been removed to reflect that coverage is now to expressed in individual licences on issue.
- 3.12 Regulation 3 (4) defines "regional channels" which are also defined in individual licences. Definitions have been inserted for "VHF High Band", "VHF Low Band", "VHF Mid-Band", "UHF Band I", and "UHF Band II" frequencies.
- 3.13 The definition of "UK area" has been deleted and references to the UK made in Schedule 2 (for PMSE only) have been replaced by "in the British Islands" in line with the Interpretation Act.
- 3.14 The definition of "designated website" is extended to include other website addresses as may be notified to Ofcom.
- 3.15 Changes to the transaction charge are reflected in the definition in para 3(5)(n) in line with the Spectrum Pricing Statement.
- 3.16 Regulation 3(7) extends the network definition to the new satellite (aircraft earth station) and earth station on board vessel licences.

Regulation 4

- 3.17 Regulation 4 provides the mechanism for prescribing fees. It is the substantive provision introducing the detail in Schedule 2 and other Schedules. There are some presentational changes but the regulations remain essentially of the same effect.
- 3.18 Regulation 4(1)(b) contains a new formulation of the mechanism for triggering annual or longer payments for fixed and variable sums, in relation to licence classes listed in Schedule 2. The existing regulation 4(2) has been consequently deleted.
- 3.19 Minor amendments have been made to existing regulation 4(3), now regulation 4(2), to make it clear that the monthly payment mechanism applies to all classes except for programme making and special events. Here, changes have been made to the payment schedule, so that when a licence is issued for less than a year, 1/12 of the prescribed sum multiplied by the number of months or part months for which the licence is issued is payable.
- 3.20 Regulation 4(3) provides for a minimum fee of £20 where regulation 4(2) is applied.
- 3.21 Regulation 4(4) provides for the application of the specified interval of time for payment only where the fee would otherwise be greater than £75.
- 3.22 Regulation 4(5)(b)(iv) captures all relevant licence classes outlined in Schedule 2. The provision which allows for payment by instalment now also applies also to the new satellite licence classes of ESV and AES.
- 3.23 Regulation 4(8) provides that where a licensee fails to make a prescribed instalment payment the whole of the outstanding instalment payments become due.
- 3.24 Regulation 4(9) concerns payments in respect of licences issued in order to effect a transfer under the Wireless Telegraphy (Spectrum Trading) Regulations 2004. The prescribed payment interval will relate to the commencement and expiry dates of the previous licence as if the transfer had not taken place.
- 3.25 Regulation 4(10) is a new deeming provision regarding payment intervals in relation to licences issued in order to effect a transfer under these new trading regulations. It ensures that licence payment conditions may also transfer with a licence rather than as a new licence issue.

Regulation 5

- 3.26 Regulation 5 concerns concessionary charges for certain wireless telegraphy licences granted to a charity concerned with emergency safety of human life.
- 3.27 The reference to 'qualifying charity' in existing regulation 5(1)(b) is removed and replaced by a new definition of 'qualifying charity' in regulation 5(3).
- 3.28 The definition of 'relevant licence' in regulation 5(3)(iii) has been amended to refer to the new licence class 'Business Radio' in Schedule 2.

Regulation 6

- 3.29 Regulation 6, which concerns other unspecified licence charges, has been redrafted for clarification, and continues to permit Ofcom to determine fee levels where these are not otherwise prescribed by the regulations. Ofcom cannot as a matter of law fetter its discretion as to how it will exercise this power. That said Ofcom expects this power would only be exercised for exceptional cases for new types of licence not covered by the regulations. Broadly speaking, such a case is only likely to arise after the annual regulations have been made. In general Ofcom expects that fees would be determined using the same principles as for fees included in the regulations. Ofcom would also normally consult before determining such a fee. For example, 5.8 GHz FWA was introduced after the last regulations but is included as part of this consultation on regulation proposals.
- 3.30 Existing Regulation 6(2) has been removed because it concerned TV licensing which is no longer linked to wireless telegraphy under amendments made in the 2003 Act.

Pricing proposals per licence class reflected in Schedules 2 - 8

- 3.31 The wording of the heading and table in Schedule 2 has been changed in relation to payment intervals. The number of months between each payment interval is now specified in months rather than in years to reflect the new wording in regulation 4(1)(b) described above. The general effect is intended to be the same but the changes are made to improve clarity.

Aeronautical

- 3.32 No changes to be made to the fees prescribed. Some licence classes have now been split up to reflect different usage, but the fees remain the same.

Amateur and Citizens' Band

- 3.33 The fees remain unchanged.

Broadcasting

- 3.34 Some minor clarifications have been made to 'Restricted radio services transmission (Class A – Freely Radiating)' and 'Transmission of national and local radio broadcasting services' for clarification. The terms 'medium wave broadcasting band' and 'VHF broadcasting band' are defined in regulation 3(1).

Community Radio

- 3.35 As proposed in the Spectrum Pricing consultation http://www.ofcom.org.uk/consult/condocs/spec_pricing/spec_pricing/ and confirmed in the Spectrum Pricing Statement, a new class, Community Radio, has been added. The proposed fee structure is the same as the fees for National and Local Radio, which are based on bands of per 1000 population coverage. Yearly payment intervals are proposed, with charges sub-divided into two categories:

- (a) for any number of transmitters in the medium wave broadcasting band; and
 - (b) for any number of transmitters in the VHF broadcasting band.
- 3.36 For all broadcasting spectrum where AIP is not used, Ofcom intends to look at how cost based pricing may be applied and updated in the light of cost updates at the end of the financial year. This will be covered in a separate consultation at a later date.

Business Radio

- 3.37 Ofcom's approach has been to simplify business radio sector licences to achieve consistency of fees. Therefore, a new sector title, Business Radio, has been introduced, which incorporates Private Business Radio, the remaining Public Access Mobile Radio (PAMR) licence classes and Common Base Stations (CBS).
- 3.38 The following redundant former Public Mobile Operator classes have been removed:
- CBS Sub-band III of Band III.
 - 174-225 MHz paired with 866-868 MHz (for CDMA Spread Spectrum Data/Asset Tracking Systems).
 - 410-430 MHz (for digital TETRA PAMR).
 - 872-876 MHz.
 - 917-921 MHz (for digital TETRA2 PAMR).
- 3.39 The following Private Business Radio Class has been removed
- Private Business Radio (road construction).
- 3.40 Several of the former licence classes have been renamed:
- GSM-R (Railway Use) has been renamed Business Radio (GSM-R Railway Use)
 - National and Regional Private Business Radio is renamed Business Radio (National and Regional).
 - On-Site Private Business Radio for Hospital Paging and Emergency Speech Systems is renamed Business Radio (On-Site Hospital Paging and Emergency Speech Systems).
 - On-Site Private Business Radio for Local Communications Systems has been renamed Business Radio (On-Site Local Communications Systems).
 - On-Site Private Business Radio for One-Way Paging and Speech Systems has been re-named Business Radio (On-Site Speech and Data Systems).

- Private Business Radio IR 2008 Data has been renamed Business Radio (IR2008 Data).
- Private Business Radio Suppliers had been renamed Business Radio (Suppliers).
- Private Business Radio UK General has been renamed Business Radio (UK General).
- Private Mobile Radio Road Construction has been renamed Business Radio (Road Construction).
- Private Mobile Radio (Standard) has been renamed Business Radio (Standard).
- Self-Select Private Business Radio has been renamed Business Radio Self-Select).
- Wide Area Private Business Radio for Distress Alarm Systems has been renamed Business Radio (Wide Area Distress Alarm Systems).
- Wide Area Private Business Radio for One-Way Paging and Speech Systems has been renamed Business Radio (Wide Area One-Way Paging and Speech Systems).
- Wide Area Private Business Radio for Speech and Data Systems had been renamed Business Radio (Wide Area Speech and Data Systems).

Licence Frequency Partitioning

- 3.41 The proposed regulations provide a new general facility to pro-rata fees in respect of requests for licences to be partitioned which arise as a result of the Wireless Telegraphy (Spectrum Trading) Regulations 2004 (http://www.ofcom.org.uk/consult/condocs/spt_wtr/2spt_wtr/statutory_consult_on_regs.pdf). Ofcom has consulted on the process for facilitating the frequency partitioning of licences. In the Statement on Spectrum Pricing, Ofcom has further developed its proposals on partitioning requirement by licence class. In order to implement those policy proposals in terms of specific fee rules, amendments are proposed to Schedule 2.
- 3.42 The proposed mechanism to facilitate partitioning is that used for business radio, (national and regional) and applied to other business radio classes covering both immediate and future trading, namely 50% of the prescribed sum for each 2 x 12.5 kHz channel applied to each 1 x 12.5 kHz slot. In addition, there are a number of tidying up measures and presentational changes which are summarised in the table below.

Business radio (National and Regional)	
Business Radio (On-Site speech and data systems)	(a) Applies for each 2 x 12.5 kHz channel or for each channel of 1 x 12.5 kHz.
Business Radio (Standard)	In para (a) the sum payable is for channels other than 6.25 kHz channels. In para (b) for 6.25 kHz channels, 50 per cent of the prescribed sum as outlined in paras a (i) to (viii) for channels other than 6.25 kHz channels.
Business Radio (Wide Area Distress Alarm Systems)	Sum payable applies for each 1 x 12.5 kHz channel per site.
Business Radio (Wide Area One-Way paging and Speech Systems)	In para (a) sum payable applies for each 1 x 12.5 kHz channel per site. An additional para (b) provides that in respect of para (a) 50% of the prescribed sum is payable in respect of each 1 x 12.5 kHz channel.
Business Radio (Common Base Station)	In para (c) the sum payable for each 2 x 12.5 kHz channel in Band I and in Sub-band I of Band III designated for use within the 55-67 MHz bands respectively. Para (d) provides that in respect of (a) to (d), 50 per cent of the prescribed sum is payable in respect of each 1 x 12.5 kHz channel.
Business Radio (Public Access Mobile Radio)	This licence class has been inserted.
Business Radio (Public Wide Area Paging)	Para(c) provides that in respect of paras (a) and (b) 50 per cent of the prescribed sum is payable in respect of each 1 x 12.5 kHz channel.
Business Radio (Public Mobile Data, Non-Voice)	Para (e) provides that in respect of paras (a) and (d), 50 per cent of the prescribed sum is payable in respect of each 1 x 12.5 kHz channel.
Remote Meter Reading Operator	Class renamed as 'Business (Radio Remote Meter Reading Operator)'

Fixed links

Point to Point Security CCTV Services

- 3.43 Apart from the new class title, no changes have been made to Schedule 2 in relation to these services.

Point to Point Fixed Links

- 3.44 Schedule 7, given effect by Schedule 2 and ultimately by regulation 4, replaces the previous mechanism for calculating fixed link fees using tables. Part 2I sets out the new formula ($AS = Sp \times Bwf \times Bf \times Plf \times Avf$). The fee level ('AS') will depend on the Bandwidth Factor ('Bwf'), Band Factors ('Bf') (Part 3), the Path Length Factors ('Plf') (Part 4), the Minimum Path Lengths ('MPL')(Part 5) and Availability Factors ('Avf') (Part 6). The reasoning for this approach is explained in the Spectrum Pricing Statement. The previously proposed baseline spectrum price ('Sp') of £99 per 2x1 MHz has been adjusted downwards to £88 per 2x1 MHz. The impact of these changes is discussed in the Regulatory Impact Assessment in Section 4 of this document.

Scanning telemetry

- 3.45 Changes made to this class clarify that fees only apply to hub base stations rather than to any stations. The regulations have also been updated to reflect the transition from the former charging regime to the current regime for national channels. The sum payable is £410 for each 2 x 12.5 channel used at a base station, which is not subject to national channel arrangements. The existing regulations introduced transition stages for existing licences. As it was not proposed that those transition arrangements should apply to new licensees, the first transition step has been removed. The second and later steps remain in place in the proposed regulations and are restated as a consequential change.

Fixed wireless access

- 3.46 There are no changes to Schedule 2 in relation to fees for non-auctioned broadband fixed wireless access. Some structural changes have been made to the licence class to enable future partitioning. Three classes have been removed as they are now redundant: 2.0-2.2 GHz; 2.4-2.5 GHz and 10.195-10.575 GHz.
- 3.47 The fee for 3.6-4.2 GHz licences is (a) £8,436 for each 1 MHz national slot, where co-ordination is only required with earth stations; and (b) £2,226 for each 1 MHz national slot where co-ordination is required with both earth stations and with fixed links.
- 3.48 New licence classes have been inserted, namely:
- Fixed Wireless Access (3.4-4.2 GHz – Guernsey)
 - Fixed Wireless Access (3.4-4.2 GHz – Isle of Man)
 - Fixed Wireless Access (3.4-4.2 GHz Jersey)

- Fixed Wireless Access (5.8 GHz): the fees for Local Access Network Stations (RLANS) have now been included in the regulations, at £1 per terminal, subject to a minimum payment of £50, payable yearly. Fees were previously set under existing regulation 6 because they were introduced after the regulations took effect.

Programme Making and Special Events (PMSE)

- 3.49 All of the fees have been amended to help cover the continuing shortfall in recovery of the direct costs of licensing. The proposed amendments are as outlined in the Spectrum Pricing consultation (http://www.ofcom.org.uk/consult/condocs/spec_pricing/spec_pricing/). The Regulations have been re-formatted for clarification purposes.

Public wireless networks

- 3.50 The Regulations continue the current level of fees.

Satellite services

- 3.51 Two new licence classes are added to Schedule 2 for Aircraft Earth Station (AES) and Earth Station on Board Vessel (ESV) licences. The minimum fees for Permanent Earth Stations increase from £175 to £500 to help recover the shortfall of direct costs of co-ordinating and issuing licences. The formulae for all of these classes are consequentially added or amended in schedule 8.
- 3.52 Two further licence classes for earth stations are also added for non-fixed satellite services and for non-geostationary services. These are charged at a flat rate of £500 each to help recovery of direct licensing costs.

Science and Technology

- 3.53 Ofcom has not proposed any changes to the fees for these licence classes

Schedules 3 to 8

- 3.54 Schedules 3 to 6 replace existing schedules 4 to 7 respectively with minor clarifications on interpretation. They provide clarification that those geographical areas which are not specified by national grid squares attract non-congested fee rates.
- 3.55 Schedule 7 provides the formula and detailed mechanisms for calculating the fees for Point to Point Fixed Links licences consequential to the amended approach provided in Schedule 2 for this class.
- 3.56 Schedule 8 replaces existing Schedule 8. It keeps the same formulae but re-presents them for clarity. It also adds similar formulae for the new classes detailed in schedule 2.

Section 4

Regulatory Impact Assessment – Wireless Telegraphy Act Regulations

- 4.1 The analysis presented in this section of this document, when read in conjunction with the rest of this document, represents a Regulatory Impact Assessment (RIA), as defined by section 7 of the 2003 Act. You should send any comments on this RIA to Ofcom by 24 March 2005. We will consider all comments before deciding whether to implement our proposals.
- 4.2 RIAs provide a valuable way of assessing different options for regulation and showing why the preferred option was chosen. They form part of best practice policy-making and are commonly used by other regulators. This is reflected in section 7 of the 2003 Act, which means that generally we have to carry out RIAs where our proposals would be likely to have a significant effect on businesses or the general public, or when there is a major change in Ofcom's activities. In accordance with section 7 of the 2003 Act, in producing the RIA in this document, Ofcom has had regard to such general guidance as it considers appropriate, including related Cabinet Office guidance.

Proposal, purpose and intended effect

- 4.3 As part of Ofcom's spectrum management objectives (as explained in the Spectrum Pricing Statement) Ofcom is updating the annual fees for spectrum not acquired through auction.
- 4.4 Ofcom has considered the recommendations of the Review of Radio Spectrum Management 2002 undertaken by Professor Martin Cave and the Governments Response of November 2002 and also the Economic Study to Review Spectrum Pricing by Indepen, Aegis and Warwick Business School, published in February 2004. Ofcom agrees that there is a continuing role for AIP, although its use should primarily be to complement and support wider policy objectives rather than be applied in isolation of them.
- 4.5 In light of the Indepen review, Ofcom intends to amend the methodology for determining AIP. Currently, AIP fees are only set in relation to the value of spectrum in existing uses (the approach recommended by Smith NERA). Ofcom now intends that each AIP fee should be set in relation to both the value of the spectrum in existing uses and its value in other potential uses for each band. Thus, AIP will give incentives for spectrum to move to the most valuable uses.
- 4.6 Ofcom believes that AIP should continue for the foreseeable future following the advent of spectrum trading. This is because AIP can promote greater efficiency. Provided AIP fees are set conservatively, trading should not be impaired. Therefore, in line with this policy, Ofcom intends initially to set AIP fees towards the bottom of the range defined by the value of spectrum in existing uses and its value in alternative uses. AIP fees will then be adjusted towards the equilibrium level at regular review points, on the basis of market developments so that AIP fees will attach to the spectrum itself, rather than the existing use of the spectrum.

4.7 In Ofcom's Spectrum Pricing consultation, Ofcom presented two options for updating fees for different licence classes: Option 1 was Ofcom's intended proposal and Option 2 was an alternative. Ofcom has received responses to these proposals from interested parties. These are discussed in detail in Ofcom's Spectrum Pricing statement. A summary of the proposed changes to annual fees is outline in section 3. In this RIA, we set out the risks, benefits and costs of Ofcom's intended changes to annual fees.

Risk assessment

4.8 The key risks associated with the proposed fee changes, or the proposal to maintain fees at current levels, are set out below, along with the compensating factors which Ofcom believes will minimise the likelihood of the risks occurring.

Application	Proposal	Risk	Compensating factor
Aeronautical and maritime communications	No change to fees	The VHF aeronautical communications band will become congested in near future.	Ofcom, together with CAA, is closely following developments in both new technologies and the demand for VHF spectrum. Ofcom has also carried out initial work on the scope for introducing AIP and other measures to improve spectrum efficiency. One option is to promote recognition of efficiency issues in international fora that may coordinate important future developments such as the introduction of digital and data communications in the VHF band.
Aeronautical and maritime radar	No change to fees	Civil and military organisations will have little incentive to improve efficiency.	Cooperation between Ofcom, CAA and MCA may be better at achieving efficiency improvements than pricing, because the long lead times for installing and replacing radar limits the scope for short term efficiency gains.
Business radio (PBR, PAMR, CBS, National Paging, 5.8GHz)	No change to fees	Potential efficiency gains are not achieved	Ofcom can delay making changes to these fees until broader spectrum liberalisation considerations have been investigated. This may avoid the disruption to the industry of making changes to these fees on more than one occasion within a relatively short period of time.

Point to point fixed links	New algorithm	AIP fee is overestimated for some users and underestimated for others leading to inefficient use of spectrum	Ofcom's methodology for applying AIP has been exposed to considerable external scrutiny through stakeholder consultations, on both the general opportunity cost and the application of the general cost to different fixed link licence classes.
Fixed Wireless Access	No change to fees	Potential efficiency gains are not achieved.	Ofcom is intending to make additional spectrum available for FWA and the opportunity cost of this spectrum should become much clearer once this has happened.
Programme making & special events	All fees amended	The level of costs recovered may be excessive.	The costs of managing this spectrum can be precisely identified since Ofcom uses a contractor as band manager. Moreover the contract for managing the band was awarded through competitive tender and the best value for money bidder was selected.
Public wireless networks (2G public mobile networks)	No fee changes	Potential efficiency gains are not achieved	Uncertainty over the values of key inputs in the opportunity cost calculation over the next few years leads to a wide range of possible values for AIP fees. Setting AIP fees on today's information risks potentially disruptive swings in AIP levels in future years. Given this uncertainty, the costs of this disruption may exceed the efficiency gains that can be achieved. Ofcom can wait until it has sufficiently accurate information to set AIP fees and this may lead to greater economic efficiency in the longer term.
Satellite	Minimum fees to increase	Greater efficiency may be foregone.	The fees will be reviewed in 2005 offering the chance to set AIP fees more accurately.

Conclusion

- 4.9 The risk assessment shows that all major risks associated with the changes to the annual fees can safely be mitigated by Ofcom. On the other hand, if Ofcom does not make the intended changes Ofcom will bear the risk of

damaging the effectiveness of spectrum trading and not acting consistently with overall objectives concerning efficient spectrum management.

Equity and fairness

- 4.10 Ofcom has considered the fairness of its proposals and is confident that they are fair to users of spectrum, businesses and consumers. First, in some cases Ofcom is removing inconsistencies in annual fees eg between business radio and public networks which have the potential to distort competition.
- 4.11 Second, Ofcom believes that AIP will create the incentive and alongside spectrum trading will enable the opening of access to spectrum to a wider range of potential uses. In time it should help to address the problem of bandwidth scarcity in certain parts of the radio frequency spectrum, increasing competition and, for example, help to reduce inequity from spectrum allocated on a first come first served basis.

Benefits

Identification of Benefits

- 4.12 The table below sets out the major benefits of the proposed changes to annual fees or the proposal to maintain fees at current levels.

Application	Proposal	Benefits
Aeronautical and maritime communications	No change to fees	Maintaining current fees avoids disruption to the aviation industry recovering from external shocks, and means international maritime vessels will not be pressurised to buy multi purpose radio in order to operate in UK and other waters.
Aeronautical and maritime radar	No change to fees	Maintaining current fees avoids reducing the safety of life element of radar services
Community Radio	New class. Fees as per national and regional radio	Extending the current fees for Independent National and Regional Radio to the new licence class of Community Radio ensures that there is equal treatment across broadcasting analogue radio and therefore that the benefits of economic efficiency can be realised consistently.
Business Radio (PBR, PAMR, CBS national paging, 5.8Ghz)	No change in fees (Delaying removal of 'choice and diversity' and "step-in" fee modifiers)	Maintaining current fees allows Ofcom to take a longer term view on re-structuring this class of licence and to undertake a single re-structuring exercise.
Point to point fixed links	New algorithm to	The changes to the fixed links algorithm lead to the estimation of an AIP that better reflects the

	estimate fees	opportunity cost of spectrum for the operator that would value the spectrum the highest and therefore the incentive for the spectrum to be used more efficiently.
Public Wireless network (2G public mobile networks)	Current fee levels maintained	<p>Maintaining current fee levels for the next three years (including the 900Mhz/1800Mhz asymmetry) avoids potential fluctuations in AIP which would be disruptive to the cellular industry, as a result of uncertainty over the true opportunity costs of the 2G spectrum and the potential for Ofcom therefore to be required to frequently adjust the AIP level.</p> <p>Ofcom believes that there remains a difference in opportunity cost between 900Mhz/1800Mhz spectrum. Even after considering that operator's 2G coverage commitments have been met, at the margin, in areas of traffic density asymmetry in opportunity cost remains and therefore the benefits of an asymmetric AIP are still relevant and the fees should not be equalised.</p>
Fixed Wireless Access	No change to fees	<p>Although AIP fees could result in economic efficiency gains on balance the uncertainty of the opportunity cost for spectrum in this industry at a time of significant development, including the possibility of further tranches of spectrum, implies that it is more appropriate to maintain current fees at this time.</p> <p>The option of basing AIP fees on auction prices for similar spectrum is not appropriate because it may be seen as setting a precedent for how Ofcom will adjust AIP in relation to prices paid in auctions. It may therefore have the dis-benefit of distorting bidding in future auctions. In addition, given Ofcom's intention to set AIP rates conservatively, it is not clear whether AIP based on auction prices would affect future trading incentives.</p>
Programme making & special events	All fees change	<p>AIP will not be applied to PMSE. Ofcom believes that AIP is only beneficial where the value to other uses is higher than for PMSE. However, if there is no viable alternative demand for PMSE spectrum, given the constraints placed on its usage, the efficiency foregone will be small. Therefore the benefits of introducing AIP are low when compared with the risk that if AIP levels were too high, PMSE users might give spectrum back. That would impair broadcasting without giving rise to other benefits from the alternative use of the spectrum.</p>

		Ofcom intends to update annual fees to reflect administrative costs which would ensure that the current band manager can fulfil its duties properly.
Satellite	Minimum fees to increase	<p>Increasing the minimum fee for a permanent earth station is required to ensure that fees cover the administrative costs of licensing this spectrum and its use. Delaying AIP ensures that coordination with the introduction of Recognised Spectrum Access can occur, thereby avoiding further market distortions and disruption if AIP fees needed to be changed.</p> <p>Extending the current differential pricing for network licences to new ESV and AES classes gives rise to a minor benefit.</p>

Quantification of benefits

- 4.13 The benefits derived from the changes to annual spectrum fees discussed above are difficult to quantify. In some cases no change to annual fees is intended and in other cases fees are to be increased. It is believed that these changes will promote economic efficiency in the use of spectrum.
- 4.14 The benefits that flow from better use of spectrum primarily stem from first, the extent to which AIP imposes a discipline on current users to optimise production of their good or service based on a market price for all inputs; and second, the extent to which spectrum is transferred to those users that value it the most.
- 4.15 It is difficult to quantify these benefits because the extent to which spectrum is currently not being used efficiently is not known. What is known is that there is excess demand for different spectrum frequencies. The level of this excess demand is difficult to measure before prices have been adjusted. Going forward, as the impact of updated spectrum fees takes effect it may be possible to make an ex post assessment of the value of benefits.

Business sectors affected

- 4.16 The business sectors affected by the changes made to the annual fees may be broken down into two classes. First, those for whom spectrum is essential for offering the end-user service: mainly telecommunications and multimedia service providers, and broadcasters. Second, those for which spectrum is a non-essential, although valuable input to providing their end-user service:
- telecommunications and broadcasting equipment suppliers
 - transport and logistics
 - aviation
 - shipping
 - local government
 - public safety services
 - utilities including gas, water and electricity
 - entertainment.

Costs to business and the economy

4.17 Businesses may incur additional costs in relation to increased fees and the cost of a delay in the benefits for improved economic efficiency. The main cost arises from the potential welfare losses as a result of not setting AIP accurately, but this only means that part of the benefits is not achieved. These costs are outlined in the table below.

Application	Costs
Aeronautical and maritime communications	No additional cost to users but potential gains in economic efficiency are foregone.
Aeronautical and maritime radar	No additional cost to users but potential gains in economic efficiency are foregone. Due to international restrictions on spectrum use efficiency gains may be low.
Community Radio	The users of the new licence class, Community Radio, will pay the same rate as for national and regional radio broadcasting licences.
Business Radio (PBR, PAMR, CBS, national paging, 5.8Ghz)	<p>Given the delay in the potential removal of fee modifiers, actual fees are unchanged in the near term and therefore firms do not incur additional costs.</p> <p>Potential gains in economic efficiency are delayed, maintaining the distortion to competition between business radio and cellular. The extent of this cost will depend on whether spectrum liberalisation, as yet uncertain, would result in the requirement to make further changes to business radio licences in future.</p>
Point to point fixed links	<p>It is expected that the changes to the fixed links algorithm will result in an average 13.5% increase in AIP fees, although as some respondents have pointed out, this may be higher or lower for some operators. This figure is Ofcom's best estimate of the impact of the changes. Ofcom is not currently in a position to be able to estimate this exactly since the actual fees payable by different operators depend upon the fixed links they hold at the time of invoicing, which may not be the same as those currently held.</p> <p>The additional information required by the algorithm is minimal and hence additional resource costs are low.</p>
Public Wireless network (2G public mobile networks)	<p>Given that actual fees are unchanged firms do not incur additional costs.</p> <p>Given the current uncertainty in the market, economic efficiency gains may be delayed dependent on whether fees over the next three years are too high or too low, as outlined by respondents to the consultation.</p>
Fixed Wireless	No additional costs to affected firms. However, this may mean

Access	that gains from economic efficiency are foregone where current fees do not reflect opportunity costs.
Programme making & special events	The increase in annual fee is 20% on average in 2005. Ofcom will hold any further increases pending a more detailed assessment of actual administrative costs during 2005. However, it is likely that further increases will be required as originally proposed.
Satellite	Affected firms (holding about half the total number of licences) will incur on average 100% higher costs as minimum fees are increased to reflect the high administrative cost of co-ordinating and issuing each licence. Other licensees (who currently pay much larger sums) will not pay more. The potential gains in economic efficiency from the introduction of AIP introduction are delayed.

Other costs

- 4.18 Other costs include those associated with additional information required to estimate fees. This only applies to the new algorithm for fixed point to point links. Ofcom notes that the additional information required is minimal.
- 4.19 In addition there are relatively minor costs associated with the updating of Ofcom's licensing and billing systems to take into account the updated fees.

Conclusions

- 4.20 There are significant benefits from the changes Ofcom intends to make to this year's fees. These have been described in the Spectrum Pricing Statement and are detailed in the proposed regulations in Annex 3 of this consultation. Although they are difficult to quantify, Ofcom believes that these benefits are likely to exceed the costs. Moreover, if Ofcom did not update its annual spectrum fees, it might harm the effectiveness of trading. Ofcom would not be acting consistently with its wider spectrum management objectives, which would have repercussions in terms of economic efficiency.

Monitoring and compliance

- 4.21 Ofcom will monitor the success of spectrum pricing in the wider context of its spectrum management objectives. These include ensuring that AIP levels are not a restriction on spectrum trading. As part of this monitoring process Ofcom will be considering ways in which to measure spectrum congestion levels. Ofcom would expect these to reduce if spectrum were either handed back to Ofcom or was traded.

Section 5

Responding to this consultation

How to respond

- 5.1 Ofcom invites written views and comments on the draft regulations attached to this document, to be made by **5pm on Thursday 24 March 2005**. Ofcom strongly prefers to receive responses as e-mail attachments, in Microsoft Word format, as this helps us to process the responses quickly and efficiently. We would also be grateful if you could assist us by completing a response cover sheet (see Annex 2), among other things to indicate whether or not there are confidentiality issues. The cover sheet can be downloaded from the 'Consultations' section of our website.
- 5.2 Please can you send your response to spectrumpricing@ofcom.org.uk
- 5.3 Responses may alternatively be posted or faxed to the address below, marked with the title of the consultation.

Diana Kennedy
Competition and Markets
4th Floor
Ofcom
Riverside House
2A Southwark Bridge Road
London SE1 9HA

Fax: 020 7783 4103

- 5.4 Please note that we do not need a hard copy in addition to an electronic version. Also, that Ofcom will not routinely acknowledge receipt of responses.

Further information

- 5.5 If you wish to discuss the issues and questions raised in this consultation, or need advice on the appropriate form of response, please contact Diana Kennedy on 020 7783 4201.

Confidentiality

- 5.6 Ofcom thinks it is important for everyone interested in an issue to see the views expressed by consultation respondents. We will therefore usually publish all responses on our website, www.ofcom.org.uk, ideally on receipt (when respondents confirm on their response cover sheet that this is acceptable).
- 5.7 All comments will be treated as non-confidential unless respondents specify that part or all of the response is confidential and should not be disclosed. Please place any confidential parts of a response in a separate annex, so that non-confidential parts may be published along with the respondent's identity.
- 5.8 Ofcom reserves its power to disclose certain confidential information where this is necessary to fulfil its functions, although in practice it would do so only in limited circumstances.

- 5.9 Please also note that copyright and all other intellectual property in responses will be assumed to be assigned to Ofcom unless specifically retained.

Next steps

- 5.10 Subject to considering any representations made during the consultation, Ofcom expects, at present, to make the regulations in April with a view to them coming into force in early May 2005.
- 5.11 Please note that you can register to get automatic notifications of when Ofcom documents are published, at http://www.ofcom.org.uk/static/subscribe/select_list.htm

Ofcom's consultation processes

- 5.12 Ofcom is keen to make responding to consultations easy, and has published some consultation principles (see Annex 1) which it seeks to follow, including on the length of consultations.
- 5.13 This consultation is shorter than Ofcom's standard 10 week period because it represents a one month and one day statutory consultation, in line with Section 403 (6) of the 2003 Act. Stakeholders have already had the opportunity to comment on the spectrum pricing proposals in response to the Spectrum Pricing consultation (published on 29 September 2004).
- 5.14 If you have any comments or suggestions on how Ofcom conducts its consultations, please call our consultation helpdesk on 020 7981 3003 or e-mail us at consult@ofcom.org.uk. We would particularly welcome thoughts on how Ofcom could more effectively seek the views of those groups or individuals, such as small businesses or particular types of residential consumers, whose views are less likely to be obtained in a formal consultation.
- 5.15 If you would like to discuss these issues, or Ofcom's consultation processes more generally, you can alternatively contact Philip Rutnam, Partner, Competition and Strategic Resources, who is Ofcom's consultation champion:

Philip Rutnam
Ofcom
Riverside House
2A Southwark Bridge Road
London SE1 9HA

Tel: 020 7981 3585
Fax: 020 7981 3333
E-mail: philip.rutnam@ofcom.org.uk

Annex 1

Ofcom's consultation principles

Ofcom has published the following seven principles that it will follow for each public written consultation:

Before the consultation

1. Where possible, we will hold informal talks with people and organisations before announcing a big consultation to find out whether we are thinking in the right direction. If we do not have enough time to do this, we will hold an open meeting to explain our proposals shortly after announcing the consultation.

During the consultation

2. We will be clear about who we are consulting, why, on what questions and for how long.
3. We will make the consultation document as short and simple as possible with a summary of no more than two pages. We will try to make it as easy as possible to give us a written response. If the consultation is complicated, we may provide a shortened version for smaller organisations or individuals who would otherwise not be able to spare the time to share their views.
4. We will normally allow ten weeks for responses to consultations on issues of general interest.
5. There will be a person within Ofcom who will be in charge of making sure we follow our own guidelines and reach out to the largest number of people and organisations interested in the outcome of our decisions. This individual (who we call the consultation champion) will also be the main person to contact with views on the way we run our consultations.
6. If we are not able to follow one of these principles, we will explain why. This may be because a particular issue is urgent. If we need to reduce the amount of time we have set aside for a consultation, we will let those concerned know beforehand that this is a 'red flag consultation' which needs their urgent attention.

After the consultation

7. We will look at each response carefully and with an open mind. We will give reasons for our decisions and will give an account of how the views of those concerned helped shape those decisions.

Annex 2

Consultation response cover sheet

- A2.1 In the interests of transparency, we will publish all consultation responses in full on our website, www.ofcom.org.uk, unless a respondent specifies that all or part of their response is confidential. We will also refer to the contents of a response when explaining our decision, without disclosing the specific information that you wish to remain confidential.
- A2.2 We have produced a cover sheet for responses (see below) and would be very grateful if you could send one with your response. This will speed up our processing of responses, and help to maintain confidentiality by allowing you to state very clearly what you don't want to be published. We will keep your completed cover sheets confidential.
- A2.3 The quality of consultation can be enhanced by publishing responses before the consultation period closes. In particular, this can help those individuals and organisations with limited resources or familiarity with the issues to respond in a more informed way. Therefore Ofcom would encourage respondents to complete their cover sheet in a way that allows Ofcom to publish their responses upon receipt, rather than waiting until the consultation period has ended.
- A2.4 We strongly prefer to receive responses in the form of a Microsoft Word attachment to an email. Our website therefore includes an electronic copy of this cover sheet, which you can download from the 'Consultations' section of our website.
- A2.5 Please put any confidential parts of your response in a separate annex to your response, so that they are clearly identified. This can include information such as your personal background and experience. If you want your name, contact details, or job title to remain confidential, please provide them in your cover sheet only so that we don't have to edit your response.

Cover sheet for response to an Ofcom consultation

BASIC DETAILS

Consultation title: Notice of Ofcom's proposals to make regulations: The Wireless Telegraphy Act (Licence Charges) Regulations 2005

To : Diana Kennedy

Name of respondent:

Representing (self or organisation/s):

Address (if not received by email):

CONFIDENTIALITY

What do you want Ofcom to keep confidential?

Nothing	<input type="checkbox"/>	Name/contact details/ job title	<input type="checkbox"/>
Whole response	<input type="checkbox"/>	Organisation	<input type="checkbox"/>
Part of the response	<input type="checkbox"/>	If there is no separate annex, which parts?	

Note that Ofcom may still refer to the content of responses in general terms, without disclosing specific information that is confidential. Ofcom also reserves its powers to disclose any information it receives where this is required to carry out its functions. Ofcom will exercise due regard to the confidentiality of information supplied.

DECLARATION

I confirm that the correspondence supplied with this cover sheet is a formal consultation response. It can be published in full on Ofcom's website, unless otherwise specified on this cover sheet, and I authorise Ofcom to make use of the information in this response to meet its legal requirements. If I have sent my response by email, Ofcom can disregard any standard email text about not disclosing email contents and attachments.

Ofcom seeks to publish responses on receipt. If your response is non-confidential (in whole or in part) and you would prefer us to publish your response only once the consultation has ended, please tick here.

Name

Signed (if hard copy)

Annex 3

Draft Wireless Telegraphy (Licence Charges) Regulations 2005

STATUTORY INSTRUMENTS

2005 No. XXXX

ELECTRONIC COMMUNICATIONS

The Wireless Telegraphy (Licence Charges) Regulations 2005

Made - - - - *XX 2005*
Coming into force - - *XX 2005*

Whereas the Office of Communications (“OFCOM”) have, under section 403(4)(a) of the Communications Act 2003 (“the 2003 Act”)⁽¹⁾ as applied by section 6(1) of the Wireless Telegraphy Act 1998 (“the 1998 Act”)⁽²⁾, given notice of their proposal to make these Regulations and have, under section 403(4)(b) of the 2003 Act as applied by section 6(1) of the 1998 Act, published notice of their proposal and have considered the representations made to them before the time specified in the notice; and

Whereas OFCOM, in making these Regulations, have had regard to the matters specified in section 154 of the 2003 Act;

Now, therefore, OFCOM, in exercise of the powers conferred upon them by sections 1 and 2(2) of the 1998 Act⁽³⁾ and section 403(7)(4) of the 2003 Act as applied by section 6(1) of the 1998 Act, hereby make the following Regulations:

Citation, commencement and extent

1.—(1) These Regulations may be cited as the Wireless Telegraphy (Licence Charges) Regulations 2005 and shall come into force on [Day] [Month] 2005.

(2) These Regulations shall extend to the Channel Islands and to the Isle of Man.

⁽¹⁾ 2003 c. 21.

⁽²⁾ 1998 c. 6; sections 1, 2 and 6 of the 1998 Act were amended by the Communications Act 2003 (c.21), sections 161 and 406 and Schedule 17, paragraphs 145 to 147 and 150.

⁽³⁾ Sections 1 and 2(2) were extended to the Bailiwick of Guernsey by S.I. 1998/1511 and S.I. 2003/3195, to the Bailiwick of Jersey by S.I. 1998/1512 and S.I. 2003/3197, and to the Isle of Man by S.I. 1998/1510 and S.I. 2003/3198.

⁽⁴⁾ Section 403(7) was extended to the Isle of Man by S.I. 2003/3197. For the Bailiwick of Guernsey, section 403 was substituted by the provision set out in paragraph 95 of Schedule 2 to S.I. 2003/3195 in accordance with Article 6 thereof. For the Bailiwick of Jersey, section 403 was substituted by the provision set out in paragraph 92 of Schedule 2 to S.I. 2003/3197 in accordance with Article 6 thereof.

Revocation

2. The Regulations set out in Schedule 1 are hereby revoked.

Interpretation

3.—(1) In these Regulations—

“the 1998 Act” means the Wireless Telegraphy Act 1998⁽⁵⁾;

“the 2003 Act” means the Communications Act 2003⁽⁶⁾;

“the “2004 Regulations” means the Wireless Telegraphy (Spectrum Trading) Regulations 2004⁽⁷⁾;

“apparatus” means apparatus for wireless telegraphy;

“base station” means a station which facilitates or controls communications between a mobile station and—

- (a) itself;
- (b) another mobile station;
- (c) a fixed mobile station; or
- (d) any electronic communications network;

“channel” means a part of the radio frequency spectrum intended to be used for a transmission of signals, and defined by—

- (a) two specified frequency limits; or
- (b) by its centre frequency and the associated bandwidth,

or by an indication equivalent to (a) or (b);

“co-channel” means apparatus operating in an identical frequency or channel;

“congested area” and “heavily congested area” means such part of the British Islands considered by OFCOM to have respectively congested and heavily congested use of the radio frequency spectrum for a specified class of licence and identified as such in Schedules 3 to 6 hereto as appropriate by reference to the grid squares of the 2nd series of Landranger maps published by the Ordnance Survey, and “non-congested area” shall be construed accordingly;

“cross-polar” means the use of orthogonal polarisation to permit the re-use of identical frequencies or channels in the same area;

“earth station” means a radio station situated either on the earth's surface or within the major portion of the earth's atmosphere and is intended for communication with one or more:

- (a) radio stations which are situated beyond, or are intended to be situated beyond, the major portion of the earth's atmosphere; or
- (b) radio stations of the same kind by means of one or more reflecting satellites or other objects in space;

“fixed link” means a connection by wireless telegraphy designed for use between two fixed points;

“fixed mobile station” means a control point configured to operate in the manner of a mobile station;

“hub” means a single fixed site connected to more than one fixed out-station via wireless telegraphy links operating in the same frequency bands;

“licence” means a wireless telegraphy licence;

“licensee” means the person to whom a licence is issued;

⁽⁵⁾ 1998 c. 6.

⁽⁶⁾ 2003 c. 21.

⁽⁷⁾ S.I. 2004/3154.

“medium wave broadcasting band” means that part of the radio frequency spectrum between 526.5 kHz and 1606.5 kHz;

“mobile station” means a station (other than a base station) intended to be used while in motion or during halts at unspecified points;

“national channel” means a channel which the licensee is authorised to use throughout the United Kingdom;

“prescribed payment interval” has the meaning given by regulation 4(1);

“prescribed sum” means a fixed sum or variable sum which is payable to OFCOM under regulation 4(1) (c) or (d);

“prescribed time” means the time when a sum is payable to OFCOM under regulation 4(1);

“slot” means the smallest unit of the radio frequency spectrum used in the construction of a frequency plan, such that all bands, sub-bands, blocks and channels which are used in such plan are integer multiples of the slot size;

“station” means a station for wireless telegraphy;

“time slot” means a recurring time delimited proportion of a channel within which the transmission must be initiated and completed;

“UHF Band I” means that part of the radio frequency spectrum between 410.00000 MHz and 449.49375 MHz;

“UHF Band II” means that part of the radio frequency spectrum between 453.00625 MHz and 466.08750 MHz;

“VHF broadcasting band” means that part of the radio frequency spectrum between 87.5 MHz and 108.0 MHz;

“VHF High Band” means that part of the radio frequency spectrum between 165.04375 MHz and 173.09375 MHz;

“VHF Low Band” means that part of the radio frequency spectrum between 68.08125 MHz and 87.49375 MHz; and

“VHF Mid Band” means that part of the radio frequency spectrum between 137.96250 MHz and 165.04375 MHz.

(2) Where these Regulations provide for the prescribed sum to be calculated by reference to a number of any of the following things—

- (a) base stations;
- (b) channels;
- (c) fixed links;
- (d) mobile stations;
- (e) national channels;
- (f) population
- (g) regional channels;
- (h) slots,
- (i) stations,

the number shall be taken to be the number the use of which is authorised by the licence at the time of the issue of the licence, or the prescribed payment interval, as the case may be.

(3) In relation to a Transmission of National and Local Radio Broadcasting Services Licence and a Community Radio Licence, a reference to the licensee’s coverage is a reference to the total population covered by the transmitters which the licensee is authorised to use in the medium wave broadcasting band or the VHF broadcasting band (as the case may be) as specified in the licence granted to the licensee, and “covered” shall be construed accordingly.

(4) In relation to a Business Radio (Public Access Mobile Radio) Licence, a Business Radio (Public Wide Area Paging) Licence, a Business Radio (Public Mobile Data, Non-Voice) Licence

and a Business Radio (Remote Meter Reading Operator) Licence, "regional channel" means a channel used for transmission at stations situated in an area specified in the licence.

(5) In relation to a Coastal Station Radio (International) Licence and a Coastal Station Radio (UK) Licence —

- (a) "channels designated for emergency use" means channels 0, 00, 16, 67, 70 and 73 when used solely to assist Her Majesty's Coastguard, and channels 10, 16 and 70 when used solely to assist the Secretary of State with oil pollution control activities; and
- (b) a reference to an international maritime channel means a channel specified in the table in Appendix 18 to the 2004 edition of the Radio Regulations⁽⁸⁾.

(6) In relation to a Programme Making and Special Events Fixed Site Licence, a Programme Making and Special Events Link Licence, a Programme Making and Special Events Low Power Licence, a UK Wireless Microphone (Annual) Licence and a UK Wireless Microphone (Biennial) Licence—

- (a) "area" in relation to a channel specified in such a licence refers to an area with a population coverage below 2 million individuals;
- (b) "designated website" means the website address (at www.jfmg.co.uk or at such other website address as may be notified by OFCOM to persons who, in their opinion, are likely to be affected by any change of address by publishing such a notice on OFCOM's website, www.ofcom.org.uk) of OFCOM's agents managing and licensing in the classes of licence set out under the heading of Programme Making and Special Events in Schedule 2;
- (c) "multi use type (1)" in relation to a channel specified in such a licence refers to a maximum of 60 periods with each such period not exceeding 48 hours;
- (d) "multi use type (2)" in relation to a channel specified in such a licence refers to a maximum of 480 periods with each such period not exceeding 48 hours;
- (e) "occasional use" in relation to a channel specified in such a licence refers to a period not exceeding 48 hours;
- (f) "premium case" means a case where at the applicant's request such a licence is granted or varied outside office hours; and for the purposes of this definition "office hours" means 09.00 to 17.00 hours from Monday to Friday other than on a day which is a bank holiday in England and Wales;
- (g) "primary" in relation to a channel specified in such a licence refers to use at any time;
- (h) "programme making" includes the making of a programme for broadcast, the making of a film presentation, advertisement or audio or video tape, and the staging or performance of an entertainment, sporting or other public event;
- (i) "programme sound link" in relation to a channel specified in such a licence refers to a channel used to transmit the material produced in programme making from a fixed transmission station to a fixed receiving station;
- (j) "regional" in relation to a channel specified in such a licence refers to an area with a population coverage of 2 million individuals or more but below 12 million individuals;
- (k) "restricted service programme sound link" in relation to a channel specified in such a licence refers to a channel used to transmit the material produced in programme making from a fixed transmission station to a fixed receiving station where the transmission is for a period not exceeding thirty consecutive days;
- (l) "secondary" in relation to a channel specified in such a licence refers to use when the channel or band is not being used by another licensee under a licence which authorises such use as a primary channel;

⁽⁸⁾ The Radio Regulations are made under Article 13 of the Constitution of the International Telecommunication Union ("the ITU"); the Constitution and Convention of the ITU were adopted in Geneva in 1992 and ratified by the United Kingdom in 1996.

- (m) "shared" in relation to a channel specified in such a licence refers to use at the same time as such a channel may be used by a licensee under another licence;
- (n) "transaction charge" means a sum which, when added to the sum that would otherwise be payable, produces the sum of £24; and
- (o) "variation" in relation to such a licence refers to the addition of a channel to the channel specified in such licence;

and for the purpose of determining "population coverage" as referred to above, reference shall be made as appropriate to—

- (i) the estimated mid-year resident population for England and Wales for 2000 as shown in the "Office of National Statistics Population Estimates Mid-2000 for England and Wales" published in August 2001;
- (ii) the estimated mid-year resident population for Scotland for 2000 as shown in the "Mid-Year Population Estimates, Scotland" published in June 2001; and
- (iii) the estimated mid-year resident population for Northern Ireland for 2000 as shown in the "Annual Report of the Registrar General for Northern Ireland" published in November 2001.

(7) In relation to a Satellite (Aircraft Earth Station) Licence, a Satellite (Earth Station Network) Licence and a Satellite (Earth Station on board Vessel) Licence, "network" means a uni- or bi-directional service from any number of earth station terminals to a single geo-stationary orbit satellite transponder transmitting in the earth to space direction.

Licence charges and time of payment

4.—(1) Subject to paragraphs (2) to (10) and to regulations 5 and 6, there shall be paid to OFCOM by the licensee—

- (a) on the issue of the licence; and
- (b) on the last day of the period of 12, 24, 36 or (as the case may be) 60 months prescribed in Schedule 2, if any, in respect of the class of licence in question ("prescribed payment interval") beginning with the day of issue of the licence and on the last day of each subsequent prescribed payment interval thereafter for which the licence continues in force,

in relation to a licence of a class listed in Schedule 2—

- (c) the fixed sum specified in; or
- (d) the variable sum determined in accordance with the provisions of,

that Schedule.

(2) Except for the classes of licence listed under the heading "Programme Making and Special Events" in Schedule 2, where a licence is issued for a period less than a year, the sum payable shall be such sum as represents one-twelfth of the prescribed sum multiplied by the number of complete and part-complete months to the next anniversary of the issue of the licence, and the prescribed time in respect of such licence shall be determined accordingly.

(3) The sum payable in accordance with paragraph (2) shall not be less than £20, and where such sum represents a fraction of a whole pound sterling then such sum shall be rounded up to the nearest pound sterling.

(4) Paragraph (2) shall only apply to a licence in respect of which the fee otherwise payable for such licence is greater than £75 per annum.

(5) Paragraph (7) shall apply to a licensee where—

- (a) a prescribed sum is payable by that licensee in respect of a licence under paragraph (1);
- (b) the licence is of one of the following classes—
 - (i) the classes listed under the heading "Broadcasting" in Schedule 2;

- (ii) the classes listed under the heading "Fixed Links" in Schedule 2;
 - (iii) the classes listed under the heading "Public Wireless Networks" in Schedule 2;
 - (iv) the classes listed under the heading "Satellite Services" in Schedule 2; or
 - (v) the classes listed under the heading "Business Radio" in Schedule 2;
 - (c) the licence is granted for a period of a year or longer; and
 - (d) the prescribed sum due for payment by the licensee is in excess of £100,000.
- (6) Paragraph (7) shall also apply to a licensee where—
- (a) prescribed sums are payable by that licensee under paragraph (1) in respect of more than one licence where all of those licences are of the same class and that class is one of the classes listed in paragraph (5)(b);
 - (b) each of those prescribed sums is due for payment by the licensee at the same prescribed time in accordance with paragraph (1);
 - (c) each of the prescribed sums is in respect of licences granted for a period of a year or longer; and
 - (d) the total of the prescribed sums due for payment by the licensee are in excess of £100,000.

(7) If OFCOM receive notice from a licensee to which this paragraph applies of the licensee's intention to make payment in ten equal instalments of a sum equal to the prescribed sum referred to in paragraph (5) or equal to the total of the prescribed sums referred to in paragraph (6)(d), the licensee—

- (a) shall not be required to make payment at the prescribed time other than in accordance with this paragraph; and
- (b) shall make payment of the sum in ten equal instalment payments with the first instalment to be paid to OFCOM on the day which shall be the same day as the prescribed time when the prescribed sum or the prescribed sums were to be paid to OFCOM and each subsequent instalment to be paid on the same day in each of the nine consecutive months thereafter (or in a month in which there is no such day, on the last day of the month).

(8) Where at any time the licensee fails to make payment in accordance with paragraph (7), the total of the outstanding instalment payments shall become immediately due for payment.

(9) No sums shall be payable to OFCOM in respect of the issue of a licence in order to effect a transfer of rights and obligations under a licence to another person under regulation 8(5) of the 2004 Regulations.

(10) For any licence issued in order to effect a transfer under the 2004 Regulations, the prescribed payment interval shall be treated as to commence and expire at the times when the corresponding payment interval would have commenced and expired under the licence from which the rights and obligations were transferred had the transfer not been made.

Concessionary licence charges

5.—(1) This regulation applies where a relevant licence is granted to an applicant, or held by a licensee, which—

- (a) is a charity; and
- (b) has as its object the safety of human life in an emergency.

(2) The sum to be paid by a qualifying charity to OFCOM under section 1 of the 1998 Act on the issue of a relevant licence, and on the last day of each of the prescribed payment intervals (if any), shall be one half of the prescribed sum. Where the sum so payable to OFCOM represents a fraction of a whole pound sterling then the sum payable by the qualifying charity shall be rounded up to the nearest whole pound sterling.

(3) In this regulation—

"charity" means a person who—

- (a) being subject to the laws of England and Wales, or Scotland, or Northern Ireland, is a charity within the meaning of section 506(1) of the Income and Corporation Taxes Act 1988⁽⁹⁾;
- (b) being subject to the laws of the Isle of Man, is registered as a charity under the Charities Registration Act 1989⁽¹⁰⁾;
- (c) being subject to the laws of Guernsey, is a member for the time being of the Association of Guernsey Charities; or
- (d) being subject to the laws of Jersey, is a member for the time being of the Association of Jersey Charities; and

“qualifying charity” is a body falling within paragraph (1); and

“relevant licence” means a licence of one of the following classes—

- (i) all of the classes listed under the heading “Aeronautical” in Schedule 2;
- (ii) all of the classes listed under the heading “Maritime” in Schedule 2; and
- (iii) all of the classes listed under the heading “Business Radio” in Schedule 2.

Other licence charges

6. Where a sum is not prescribed by regulations made under section 1 of the 1998 Act whether on the issue of a licence or subsequently, there shall be paid to OFCOM such sum as OFCOM may in the particular case determine.

Signatory text

	<i>Name</i>
Address	For and by authority of the Office of Communications
Date	

SCHEDULE 1 Regulation 2

REVOCATIONS

<i>(1)</i> <i>Regulations Revoked</i>	<i>(2)</i> <i>References</i>
The Wireless Telegraphy (Licence Charges) Regulations 2002	S.I. 2002/1700
The Wireless Telegraphy (Licence Charges) (Amendment) Regulations 2003	S.I. 2003/2983
The Wireless Telegraphy (Licence Charges) (Amendment) (Channel Islands and Isle of Man) Regulations 2003	S.I. 2003/2984

SCHEDULE 2 Regulation 4

LICENCE CHARGES AND PAYMENT INTERVALS

<i>Class of licence</i>	<i>The sum payable on the issue of the licence and on the expiry of each prescribed payment interval</i>	<i>Prescribed payment interval</i>
	<i>Fixed sums</i>	<i>Variable sums</i>
Aeronautical		

⁽⁹⁾ 1998 c. 1.
⁽¹⁰⁾ An Act of Tynwald.

<i>Class of licence</i>	<i>The sum payable on the issue of the licence and on the expiry of each prescribed payment interval</i>		<i>Prescribed payment interval</i>
	<i>Fixed sums</i>	<i>Variable sums</i>	
Aeronautical Ground Station (Air Traffic/Ground Movement Control)	£150		12 months
Aeronautical Ground Station (Air/Ground Communications Services)	£100		12 months
Aeronautical Ground Station (Airfield Flight Information Service)	£100		12 months
Aeronautical Ground Station (Operations Control)	£250		12 months
Aeronautical Ground Station (General Aviation)	£25		12 months
Aeronautical Ground Station (Fire)	£25		12 months
Aeronautical Ground Station (High Frequency)	£350		12 months
Aeronautical Ground Station (Offshore Platform)	£250		12 months
Aeronautical Radar	£50		12 months
Aeronautical Navigation Aids		£50 for each navigational aid.	12 months
Aircraft		(a) £20 for each aircraft which has an approved maximum take-off weight of not more than 3,200 kg.	12 months
		(b) £150 for each aircraft which has an approved maximum take-off weight of more than 3,200 kg but not more than 14,000 kg.	12 months
		(c) £350 for each aircraft which has an approved maximum take-off weight of more than 14,000 kg.	12 months

<i>Class of licence</i>	<i>The sum payable on the issue of the licence and on the expiry of each prescribed payment interval</i>		<i>Prescribed payment interval</i>
	<i>Fixed sums</i>	<i>Variable sums</i>	
		(i) £339, where coverage is of fewer than 100,000 people;	
		(ii) £509 per complete 100,000 people covered, any final group of fewer than 100,000 people being disregarded, where coverage is of 100,000 people or more.	
Community Radio		(a) For any number of transmitters in the medium wave broadcasting band—	12 months
		(i) £226, where coverage is of fewer than 100,000 people;	
		(ii) £339 per complete 100,000 people covered, any final group of fewer than 100,000 people being disregarded, where coverage is of 100,000 people or more.	
		(b) For any number of transmitters in the VHF broadcasting band—	12 months
		(i) £339, where coverage is of fewer than 100,000 people;	
		(ii) £509 per complete 100,000 people covered, any final group of fewer than 100,000 people being disregarded, where coverage is of 100,000 people or more.	
Business Radio			
Business Radio (GSM-R Railway use)		£158,400 for each 2 x 200 kHz channel.	12 months
Business Radio (National and Regional)		(a) Subject to paragraph (f), for each 2 x 12.5 kHz channel—	12 months
		(i) £9,900 in respect of a channel in the VHF High Band, UHF Band I or UHF Band II in the United Kingdom;	
		(ii) £8,250 in respect of a channel in any frequency bands in the United Kingdom other than those specified in paragraph (a)	
		(i).	
		(b) Subject to paragraph (f), for each 2 x 12.5 kHz channel—	12 months

<i>Class of licence</i>	<i>The sum payable on the issue of the licence and on the expiry of each prescribed payment interval</i>		<i>Prescribed payment interval</i>
	<i>Fixed sums</i>	<i>Variable sums</i>	
		(i) £6,435 in respect of a channel in the VHF High Band, UHF Band I or UHF Band II in England;	
		(ii) £5,363 in respect of a channel in any frequency bands in England other than those specified in paragraph (b)(i);	
		(iii) £990 in respect of a channel in the VHF High Band, UHF Band I or UHF Band II in Wales;	
		(iv) £825 in respect of a channel in any frequency bands in Wales other than those specified in paragraph (b)(iii);	
		(v) £1,485 in respect of a channel in the VHF High Band, UHF Band I or UHF Band II in Scotland;	
		(vi) £1,237 in respect of a channel in any frequency bands in Scotland other than those specified in paragraph (b)(v);	
		(vii) £990 in respect of a channel in the VHF High Band, UHF Band I or UHF Band II in Northern Ireland;	
		(viii) £825 in respect of a channel in any frequency bands in Northern Ireland other than those specified in paragraph (b) (vii).	
		(c) Subject to paragraph (f), for each 1 x 12.5 kHz channel, 50 per cent of the prescribed sum specified in paragraphs (a) or (b) depending on the applicable frequency band and territorial extent.	12 months
		(d) Subject to paragraph (f), for each channel of less than or equal to 2 x 6.25 kHz, 50 per cent of the prescribed sum specified in paragraphs (a) or (b) depending on the applicable frequency band and territorial extent.	12 months
		(e) Subject to paragraph (f), for each 2 x 25 kHz channel, 200 per cent of the prescribed sum specified in paragraphs (a) or (b) depending on the applicable frequency band and territorial extent.	12 months

<i>Class of licence</i>	<i>The sum payable on the issue of the licence and on the expiry of each prescribed payment interval</i>		<i>Prescribed payment interval</i>
	<i>Fixed sums</i>	<i>Variable sums</i>	
		<p>(f) Where OFCOM are satisfied that technologies associated with the use of the channel complies with section 154(2)(a) of the 2003 Act—</p> <p>(i) 20 per cent of the prescribed sum in paragraphs (a) to (e) is payable on the issue of the licence;</p> <p>(ii) 40 per cent of the prescribed sum in paragraphs (a) to (e) is payable on the first anniversary of the issue of the licence;</p> <p>(iii) 60 per cent of the prescribed sum in paragraphs (a) to (e) is payable on the second anniversary of the issue of the licence;</p> <p>(iv) 80 per cent of the prescribed sum in paragraphs (a) to (e) is payable on the third anniversary of the issue of the licence;</p> <p>(v) the full prescribed sum in paragraphs (a) to (e) is payable on the fourth and each subsequent anniversary of the issue of the licence.</p>	
Business Radio (On-Site Hospital Paging and Emergency Speech Systems)	£150 for each channel per site.		36 months
Business Radio (On-Site Local Communications Systems)		<p>Depending on whether use of the channel is being licensed in a heavily congested, congested, or non-congested area designated in Schedule 3—</p> <p>(i) £200 for each channel per site in a heavily congested area;</p> <p>(ii) £100 for each channel per site in a congested area;</p> <p>(iii) £75 for each channel per site in a non-congested area.</p>	12 months
Business Radio (On-Site One-Way Paging and Speech Systems)	£75 for each channel per site.		36 months
Business Radio (On-Site Speech and Data)		(a) For each 2 x 12.5 kHz channel or for each channel of less than or equal to 1 x	12 months

<i>Class of licence</i>	<i>The sum payable on the issue of the licence and on the expiry of each prescribed payment interval</i>		<i>Prescribed payment interval</i>
	<i>Fixed sums</i>	<i>Variable sums</i>	
Systems)		<p>12.5 kHz per site in the VHF High Band, UHF Band I or UHF Band II, the following sums depending on whether use of the channel is being licensed in a heavily congested, congested or non-congested area designated in Schedule 3—</p> <p>(i) £200 for each channel per site in a heavily congested area;</p> <p>(ii) £100 for each channel per site in a congested area;</p> <p>(iii) £75 for each channel per site in a non-congested area.</p> <p>(b) £75 for each 2 x 12.5 kHz channel or for each channel of less than or equal to 1 x 12.5 kHz per site in any bands other than those specified in paragraph (a).</p>	12 months
Business Radio (IR 2008 Data)		<p>(a) For each 12.5 kHz channel per site in the VHF High Band, UHF Band I or UHF Band II, the following sums per 250 millisecond or 500 millisecond time slot depending on whether use of the channel is being licensed in a heavily congested, congested, or non-congested area designated in Schedule 4—</p> <p>(i) £100 per mobile station transmit frequency time slot in a heavily congested area;</p> <p>(ii) £100 per base station transmit frequency time slot in a heavily congested area;</p> <p>(iii) £50 per mobile station transmit frequency time slot in a congested area;</p> <p>(iv) £50 per base station transmit frequency time slot in a congested area;</p> <p>(v) £25 per mobile station transmit frequency time slot in a non-congested area;</p> <p>(vi) £25 per base station transmit frequency time slot in a non-congested area.</p> <p>(b) £25 for each 12.5 kHz channel per site</p>	12 months

<i>Class of licence</i>	<i>The sum payable on the issue of the licence and on the expiry of each prescribed payment interval</i>		<i>Prescribed payment interval</i>
	<i>Fixed sums</i>	<i>Variable sums</i>	
		in any band other than those specified in paragraph (a) per 250 millisecond or 500 millisecond mobile station, or per 250 millisecond or 500 millisecond base station, transmit frequency time slot.	
Business (Suppliers)	Radio	£200	12 months
Business General)	Radio (UK	£60	36 months
Business (Standard)	Radio	(a) For channels other than 6.25 kHz channels— (i) £140 for up to 10 mobile stations; (ii) £250 for 11–25 mobile stations; (iii) £500 for 26–60 mobile stations; (iv) £1,000 for 61–100 mobile stations; (v) £1,750 for 101–200 mobile stations; (vi) £3,500 for 201–500 mobile stations; (vii) £7,000 for 501–1,000 mobile stations; (viii) for more than 1,000 mobile stations, £7,000 for the first 1,000 plus £5,000 for each successive group of 500 and £5,000 for any final group of less than 500. (b) For 6.25 kHz channels, 50 per cent of the prescribed sum specified in paragraph (a) (i) to (viii) for channels other than 6.25 kHz channels depending on the number of mobile stations.	12 months
Business Radio (Self-Select)		£50 for each one-way paging system site.	36 months
Business Radio (Wide Area Distress Alarm Systems)		For each 1 x 12.5 kHz channel per site, the following sums depending on whether use of the channel is being licensed in a heavily congested, congested or non-congested area designated in Part 2 of Schedule 5— (i) £100 for each channel per site in a	12 months

<i>Class of licence</i>	<i>The sum payable on the issue of the licence and on the expiry of each prescribed payment interval</i>		<i>Prescribed payment interval</i>
	<i>Fixed sums</i>	<i>Variable sums</i>	
		heavily congested area;	
		(ii) £75 for each channel per site in a congested area;	
		(iii) £75 for each channel per site in a non-congested area.	
Business Radio (Wide Area One-Way Paging and Speech Systems)		(a) For each 1 x 25kHz channel per site, the following sums depending on whether use of the channel is being licensed in a heavily congested, congested or non-congested area designated in Part 2 of Schedule 5—	12 months
		(i) £200 for each channel per site in a heavily congested area;	
		(ii) £100 for each channel per site in a congested area;	
		(iii) £75 for each channel per site in a non-congested area.	
		(b) For each 1 x 12.5 kHz channel, 50 per cent of the prescribed sum specified in paragraph (a) depending upon whether the channel is being licensed in a heavily congested, congested or non-congested area designated in Part 2 of Schedule 5.	12 months
Business Radio (Wide Area Speech and Data Systems)		(a) Subject to paragraph (f), for each 2 x 12.5 kHz channel in the VHF High Band, UHF Band I or UHF Band II, the appropriate sum payable in accordance with Part 1 of Schedule 5 as determined by whether use of the channel is being licensed in a heavily congested, congested or non-congested area designated in Part 2, and by the applicable category (having regard to the number of mobile stations per channel in use) specified in Part 3, of that Schedule.	12 months
		(b) Subject to paragraph (f), for each 2 x 12.5 kHz channel in any bands other than those specified in paragraph (a), the appropriate sum applying in respect of a channel licensed in a non-congested area payable in accordance with Part 1 of Schedule 5 as determined by the applicable category (having regard to the number of mobile stations per channel in use) specified in Part 3 of that Schedule.	12 months

<i>Class of licence</i>	<i>The sum payable on the issue of the licence and on the expiry of each prescribed payment interval</i>		<i>Prescribed payment interval</i>
	<i>Fixed sums</i>	<i>Variable sums</i>	
		(c) Subject to paragraph (f), for each 1 x 12.5 kHz channel, 50 per cent of the prescribed sum specified in paragraphs (a) or (b) depending on the frequency band in which the channel falls.	12 months
		(d) Subject to paragraph (f), for each channel of less than or equal to 2 x 6.25 kHz, 50 per cent of the prescribed sum specified in paragraphs (a) or (b) depending on the frequency band in which the channel falls.	12 months
		(e) Subject to paragraph (f), for each 2 x 25 kHz channel, 200 per cent of the prescribed sum specified in paragraphs (a) or (b) depending on the frequency band in which the channel falls.	12 months
		(f) Where the sum payable in paragraphs (a) to (e) would otherwise be less than £75, a minimum fee of £75 shall be payable.	
Business (Common Station)	Radio Base	(a) £407 for each 2 x 12.5 kHz channel in the VHF Low Band designated for use within the defined coverage area of the licensed common base station service.	12 months
		(b) For each 2 x 12.5 kHz channel in the VHF Mid Band or VHF High Band for common base station assignments on designated downgraded channels shared with wide area business radio systems, the following sums depending on whether use of the channel is being licensed in a heavily congested, congested or non-congested area designated in Schedule 6—	12 months
		(i) £1,141 for each channel in a heavily congested area;	
		(ii) £570 for each channel in a congested area;	
		(iii) £285 for each channel in a non-congested area.	
		(c) For each 2 x 12.5 kHz channel in the 55-67 MHz and 171-191 MHz bands, £103 on the issue of the licence and thereafter—	12 months

<i>Class of licence</i>	<i>The sum payable on the issue of the licence and on the expiry of each prescribed payment interval</i>		<i>Prescribed payment interval</i>
	<i>Fixed sums</i>	<i>Variable sums</i>	
		(i) £206 on the first anniversary of the issue of the licence;	
		(ii) £309 on the second anniversary of the issue of the licence;	
		(iii) £412 on the third anniversary of the issue of the licence;	
		(iv) £618 on the fourth anniversary of the issue of the licence;	
		(v) £824 on the fifth and each subsequent anniversary of the issue of the licence.	
		(d) For each 2 x 12.5 kHz channel in any bands other than those specified in paragraphs (a) to (c) above designated for use within the defined coverage area of the licensed common base station service, the following sums depending on whether use of the channel is being licensed in a heavily congested, congested or non-congested area designated in Schedule 6—	12 months
		(i) £1,630 for each channel in a heavily congested area;	
		(ii) £815 for each channel in a congested area;	
		(iii) £407 for each channel in a non-congested area.	
		(e) For each 1 x 12.5 channel, 50 per cent of the prescribed sum specified in paragraphs (a) to (d) depending on the frequency band in which the channel falls and whether use of the channel is being licensed in a heavily congested, congested or non-congested area designated in Schedule 6.	12 months
Business Radio (Public Access Mobile Radio)		(a) £5,544 for each 2 x 12.5 kHz national channel in the 174-208 MHz band.	12 months
		(b) £1,109 for each 2 x 12.5 kHz regional channel in the 174-208 MHz band subject to a maximum fee of £3,000 where the same channel is licensed to the same licensee in more than one location.	12 months

<i>Class of licence</i>	<i>The sum payable on the issue of the licence and on the expiry of each prescribed payment interval</i>		<i>Prescribed payment interval</i>
	<i>Fixed sums</i>	<i>Variable sums</i>	
		(c) For each 1 x 12.5 kHz channel, 50 per cent of the prescribed sum specified in paragraphs (a) or (b) depending on whether the channel is a national channel or a regional channel.	12 months
Business Radio (Public Wide Area Paging)		(a) £9,900 for each 1 x 25 kHz national channel in the 133-147 kHz, 157-172 MHz, 450-470 MHz or 870-871 MHz bands.	12 months
		(b) £1,980 for each 1 x 25 kHz regional channel in the 133-147 kHz, 157-172 MHz, 450-470 MHz or 870-871 MHz bands.	12 months
		(c) For each 1 x 12.5 kHz channel, 50 per cent of the prescribed sum specified in paragraphs (a) or (b) depending on whether the channel is a national channel or a regional channel.	12 months
Business Radio (Public Mobile Data, Non-Voice)		(a) £9,900 for each 2 x 12.5 kHz national channel in the 137-154 MHz band.	12 months
		(b) £7,920 for each 2 x 12.5 kHz national channel in the 174-208 MHz band.	12 months
		(c) £7,920 for each 2 x 12.5 kHz national channel in the 420-450 MHz band.	12 months
		(d) £9,900 for each 2 x 12.5 kHz national channel in the 450-470 MHz band.	12 months
		(e) For each 1 x 12.5 kHz national channel, 50 per cent of the prescribed sum specified in paragraphs (a) to (d) depending on the frequency band in which the channel falls.	12 months
Business Radio (Remote Meter Reading Operator)		(a) £80,000 for each exclusive 200 kHz national channel in the 183.5-184.5 MHz band.	12 months
		(b) £8,000 for each shared 200 kHz national channel in the 183.5-184.5 MHz band.	12 months
		(c) £1,600 for each shared 200 kHz regional channel in the 183.5-184.5 MHz band.	12 months
		(d) £1,000 for each shared 25 kHz national channel in the 183.5-184.5 MHz band.	12 months

<i>Class of licence</i>	<i>The sum payable on the issue of the licence and on the expiry of each prescribed payment interval</i>		<i>Prescribed payment interval</i>
	<i>Fixed sums</i>	<i>Variable sums</i>	
		(e) £200 for each shared 25kHz regional channel in the 183.5-184.5 MHz band.	12 months
Fixed Links			
Point to Point Security CCTV Services		(a) £720 for each hub with a bandwidth less than or equal to 56 MHz.	12 months
		(b) £885 for each hub with a bandwidth greater than 56 MHz but less than, or equal to, 140 MHz.	12 months
		(c) £1,030 for each hub with a bandwidth greater than 140 MHz but less than, or equal to, 250 MHz.	12 months
		(d) £1,155 for each hub with a bandwidth greater than 250 MHz but less than, or equal to, 308 MHz.	12 months
		(e) Where a hub listed in paragraphs (a) to (d) is added after the issue of the licence, such sum as represents one-twelfth of the prescribed sum on the issue of the licence, multiplied by the number of complete calendar months beginning with the date of the addition of the hub to the next anniversary of the issue of the licence.	
Point to Point Fixed Links		(a) Subject to paragraphs (b) and (d), for each co-ordinated bi-directional fixed link, the appropriate sum calculated in accordance with the formula set out in Part 1 of Schedule 7.	12 months
		(b) For each co-ordinated bi-directional fixed link added after the issue of the licence and where the additional links are operating co-channel and cross-polar, 50 per cent of the prescribed sum in paragraph (a).	12 months
		(c) For each uni-directional fixed link, 75 per cent of the prescribed sum specified in paragraph (a).	12 months
		(d) Where a temporary co-ordinated bi-directional or uni-directional fixed link (other than an additional link referred to in paragraph (b)) is added after the issue of the licence, such sum as represents one-twelfth of the prescribed sum on the issue of the	

<i>Class of licence</i>	<i>The sum payable on the issue of the licence and on the expiry of each prescribed payment interval</i>		<i>Prescribed payment interval</i>
	<i>Fixed sums</i>	<i>Variable sums</i>	
Self Co-ordinated Links		licence, multiplied by the number of complete calendar months beginning with the date of the addition of the link to the next anniversary of the issue of the licence. £50 for each 65 GHz fixed link.	12 months
Scanning Telemetry		(a) £410 for each channel used at a base station hub which is not subject to national channel arrangements.	12 months
		(b) For each 2 x 12.5 kHz national channel, £6,440 on the issue of the licence and on the first anniversary of issue of the licence, and £7,920 on the second and on any subsequent anniversary of the issue of the licence.	12 months
		(c) For each 1 x 12.5 kHz channel, 50 per cent of the prescribed sum specified in paragraphs (a) or (b) depending on whether or not the channel is used at a base station hub which is not subject to national channel arrangements.	12 months
Fixed Access	Wireless		
Fixed Wireless Access (3.4-4.2 GHz – Guernsey)	£5,000		60 months
Fixed Wireless Access (3.4-4.2 GHz – Isle of Man)	£5,000		60 months
Fixed Wireless Access (3.4-4.2 GHz – Jersey)	£5,000		60 months
Fixed Wireless Access (3.6-4.2 GHz)		(a) £8,436 for each 1 MHz national slot, where co-ordination is required with earth stations.	12 months
		(b) £2,226 for each 1 MHz national slot, where co-ordination is required with earth stations and fixed links.	12 months
Fixed Wireless Access (5.8 GHz)		£1 for each terminal, subject to a minimum fee of £50 for up to 49 terminals.	12 months

<i>Class of licence</i>	<i>The sum payable on the issue of the licence and on the expiry of each prescribed payment interval</i>		<i>Prescribed payment interval</i>
	<i>Fixed sums</i>	<i>Variable sums</i>	
Fixed Wireless Access (Guernsey)		(a) £1,800 for each 2 x 112 MHz channel in the 28.0525–28.1645 GHz, paired with 29.0605–29.1725 GHz, bands.	12 months
		(b) £1,800 for each 2 x 112 MHz channel in the 28.1925–28.3045 GHz, paired with 29.2005–29.3125 GHz, bands.	12 months
		(c) £1,800 for each 2 x 112 MHz channel in the 28.3325–28.4445 GHz, paired with 29.3405–29.4525 GHz, bands.	12 months
Fixed Wireless Access (Isle of Man)		(a) £2,133 for each 2 x 112 MHz channel in the 28.0525–28.1645 GHz, paired with 29.0605–29.1725 GHz, bands.	12 months
		(b) £2,133 for each 2 x 112 MHz channel in the 28.1925–28.3045 GHz, paired with 29.2005–29.3125 GHz, bands.	12 months
		(c) £2,133 for each 2 x 112 MHz channel in the 28.3325–28.4445 GHz, paired with 29.3405–29.4525 GHz, bands.	12 months
Fixed Wireless Access (Jersey)		(a) £2,533 for each 2 x 112 MHz channel in the 28.0525–28.1645 GHz, paired with 29.0605–29.1725 GHz, bands.	12 months
		(b) £2,533 for each 2 x 112 MHz channel in the 28.1925–28.3045 GHz, paired with 29.2005–29.3125 GHz, bands.	12 months
		(c) £2,533 for each 2 x 112 MHz channel in the 28.3325–28.4445 GHz, paired with 29.3405–29.4525 GHz, bands.	12 months
Maritime			
Coastal Station Radio (Marina)		£75 for each base station in respect of channels M (157.850 MHz), M2 (161.425 MHz) and channel 80 (157.025 MHz).	12 months
Coastal Station Radio (International)		£100 for each international maritime channel (except channel 80 (157.025 MHz)) per base station, provided that channels designated for emergency use shall not be taken into account.	12 months
Coastal Station Radio (UK)		£180 for each channel in respect of non-international maritime channels per base	12 months

<i>Class of licence</i>	<i>The sum payable on the issue of the licence and on the expiry of each prescribed payment interval</i>		<i>Prescribed payment interval</i>
	<i>Fixed sums</i>	<i>Variable sums</i>	
		station (including associated mobile stations).	
Coastal Station Radio (Training School)	£50		12 months
Differential Global Positioning System		(a) £250 for each channel per VHF station.	12 months
		(b) £1,000 for each channel per MF or UHF station.	12 months
Maritime Navigational Aids and Radar		(a) £40 for each frequency per navigational aid or radar station, except for the use of a pair of VHF channels A151 and A152.	12 months
		(b) £40 for each pair of VHF channels A151 and A152.	12 months
Maritime Radio (Suppliers and Demonstration)	£50		12 months
Ship Portable Radio	£15		12 months
Ship Radio	£20		12 months
Programme Making and Special Events			
Programme Making and Special Events Fixed Site		(a) For the issue of a licence—	None, save in relation to the sum which is to be paid upon the variation of a licence, where the prescribed time is the day of such variation
		(i) £24 for each channel per site in respect of a single channel talk-back or a single channel radio microphone;	
		(ii) £96 for each channel per site in respect of a multi-channel talk-back, a multi-channel radio microphone or a wideband channel; plus—	
	(iii) in a premium case, £55.		

<i>Class of licence</i>	<i>The sum payable on the issue of the licence and on the expiry of each prescribed payment interval</i>	<i>Prescribed payment interval</i>
	<i>Fixed sums</i> <i>Variable sums</i>	
	<p>(b) For the variation of a licence—</p> <p>(i) subject to paragraph (b)(ii), where a channel listed in paragraph (a)(i) to(ii) is added, such sum as represents one-twelfth of the sum payable for the issue of a licence for the type of channel to which the additional channel belongs, multiplied by the number of complete and part-complete calendar months beginning with the day of the addition of the channel to the next anniversary of the issue of the licence;</p> <p>(ii) where the aggregate sum payable for a variation of a licence in this paragraph in any case other than a premium case would otherwise be less than £24, a transaction charge only; plus—</p> <p>(iii) in a premium case, £55.</p>	<p>The day of the variation of a licence</p>
<p>Programme Making and Special Events Link</p>	<p>(a) Subject to paragraph (a)(liii), for the issue of a licence—</p> <p>(i) £2.25 for each channel of 12.5 kHz in the band 26–65 MHz for occasional use;</p> <p>(ii) £7 for each channel of 12.5 kHz in the band 65–470 MHz for occasional use;</p> <p>(iii) £2.25 for each channel of the 12.5 kHz in the band 470–1,000 MHz for occasional use;</p> <p>(iv) £14 for each channel (not being a telemetry or telecommand channel) of 0.5 MHz in the band 1–2 GHz for occasional use;</p> <p>(v) £14 for each telemetry or telecommand channel of 5MHz in the band 1–2 GHz for</p>	<p>None, save in relation to the sum which is to be paid upon the variation of a licence, where the prescribed time is the day of such variation</p>

<i>Class of licence</i>	<i>The sum payable on the issue of the licence and on the expiry of each prescribed payment interval</i>		<i>Prescribed payment interval</i>
	<i>Fixed sums</i>	<i>Variable sums</i>	
		occasional use;	
		(vi) £23 for each channel of 5 MHz in the band 2–5 GHz for occasional use;	
		(vii) £14 for each channel of 5 MHz in the band 5–8 GHz for occasional use;	
		(viii) £7 for each channel of 5 MHz in the band 8–20 GHz for occasional use;	
		(ix) £4.50 for each channel of 5 MHz in the band 20–40 GHz for occasional use;	
		(x) £2.25 for each channel of 5 MHz in the band above 40 GHz for occasional use;	
		(xi) £125 for each channel of 12.5 kHz in the band 26–65 MHz for multi use type (1) channels;	
		(xii) £388 for each channel of 12.5 kHz in the band 65–470 MHz for multi use type (1) channels;	
		(xiii) £125 for each channel of 12.5 kHz in the band 470–1,000 MHz for multi use type (1) channels;	
		(xiv) £777 for each channel of 0.5 MHz in the band 1–2 GHz for multi use type (1) channels;	
		(xv) £1,276 for each channel of 5 MHz in the band 2–5 GHz for multi use type (1) channels;	
		(xvi) £777 for each channel of 5 MHz in the band 5–8 GHz for multi use type (1) channels;	
		(xvii) £388 for each channel of 5 MHz in the band 8–20 GHz for multi use type (1) channels;	
		(xviii) £249 for each channel of 5 MHz in the band 20–40 GHz for multi use type (1) channels;	
		(xix) £125 for each channel of 5 MHz in the band above 40 GHz for multi use type (1) channels;	

<i>Class of licence</i>	<i>The sum payable on the issue of the licence and on the expiry of each prescribed payment interval</i>		<i>Prescribed payment interval</i>
	<i>Fixed sums</i>	<i>Variable sums</i>	
		(xx) £810 for each channel of 12.5 kHz in the band 26–65 MHz for multi use type (2) channels;	
		(xxi) £2,520 for each channel of 12.5 kHz in the band 65–470 MHz for multi use type (2) channels;	
		(xxii) £810 for each channel of 12.5 kHz in the band 470–1,000 MHz for multi use type (2) channels;	
		(xxiii) £5,040 for each channel of 0.5 MHz in the band 1–2 GHz for multi use type (2) channels;	
		(xxiv) £8,280 for each channel of 5 MHz in the band 2–5 GHz for multi use type (2) channels;	
		(xxv) £5,040 for each channel of 5 MHz in the band 5–8 GHz for multi use type (2) channels;	
		(xxvi) £2,520 for each channel of 5 MHz in the band 8–20 GHz for multi use type (2) channels;	
		(xxvii) £1,620 for each channel of 5 MHz in the band 20–40 GHz for multi use type (2) channels;	
		(xxviii) £810 for each channel of 5 MHz in the band above 40 GHz for multi use type (2) channels;	
		(xxix) £72 for each channel of 12.5 kHz in the band 26-65 MHz for primary regional channels;	
		(xxx) £225 for each channel of 12.5 kHz in the band 65-470 MHz for primary regional channels;	
		(xxxi) £72 for each channel of 12.5 in the band 470-1,000 MHz for primary regional channels;	
		(xxxii) £432 for each channel of 0.5 MHz in the band 1-2 GHz for primary regional channels;	

<i>Class of licence</i>	<i>The sum payable on the issue of the licence and on the expiry of each prescribed payment interval</i>		<i>Prescribed payment interval</i>
	<i>Fixed sums</i>	<i>Variable sums</i>	

(xxxiii) £750 for each channel of 5MHz in the band 2-5 GHz for primary regional channels;

(xxxiv) £432 for each channel of 5MHz in the band 5-8 GHz for primary regional channels;

(xxxv) £216 for each channel of 5 MHz in the band 8-20 GHz for primary regional channels;

(xxxvi) £144 for each channel of 5 MHz in the band 20-40 GHz for primary regional channels;

(xxxvii) £72 for each channel of 5 MHz in the band above 40 GHz for primary regional channels;

(xxxviii) £29 for each channel of 12.5 kHz in the band 26-65 MHz for secondary regional channels and primary area channels;

(xxxix) £90 for each channel of 12.5 kHz in the band 65-470 MHz for secondary regional channels and primary area channels;

(xl) £29 for each channel of 12.5 kHz in the band 470-1,000 MHz for secondary regional channels and primary area channels;

(xli) £172 for each channel of 0.5 MHz in the band 1-2 GHz for secondary regional channels and primary area channels;

(xlii) £300 for each channel of 5 MHz in the band 2-5 GHz for secondary regional channels and primary area channels;

(xliii) £172 for each channel of 5 MHz in the band 5-8 GHz for secondary regional channels and primary area channels;

(xliv) £86 for each channel of 5 MHz in the band 8-20 GHz for secondary regional channels and primary area channels;

<i>Class of licence</i>	<i>The sum payable on the issue of the licence and on the expiry of each prescribed payment interval</i>		<i>Prescribed payment interval</i>
	<i>Fixed sums</i>	<i>Variable sums</i>	
		(xlv) £58 for each channel of 5 MHz in the band 20-40 GHz for secondary regional channels and primary area channels;	
		(xlvi) £29 for each channel of 5 MHz in the band above 40 GHz for secondary regional channels and primary area channels;	
		(xlvii) £43 for each channel of 12.5 kHz in the band 26-65 MHz for programme sound link use;	
		(xlviii) £205 for each channel of 0.5 MHz in the band 1517–1525 MHz for programme sound link use;	
		(xlix) £12 for each channel of 12.5 kHz in the band 26-65 MHz for restricted service programme sound link use;	
		(l) £36 for each channel of 12.5 kHz in the band 65-470 MHz for restricted service programme sound link use;	
		(li) £12 for each channel of 12.5 kHz in the band 470-1,000 MHz for restricted service programme sound link use;	
		(lii) £100 for each channel of 0.5 MHz in the band 1517–1525 MHz for restricted service programme sound link use;	
		(liii) where the aggregate sum payable on the issue of a licence in this paragraph in any case other than a premium case would otherwise be less than £24, a transaction charge only; plus—	
		(liv) in a premium case, £55.	
	(b) For the variation of a licence—		The day of the variation of a licence
	(i) subject to paragraph (b)(ii), where a channel listed in paragraph (a)(xxix) to(xlviii) is added, such sum as represents one-twelfth of the sum payable for the issue of a licence for the type of channel to which the additional channel belongs, multiplied by the number of complete and part-		

<i>Class of licence</i>	<i>The sum payable on the issue of the licence and on the expiry of each prescribed payment interval</i>		<i>Prescribed payment interval</i>
	<i>Fixed sums</i>	<i>Variable sums</i>	
		<p>complete calendar months beginning with the day of the addition of the channel to the next anniversary of the issue of the licence;</p> <p>(ii) where the aggregate sum payable for a variation of a licence in this paragraph in any case other than a premium case would otherwise be less than £24, a transaction charge only; plus—</p> <p>(iii) in a premium case, £55.</p>	
Programme Making and Special Events Low Power		<p>(a) Subject to paragraph (a)(xi), for the issue of a licence—</p> <p>(i) £8 for each occasional use channel for a single channel radio microphone;</p> <p>(ii) £444 for each multi use type (1) channel for a single channel radio microphone;</p> <p>(iii) £2,880 for each multi use type (2) channel for a single channel radio microphone;</p> <p>(iv) £1,152 per primary channel in the British Islands for a single channel radio microphone;</p> <p>(v) £288 for each primary regional channel for a single channel radio microphone;</p> <p>(vi) £115 for each primary area channel for a single channel radio microphone;</p> <p>(vii) £460 for each secondary channel in the British Islands for a single channel radio microphone;</p> <p>(viii) £115 for each secondary regional channel for a single channel radio microphone;</p>	<p>None, save in relation to the sum which is to be paid upon the variation of a licence, where the prescribed time is the day of such variation</p>

<i>Class of licence</i>	<i>The sum payable on the issue of the licence and on the expiry of each prescribed payment interval</i>		<i>Prescribed payment interval</i>
	<i>Fixed sums</i>	<i>Variable sums</i>	
		<p>(ix) £48 for each occasional use of a multi-channel radio microphone or a single wideband channel;</p> <p>(x) £2,664 for each multi-use type (1) channel of a multi-channel radio microphone or a single wideband channel; plus—</p> <p>(xi) where the aggregate sum payable on the issue of a licence in this paragraph in any case other than a premium case would otherwise be less than £24, a transaction charge only; plus—</p> <p>(xii) in a premium case, £55.</p>	
		<p>(b) For the variation of a licence—</p> <p>(i) subject to paragraph (b)(ii), where a channel listed in paragraph (a)(iv) to(viii) is added, such sum as represents one-twelfth of the sum payable for the issue of a licence for the type of channel to which the additional channel belongs, multiplied by the number of complete and part-complete calendar months beginning with the day of the addition of the channel to the next anniversary of the issue of the licence;</p> <p>(ii) where the aggregate sum payable for a variation of a licence in this paragraph in any case other than a premium case would otherwise be less than £24, a transaction charge only; plus—</p> <p>(ii) in a premium case, £55.</p>	<p>The day of the variation of a licence</p>
UK	Wireless Microphone (Annual)	<p>(a) £75 for each shared Multi-channel or wideband channel in the British Islands, where the licensee has applied for the licence using the facilities for application and payment on the designated website.</p> <p>(b) In any case other than that specified in paragraph (a), £80 for each shared Multi-channel or wideband channel in the British Islands.</p>	<p>12 months</p> <p>12 months</p>
UK	Wireless	<p>(a) £135 for each shared Multi-channel or</p>	<p>24 months</p>

<i>Class of licence</i>	<i>The sum payable on the issue of the licence and on the expiry of each prescribed payment interval</i>		<i>Prescribed payment interval</i>
	<i>Fixed sums</i>	<i>Variable sums</i>	
Microphone (Biennial)		wideband channel in the British Islands, where the licensee has applied for the licence using the facilities for application and payment on the designated website. (b) In any case other than that specified in paragraph (a), £145 for each shared Multi-channel or wideband channel in the British Islands.	24 months
Public Wireless Networks			
Public Networks (2G Cellular Operator)	Wireless (2G Cellular Operator)	(a) £142,560 for each 2 x 200 kHz national channel in the 880.0-960.0 MHz band.	12 months
		(b) £110,880 for each 2 x 200 kHz national channel in the 1710.0-1880.0 MHz band.	12 months
Public Networks (2G and 3G Cellular Operator – Guernsey)	Wireless Operator – Guernsey)	£320 for each 2 x 200 kHz channel or slot.	12 months
Public Networks (2G and 3G Cellular Operator – Jersey)	Wireless Operator – Jersey)	£320 for each 2 x 200 kHz channel or slot.	12 months
Public Networks (2G and 3G Cellular Operator – Isle of Man)	Wireless Operator – Isle of Man)	£320 for each 2 x 200 kHz channel or slot.	12 months
Satellite Services			
Satellite Earth Station)	(Aircraft Earth Station)	For each network of earth stations installed in aircraft and operating in the 14.0-14.25 GHz band, the appropriate sum calculated in accordance with the formula set out in Part 1 of Schedule 8.	12 months
Satellite (Earth Station Network)		For each network of earth stations operating in the 14.0-14.25 GHz and 29.5-30.0 GHz bands, the appropriate sum calculated in accordance with the formula set out in Part 1 of Schedule 8.	12 months
Satellite (Earth Station - Non-Fixed Satellite Service)	£500.		12 months

<i>Class of licence</i>	<i>The sum payable on the issue of the licence and on the expiry of each prescribed payment interval</i>		<i>Prescribed payment interval</i>
	<i>Fixed sums</i>	<i>Variable sums</i>	
Satellite (Earth Station - Non-Geostationary)	£500.		12 months
Satellite (Earth Station on board Vessel)		For each network of earth stations installed on board vessels and operating in the 14.0-14.25 GHz band, the appropriate sum calculated in accordance with the formula set out in Part 1 of Schedule 8.	12 months
Satellite (Permanent Earth Station)		For each site (the area contained within a circle of a radius of 500 metres centred on a point defined by the licensee), the appropriate sum calculated in accordance with the formula set out in Part 2 of Schedule 8.	12 months
Satellite (Transportable Earth Station)		For each earth station operating in the 14.0-14.5 GHz band, the appropriate sum payable in accordance with Part 4 of Schedule 8 as determined by the power and bandwidth of the earth station.	12 months
Science and Technology			
Non-Operational Temporary Use		£50 for each channel per location each month.	
Non-Operational Development		£50 for each station or apparatus per location.	12 months.

SCHEDULE 3

Schedule 2

DESIGNATIONS OF HEAVILY CONGESTED, CONGESTED AND NON-CONGESTED AREAS FOR THE BUSINESS RADIO (ON-SITE LOCAL COMMUNICATIONS SYSTEMS) AND (ON-SITE SPEECH AND DATA SYSTEMS) LICENCES

<i>Designation of area</i>	<i>National Grid References for 10km x 10km areas</i>
Heavily congested	TQ 200700; TQ 200800; TQ 300700; TQ 300800
Congested	TQ 100700; TQ 100800; TQ 200900; TQ 300900; TQ 400700; TQ 400800
Non-congested	All National Grid References for 10 km x 10 km areas other than those designated as heavily congested or congested

SCHEDULE 4

Schedule 2

DESIGNATIONS OF HEAVILY CONGESTED, CONGESTED AND NON-CONGESTED AREAS FOR THE BUSINESS RADIO (IR 2008 DATA) LICENCE

<i>Designation of area</i>	<i>National Grid References for 10km x 10km areas</i>
Heavily congested	TQ 200700; TQ 200800; TQ 300700; TQ 300800
Congested	TQ 100700; TQ 100800; TQ 200900; TQ 300900; TQ 400700; TQ 400800
Non-congested	All National Grid References for 10 km x 10 km areas other than those designated as heavily congested or congested

SCHEDULE 5

Schedule 2

DESIGNATIONS OF HEAVILY CONGESTED, CONGESTED AND NON-CONGESTED AREAS FOR THE BUSINESS RADIO (WIDE AREA DISTRESS ALARM SYSTEMS), (WIDE AREA ONE-WAY PAGING AND SPEECH SYSTEMS), AND (WIDE AREA SPEECH AND DATA SYSTEMS) LICENCES AND FEES PAYABLE FOR THE BUSINESS RADIO (WIDE AREA SPEECH AND DATA SYSTEMS) LICENCE

PART 1

FEES PAYABLE FOR THE BUSINESS RADIO (WIDE AREA SPEECH AND DATA SYSTEMS) LICENCE

<i>Category</i>	<i>Fee £</i>		
	<i>Heavily congested</i>	<i>Congested</i>	<i>Non-congested</i>
A	1,640	820	410
B	820	410	205
C	328	164	82
D	200	100	75

PART 2

DESIGNATIONS OF HEAVILY CONGESTED, CONGESTED AND NON-CONGESTED AREAS

<i>Designation of area</i>	<i>National Grid References for 10km x 10km areas</i>
Heavily congested	TQ 200700; TQ 200800; TQ 300700; TQ 300800
Congested	TQ 100700; TQ 100800; TQ 200900; TQ 300900; TQ 400700; TQ 400800
Non-congested	All National Grid References for 10 km x 10 km areas other than those designated as heavily congested or congested

PART 3

DETERMINATION OF CATEGORY FOR FEES PAYABLE UNDER PART 1

Category	Number of mobile stations per channel location for relevant type of business use as declared by the licensee on application for a licence			
	Data dominant and data only users	Local government, and users of the 177 MHz-207.5 MHz frequency band	Taxi, minicab and courier companies	All other private business users
A	>375	>180	>113	>75
B	151-375	73-180	46-113	31-75
C	39-150	19-72	12-45	9-30
D	1-38	1-18	1-11	1-8

SCHEDULE 6

Schedule 2

DESIGNATIONS OF HEAVILY CONGESTED, CONGESTED AND NON-CONGESTED AREAS FOR THE BUSINESS RADIO (COMMON BASE STATION) LICENCE

Designation of Area	National Grid References for 10km x 10 km areas					
Heavily Congested	TQ 000500	TQ 100 500	TQ 200 500	TQ 300 500	TQ 400 500	TQ 500 600
	TQ 000600	TQ 100 600	TQ 200 600	TQ 300 600	TQ 400 600	TQ 500 700
	TQ 000700	TQ 100 700	TQ 200 700	TQ 300 700	TQ 400 700	TQ 500 800
	TQ 000800	TQ 100 800	TQ 200 800	TQ 300 800	TQ 400 800	TQ 500 900
	TQ 000900	TQ 100 900	TQ 200 900	TQ 300 900	TQ 400 900	
Congested	NX 300 000	NX 400 000				
	SC 100 600	SC 200 600	SC 300 600	SC 200 700	SC 300 700	SC 400 700
	SC 200 800	SC 300 800	SC 400 800	SC 300 900	SC 400 900	
	SD 200 000	SD 300 000	SD 400 000	SD 500 000	SD 600 000	SD 700 000
	SD 800 000	SD 900 000	SD 200 100	SD 300 100	SD 400 100	SD 500 100
	SD 600 100	SD 700 100	SD 800 100	SD 900 100		
	SE 000 000	SD 000100				
	SH 600 600	SH 700 600	SH 800 600	SH 900 600	SH 600 700	SH 700 700
	SH 800 700	SH 900 700	SH 600 800	SH 700 800	SH 800 800	
	SJ 000 000	SJ 400 000	SJ 500 000	SJ 600 000	SJ 700 000	SJ 800 000
	SJ 900 000	SJ 400 100	SJ 500 100	SJ 600 100	SJ 700 100	SJ 800 100
	SJ 900 100	SJ 200 200	SJ 300 200	SJ 400 200	SJ 500 200	SJ 600 200
	SJ 700 200	SJ 800 200	SJ 900 200	SJ 000300	SJ 100 300	SJ 200 300
	SJ 300 300	SJ 400 300	SJ 500 300	SJ 600 300	SJ 700 300	SJ 800 300
	SJ 900 300	SJ 000400	SJ 100 400	SJ 200 400	SJ 300 400	SJ 400 400
	SJ 500 400	SJ 600 400	SJ 700 400	SJ 800 400	SJ 900 400	SJ 000500
	SJ 100 500	SJ 200 500	SJ 300 500	SJ 400 500	SJ 500 500	SJ 600 500
	SJ 700 500	SJ 800 500	SJ 900 500	SJ 000600	SJ 100 600	SJ 200 600
	SJ 300 600	SJ 400 600	SJ 500 600	SJ 600 600	SJ 700 600	SJ 800 600
	SJ 900 600	SJ 000700	SJ 100 700	SJ 200 700	SJ 300 700	SJ 400 700
	SJ 500 700	SJ 600 700	SJ 700 700	SJ 800 700	SJ 900 700	SJ 000800
	SJ 100 800	SJ 200 800	SJ 300 800	SJ 400 800	SJ 500 800	SJ 600 800
	SJ 700 800	SJ 800 800	SJ 900 800	SJ 200 900	SJ 300 900	SJ 400 900
	SJ 500 900	SJ 600 900	SJ 700 900	SJ 800 900	SJ 900 900	

<i>Designation of Area</i>	<i>National Grid References for 10km x 10 km areas</i>				
SK 000 000	SK 100 000	SK 200 000	SK 300 000	SK 400 000	SK 500 000
SK 600 000	SK 000100	SK 100 100	SK 200 100	SK 300 100	SK 400 100
SK 500 100	SK 000200	SK 100 200	SK 200 200	SK 300 200	SK 400 200
SK 500 200	SK 000300	SK 100 300	SK 200 300	SK 300 300	SK 400 300
SK 000400	SK 100 400	SK 200 400	SK 300 400	SK 000500	SK 100 500
SK 200 500	SK 300 500	SK 000600	SK 100 600	SK 200 600	SK 000700
SK 100 700	SK 000800	SK 100 800	SK 000900		
SO 600 400	SO 700 400	SO 800 400	SO 900 400	SO 600 500	SO 700 500
SO 800 500	SO 900 500	SO 500 600	SO 600 600	SO 700 600	SO 800 600
SO 900 600	SO 500 700	SO 600 700	SO 700 700	SO 800 700	SO 900 700
SO 500 800	SO 600 800	SO 700 800	SO 800 800	SO 900 800	SO 400 500
SO 500 900	SO 600 900	SO 700 900	SO 800 900	SO 900 900	
SP 100 000	SP 200 000	SP 300 000	SP 400 000	SP 500 000	SP 600 000
SP 700 000	SP 800 000	SP 900 000	SP 000100	SP 100 100	SP 200 100
SP 300 100	SP 400 100	SP 500 100	SP 600 100	SP 700 100	SP 800 100
SP 900 100	SP 000200	SP 100 200	SP 200 200	SP 300 200	SP 400 200
SP 500 200	SP 600 200	SP 700 200	SP 800 200	SP 900 200	SP 000300
SP 100 300	SP 200 300	SP 300 300	SP 400 300	SP 500 300	SP 600 300
SP 700 300	SP 800 300	SP 900 300	SP 000400	SP 100 400	SP 200 400
SP 300 400	SP 400 400	SP 500 400	SP 600 400	SP 700 400	SP 800 400
SP 900 400	SP 000500	SP 100 500	SP 200 500	SP 300 500	SP 400 500
SP 500 500	SP 600 500	SP 700 500	SP 800 500	SP 900 500	SP 000600
SP 100 600	SP 200 600	SP 300 600	SP 400 600	SP 500 600	SP 600 600
SP 700 600	SP 800 600	SP 000700	SP 100 700	SP 200 700	SP 300 700
SP 400 700	SP 500 700	SP 600 700	SP 700 700	SP 800 700	SP 000800
SP 100 800	SP 200 800	SP 300 800	SP 400 800	SP 500 800	SP 600 800
SP 700 800	SP 000900	SP 100 900	SP 200 900	SP 300 900	SP 400 900
SP 500 900	SP 600 900				
SU 300 000	SU 400 000	SU 500 000	SU 600 000	SU 700 000	SU 800 000
SU 900 000	SU 300 100	SU 400 100	SU 500 100	SU 600 100	SU 700 100
SU 800 100	SU 900 100	SU 300 200	SU 400 200	SU 500 200	SU 600 200
SU 700 200	SU 800 200	SU 900 200	SU 300 300	SU 400 300	SU 500 300
SU 600 300	SU 700 300	SU 800 300	SU 900 300	SU 300 400	SU 400 400
SU 500 400	SU 600 400	SU 700 400	SU 800 400	SU 900 400	SU 300 500
SU 400 500	SU 500 500	SU 600 500	SU 700 500	SU 800 500	SU 900 500
SU 300 600	SU 400 600	SU 500 600	SU 600 600	SU 700 600	SU 800 600
SU 900 600	SU 200 700	SU 300 700	SU 400 700	SU 500 700	SU 600 700
SU 700 700	SU 800 700	SU 900 700	SU 200 800	SU 300 800	SU 400 800
SU 500 800	SU 600 800	SU 700 800	SU 800 800	SU 900 800	SU 100 900
SU 200 900	SU 300 900	SU 400 900	SU 500 900	SU 600 900	SU 700 900
SU 800 900	SU 900 900				
SZ 400 700	SZ 500 700	SZ 600 800	SZ 300 800	SZ 400 800	SZ 500 800
SZ 600 900	SZ 700 900	SZ 800 900	SZ 900 900	SZ 300 900	SZ 400 900
SZ 500 900					
TL 000 000	TL 100 000	TL 200 000	TL 300 000	TL 400 000	TL 500 000
TL 600 000	TL 700 000	TL 800 000	TL 900 000	TL 000100	TL 100 100
TL 200 100	TL 300 100	TL 400 100	TL 500 100	TL 600 100	TL 700 100
TL 800 100	TL 900 100	TL 000200	TL 100 200	TL 200 200	TL 300 200
TL 400 200	TL 500 200	TL 600 200	TL 700 200	TL 800 200	TL 900 200
TR 000100	TR 000200	TR 000300	TR 100 300	TR 200 300	TR 000400
TR 100 400	TR 200 400	TR 300 400	TR 000500	TR 100 500	TR 200 500
TR 300 500	TR 000600	TR 100 600	TR 200 600	TR 300 600	TR 400 600
TR 000700	TR 300 700				

<i>Designation of Area</i>	<i>National Grid References for 10km x 10 km areas</i>					
	TQ 000 000	TQ 100 000	TQ 200 000	TQ 300 000	TQ 400 000	TQ 500 000
	TQ 600 000	TQ 700 000	TQ 800 000	TQ 000100	TQ 100 100	TQ 200 100
	TQ 300 100	TQ 400 100	TQ 500 100	TQ 600 100	TQ 700 100	TQ 800 100
	TQ 900 100	TQ 000200	TQ 100 200	TQ 200 200	TQ 300 200	TQ 400 200
	TQ 500 200	TQ 600 200	TQ 700 200	TQ 800 200	TQ 900 200	TQ 000300
	TQ 100 300	TQ 200 300	TQ 300 300	TQ 400 300	TQ 500 300	TQ 600 300
	TQ 700 300	TQ 800 300	TQ 900 300	TQ 000400	TQ 100 400	TQ 200 400
	TQ 300 400	TQ 400 400	TQ 500 400	TQ 600 400	TQ 700 400	TQ 800 400
	TQ 900 400	TQ 500 500	TQ 600 500	TQ 700 500	TQ 800 500	TQ 900 500
	TQ 600 600	TQ 700 600	TQ 800 600	TQ 900 600	TQ 600 700	TQ 700 700
	TQ 800 700	TQ 900 700	TQ 600 800	TQ 700 800	TQ 800 800	TQ 900 800
	TQ 600 900	TQ 700 900	TQ 800 900	TQ 900 900		
	TV 400 900	TV 500 900	TV 600 900			

Non-
Congested All National Grid References for 10 km x 10 km areas other than those designated as heavily congested or congested

SCHEDULE 7

Schedule 2

FORMULA FOR CALCULATING THE APPROPRIATE SUM FOR THE POINT TO POINT FIXED LINKS LICENCE

PART 1

FORMULA

1. In this Schedule—

- (a) “the appropriate sum” means the amount in pound sterling, which is payable for a Point to Point Fixed Links Licence, calculated in accordance with the formula set out in paragraph 2; and
- (b) “*Availability*” means the minimum percentage of time that the fixed link is capable of functioning as set out in the licensee’s licence.

2. The formula is—

$$AS = Sp \times Bwf \times Bf \times Plf \times Avf$$

where—

“*AS*” means the appropriate sum;

“*Avf*” means the Availability Factor, being the number in Column 2 of the table set out in Part 5 as determined by the Availability (in per cent) as set out in Column 1 of that table;

“*Bf*” means the Band Factor, being the number in Column 2 of the table set out in Part 2 as determined by the range of frequency band (in GHz), if any, of a fixed link set out in Column 1 of that table in which the licensee’s band falls as declared by the licensee on application for a licence;

“*Bwf*” means the Bandwidth Factor, subject to paragraph 3, being the number corresponding to the bandwidth (in MHz) of a co-ordinated bi-directional fixed link (or a part thereof) as declared by the licensee on application for a licence;

“*MPL*” means the Minimum Path Length, being the number corresponding to the applicable (depending on the amount of data that can be transmitted over the bandwidth (“the data rate”)) length of the path (in kilometres) specified in Columns 2 and 3 of tables 1 or 2 set out in Part 4 as determined by the range of frequency band (in GHz), if any, of

a fixed link set out in Column 1 of those respective tables in which the licensee's band falls as declared by the licensee on application for a licence;

"PL" means the Path Length, being the number corresponding to the distance (in kilometres) between two fixed points of the link as declared by the licensee on application for a licence;

"Plf" means the Path Length Factor, being the number in Column 2 of the table set out in Part 3 as determined by the relationship between the PL and the MPL as set out in Column 1 of that table; and

"Sp" means the Spectrum Price, being a fixed sum of £88 per 2 x 1 MHz bandwidth for each co-ordinated bi-directional fixed link.

3. Where the number of the bandwidth (in MHz) of a co-ordinated bi-directional fixed link (or a part thereof) as set out in the licensee's licence is less than 1.0, the number of the Bandwidth Factor shall be 1.0.

PART 2

BAND FACTOR

<i>Column 1: Range of frequency band (fb)(in GHz)</i>	<i>Column 2: Band Factor</i>
$1.35 \leq fb < 2.69$	1.0
$3.60 \leq fb < 4.20$	1.0
$5.92 \leq fb < 7.13$	0.74
$7.42 \leq fb < 7.90$	0.74
$10.70 \leq fb < 11.70$	0.43
$12.75 \leq fb < 15.35$	0.43
$17.30 \leq fb < 19.70$	0.30
$21.20 \leq fb < 23.60$	0.30
$24.50 \leq fb < 29.06$	0.26
$31.00 \leq fb < 31.80$	0.26
$31.80 \leq fb < 33.40$	0.26
$37.00 \leq fb < 39.50$	0.26
$49.20 \leq fb < 57.00$	0.17

PART 3

PATH LENGTH FACTOR

<i>Column 1: Relationship between PL and MPL</i>	<i>Column 2: Path Length Factor</i>
$MPL \leq PL$	1
$MPL > PL$	Smaller of $(MPL / PL)^{0.5}$ and 4

PART 4

MINIMUM PATH LENGTH

Table 1

<i>Column 1: Range of frequency band (fb)(in GHz)</i>	<i>Column 2: MPL (km) where the data rate < 2 MBit/s</i>	<i>Column 3: MPL (km) where the data rate \geq 2 MBit/s</i>
$1.35 \leq fb < 2.69$	0	30

Table 2

<i>Column 1: Range of frequency band (fb)(in GHz)</i>	<i>Column 2: MPL (km) where the data rate < 140 MBit/s</i>	<i>Column 3: MPL (km) where the data rate ≥ 140 MBit/s</i>
$3.60 \leq fb < 4.20$	24.5	16
$5.92 \leq fb < 7.13$	24.5	16
$7.42 \leq fb < 7.90$	15.5	9.5
$10.70 \leq fb < 11.70$	10	6
$12.75 \leq fb < 15.35$	9.5	5.5
$17.30 \leq fb < 19.70$	4	2.5
$21.20 \leq fb < 23.60$	4	2
$24.50 \leq fb < 29.06$	3	2
$31.00 \leq fb < 31.80$	0	0
$31.80 \leq fb < 33.40$	2	1.5
$37.00 \leq fb < 39.50$	0	0
$49.20 \leq fb < 57.00$	0	0

PART 5

AVAILABILITY FACTOR

<i>Column 1: The percentage of Availability</i>	<i>Column 2: Availability Factor</i>
Availability ≤ 99.9%	0.7
99.9% < Availability < 99.99%	0.7 + (Availability x 100 – 99.9) x (0.3/0.09)
99.99% ≤ Availability	1.0 + (Availability x 100 – 99.99) x (0.4/0.009)

SCHEDULE 8

Schedule 2

FEES PAYABLE FOR THE SATELLITE (AIRCRAFT EARTH STATION), (EARTH STATION NETWORK), (EARTH STATION ON BOARD VESSEL), (PERMANENT EARTH STATION) AND (TRANSPORTABLE EARTH STATION) LICENCES

PART 1

FORMULA FOR CALCULATING THE APPROPRIATE SUM FOR THE SATELLITE (AIRCRAFT EARTH STATION), (EARTH STATION NETWORK) AND (EARTH STATION ON BOARD VESSEL) LICENCES

4. In this Part, “the appropriate sum” means the amount in pound sterling, which is payable for a Satellite (Aircraft Earth Station), (Earth Station Network) and (Earth Station on board Vessel) Licence, calculated in accordance with the formula set out in paragraph 2.

5. The formula is—

$$AS = \sqrt{433.4 \times \sum_n (BW_n \times P \times MOD_n)}$$

where—

“AS” means the appropriate sum;

“n” means, subject to paragraph 3, the number corresponding to the number of earth station terminals licensed for each network;

“ BW_n ” means the number corresponding to the number of aggregated accessible transmit bandwidth (in MHz) available to each earth station terminal as declared by the licensee on application for a licence;

“ MOD_n ” means the Modifier Value of 0.5; and

“ P_n ” means the number corresponding to the number of the Transmit Peak power (in Watts) appearing at the flange of the network terminal antennas as declared by the licensee on application for a licence.

6. Where the number of earth station terminals licensed in the network is less than 50, the number for “ n ” shall be 50 for each licence.

PART 2

FORMULA FOR CALCULATING THE APPROPRIATE SUM FOR THE SATELLITE (PERMANENT EARTH STATION) LICENCE

7. In this Part, subject to paragraph 3, “the appropriate sum” means the amount in pound sterling, which is payable for a Satellite (Permanent Earth Station) Licence, calculated in accordance with the formula set out in paragraph 2.

8. The formula is—

$$AS = \sqrt{433.4 \times \sum_{ijk} (BW_{ijk} \times P \times MOD_{ijk})}$$

where—

“ AS ” means the appropriate sum;

“ i ” means the number corresponding to the number of earth station terminals on a site as declared by the licensee on application for a licence;

“ j ” means the number corresponding to the number of satellites as declared by the licensee on application for a licence;

“ k ” means the number corresponding to the number of transmission paths as declared by the licensee on application for a licence;

“ BW_{ijk} ” means the number corresponding to number of the Transmit Authorised bandwidth (in MHz) as declared by the licensee on application for a licence;

“ MOD_{ijk} ” means Modifier Value, being the number in Column 2 of the table set out in Part 3 as determined by the range of frequency (in MHz), if any, of the earth station set out in Column 1 of that table in which the licensee’s band falls as declared by the licensee on application for a licence; and

“ P_{ijk} ” means the number corresponding to the number of the Transmit Peak power (in Watts) at the flange of the antenna of the earth station as declared by the licensee on application for a licence.

9. Where the amount in pound sterling calculated in accordance with the formula set out in paragraph 2 is less than £500, the appropriate sum shall be £500.

PART 3

MODIFIER VALUE FOR CALCULATING THE APPROPRIATE SUM FOR THE SATELLITE (PERMANENT EARTH STATION) LICENCE

Column 1: Range of frequency band (fb)(in MHz) Column 2: Modifier Value

5850 ≤ fb < 7075

1

<i>Column 1: Range of frequency band (fb)(in MHz)</i>	<i>Column 2: Modifier Value</i>
$12500 \leq fb < 12750$	0.5
$12750 \leq fb < 13250$	1
$13750 \leq fb < 14250$	0.5
$14250 \leq fb < 14500$	1
$17300 \leq fb < 17700$	0.5
$17700 \leq fb < 29500$	1
$29500 \leq fb < 30000$	0.5

PART 4

FEE PAYABLE FOR THE SATELLITE (TRANSPORTABLE EARTH STATION) LICENCE

10. The appropriate sum is the amount in pound sterling, which is payable for each earth station of a Satellite (Transportable Earth Station) Licence, specified in Column 2 of the table as determined by the range of p specified in Column 1 of the table in which the licensee's network falls.

11. In this Part—

- (a) “*OMP*” means the number corresponding to the number of the Operational Maximum Power (in Watts) as declared by the licensee on application for each earth station licence;
- (b) “ p ” means the total sum of *OMP* multiplied by *WBW*; and
- (c) “*WBW*” means the number corresponding to the number of the widest bandwidth (in MHz) as declared by the licensee on application for a licence.

<i>Column 1: Range of p</i>	<i>Column 2: Fee (£) per earth station</i>
$0 < p \leq 100$	200
$100 < p \leq 2,500$	1,000
$p > 2,500$	3,000

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations are made by the Office of Communications (“OFCOM”) under sections 1 and 2(2) of the Wireless Telegraphy Act 1998 (c. 6) (“the 1998 Act”) and section 403(7) of the Communications Act 2003 (c. 21) as applied by section 6(1) of the 1998 Act.

These Regulations provide for fees to be paid to OFCOM in respect of wireless telegraphy licences granted under section 1 of the Wireless Telegraphy Act 1949 (c. 54).

Regulation 1(2) provides that these Regulations extend to the Channel Islands and the Isle of Man.

Regulation 2 revokes the Wireless Telegraphy (Licence Charges) Regulations 2002 (S.I. 2002/1700 as amended by S.I.s 2003/2155, 2003/2983, and 2003/2984).

Regulation 4 makes provision for—

- (a) the types of fee payable to OFCOM as specified in, or determined in accordance with the provisions of, Schedules 2 to 8 (“the prescribed sum”);
- (b) when such fees are payable (“the prescribed time”);
- (c) an option of payment of prescribed sums for certain wireless telegraphy licences by ten monthly instalments rather than in one lump sum at the prescribed time;

- (d) prescribed sums not being payable in respect of the issue of a licence in order to effect a transfer of rights and obligations under a licence to another person under the Wireless Telegraphy (Spectrum Trading) Regulations (S.I. 2004/3153); and
- (e) in respect of any licence issued in order to effect such a transfer, the prescribed payment interval being treated as to commence and expire at the times when the corresponding payment interval would have commenced and expired under the licence from which the rights and obligations were transferred had the transfer not been made.

Regulation 5 makes provision for concessionary fees in respect of certain wireless telegraphy licences where such a licence is granted to an applicant, or held by a licensee, which is a charity and has as its object the safety of human life in an emergency. In providing for concessionary fees for such charities, regulation 5(3) refers to the Association of Guernsey Charities and the Association of Jersey Charities. The addresses of these Associations are c/o Guernsey Chamber of Commerce, States Arcade, St. Peter Port, Guernsey, and c/o Dover House, Domaine des Vaux, St. Lawrence, Jersey, respectively.

Regulation 6 provides that, where a sum is not prescribed by regulations made under section 1 of the 1998 Act whether on the issue of a licence or subsequently, there shall be paid to OFCOM such sum as OFCOM may in the particular case determine.

Copies of the 2nd series of Landranger maps published by the Ordnance Survey and referred to in regulation 3(1) are available from the Ordnance Survey's website at www.ordnancesurvey.co.uk.

Copies of the documents "Office of National Statistics Population Estimates Mid-2000 for England and Wales" (published in August 2001), "Mid-Year Population Estimates, Scotland" (published in June 2001) and "Annual Report of the Registrar General for Northern Ireland" (published in November 2001) referred to in regulation 3(5) may be obtained from The Stationery Office, Publications Centre, P.O. Box 276, London SW8 5DT.

Copies of the Radio Regulations referred to in regulation 3(5) may be obtained from the ITU Sales Service, Place des Nations, CH-1211 Geneva 20, Switzerland.

A full regulatory impact assessment of the effect that these Regulations will have on the costs to business is available to the public from the OFCOM Library at Riverside House, 2a Southwark Bridge Road, London SE1 9HA (Tel: 020 7981 3000) or on OFCOM's web site at www.ofcom.org.uk. Copies of this assessment have also been placed in the libraries of both Houses of Parliament.