

Positive outcome from Spectrum Park consultation

Hon David Cunliffe, Minister for Communications and Information Technology - 5 September 2008.

Communications and Information Technology Minister David Cunliffe today announced the outcomes of consultation on the operation of the Managed Spectrum Park (MSP) in the 2.5 GHz radio spectrum band.

The MSP is a new concept in New Zealand for local and regional broadband services, such as Wi-MAX. It encourages a flexible, cooperative, low cost and self-managed approach to the allocation and use of radio spectrum.

In June, a discussion paper on proposals for the operation of the Spectrum Park was released for public comment. Submissions were received from a range of groups including iwi, local and regional councils and internet service providers.

“Overall, there was strong support for the proposed approach to management of the park which provides for maximum technological flexibility and neutrality. Most of the detailed rules were supported, although a number of amendments were proposed.”

Following consideration of the submissions, the following changes have been made:

- The maximum area of a MSP licence has been increased from 10 territorial local authorities (TLAs) within close proximity of each other to 15 TLAs that may or may not be within close proximity to each other, provided that only one main centre is included
- The time for the initial application round has been extended from 3 to 6 months. This is to allow applicants more time to develop their business plans and secure investment funding.

The Ministry of Economic Development will now finalise the rules and application documentation with a view to inviting applications by the end of 2008. The [detailed timetable](#) is available on the Ministry's website.

More information

The summary of submissions is available [here](#).

Any inquiries should be made to radiospectrum@med.govt.nz

Background

In June 2008, a discussion paper on proposals for operation of the Managed Spectrum Park in the 2.5 GHz band was released for public comment. This followed the decisions announced by the government in November 2007 concerning the use and allocation of radio spectrum in the 2.3 GHz and 2.5 GHz bands.

In addition to the auction of 8 lots of spectrum in December 2007, 2 further lots were made available as part of the allocation process for radio spectrum in these bands. A 45 MHz lot was reserved for a "managed spectrum park" (MSP). Also, a nationwide lot of 25 MHz was reserved for Maori.

The June 2008 [discussion paper](#) proposed an approach which provides for maximum technological flexibility and neutrality.

The key components of the proposed approach are:

- The MSP is available only for local and regional services covering a maximum of 10 contiguous Territorial Local Authority (TLA) areas. (Following the consultation, this has now been changed to 15 contiguous or non-contiguous TLAs, provided that only one main centre is included.)
- Users determine the specifications of licences, thereby providing for technology neutrality and flexibility.
- Where the demand for licences in an area is such that quality of service is potentially compromised, a period is set for applicants to coordinate and agree on revised specifications. If they cannot do so, the Ministry of Economic Development draws lots progressively to eliminate applications, until the remainder can be accommodated.
- Licences have a 6-year term with a right of renewal on certain conditions.
- “Use-or-lose” provisions apply, meaning certain consequences may follow if a licence is not used sufficiently.
- A resource rental is charged for use of the MSP.