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RADIO SPECTRUM POLICY

INTERFERENCE EVALUATION BROADCASTING LICENCES

1. Policy.

Where tests are required to assess the long term suitability of a frequency, short term licences may be issued, with a requirement that transmissions will cease if there is any interference to existing users. Where there is competing demand for an interference evaluation licence, the Ministry will select the first recipient of the licence based on the licence most likely to test the interference limiting criteria for a long term licence. Subsequent licences may be issued so that the greatest number of people have the opportunity to evaluate the long term suitability of the frequency.

2. Specific Criteria.

The following conditions are given effect through contractual arrangements.

Conditions for Interference Evaluation Licences:

1. A signed cancellation notice must be provided so that the licence may be cancelled by the Ministry if interference occurs.
2. A refundable deposit of \$5,000 will be required prior to the issue of the licence for any costs incurred by the Ministry as a result of the licensee's transmissions. These could include the cost of any enforcement action that the Ministry might take to stop transmissions, and any costs following third party legal action. The deposit may also be applied as a surety for a resource rental if any is payable (see 3 below).
3. If the long term suitability of the frequency is confirmed by tests, the frequency would be offered for tender (unless it meets the criteria for 'low value licences'). A resource rental calculated in accordance with the table below would be charged for each month of the term of the licence. The licence holder would also have first priority for any temporary pending tender licences until the long term right is tendered.

The following table will be used to calculate the resource rental:

Resource Rental Table

Term of licences to be tendered (years)	Monthly resource rental (ie. % of tender price)
18-20	0.55
16-18	0.60
14-16	0.65
12-14	0.75
10-12	0.90
8-10	1.10
6-8	1.45
5-6	1.75
4-5	2.20
3-4	2.90
2-3	4.35
1-2	8.75
0-1	17.90

3. Background.

As the radio spectrum becomes more congested, the degree of technical compatibility between existing and proposed new frequencies becomes more difficult to resolve.

The resource rental policy ensures that a charge is made only where some commercial advantage could be gained from the temporary use, ie through the confirmation of the long term suitability of the frequency.

Approved By:

**Manager
Radio Spectrum Policy**