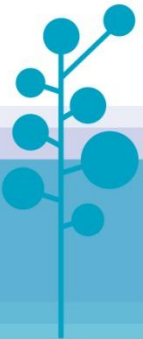


Digital Dividend

8 September 2011, Rendezvous Hotel

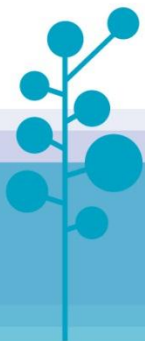
1. Agenda

- 9.00 Opening Remarks & Overview of Consultation and Decision Process
- 9.10 Technical Developments and Band Plan Proposals / Timing
- 9.50 Potential Reservations
- 10.30 Break
- 10.45 Competition Controls
- 11.25 Allocation Methodology and Timing
- 11.40 General Q&A
- 12.00 Close



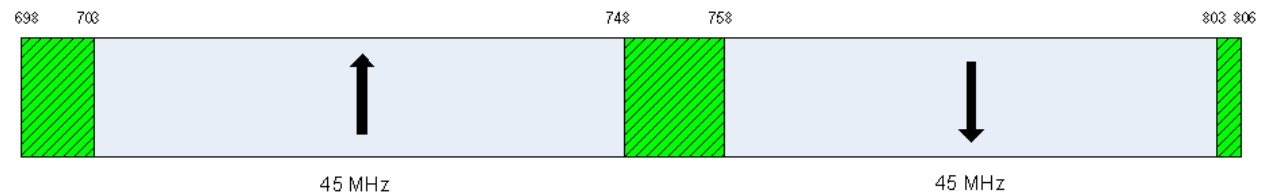
Key Dates

26 August 2011	Discussion document released
7 October 2011	Submissions close
9 November 2011	Cross submissions close
Steps and dates tentative and dependent on consultation outcomes from here...	
Dec 2011 – Mar 2012	MED analysis, possibly commissioning some independent advice
Apr 2012	CAB report & decision
May – Sep 2012	Auction design & rules
Nov 2012	Auction
Dec 2012	Management Rights Assigned
Nov 2013	Digital Switch-over
Dec 2013	Spectrum available for use

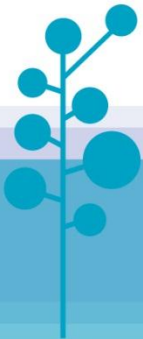


2. Technical Developments

- International developments – mobile broadband
- ‘APT’ Band Plan – suited for FDD mobile broadband, 2x45 MHz

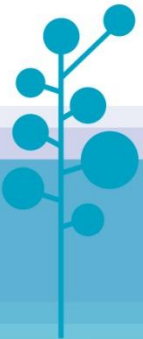


- Handset Availability: standards and duplexers
- Propose 2x5 MHz blocks for allocation



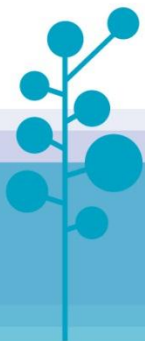
3. Potential Reservations

- Public Safety (PPDR)
- Potential set aside for a new market entrant
- Maori interests in Spectrum



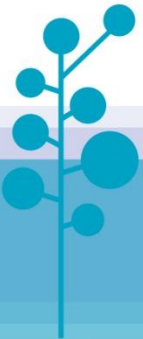
4. Competition Considerations

- Spectrum ‘caps’ – 2x15 MHz
 - Allow one party to exceed the cap, to acquire 2x20 MHz, subject to additional controls either:
 - 2x30 MHz cap below 1GHz; or
 - ‘sell down’ requirement should a new entrant appear over the life of the Right
- ‘Use or Lose’
 - 50% population coverage of 4G services within 5 years



5. Allocation Methodology

- Auction – to determine highest value use and users
- Detailed rules and design to be prepared next year
- Aim for an allocation process in late 2012.



6. General Q&A

Proposal Summary

- APT Band Plan – 2x45 MHz
- 2x5 MHz blocks for a period of 18 years
- Spectrum Caps of 2x15 MHz
 - Allow one party to exceed the cap, to acquire 2x20 MHz, subject to additional controls either:
 - 2x30 MHz cap below 1GHz; or
 - ‘sell down’ requirement should a new entrant appear over the life of the Right
- Implementation - 50% population coverage within 5 years
- Auction rules developed mid-2012.

