

**Title:**

Mr

**Forename:**

David

**Surname:**

Hall

**Representing:**

Organisation

**Organisation (if applicable):**

David Hall Systems Ltd

**Email:**

**What do you want Ofcom to keep confidential?:**

Keep nothing confidential

**If you want part of your response kept confidential, which parts?:**

**Ofcom may publish a response summary:**

Yes

**I confirm that I have read the declaration:**

Yes

**Ofcom should only publish this response after the consultation has ended:**

You may publish my response on receipt

**Additional comments:**

**Question 1: Do you consider that our proposed fee rates for licences in the aeronautical VHF frequencies are appropriate?:**

There is a range of values quoted though we are not convinced that this range is fully reflective of the spectrum value. We also consider that the approach used may be

invalid and that other methodologies for valuing the spectrum should have been included in the consultation document.

**Question 2: In devising our revised proposals, have we identified all of the aeronautical uses of VHF communications frequencies which require a distinct approach to fee setting, as set out in tables 5 and 6?:**

This appears to be a comprehensive list of the uses of this spectrum.

**Question 3: Do you agree with our proposal not to charge any fees for Fire assignments?:**

We agree with the proposals not to charge any fees.

**Question 4: Do you agree with our proposal to set a £75 fee for licences in any of the sporting frequencies?:**

This value is lower than some of the other proposed charges and there is a need to consider if this value is appropriate. We note that £ 75 is the minimum charge for PBR shared spectrum so the charge is consistent on this basis. However there does not appear to be any information to determine if this sharing value is appropriate. We consider that there should be some means to validate this value which is important to ensure that the spectrum is appropriately valued.

Another approach is to consider that the £ 75 is the admission charge to a private spectrum commons and once this charge has been paid the spectrum is effectively licence-exempt. We consider that there should be further justification of this approach.

**Question 5: Do you agree with our proposal to set an annual fee of £19,800 per ACARS or VDL assignment, with no variation related to the number of transmitters?:**

We consider that this spectrum is over-priced though it is difficult to determine a more realistic value. We are aware that just above this frequency band there is excess demand for PBR VHF channels in the London region. However even if the aviation VHF frequency band could be used more efficiently resulting in the release some spectrum it would not be possible to use this spectrum for PBR purposes. Paragraphs 5.14 and 5.15 of the consultation document provide reasoning as to why the aviation spectrum cannot be used for other purposes. However we consider that it is extremely unlikely that there will be any surplus spectrum in the aviation bands and that further work is required to confirm this.

Finally we note that the aviation spectrum values are based on the PBR spectrum values and we consider that this approach is inappropriate. The spectrum used for aviation purposes meets a very different need to that of PBR spectrum resulting in different benefits to society which should be reflected in differing spectrum values. Again we consider that this issue needs developing further.

**Question 6: Do you consider that our proposed approach to phasing in fees for use of the aeronautical VHF communications channels are appropriate? If there are particular reasons why you consider that any user or group of users would need longer phasing-in periods, please provide any supporting evidence for us to consider. Specifically, do you have any evidence for us to consider that would support either of Options 1 and 2 for the highest proposed fee in this sector?:**

Generally we agree with the phasing in proposals and option 2 appears to be more appropriate than option 1 as this allows time to adjust to the impact of having to pay these spectrum fees. We do not consider that the disadvantages of option 2 are that significant and the disadvantages are for a limited period only.

**Question 7: Do you have any further quantified information to contribute to the analysis of financial impacts of the proposed fees on particular spectrum users, as set out in Annex 5? We would like to publish all responses, but will respect the confidentiality of any material which is clearly marked as such.:**

The reference to Annex 5 appears to be incorrect and we wonder if it should be referring Annex 7 or Annex 8.

Annex 7 is very general and we consider that if it focused only on aviation a very different result would be obtained.

Annex 8 is based on a different approach to that used in Annex 7. However this annex is more closely addressing the impact of fees on particular users and we consider that this approach is appropriate and the results are valid. This approach also forms a good lead-in to the next question.

**Question 8: Do you consider that our assessment of the impacts of our proposals has taken full account of relevant factors? If you consider that there is additional evidence that would indicate particular impacts we should take into account, we would be grateful if you could provide this.:**

The assessment appears to have taken full account of all the factors. We also consider that the outcome of this assessment is generally correct. However the objective of introducing AIP was to provide some incentive for users to review their spectrum usage and use spectrum more efficiently. Based on this assessment it appears unlikely that this will happen. On this basis we wonder if there is any justification for introducing these proposals, particularly as it is difficult to evaluate the full impact of AIP.