

## **BSP INPUT TO NICTA CONSULTATION**

Thank you for the opportunity to respond to NICTA's request for input on the above matter. As a user of radio spectrum both in PNG and offshore, BSP is an interested party in the development of policy and licensing fees.

In line with previous discussion between BSP and NICTA, BSP asks that NICTA take into consideration the following matters when setting fees, especially in relation the L factor. More specifically the nature of the economic activity of BSP.

Regarding fees associated with satellite hubs, BSP would like to formally highlight that we currently have several hubs deployed as redundant hubs. Essentially they are used only in the event that the primary hub has failed. At no time can both hubs be used simultaneously. We therefore request that NICTA consider a licensing regime that provides the ability to run a primary hub and allows for a back up hub at no additional cost. Both primary and secondary hubs operate on the one spectrum allocation switching from primary to the secondary hub in the event of a failure.

The second matter BSP seeks consideration on is "the nature of the economic activity in the area" in which BSP operates. While BSP is a user of satellite and other radio technologies, we are not directly generating revenue from our communications services nor are we reselling any services. VSATs are critically important to BSP especially in rural and remote locations. Today they are deployed as a backup service to Telikom's data services due to the frequency and duration of outages. We therefore request a license fee for the "L" factor that takes into account BSP business which is as a financial service provider and not a communications provider. Furthermore the areas in which these services are deployed are the more remote locations that are vulnerable to terrestrial link outages which can have significant negative impacts on remote communities.

Again thank you for the opportunity to respond. Please feel free to contact me should you require further information or clarification.

Regards,

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