



## JRC comments on Ofcom's Annual Plan: April 2004 – March 2005.

### General Points

- JRC welcomes the opportunity to comment on this consultation. JRC would also hope to make a contribution to the Strategic Review of the Spectrum Framework later in the year.
- The relatively short time frame for comments (for understandable reasons) has made it difficult to be as analytical and comprehensive as we would have wished. There has also been a limit to the extent to which we could discuss our approach with our member companies.
- We note the preponderance of broadcasting and media issues in the Annual Plan, and hope that this does not lead to any diminution of attention to telecommunications and radio spectrum issues.
- We note that although headcount has been reduced by 20%, cost of the merged regulator has only fallen by 5%. We wonder why this is the case?

### Regulatory Principles

- We note and welcome Ofcom's Regulatory Principles in section 5.2.
- In particular, with respect to the UHF2 band 450-470 MHz re-alignment project, we will be keen to see "evidence-based, proportionate, consistent, accountable and transparent" intervention.
- With regard to the application by the Electricity Industry for access to the Public Safety Airwave mobile radio network, we shall observe critically whether Ofcom acts "with a willingness to intervene firmly, promptly and effectively" to resolve this long standing concern.
- We believe it important that Ofcom includes within its regulatory principles a clear undertaking to act in the national interest. This will help to restore the balance between market economics and the interest of citizens when the two are in conflict.

### Specific Points

- Ofcom should take into consideration the dependence of a modern western economy on the telecommunications infrastructure and ensure due regard is given to the resilience and security of strategic networks.

- Bearing in mind the limitations on Ofcom's ability to influence the UK market, and negligible ability to influence world markets, Ofcom should act to maintain diversity and choice in the UK market space in the long term national interest.
- In managing the radio spectrum, it is important to ensure that regulation maintains allocations for small players, especially SMEs, and access to the spectrum for niche applications. It should be remembered that in this market sector, within the working careers of many players, Microsoft was an SME and the Internet a niche application. Regulation must make space for innovators and facilitate innovation.

## **Background**

A. JRC Ltd is a wholly owned joint venture between the UK electricity and gas industries specifically created to manage the radio spectrum allocations for these industries used to support emergency and safety critical operations. JRC also represents gas and electricity interests to government on radio issues.

B. JRC manages 4 MHz of spectrum, of which 2.8 MHz is for PMR applications and 1.2 MHz for telemetry and telecontrol services. JRC created and manages a national cellular plan for co-ordinating frequency assignments for large PMR networks.

C. JRC manages VHF and UHF allocations. These networks keep the electricity and gas industries in touch with their field engineers throughout the country. The networks provide comprehensive geographical coverage to support the installation, maintenance and repair of plant in all weather conditions on a 24 hour/365 days per year basis.

D. The Scanning Telemetry Band is used by radio based System Control and Data Acquisition (SCADA) networks which control and monitor safety critical gas and electricity industry plant and equipment throughout the country. These networks provide reliable communications to unmanned sites and plant in remote locations.

**Adrian Grilli**  
Managing Director  
JRC Ltd  
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