- 1. I respond to your consultation as a pilot of light powered aircraft and gliders.
- 2. I find your proposals fundamentally flawed in many respects, only some of which I will respond to here. Other organisations, particularly the Light Aircraft Association, have addressed these matters more fully, and their comments have my full support.
- 3. At para 2.1 of your full paper, you list the two key questions on which the whole rationale for AIP rests:

Question 1 Does demand for its current use exceed supply and can fees charged to individual licence fee payers help to manage that demand?

Question 2 Is it feasible in the short to medium term to use this spectrum to meet excess demand for a different use, potentially beyond the aeronautical sector, and if so can fees help to achieve optimal spectrum use?

and confirm that where neither answer is yes, you do not propose to introduce AIP. You accept that the answer to the second question is no, so that only Question 1 is relevant. You state that the answer to Question 1 is yes, however nowhere in your paper or supporting material do I see any quantification of the extent by which demand exceeds supply, or any justification that there is any excess of demand. I accept that allocation of aeronautical frequencies is a complex process, requiring careful management, and you make much of this - but the need for careful management is not evidence of an excess of demand over supply. If, as you propose, the introduction of AIP will result in the transfer of frequencies amongst users, the complexity of management will not decrease just because more is paid for the licence - the same number of frequencies will still need to be managed, with the same problems of spatial allocation, international impact etc.

I understand that in discussion with the LAA you have raised the concept of "hidden excess demand". This seems to be an act of desperation, and confirms my suspicion that the whole of this exercise is about revenue generation, not efficient spectrum management. Unless you can <u>prove</u> that there is an excess of demand, and not just hypothesise that there may be an invisible one, the answer to Question 1 is <u>no</u>, and there is prima facie no case for AIP. The rest of the material you have generated is irrelevant; however I will make some further points, in no particular order of importance.

- 4. International agreements are leading to the progressive introduction of 8.33 kHz spacing, the rate of introduction no doubt linked to projections about a growing need to use the spectrum more efficiently. A sensible process, and one which, it might be thought, would lead you to propose that such introduction would remove the need for AIP in the future, even if it were justifiable now. But no you propose at para 7.10 that the licence fee would be applied pro rata; i.e. your thoughts are on revenue and not on whether the introduction of 8.33 kHz will avoid an excess of demand over supply.
- 5. You are proposing to increase the costs of an AFIS licence from £100 to £2600. A change to the status quo of this magnitude 2600% will almost certainly have impacts that you are unable to predict. You have recognised that some smaller users may wish to give up their radio service in the light of the increase, but suggest that the CAA may need to take action to ensure that safety is maintained ie you recognise that market forces do not lead to maintenance or improvement of safety standards, but that regulation can. Astonishingly, you still wish to propose AIP! Use of the aeronautical VHF spectrum is in the most part for the purpose of safety-related communication. All bodies involved in aviation strive to improve safety at least, until now. I am very impressed by the recent efforts of NATS in this regard, for example their investment in the London Lower Airspace Radar Service and the Airbox Aware airspace alerting device. They have given safety priority over revenue. It is therefore

bitterly disappointing to see a different agency putting revenue above safety. As the LAA cogently argue, the costs to society of a reduction in safety could, only too easily, far outweigh the revenue benefit of AIP.

6. In summary, you have not demonstrated that there is an excess of demand over spectrum availability, and therefore you have no authority to propose AIP. You have also failed to recognise that the problems of frequency allocation are unchanged by AIP, and that the safety cost of any impact of AIP has the potential to far outweigh the revenue benefit.