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February 27, 2020

Advisor (NSL)
Telecom Regulatory Authority of India (TRAI)
Mahanagar DoorSanchar Bhawan
Jawahar Lal Nehru Marg, (Minto Road)
New Delhi-11 0002
INDIA

Regarding: TRAI's Consultation Paper on 'Provision of Cellular backhaul connectivity via Satellite through VSAT under Commercial VSAT CUG Service Authorization'

Dear Sir or Madame:

In referring to the above Consultation Paper, OneWeb provide the attached comments. Thank you for your consideration.

Sincerely,



Ruth Pritchard-Kelly
Vice President, Regulatory Affairs
OneWeb
E-mail: ruth@oneweb.net

February 27, 2020

Network Access Associates Limited (trading as “**OneWeb**”) would like to thank the Telecom Regulatory Authority of India (TRAI, or The Authority) for the opportunity to comment on this important consultation Paper on the ‘Provision of Cellular backhaul connectivity via Satellite’ issued on 29th January 2020. The Consultation Paper provides all relevant facts including licensing and regulatory constraints for VSAT providers under Commercial VSAT CUG Service Authorization’ under Unified Licensing. The NDCP 2018 aims to pursue regulatory reforms in the Telecom sector to ensure that the regulatory structures and processes remain relevant, transparent, accountable and forward-looking. Additionally, the Policy aims to remove regulatory barriers and reduce the regulatory burden that hampers investments, innovation and consumer interest. The Policy also recognises various types of networks and technologies deployments under ‘Connect India’ including strengthening the use of Satellite Communications Technologies for providing broadband. Further, the Policy has mandated a review of the regulatory regime for satellite communication technologies, including revising licensing and regulatory conditions that limit the use of satellite communications, such as speed barriers, band allocation, simplifying compliance requirements for VSAT operators to ensure faster roll out and expanding the scope of permissible services for the effective utilisation of High Throughput Satellites (HTS) through appropriate licensing mechanism.

In the Consultation paper, the Authority has rightly observed that the charging mechanism for VSAT related services under NLD License/ Authorization is formulae-based and governed by the formula prescribed by DoT Order No. P-11014/34/2009-PP (III) dated 22.03.2012. The Royalty charge is applied to the total licensed bandwidth of each frequency of any type of the satellite-based Radio-communication network (including ILD, NLD, Teleport, DSNG, DTH, VSAT, INMARSAT and Satellite Radio). The method of calculating SUC Charges (Royalty Charges) towards frequency authorizations results in different charges under the Commercial VSAT CUG Service Authorizations and NLD Service Authorization. Therefore, the Consultation explores a shift of the calculation of Royalty Charges of satellite-based system from the existing formula to AGR-based for Access Services as well as for NLD Service Authorizations for same type of technology though the scope of licence is different.

The specific comments of OneWeb on the questions raised in the Consultation paper are below:

Q1. Keeping in view the connectivity requirements in remote and difficult areas, should the Commercial VSAT CUG service provider be permitted to provide backhaul connectivity for mobile services and Wi-Fi hotspots via Satellite? Please justify your answer.

OneWeb respectfully notes that Wifi backhaul is already permitted under the Commercial VSAT CUG authorization under the Unified License.

As regards the use of VSAT terminals of Commercial VSAT CUG service for providing backhaul connectivity to TSPs, OneWeb is of the opinion that the character of commercial VSAT CUG may be retained in the existing form to serve its purpose. However, the sharing of VSAT hub and VSAT Terminals of Commercial VSAT CUG Licensees and NLD services may be allowed, so as to tap the available resources wherever found feasible under active infrastructure. It will facilitate optimal utilisation of resources, better productivity, reduction in costs and overall increase in efficiency. Furthermore, the Government should also adopt similar spectrum charging mechanisms for VSATs operating under both categories of service authorisation. i.e., NLD services and Commercial VSAT CUG services. This will enable VSATs for backhauling under the NLD licence which access service providers can use within the terms and conditions of their licences.

2. Whether the scope of Commercial VSAT CUG Service Authorization be enhanced under both Unified License and UL(VNO) license to enable the provision of the said backhaul connectivity? Please justify your answer.

The scope of existing Commercial VSAT CUG Service Authorizations does not permit the use of VSAT terminals for cellular backhauling. Further, Access Service Providers may not make arrangements with Commercial VSAT CUG due to clause 2.2 in the licence agreement which says that *the Licensee may also enter into mutual agreements with other UL Licensee (with authorization for access service)/ other Access service licensee/National Long Distance Licensee for carrying its intra-Circle Long Distance traffic*'. Enhancement and sharing of infrastructure means overriding the scope of the NLD licence. It may be mentioned that NLD can provide VSAT terminals for backhauling as per existing terms and conditions. However, the same is not provided due to very high spectrum charging of VSAT operating under NLD service.

Q3. Should the licensee having authorization for both Commercial VSAT CUG and NLD services be allowed to share VSAT Hub & VSAT terminals for the purpose of providing authorized services? Please justify your answer.

In view of the above, OneWeb is of the view that Authority should recommend that VSAT terminals under NLD service as well as Commercial VSAT CUG service with NLD authorisation be allowed to provide backhauling by mobile operators. The spectrum usage charges should be made similar for VSATs under both categories. Licensees having authorisation of both Commercial VSAT CUG service as well as NLD service may be allowed to share the VSAT Hub and VSAT terminals with Access service Providers once spectrum charging for VSATs under both categories are charged with similar methodologies i.e., percentage of AGR.

Q4. Whether the licensee should be permitted to share its own active and passive infrastructure for providing various services authorized to it under the other service authorization of UL and/ or other licenses? [In other words, whether clause 4.3 of Chapter -VIII (Access Service authorization) be made applicable for all other authorizations also] Is there a need to impose any restrictions? Please enumerate and justify your answer.

OneWeb is of the view that to achieve economic and operational efficiency, a licensee should be permitted to use its own infrastructure (both active & passive) in a shareable mode for providing various services authorised to it.

Q5. Whether formula-based spectrum charging mechanism for VSAT services in NLD/Access license is adequate and appropriate? If not, whether spectrum charging for VSAT services in NLD/Access service license should be made on AGR basis instead of existing formula basis mechanism? Whether it will require accounting/ revenue separation for satellite based VSAT services under NLD/Access license? Please elaborate and provide proper justification

In the Consultation paper, the Authority has rightly observed that the charging mechanism for VSAT related services under NLD License/ Authorization is formula-based and governed by the formula prescribed by DoT Order No. P-11014/34/2009-PP (III) dated 22.03.2012. The Royalty charge is applied to the total licensed bandwidth of each frequency of any type of the satellite-based Radio-communication network (including ILD, NLD, Teleport, DSNG, DTH, VSAT, INMARSAT and Satellite Radio). The method of calculating SUC Charges (Royalty Charges) towards frequency authorizations will result in different charges under the Commercial VSAT CUG Service Authorizations and NLD Service Authorization. Therefore, spectrum charging for VSAT under NLD service should also be made on AGR instead of formula based. With the advent of HTS, the formula-based charging, which results in an exorbitant amount, makes use of new technology Satellites like LEO/MEO non-feasible to compete with terrestrial solutions.

Q6. Please give your comments on any related matter not covered in this Consultation paper.

Nil