8SAT RESPONSE TO SUBMISSIONS RELATING TO LAP VARIATIONS FOR THE REMOTE CENTRAL ZONE

The Draft Licence Area Plan for remote Central and Eastern Australia was posted on 5 September 2005.

Submissions on the Draft LAP were provided by:

- Austereo
- Commercial Radio Australia
- Radio Murray Bridge Pty Ltd
- Rebel Radio Network
- Southern Cross Broadcasting
- Star Broadcasting Network

It is 8SAT’s contention that these submissions contained serious flaws particularly in relation to matters of overspill and should therefore be disregarded in any final consideration of variations to the licences involved. Our specific objections in relation to these submissions are set out below.

**Background**

8SAT sought variations to the licenses in order to meet its obligations under the DCITA, Black Spot Funding Program. The Variations were designed to provide quality coverage from fewer frequencies in order to cover large localized population numbers in the Remote Central Zone.
8SAT has worked with ACMA to develop an engineering plan that maximizes the opportunity to provide people in remote localities with a commercial radio service and makes more efficient use of the spectrum. At the same time it minimizes the impact on other users of the radio spectrum.

The fact that it has achieved the last of these objectives is evident from the fact that most re-transmission licenses in the LAP specification have been active for between five and thirty months and in most cases at the current specification with no complaints or verified overspill issues registered by adjacent licensees.

The Submissions

The key submission is that of the CRA. This comprises a submission and an engineering report. Other submissions by individual license holders by and large rely on or endorse the position taken in the CRA submission and attachment.

It is worth noting that those license holders, members of the CRA, who oppose the Draft License, were given access to the CRA paper before submission. However 8SAT who is also a member of the CRA was not provided with a copy of the submission prior to posting. It was therefore unable to correct errors in the CRA submission.

The CRA Submission

8SAT disputes the following matters in the CRA submission.
1. The proposed changes will undermine the valuation of the incumbent services in the adjoining license areas.

It is 8SAT’s contention that no specific urban centres are served by the variation and so it is difficult to see how the valuation of licenses can be affected. In no case is there a centre or a rural region where the 8SAT has been measured at levels approaching 54dbu/mV consequently there is no evidence of meaningful penetration into an adjacent license area.

2. The proposed changes will introduce additional commercial radio services to compete for the limited advertising revenue available in the adjoining license areas.

This assertion is factually incorrect. There are no additional radio services being created by the variations. The purpose of the variation is to strengthen the existing service into black spot areas that at the moment receive no commercial service. There is no evidence of any new services being provided to any adjacent license areas and consequently no competition for advertising revenues in those areas.

3. The changes go beyond what is necessary to ensure that 8SAT adequately serves audiences in its license area.

The variations to the license have been carefully developed by ACMA to ensure that additional listeners are able to receive commercial radio for the first time while at the same time preventing overspill into adjacent license areas. In order to refute the proposed changes the CRA should, at the very
least, have demonstrated how the same levels of audience could be achieved with a different license regime.

4. Listeners are well served by existing services in the adjoining license areas and it is technically possible to limit the level of 8SATS overspill into adjoining areas.

If this were the case then there would be no requirement for the “Black Spot” policy. As indicated the purpose of the variations is to provide new services to listeners who reside in or are passing through the 8SAT license area.

Moreover a number of licensees who adjoin the 8SAT areas have admitted that they do not provide adequate services within their own areas. It has been admitted by Star Broadcasters that they do not serve Waikerie within their Riverland license area. In addition the centres of Burra, Clare, Kimba, Elliston, Cleve, and Cowell currently receive inadequate services, a matter which could have been rectified if the licensees had had recourse to the Black Spot Funding Program.

5. The proposed changes will create a dangerous precedent which could undermine the integrity of the LAP process.

It is difficult to see how the implementation of Government policy can set a “dangerous precedent”. However the CRA may mean that any implementation of a license which inadvertently results in overspill sets a “dangerous precedent”. If this is the case 8SAT would welcome the
application of technical rules designed to limit overspill provided they were applied equitably to all license holders.

In summary 8SAT does not believe that the CRA’s submission objective is to modify the implementation of Government policy while at the same time realizing its objectives of bringing radio to remote listeners. It is clear that the objective is to place severe restrictions on the commercial viability of 8SAT which is the antithesis of Government policy.

The CRA Engineering Report

The CRA sought a report from Mr. Bob Greeny who has previously consulted for them on LAP variations.

Mr. Greeny concluded that all of the variations related to 8SAT should be challenged for excessive overspill. However the report includes no standard against which to objectively assess such a claim. In particular Mr. Greeny eschews the use of the 54 dbu m/V standard as a benchmark for overspill in rural areas or in urban centres of over 1000 people.

In relation to the specific areas referred to in Mr. Greeny’s report, 8SAT has the following comments.

97.7 Coonalpyn

The assertion is that 97.7 is likely to reach 10,000 people in the Murray Bridge license area. However the total population in the region that could
possibly be impacted is no more than 3,000. Of these a large proportion are in Tailem Bend and 97.7 does not reach Tailem Bend. The 8SAT license does cover the rural area between Coonalpyn and Meningie and includes part of Meningie. However Meningie is not deemed to be an urban centre as determined by ACMA.

99.5 Kapunda

The assertion by Mr. Greeny that 5,000 people could be affected by the variation is unsupported by substantive evidence.

95.3 Perponda

Mr. Greeny asserts that 10,000 Murray Bridge listeners will be impacted by this transmitter. This is a gross exaggeration.

Perponda is the only rise around the Karoonda area and provides good coverage to the North and East which was the point of the variation. Larger hills to the west near Mannum and the presence of the River Murray and the associated cliff lines protect Mannum from excessive overspill. The use of a 500 watt transmitter 55 kilometres from Murray Bridge combined with the fact that the bulk 5MU and 5 EZY listeners live in the river valley out of line of sight of Perponda, means that any overspill, by 8SAT is likely to be miniscule.
95.5 Kingscote

Mr. Greeny claims that this site will produce “serious overspill into Adelaide and 5MU license areas,.. notably Victor Harbour, Goolwa and Strathalbyn.” 8SAT testing shows that the 95.5 signal cannot be heard in any building in Victor Harbour’s main street. This is explained by the fact that the 95.5 transmitter is located at 80 metres and Victor Harbour is obscured from the 8SAT service by the high cliffs and hills above Newland and Rosetta Heads plus the fact that it is located behind the line of sight contour at Encounter Bay. Moreover Victor Harbour is located 90 kilometres from the transmitter. The nearest Adelaide license mainland centre is Normanville 70 kilometres from the transmitter.

107.3 Kingston SE

Mr. Greeny has not identified the site but he was prepared to guess that 5000 people would be affected by overspill. ACMA planning in conjunction with 8SAT shows that this is the only cost effective way of planning a service to reach Kingston and Robe with rural grade stereo and provide a mono road coverage to Lucindale. These sites are all within the 8SAT license area.

90.9 Maitland

The comment by Mr. Greeny that 8SAT has low numbers of people to the east in its license area is factually incorrect. 8SAT needs stronger field strengths to the east for both Maitland and Minlaton areas as most of the
population for the Yorke Peninsula are located at Port Clinton, Price, Ardrossan, Pine Point, Port Vincent, Stansbury, Coobowie, and Edinburgh. The only sensible way of serving the low lying Yorke Peninsula is from centrally located sites that enable reception to both coastlines.

This site is currently operating and there is no evidence of over water coverage on the Adelaide coastline. This is because the site is inland on the Peninsula and is approximately 100 kilometres from the Adelaide coast. Contrary to Mr. Greeny’s opinion, 90.9 is not heard on Adelaide’s beaches and there is no service into Adelaide.

98.9 Minlaton

Mr. Greeny’s opinion on this site seems to indicate a lack of understanding of the ACMA plan for this transmitter. This is evidenced by the fact that he believes that it is “likely to reach a significant proportion of the Adelaide licence area.” The planning toward Adelaide is much more conservative than is necessary with 1Kw in the easterly direction.

The 8SAT signal is insignificant when compared with the penetration by Adelaide stations operating from Mt. Lofty into the 8SAT area.

100.3 Padthaway

Mr Greeny claims that 8000 people receive overspill at quality levels from this transmitter.
We have tested this claim in Naracoorte and could not receive a distinguishable signal. This was confirmed by a number of businesses in the town who were unaware of the 8SAT service.

96.5 Pinnaroo

We note that there is no quantification of the overspill in relation to this transmitter. This is likely to be because the area is so sparsely populated and any assertion in relation to it is frivolous.

In summary we believe that Mr. Greeny’s quantification of overspill amounts to no more than an estimate. It takes no account of the local circumstances of each area. Accordingly it is of very limited utility and should not constitute a basis for rejecting the license variations.

Finally we would note that 8SAT experiences significant over-spilling from adjacent license holders in the following areas Maitland, Port Vincent Ardrossan, Karoonda, Coonalpyn, Kingscote, Kapunda, Kingston, Robe, Kybybolite, Padthaway, Buxton, Lake Mountain, Marysville, Yellingbo, Hoddles Creek, Woori Yallock South and Healesville East.