

Satellite Internet

Response to the Designing the broadband universal service obligation - Call for inputs

1. We would agree that the minimum technical specification defined for the USO at a download speed of 10Mbps is appropriate.
2. However, we also strongly believe that, if too much significance is placed on other desirable but unnecessary factors mentioned (such as latency and jitter, for example), then there is a major risk of delivery technologies (such as satellite broadband) being excluded. This is despite their already proven suitability to provide a fast and robust broadband service to those premises at the edge of existing networks that other more traditional delivery technologies would never be able to reach without simply huge expenditures of both cost and time. The fact that a mix of alternative non-terrestrial technologies is required to deliver connectivity to the most remote of properties has already been accepted by DCMS/BDUK, as is demonstrated by their actions to fulfil the min 2Mbps Universal Service Commitment (USC) under subsidy with both FWA- and more importantly satellite-based solutions.
3. To provide a broadband service to the more challenging of premises, it is already clear that terrestrial-based delivery technologies would undoubtedly require either a completely unaffordable level of cost contribution from the customer or an unrealistically high level of funding from the public purse.
4. With today's technology, satellite-delivered broadband can already provide connectivity at download speeds of up to 30Mbps as has already been demonstrated in BDUK's Phase 3 Market Test Pilot Projects (within which we were one of the seven parties awarded a contract), with both Avanti and SES delivering satellite internet services to individual premises at this level. Needless to say, developments in satellite technology do not stand still and it is realistically expected that available services will continue to evolve and improve in terms of all aspects of performance over time.
5. The core point to note about satellite-delivered broadband is that to use terrestrial terminology every single premises within the UK has already effectively been passed in that every UK premises falls under the service coverage footprints of the two satellite operators currently capable of delivering services at up to 30Mbps download speeds.
6. As a result, this means that there is a very modest per premises fixed cost that is almost entirely known in advance for providing any UK-based property with access to a connection over satellite. This will fall into a very small pricing range, typically between £400 inc VAT to £600 inc VAT, dependant on the complexity of installation required. Equally importantly, providing satellite connectivity requires no speculative build or cost; no expenditure is required until and unless a premises wants to be connected to the service. This obviously offers the maximum levels of advantage possible in terms of expenditure/cost efficiency down to a granular per premises levels: no demand = no cost. This uniquely ensures that proportionality of cost is maintained at the most efficient levels realisable.

7. It is also worth noting that satellite-delivered broadband has the least impact in terms of disruption at the local level (no roads need to be dug up, no wayleaves need to be sought and there are largely no planning permission issues; for reference, our Phase 3 Pilot Project area was based in the Exmoor national park area and we had excellent support from the local planning body). Similarly, satellite-delivered broadband has minimal environmental impact; there's simply no need to install a march of masts across the countryside in order to deliver the service.

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11. As a small side point that regardless in our view is worth pointing out to avoid any potential confusion, it is noted with some surprise that there is the following reference within the OfCom document in point 1.13:-

The proportion adopting superfast broadband (capable of delivering speeds of 30Mbps or higher) is lower at 27%.

Our understanding is that superfast is a UK-specific term which refers to speeds in excess of 24.2Mbps. Services delivering speeds of 30Mbps or higher should correctly we believe be defined as Next Generation Access (NGA) compliant, which is an EU-wide definition.