

**Question 1: Do you think we should merge the Tonbridge and Maidstone areas and advertise a single licence, or advertise these as separate licences? Why? :**

With regard to the merging of these two locations, we believe that it is a consideration only for potential licensees. Given the current constraints outlined in the consultation summary as to coverage i.e. that the area would need to continue to be served by two transmitter locations, it is unlikely that material cost improvement could be made by altering the currently envisaged transmission facilities. This would, therefore, suggest that the costs to be charged by Comux to a licensee under a transmission services agreement would not be materially improved. As such, any decision to merge these two areas should be governed purely by potential licensee's requirements.

**Question 2: Do you think we should merge the Hereford and Gloucester areas and advertise a single licence, or advertise these as separate licences? Why? :**

Gloucester has not currently been proposed as a Phase 2 location. Given the estimated level of DPSA, then this location, assuming that it could be served by a single transmitter location, has a potentially favourable profile such that it could be included in the Phase 2 process on its own merits. With regard to merging this location with Hereford, we believe that this could be financially beneficial to a potential licensee, given that the two locations could be served by a single transmitter location. However, Gloucester is not a location to which Comux is committed to build, so any decision to merge these two areas would need to give concomitant consideration as to how any additional costs incurred in respect of Gloucester were to be funded. It does appear from a desktop analysis that the additional costs would be marginal and combining the costs would reduce the cost per home of providing a local TV service in Hereford & Gloucester.

**Additional comments:**