



Date:
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Dear Mr. Mchunu

**ESKOM'S COMMENTARY ON THE DRAFT RADIO FREQUENCY SPECTRUM
FEES REGULATIONS**

We thank you for granting us an opportunity to comment on the abovementioned regulations as part of the consultation process being driven by the Independent Communications Authority of South Africa.

Herewith please find our comments.

Yours Faithfully


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DRAFT RADIO FREQUENCY SPECTRUM FEES REGULATIONS

COMMENTS BY ESKOM

29 APRIL 2009

COMMENTS BY ESKOM ON THE REGULATIONS

**PUBLISHED FOR GENERAL COMMENT IN THE GOVERNMENT
GAZETTE 32029 NOTICE 304 OF 16 MARCH 2009
("REGULATIONS")**

CLAUSE	COMMENT
8(a)(i)	The table provided is not for the Frequency Factor (FREQ) but for the ASTER Factor. As such the, regulation has not provided the frequency band range factors.
8(e)(i)	Unless the number of licensees sharing the frequency spectrum is limited to two the proposed sharing factor value table should not be used, rather this formula $1/(\text{number of licensees sharing the frequency spectrum})$ must be used to determine the sharing factor value.
8(g)	The regulation does not say what the value of HOPMINI factor is or how it's supposed to be calculated hop distances longer than the specified minimum hop distance. The proposal would be to use the same formula used for shorter than minimum hop lengths.

1. Eskom would like to propose that a specific clause for providers of essential services such as the maintenance and operation of the power and transport grid, emergency services, etc be provided for in the legislation.
2. Without this protection, such service providers will inevitably be subjected to high spectrum fees, as a result of the competition for radio frequencies.
3. The clause therefore must protect the utilities from escalating cost in providing essential services; a consequence that may result from competition for spectrum.
4. Eskom would like to propose that providers of essential services be granted a special set of values for factors used in the formulas to calculate the spectrum fees.

CONCLUSION

Eskom would like to extend its appreciation to the Independent Communications Authority of South Africa for the opportunity to influence the provisions of the Regulations. We trust that our comments have been constructive and that they are of assistance in finalising the Regulations. In the event that further clarification or information is required, Eskom would be more than happy to provide same.