



PAUL FLETCHER MP

Federal Member for Bradfield
Parliamentary Secretary to the
Minister for Communications

5 December 2014

Mr Jim Hassell
Group Chief Executive Officer
Broadcast Australia Group
Level 10, Tower A, 799 Pacific Highway
CHATSWOOD NSW 2067

Dear Mr Hassell *Jim*

The Australian Government's \$100 million Mobile Black Spot Programme

I am writing to advise you that the Mobile Black Spot Programme Guidelines will be released on Monday 8 December 2014, and the Government will formally call for applications under the Programme on that day. Applications will be due by Monday 16 March 2015.

I would also like to express my thanks for Broadcast Australia's participation in the development of the design of the Programme. We have engaged in extensive consultation on the design of the Programme and the Government has valued the comments and feedback that Broadcast Australia provided during the consultation process.

In preparing the final Programme Guidelines, The Government has carefully considered the weighting of the assessment criteria to ensure an appropriate balance is achieved between the provision of new mobile coverage and competition in delivering these services.

As a specialist infrastructure provider, Broadcast Australia may be well placed to focus on areas where it may be possible to attract more than one mobile network operator (MNO) to provide services. The Government has recognised this, and has included points in the assessment criteria for base stations which include a commitment from more than one MNO, or are built to support more than one MNO.

The method for determining existing coverage and therefore validating the new coverage that will be provided by a proposed base station has also been carefully considered. The Government's position is that existing coverage will be determined by the publically available coverage maps of the three mobile network operators as at the date the Government publishes the final Programme Guidelines on the Department of Communications' website.

Between December 2013 and August 2014 the Government accepted nominations for mobile coverage black spot locations from members of the public and community

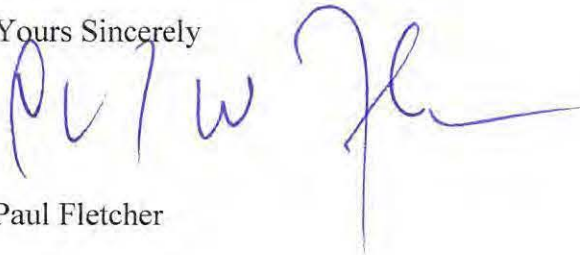
representatives. Over 6,200 unique mobile black spots have now been added to the Department's Mobile Black Spot Database. The rules of the programme will require applicants to specify locations drawn from this database, at which they would propose to build or upgrade base stations.

I have had a strong response from a number of State Governments that are interested in financially co-contributing to the programme and more than 130 local councils have also offered co-contributions, whether cash or in-kind. The in-principle co-contribution offers that the Government has received will be made available to all registered applicants.

Thank you again for Broadcast Australia's engagement with the Programme.

With Kind Regards

Yours Sincerely

A handwritten signature in blue ink, appearing to read 'Paul Fletcher', with a long horizontal flourish extending to the right.

Paul Fletcher

PF/ad

Cc
Brett Savill
Director, Strategy and Corporate Development



PAUL FLETCHER MP

Federal Member for Bradfield
Parliamentary Secretary to the
Minister for Communications

16 December 2013

Mr Jim Hassell
Chief Executive Officer
Broadcast Australia
Level 10, Tower A
799 Pacific Highway
Chatswood NSW 2067

s47F(1)

Dear Mr Hassell *Jim*

Mobile Coverage Programme – discussion paper released

I am writing to let you know that the government has today issued a discussion paper, seeking feedback on how to structure the \$100 million Mobile Coverage Programme.

I have enclosed a copy of this paper for your reference. The paper is also available on the Department of Communications' website at

http://www.communications.gov.au/mobile_services/mobile_coverage_programme

This programme was an election commitment by the Coalition, and comprises two components:

- \$80 million for mobile network expansion to improve coverage and competition along major transport routes, in small communities, and in locations prone to disaster.
- \$20 million for a mobile black spot programme to address conspicuous coverage deficits, for example in popular seasonal tourist locations.

May I encourage Broadcast Australia to respond to the paper with your company's views on how this programme should best be structured.

We are asking for submissions to be lodged by **28 February 2014** with the Department of Communications at mobilecoverage@communications.gov.au

In addition, during the consultation period I would be more than happy to meet with you or relevant Broadcast Australia colleagues to discuss the Programme further. Should this be of interest the relevant contact person in my office is ^{s47F(1) and s22(1)(a)(ii)} @communications.gov.au or ^{s47F(1) and s22(1)(a)(ii)}

Yours sincerely

Paul Fletcher
Encl.



PAUL FLETCHER MP

Federal Member for Bradfield
Parliamentary Secretary to the
Minister for Communications

5 December 2014

s47F(1)

Managing Director
Crown Castle Australia
Level 1, 754 Pacific Highway
CHATSWOOD NSW 2067

s47F(1)

Dear s47F(1)

The Australian Government's \$100 million Mobile Black Spot Programme

I am writing to advise you that the Mobile Black Spot Programme Guidelines will be released on Monday 8 December 2014, and the Government will formally call for applications under the Programme on that day. Applications will be due by Monday 16 March 2015.

I would also like to express my thanks for Crown Castle's participation in the development of the design of the Programme. We have engaged in extensive consultation on the design of the Programme and the Government has valued the comments and feedback that Crown Castle provided during the consultation process.

In preparing the final Programme Guidelines, The Government has carefully considered the weighting of the assessment criteria to ensure an appropriate balance is achieved between the provision of new mobile coverage and competition in delivering these services.

As a specialist infrastructure provider, Crown Castle may be well placed to focus on areas where it may be possible to attract more than one mobile network operator (MNO) to provide services. The Government has recognised this, and has included points in the assessment criteria for base stations which include a commitment from more than one MNO, or are built to support more than one MNO.

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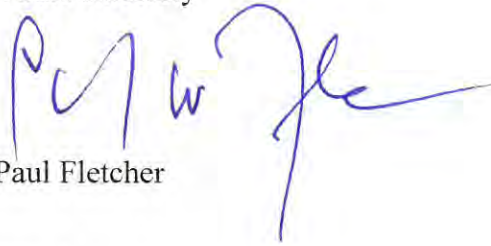
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Thank you again for Crown Castle's engagement with the Programme.

Yours sincerely



Paul Fletcher

PF/ad

Cc ^{s47F(1)}

Director, Corporate Development



PAUL FLETCHER MP

Federal Member for Bradfield
Parliamentary Secretary to the
Minister for Communications

16 December 2013

s47F(1)

Managing Director
Crown Castle Australia
Level 1, 754 Pacific Hwy
Chatswood NSW 2067

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In addition, during the consultation period I would be more than happy to meet with you or relevant Crown Castle Australia colleagues to discuss the Programme further. Should this be of interest the relevant contact person in my office is ^{s47F(1) and s22(1)} [s47F\(1\) and s22\(1\)\(a\)\(ii\)@communications.gov.au](mailto:s47F(1) and s22(1)(a)(ii)@communications.gov.au) or ^{s47F(1) and s22(1)(a)(ii)} [s47F\(1\) and s22\(1\)\(a\)\(ii\)@communications.gov.au](mailto:s47F(1) and s22(1)(a)(ii)@communications.gov.au)

Yours sincerely

Paul Fletcher
Encl.



PAUL FLETCHER MP

Federal Member for Bradfield
Parliamentary Secretary to the
Minister for Communications

23 June 2014

s47F(1)

Managing Director
Crown Castle Australia
Level 1, 754 Pacific Hwy
Chatswood NSW 2067
s47F(1)

s47F(1)
Dea

Mobile Black Spot Programme – Next Steps

I am writing regarding the Government's \$100 million Mobile Black Spot Programme, with the aim of explaining how the Programme is progressing and making a request of you as to how Crown Castle might engage with the Government and other stakeholders regarding the Programme.

How the Programme is Progressing

Our starting point has been to seek nominations from community members of locations with poor or no mobile phone coverage. Some 4000 locations Australia wide have been nominated so far, and more continue to come in. (We will continue to receive nominations until the middle of July.)

In addition, I have been to some fifty community meetings around Australia to gather community feedback on mobile coverage issues and to discuss how the Programme will operate.

The Department of Communications is building a database of such locations, and adding every reported eligible location to it. This database will be made available to Crown and other companies which are considering applying for funding under the Programme.

The Government is well advanced in developing the Programme Guidelines which will govern the competitive selection process for this Programme. We have consulted extensively, including with Crown Castle. Thank you for the submission which your company provided.

The Guidelines will set out in formal terms, the process by which applicants will lodge bids under the competitive selection process - specifying which locations they would be prepared to build at and the contribution they would make to the cost.

We will soon circulate a draft of the Guidelines, with a view to getting comment from interested parties and particularly potential applicants for funding under the Programme such as Crown Castle.

We anticipate that the competitive selection process will commence in the second half of this year and will conclude early in 2015; more precise timing will be notified to your company as soon as possible.

Some Requests About How Crown Castle Might Engage

I am keen to encourage applicants for funding, such as Crown Castle, to engage with state governments, local councils or others that may wish to make a contribution, either in cash or in-kind, towards the cost of building a mobile phone base station at a particular location.

As you would appreciate, generating co-contributions from the states and other third parties has the potential to significantly increase the number of communities that can benefit from improved mobile coverage through the Programme.

Already, the Government has written to almost 500 councils around Australia, which are located in areas eligible for funding under the Programme. We have in particular asked them to indicate if they are in a position to contribute resources, in cash or in kind, towards the construction of a base station in their area. (Amongst the resources we have indicated would be of potential value are: free or concessional access to land upon which a base station could be located; access to an existing communications or other tower; access to power; and the provision of in kind services such as bulldozing an access road to a tower.) While I expect that only a relatively small proportion will have the means or motivation to provide such resources, there certainly will be some. Indeed there have already been an encouraging number of positive responses, including in a few cases an expressed willingness to make a cash contribution in the order of \$100,000 or more towards a base station. These responses, once compiled, will be shared with all companies which indicate they intend to apply for funding under the Programme.

The Commonwealth Government has also had discussions with state and territory governments, and there is strong interest in a coordinated approach from a number of jurisdictions. Already, the Victorian and Western Australian Governments have announced programmes to improve mobile coverage in rural and regional areas. To assist in planning and identifying co-contributions, the Queensland Government in particular is seeking an early indication from applicants of the feasibility and the level of subsidy required for sites where applicants are considering applying for funding under the Programme. We are in discussions with other states as well.

Accordingly, it would be helpful if Crown Castle could nominate a central contact point within your company with whom third parties (particularly councils and state governments) could deal. I would be grateful if Crown Castle could advise the name of that person to Mr Lachlann Paterson from the Department of Communications on (02) 6271 1372, or lachlann.paterson@communications.gov.au.

I would encourage you to appoint such a representative and direct that person to lead Crown Castle's engagement concerning this Programme with state governments, local councils, and any other relevant third parties.

As ever, I am available to discuss with you any questions you may have about this Programme.

I look forward to Crown Castle's feedback on the Draft Programme Guidelines in due course.

With Kind Regards

Yours Sincerely

A handwritten signature in blue ink, appearing to read 'Paul Fletcher', with a long horizontal flourish extending to the right.

Paul Fletcher

PF/ad

Cc
s47F(1)

Director
Corporate Development



PAUL FLETCHER MP

Federal Member for Bradfield
Parliamentary Secretary to the
Minister for Communications

5 December 2014

Mr Bill Morrow
Chief Executive Officer
NBN Co Limited
Level 11, 100 Arthur Street
NORTH SYDNEY NSW 2060

Dear Mr Morrow ^{Bill}

The Australian Government's \$100 million Mobile Black Spot Programme

I am writing to advise you that the Mobile Black Spot Programme Guidelines will be released on Monday 8 December 2014, and the Government will formally call for applications under the Programme on that day. Applications will be due by Monday 16 March 2015.

I would like to express my thanks for NBN Co's engagement with the Programme, particularly on the question of co-location opportunities by mobile network operators (MNOs) on NBN fixed wireless towers. We have engaged in extensive consultation on the design of the Programme and the Government has valued the comments and feedback that NBN Co provided during the consultation process.

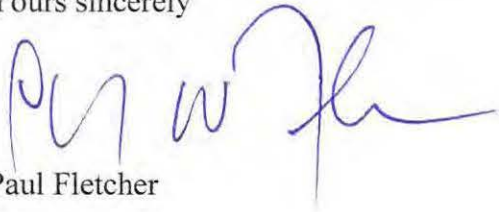
As you know, the Government views co-location on NBN fixed wireless towers as an opportunity to (a) facilitate lower cost entry by MNOs including non-Telstra MNOs into regional locations where they do not presently have coverage and (b) leverage the enormous taxpayer investment in the NBN to deliver public benefit in a related market, for mobile coverage in regional locations.

During the application period, I encourage NBN Co to work closely with applicants on co-location opportunities, as well as bringing forward service offerings such as the proposed Cell-Site Access Service. There are opportunities for both NBN Co and the mobile network operators to achieve substantial cost savings at locations where there is mutual interest.

The application period will remain open until March 2015 and potential applicants will have until that time to identify the sites they are most interested in applying for. Following the closure of the application process next year, a comprehensive assessment process will be undertaken to determine the proposed mobile base stations to be recommended for funding. It is expected that successful applicants and locations will be announced in the first half of 2015.

I look forward to continued engagement with NBN Co on the Mobile Black Spot Programme.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Paul Fletcher', with a stylized flourish at the end.

Paul Fletcher

PF/ad

Cc Gavin Williams, General Manager, Fixed Wireless and Satellite



PAUL FLETCHER MP

Federal Member for Bradfield
Parliamentary Secretary to the
Minister for Communications

5 December 2014

Allen Lew
Chief Executive Officer
Consumer Australia and Optus
SingTel Optus Pty Ltd
PO Box 888
NORTH RYDE NSW 1670

Allen
Dear Mr ~~Allen~~ Lew

The Australian Government's \$100 million Mobile Black Spot Programme

I am writing to advise you that the Mobile Black Spot Programme Guidelines will be released on Monday 8 December 2014, and the Government will formally call for applications under the Programme on that day. Applications will be due by Monday 16 March 2015.

I would like to express my thanks for Optus' participation in the development of the design of the Programme. We have engaged in extensive consultation on the design of the Programme and the Government has valued the comments and feedback that Optus provided during the consultation process.

We have carefully considered Optus' inputs as we have settled the final Programme Guidelines. In particular, your recommendations on the co-location and open access provisions were valuable. As a result, specific co-location and open access requirements will apply for all Greenfield sites funded through the programme. Additionally, in the assessment process, additional points will be awarded for a proposed base station where there is a commitment of use from more than one mobile network operator, or if the proposed base station is capable of supporting more than one operator.

In finalising the Programme Guidelines, particular consideration has been given to the method for determining existing coverage and therefore validating the new coverage that will be provided by a proposed base station. This consideration included a series of discussions between the Department of Communications, my office and the mobile network operators, and I appreciated the contribution of the Optus staff that were involved.

Following these discussions, on 2 October 2014, the Department advised potential applicants of the Government's position with respect to determining the existing handheld coverage. The Government's position remains that existing coverage will be determined by the publicly available coverage maps of the three mobile network

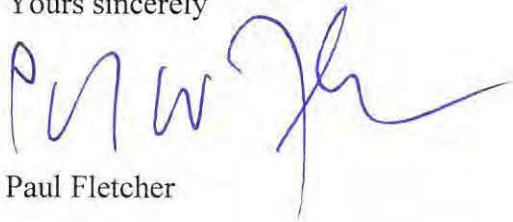
operators as at the date the Government publishes the final Programme Guidelines on the Department's website.

To this end, I would be grateful if Optus could provide the Department with Optus' current handheld and external antenna coverage data when the Programme Guidelines are released. The Department will contact you regarding this information shortly.

I certainly hope to see a strong application from Optus for funding under the Programme.

With Kind Regards

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Paul Fletcher', with a stylized flourish extending to the right.

Paul Fletcher

PF/ad

Cc

David Epstein, Vice President, Corporate & Regulatory Affairs
Rowena Gilbertson, Government Relations, Corporate Affairs



PAUL FLETCHER MP

Federal Member for Bradfield
Parliamentary Secretary to the
Minister for Communications

23 June 2014

Paul O'Sullivan
Chief Executive Officer
Group Consumer, SingTel & Optus
PO Box 888
North Ryde NSW 2113
s47F(1)

Dear Mr O'Sullivan

Mobile Black Spot Programme – Next Steps

I am writing regarding the Government's \$100 million Mobile Black Spot Programme, with the aim of explaining how the Programme is progressing and making a request of you as to how Optus might engage with the Government and other stakeholders regarding the Programme.

How the Programme is Progressing

Our starting point has been to seek nominations from community members of locations with poor or no mobile phone coverage. Some 4000 locations Australia wide have been nominated so far, and more continue to come in. (We will continue to receive nominations until the middle of July.)

In addition, I have been to some fifty community meetings around Australia to gather community feedback on mobile coverage issues and to discuss how the Programme will operate.

The Department of Communications is building a database of such locations, and adding every reported eligible location to it. This database will be made available to Optus and other companies which are considering applying for funding under the Programme.

The Government is well advanced in developing the Programme Guidelines which will govern the competitive selection process for this Programme. We have consulted extensively, including with Optus. Thank you for the submission which your company provided.

The Guidelines will set out in formal terms, the process by which applicants will lodge bids under the competitive selection process - specifying which locations they would be prepared to build at and the contribution they would make to the cost.

We will soon circulate a draft of the Guidelines, with a view to getting comment from interested parties and particularly potential applicants for funding under the Programme such as Optus.

We anticipate that the competitive selection process will commence in the second half of this year and will conclude early in 2015; more precise timing will be notified to your company as soon as possible.

Some Requests About How Optus Might Engage

I am keen to encourage applicants for funding, such as Optus, to engage with state governments, local councils or others that may wish to make a contribution, either in cash or in-kind, towards the cost of building a mobile phone base station at a particular location.

As you would appreciate, generating co-contributions from the states and other third parties has the potential to significantly increase the number of communities that can benefit from improved mobile coverage through the Programme.

Already, the Government has written to almost 500 councils around Australia, which are located in areas eligible for funding under the Programme. We have in particular asked them to indicate if they are in a position to contribute resources, in cash or in kind, towards the construction of a base station in their area. (Amongst the resources we have indicated would be of potential value are: free or concessional access to land upon which a base station could be located; access to an existing communications or other tower; access to power; and the provision of in kind services such as bulldozing an access road to a tower.) While I expect that only a relatively small proportion will have the means or motivation to provide such resources, there certainly will be some. Indeed there have already been an encouraging number of positive responses, including in a few cases an expressed willingness to make a cash contribution in the order of \$100,000 or more towards a base station. These responses, once compiled, will be shared with all companies which indicate they intend to apply for funding under the Programme.

The Commonwealth Government has also had discussions with state and territory governments, and there is strong interest in a coordinated approach from a number of jurisdictions. Already, the Victorian and Western Australian Governments have announced programmes to improve mobile coverage in rural and regional areas. To assist in planning and identifying co-contributions, the Queensland Government in particular is seeking an early indication from applicants of the feasibility and the level of subsidy required for sites where applicants are considering applying for funding under the Programme. We are in discussions with other states as well.

Accordingly, it would be helpful if Optus could nominate a central contact point within your company with whom third parties (particularly councils and state governments) could deal. This would presumably be the person (or would report to the person) responsible for leading Optus's bid in the competitive selection process. I would be grateful if Optus could advise the name of that person to Mr Lachlann Paterson from the Department of Communications on (02) 6271 1372, or lachlann.paterson@communications.gov.au.

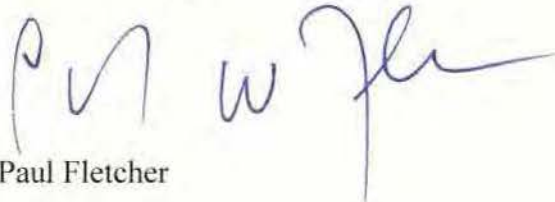
I would encourage you to appoint such a representative and direct that person to lead Optus's engagement concerning this Programme with state governments, local councils, and any other relevant third parties.

As ever, I am available to discuss with you any questions you may have about this Programme.

I look forward to Optus's feedback on the Draft Programme Guidelines in due course.

With Kind Regards

Yours Sincerely

A handwritten signature in blue ink, appearing to read 'P M W Fletcher', written in a cursive style.

Paul Fletcher

PF/ad

Cc
David Epstein
Vice President
Corporate & Regulatory Affairs
SingTel & Optus



PAUL FLETCHER MP

Federal Member for Bradfield
Parliamentary Secretary to the
Minister for Communications

6 March 2015

David Epstein
Vice-President, Corporate Affairs & Regulatory Affairs
Singtel Optus Pty Ltd

By email: s47F(1)

Dear Mr Epstein *David*

Mobile Black Spot Programme – Meeting regarding progress of application

Thank you for registering Optus as a potential applicant under the Mobile Black Spot Programme (the Programme). I am writing to confirm our meeting on Friday 13 March, 9.00am at the Commonwealth Parliament Office, 1 Bligh Street, Sydney.

The purpose of the meeting is to gain a better understanding of how Optus's application for funding under the Programme is progressing, prior to the closing of the application period on 16 April 2015.

Specifically, the meeting will address three matters:

- the progress of Optus's application;
- Optus's level of engagement with third parties; and
- a reminder that potential applicants can apply for all or part of the \$100 million that is available under the Programme.

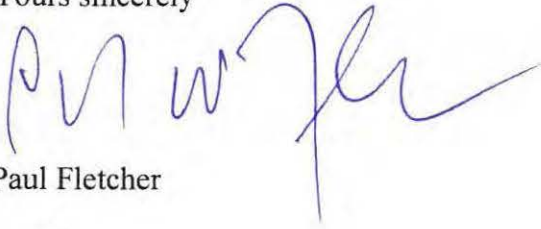
The meeting will not be an opportunity for Optus to obtain additional information about the Programme that is not available to other applicants. Equally, the meeting will have no bearing on the evaluation of Optus's application, in the event that one is submitted. Other organisations which have registered as potential applicants under the Programme have also been offered the opportunity to meet with me to discuss the progress of their application on the same terms as your organisation.

In advance of the meeting, I ask that you consider what (if any) information Optus may provide during the meeting which Optus considers to be confidential or commercially sensitive, and to identify such information when (or if) it arises during the meeting. I note that all attendees from my office are under confidentiality obligations arising from the legislation applicable to their employment. However, please note that there are limitations to these confidentiality obligations which are set out in section 12.6.2 of the Programme Guidelines.

Finally, in accordance with the Programme Guidelines, any clarifications or enquiries about the Programme should continue to be made to the Department via email at mobilecoverage@communications.gov.au.

I look forward to discussing these matters with you on Friday 13 March.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Paul Fletcher', with a long, sweeping horizontal stroke at the end.

Paul Fletcher

PF/ad



PAUL FLETCHER MP

Federal Member for Bradfield
Parliamentary Secretary to the
Minister for Communications

16 December 2013

Mr Kevin Russell
Chief Executive Officer
Consumer Australia
Optus and Country Chief Officer
PO Box 888
North Ryde NSW 2113
s47F(1)

Dear Mr Russell *Kevin*

Mobile Coverage Programme – discussion paper released

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I have enclosed a copy of this paper for your reference. The paper is also available on the Department of Communications' website at

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(^{s47F(1) and s22(1)(a)(ii)} [@communications.gov.au](mailto:communications.gov.au) or ^{s47F(1) and s22(1)(a)(ii)}

Yours sincerely

Paul Fletcher
Encl.



PAUL FLETCHER MP

Federal Member for Bradfield
Parliamentary Secretary to the
Minister for Communications

5 December 2014

David Thodey
Chief Executive Officer
Telstra Corporation Limited
Office of the CEO, Locked Bag 5639
Melbourne VIC 3001

David

Dear Mr Thodey

The Australian Government's \$100 million Mobile Black Spot Programme

I am writing to advise you that the Mobile Black Spot Programme Guidelines will be released on Monday 8 December 2014, and the Government will formally call for applications under the Programme on that day. Applications will be due by Monday 16 March 2015.

I would like to express my thanks for Telstra's participation in the development of the design of the Programme. We have engaged in extensive consultation on the design of the Programme and the Government has valued the comments and feedback that Telstra provided during the consultation process.

We have carefully considered Telstra's inputs as we have settled the final Programme Guidelines. In particular, your concern regarding the points awarded for the number of premises to receive new handheld coverage was noted and accepted. The Programme Guidelines have been amended to provide additional weighting to this criterion.

The suggestions from Telstra about better defining the conditions for a base station to receive points in the assessment process for being capable of supporting additional mobile network operators were valuable and have been incorporated.

I also appreciate Telstra's support for the open-access and co-location provisions of the Programme, and I agree that a pre-commitment before the detailed site design stage from mobile network operators that are interested in co-locating on a base station is necessary for this provision to operate effectively and efficiently. Similarly, I understand that Telstra is working with NBN Co to identify additional opportunities for co-location that may exist between your respective organisations.

In finalising the Programme Guidelines, particular consideration has been given to the method for determining existing coverage and therefore validating the new coverage that will be provided by a proposed base station. This consideration included a series of discussions between the Department of Communications, my office and the mobile network operators, and I appreciated the contribution of the Telstra staff that were involved.

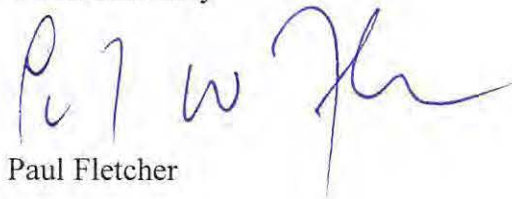
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To this end, I would be grateful if Telstra could provide the Department with Telstra's current handheld and external antenna coverage data when the Programme Guidelines are released. The Department will contact you regarding this information shortly.

I certainly hope to see a strong application from Telstra for funding under the Programme.

With Kind Regards

Yours Sincerely

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Paul Fletcher

PF/ad

Cc James Shaw, Director, Government Relations, Corporate Affairs



PAUL FLETCHER MP

Federal Member for Bradfield
Parliamentary Secretary to the
Minister for Communications

5 September 2014

James Shaw
Director
Government Relations
Telstra Corporate Limited
47F(1)

Dear Mr Shaw *James*

Mobile Black Spot Programme Guidelines – Telstra Feedback

Thank you for your recent letter on the Draft Programme Guidelines which will govern the competitive selection process for the Government's \$100 million Mobile Black Spot Programme. You raised several important issues in your letter. I appreciate Telstra's ongoing engagement with the Department of Communications and my office on the design of the Programme.

As you know, the key stated objectives of the Programme are two-fold:

1. To improve mobile coverage in regional Australia, targeting priority areas that have been reported by states, local councils, community representatives and individuals; and
2. To increase the choice of mobile carriers that are available to people living, working and travelling in regional Australia.

In developing the Draft Programme Guidelines, we have sought to carefully balance these objectives.

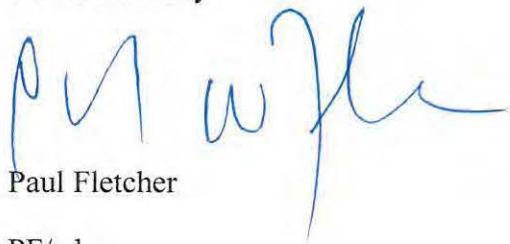
I note your comments on the coverage weighting and the roaming weighting in the Guidelines. In relation to the coverage weighting, I have asked the Department of Communications to carry out some further analysis across the locations contained in the mobile black spot database. The results of that analysis will be taken account of as we finalise the Guidelines, including the points weighting.

We have also noted your suggestion to arrange an independent audit, in consultation with the mobile carriers, before publicly releasing the final list of black spots. As a speedier means to achieve the objective, I propose that the Department complete a comparison of the black spot database against Telstra's coverage information that you are able to provide in a suitable mapping format.

Thank you again for your feedback on the Guidelines and for raising these important issues.

I look forward to continuing engagement with Telstra on the Programme.

Yours sincerely



Paul Fletcher

PF/ad

Cc: The Hon Malcolm Turnbull MP

Cc: The Hon Warren Truss MP



PAUL FLETCHER MP

Federal Member for Bradfield
Parliamentary Secretary to the
Minister for Communications

6 March 2015

James Shaw
Director, Government Relations & Corporate Affairs
Telstra Corporation Limited

By email: s47F(1)

Dear Mr Shaw

James

Mobile Black Spot Programme – Meeting regarding progress of application

Thank you for registering Optus as a potential applicant under the Mobile Black Spot Programme (the Programme). I am writing to confirm our meeting on Wednesday 11 March, 10.00am at the Commonwealth Parliament Office, 1 Bligh Street, Sydney.

The purpose of the meeting is to gain a better understanding of how Telstra's application for funding under the Programme is progressing, prior to the closing of the application period on 16 April 2015.

Specifically, the meeting will address three matters:

- the progress of Telstra's application;
- Telstra's level of engagement with third parties; and
- a reminder that potential applicants can apply for all or part of the \$100 million that is available under the Programme.

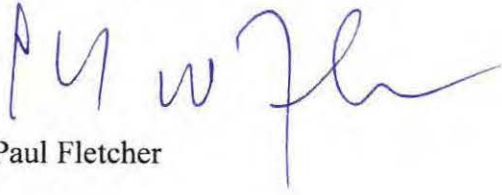
The meeting will not be an opportunity for Telstra to obtain additional information about the Programme that is not available to other applicants. Equally, the meeting will have no bearing on the evaluation of Telstra's application, in the event that one is submitted. Other organisations which have registered as potential applicants under the Programme have also been offered the opportunity to meet with me to discuss the progress of their application on the same terms as your organisation.

In advance of the meeting, I ask that you consider what (if any) information Telstra may provide during the meeting which Telstra considers to be confidential or commercially sensitive, and to identify such information when (or if) it arises during the meeting. I note that all attendees from my office are under confidentiality obligations arising from the legislation applicable to their employment. However, please note that there are limitations to these confidentiality obligations which are set out in section 12.6.2 of the Programme Guidelines.

Finally, in accordance with the Programme Guidelines, any clarifications or enquiries about the Programme should continue to be made to the Department via email at mobilecoverage@communications.gov.au.

I look forward to discussing these matters with you on Wednesday 11 March.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'P4 w Fletcher', written in a cursive style.

Paul Fletcher

PF/ad



PAUL FLETCHER MP

Federal Member for Bradfield
Parliamentary Secretary to the
Minister for Communications

16 December 2013

Mr David Thodey
Chief Executive Officer
Telstra
Locked Bag 5639
Melbourne VIC 3001
47F(1)

Dear Mr Thodey *David*

Mobile Coverage Programme – discussion paper released

I am writing to let you know that the government has today issued a discussion paper, seeking feedback on how to structure the \$100 million Mobile Coverage Programme.

I have enclosed a copy of this paper for your reference. The paper is also available on the Department of Communications' website at http://www.communications.gov.au/mobile_services/mobile_coverage_programme

This programme was an election commitment by the Coalition, and comprises two components:

- \$80 million for mobile network expansion to improve coverage and competition along major transport routes, in small communities, and in locations prone to disaster.
- \$20 million for a mobile black spot programme to address conspicuous coverage deficits, for example in popular seasonal tourist locations.

May I encourage Telstra to respond to the paper with your company's views on how this programme should best be structured.

We are asking for submissions to be lodged by **28 February 2014** with the Department of Communications at mobilecoverage@communications.gov.au

In addition, during the consultation period I would be more than happy to meet with you or relevant Telstra colleagues to discuss the Programme further. Should this be of interest the relevant contact person in my office is ^{47F(1) and 22(1)(a)(ii)} [@communications.gov.au](mailto:47F(1) and 22(1)(a)(ii)@communications.gov.au) or 02 ^{47F(1) and 22(1)(a)(ii)}

Yours sincerely

Paul Fletcher
Encl.



PAUL FLETCHER MP

Federal Member for Bradfield
Parliamentary Secretary to the
Minister for Communications

23 June 2014

David Thodey
Chief Executive Officer
Telstra Corporate Limited
Office of the CEO, Locked Bag 5639
Melbourne VIC 2001

Dear Mr Thodey *David*

Mobile Black Spot Programme – Next Steps

I am writing regarding the Government's \$100 million Mobile Black Spot Programme, with the aim of explaining how the Programme is progressing and making a request of you as to how Telstra might engage with the Government and other stakeholders regarding the Programme.

How the Programme is Progressing

Our starting point has been to seek nominations from community members of locations with poor or no mobile phone coverage. Some 4000 locations Australia wide have been nominated so far, and more continue to come in. (We will continue to receive nominations until the middle of July.)

In addition, I have been to some fifty community meetings around Australia to gather community feedback on mobile coverage issues and to discuss how the Programme will operate. Telstra area general managers or other representatives have attended a number of these meetings and provided useful input.

The Department of Communications is building a database of such locations, and adding every reported eligible location to it. This database will be made available to Telstra and other companies which are considering applying for funding under the Programme.

The Government is well advanced in developing the Programme Guidelines which will govern the competitive selection process for this Programme. We have consulted extensively, including with Telstra. Thank you for the submission which your company provided.

The Guidelines will set out in formal terms, the process by which applicants will lodge bids under the competitive selection process - specifying which locations they would be prepared to build at and the contribution they would make to the cost.

We will soon circulate a draft of the Guidelines, with a view to getting comment from interested parties and particularly potential applicants for funding under the Programme such as Telstra.

We anticipate that the competitive selection process will commence in the second half of this year and will conclude early in 2015; more precise timing will be notified to your company as soon as possible.

Some Requests About How Telstra Might Engage

I am keen to encourage applicants for funding, such as Telstra, to engage with state governments, local councils or others that may wish to make a contribution, either in cash or in-kind, towards the cost of building a mobile phone base station at a particular location.

As you would appreciate, generating co-contributions from the states and other third parties has the potential to significantly increase the number of communities that can benefit from improved mobile coverage through the Programme.

Already, the Government has written to almost 500 councils around Australia, which are located in areas eligible for funding under the Programme. We have in particular asked them to indicate if they are in a position to contribute resources, in cash or in kind, towards the construction of a base station in their area. (Amongst the resources we have indicated would be of potential value are: free or concessional access to land upon which a base station could be located; access to an existing communications or other tower; access to power; and the provision of in kind services such as bulldozing an access road to a tower.) While I expect that only a relatively small proportion will have the means or motivation to provide such resources, there certainly will be some. Indeed there have already been an encouraging number of positive responses, including in a few cases an expressed willingness to make a cash contribution in the order of \$100,000 or more towards a base station. These responses, once compiled, will be shared with all companies which indicate they intend to apply for funding under the Programme.

The Commonwealth Government has also had discussions with state and territory governments, and there is strong interest in a coordinated approach from a number of jurisdictions. Already, the Victorian and Western Australian Governments have announced programmes to improve mobile coverage in rural and regional areas. To assist in planning and identifying co-contributions, the Queensland Government in particular is seeking an early indication from applicants of the feasibility and the level of subsidy required for sites where applicants are considering applying for funding under the Programme. We are in discussions with other states as well.

Accordingly, it would be helpful if Telstra could nominate a central contact point within your company with whom third parties (particularly councils and state governments) could deal. As I understand it Telstra's area general managers have been asked to play a coordinating role with their relevant local councils, but it would additionally be useful to have a single central contact point, who would presumably be the person (or would report to the person) responsible for leading Telstra's bid in the competitive selection process. I would be grateful if Telstra could advise the name of that person to Mr Lachlann Paterson from the Department of Communications on (02) 6271 1372, or lachlann.paterson@communications.gov.au.

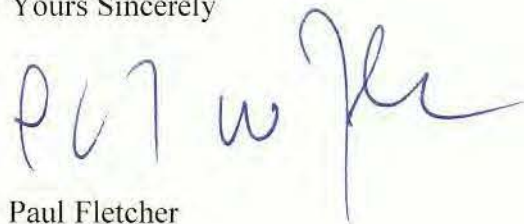
I would encourage you to appoint such a representative and direct that person to lead Telstra's engagement concerning this Programme with state governments, local councils, and any other relevant third parties.

As ever, I am available to discuss with you any questions you may have about this Programme.

I look forward to Telstra's feedback on the Draft Programme Guidelines in due course.

With Kind Regards

Yours Sincerely

A handwritten signature in blue ink, appearing to read 'Paul Fletcher', written in a cursive style.

Paul Fletcher

PF/ad

Cc
James Shaw
Director
Corporate Affairs, Government Relations



PAUL FLETCHER MP

Federal Member for Bradfield
Parliamentary Secretary to the
Minister for Communications

5 December 2014

Iñaki Berroeta
Chief Executive Officer
Vodafone Hutchison Australia Pty Limited
Level 7, 40 Mount Street
North Sydney NSW 2060

Iñaki
Dear Mr Berroeta

The Australian Government's \$100 million Mobile Black Spot Programme

I am writing to advise you that the Mobile Black Spot Programme Guidelines will be released on Monday 8 December 2014, and the Government will formally call for applications under the Programme on that day. Applications will be due by Monday 16 March 2015.

I would like to express my thanks for Vodafone's participation in the development of the design of the Programme. We have engaged in extensive consultation on the design of the Programme and the Government has valued the comments and feedback that Vodafone provided during the consultation process.

We have carefully considered Vodafone's inputs as we have settled the final Programme Guidelines. In particular, I appreciate your concerns regarding the lease costs associated with the deployment of mobile base stations on Crown land, and I have written to each of the State and Territory Governments about this matter.

In preparing the final Programme Guidelines, particular consideration has been given to the method for determining existing coverage and therefore validating the new coverage provided by a proposed base station. This consideration included discussions between the Department of Communications, my office and the mobile network operators, and I appreciated Vodafone's contribution.

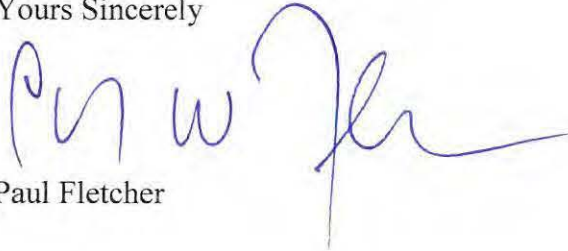
The Government's position remains that existing coverage will be determined by the publicly available coverage maps of the three mobile network operators as at the date the Government publishes the final Programme Guidelines on the Department's website.

To this end, I would be grateful if Vodafone could make arrangements to provide the Department with Vodafone's current handheld and external antenna coverage data when the Programme Guidelines are released. The Department will contact you regarding this information shortly.

I certainly hope to see a strong application from Vodafone for funding under the Programme.

With Kind Regards

Yours Sincerely

A handwritten signature in blue ink, appearing to read 'Paul Fletcher', with a stylized flourish at the end.

Paul Fletcher

PF/ad

Cc Matthew Lobb, General Manager, Public Policy and Industry Strategy



PAUL FLETCHER MP

Federal Member for Bradfield
Parliamentary Secretary to the
Minister for Communications

6 March 2015

Matthew Lobb
General Manager Industry Strategy and Public Policy
Vodafone Hutchison Australia Pty Ltd

By email: s47F(1)

Dear Mr Lobb

Matthew

Mobile Black Spot Programme – Meeting regarding progress of application

Thank you for registering Vodafone as a potential applicant under the Mobile Black Spot Programme (the Programme). I am writing to confirm our meeting on Monday 9 March, 9.00am at the Commonwealth Parliament Office, 1 Bligh Street, Sydney.

The purpose of the meeting is to gain a better understanding of how Vodafone's application for funding under the Programme is progressing, prior to the closing of the application period on 16 April 2015.

Specifically, the meeting will address three matters:

- the progress of Vodafone's application;
- Vodafone's level of engagement with third parties; and
- a reminder that potential applicants can apply for all or part of the \$100 million that is available under the Programme.

The meeting will not be an opportunity for Vodafone to obtain additional information about the Programme that is not available to other applicants. Equally, the meeting will have no bearing on the evaluation of Vodafone's application, in the event that one is submitted. Other organisations which have registered as potential applicants under the Programme have also been offered the opportunity to meet with me to discuss the progress of their application on the same terms as your organisation.

In advance of the meeting, I ask that you consider what (if any) information Vodafone may provide during the meeting which Vodafone considers to be confidential or commercially sensitive, and to identify such information when (or if) it arises during the meeting. I note that all attendees from my office are under confidentiality obligations arising from the legislation applicable to their employment. However, please note that there are limitations to these confidentiality obligations which are set out in section 12.6.2 of the Programme Guidelines.

Finally, in accordance with the Programme Guidelines, any clarifications or enquiries about the Programme should continue to be made to the Department via email at mobilecoverage@communications.gov.au.

I look forward to discussing these matters with you on Monday 9 March.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Paul Fletcher', with a stylized flourish at the end.

Paul Fletcher

PF/ad



PAUL FLETCHER MP

Federal Member for Bradfield
Parliamentary Secretary to the
Minister for Communications

16 December 2013

Mr Bill Morrow
Chief Executive Officer
Vodafone Hutchison Australia
40 Mount Street
North Sydney NSW 2060
s47F(1)

Dear Mr Morrow ^{Bill}

Mobile Coverage Programme – discussion paper released

I am writing to let you know that the government has today issued a discussion paper, seeking feedback on how to structure the \$100 million Mobile Coverage Programme.

I have enclosed a copy of this paper for your reference. The paper is also available on the Department of Communications' website at http://www.communications.gov.au/mobile_services/mobile_coverage_programme

This programme was an election commitment by the Coalition, and comprises two components:

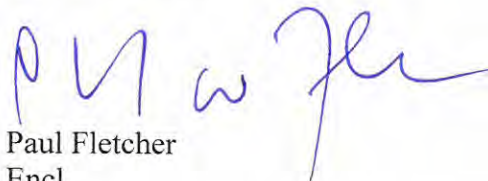
- \$80 million for mobile network expansion to improve coverage and competition along major transport routes, in small communities, and in locations prone to disaster.
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May I encourage Vodafone to respond to the paper with your company's views on how this programme should best be structured.

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In addition, during the consultation period I would be more than happy to meet with you or relevant Vodafone colleagues to discuss the Programme further. Should this be of interest the relevant contact person in my office is ^{s47F(1) and s22(1)(a)(ii)} communications.gov.au or ^{s47F(1) and s22(1)(a)(ii)} communications.gov.au or ^{s47F(1) and s22(1)(a)(ii)} communications.gov.au

Yours sincerely


Paul Fletcher
Encl.



PAUL FLETCHER MP

Federal Member for Bradfield
Parliamentary Secretary to the
Minister for Communications

23 June 2014

Inaki Berroeta
Chief Executive Officer
Vodafone Hutchison Australia
Level 7, 40 Mount Street
North Sydney NSW 2060

Dear Mr Berroeta *Inaki*

Mobile Black Spot Programme – Next Steps

I am writing regarding the Government's \$100 million Mobile Black Spot Programme, with the aim of explaining how the Programme is progressing and making a request of you as to how Vodafone might engage with the Government and other stakeholders regarding the Programme.

How the Programme is Progressing

Our starting point has been to seek nominations from community members of locations with poor or no mobile phone coverage. Some 4000 locations Australia wide have been nominated so far, and more continue to come in. (We will continue to receive nominations until the middle of July.)

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We anticipate that the competitive selection process will commence in the second half of this year and will conclude early in 2015; more precise timing will be notified to your company as soon as possible.

Some Requests About How Vodafone Might Engage

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Accordingly, it would be helpful if Vodafone could nominate a central contact point within your company with whom third parties (particularly councils and state governments) could deal. This would presumably be the person (or would report to the person) responsible for leading Vodafone's bid in the competitive selection process. I would be grateful if Vodafone could advise the name of that person to Mr Lachlann Paterson from the Department of Communications on (02) 6271 1372, or lachlann.paterson@communications.gov.au.

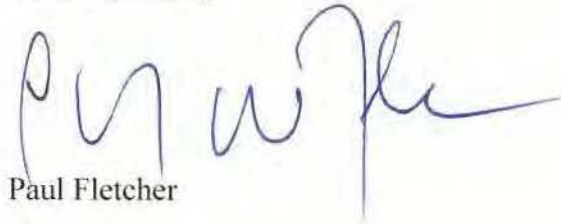
I would encourage you to appoint such a representative and direct that person to lead Vodafone's engagement concerning this Programme with state governments, local councils, and any other relevant third parties.

As ever, I am available to discuss with you any questions you may have about this Programme.

I look forward to Vodafone's feedback on the Draft Programme Guidelines in due course.

With Kind Regards

Yours Sincerely

A handwritten signature in blue ink, appearing to read 'Paul Fletcher', with a long horizontal flourish extending to the right.

Paul Fletcher

PF/ad

Cc
Matthew Lobb
General Manager
Industry Strategy and Public Policy

15 December 2014

Mr Paul Fletcher
Parliamentary Secretary to the Minister for Communications
R1.36 Parliament House
CANBERRA ACT 2600

Email: paul.fletcher.mp@aph.gov.au


Dear Mr Fletcher

Mobile Black Spot Programme

Thank you for your letter of 5 December 2014.

Telstra sees the Mobile Black Spots Programme as offering some great opportunities to bring coverage to people and communities who currently have none. We are looking forward to demonstrating how we can deliver value for the taxpayer by opening up areas of new coverage. I am pleased that we have been able to play a constructive role in the development of the design of the programme and that our input to date has been useful.

I would though like to raise with you some concerns about the timing proposed for the programme. We consider thirteen weeks including the holiday period too short to allow applicants to develop their detailed bids, especially when agreement is required with a number of third parties, all of which have their own governance processes. Compression of the time allowed to develop bids will inevitably impact the quality of those bids and may reduce the value for money that the government receives from them. We consider an additional six weeks, until 27 April 2015 is necessary to allow sufficient time to develop detailed proposals and have them agreed with the state and local government co-contributors. We would greatly appreciate it if you would consider such an extension for all parties.

I understand that we have previously provided details of our network coverage by handheld and external antenna layers to assist the Department in its consideration of the programme to date, and we will be happy to provide updated data. I have asked my Regulatory Affairs team to manage this request in consultation with the Department.

We will, of course be an active participant in the tender process. As the mobile network operator with the largest mobile network, we have the skills and expertise to deliver a value for money proposal that increases coverage and allows for competition via co-location.

Yours sincerely



The Hon Paul Fletcher MP
Parliamentary Secretary to the Minister for Communications
PO Box 6022
House of Representatives
Parliament House
Canberra ACT 2600

cc. The Hon Malcom Turnbull MP
cc. The Hon Warren Truss MP

29 August 2014

Dear Mr Fletcher

We met with the Department of Communications on 28 August to discuss the proposed tender guidelines (**the Guidelines**) for the Mobile Blackspots Programme. We appreciated the openness the Department demonstrated in our discussions. There are several matters discussed which we would like to draw to your attention.

Coverage weighting

We advised the Department that the inclusion of roaming and co-commitment criteria will result in a reduction of the coverage outcome. Simply put, the roaming criterion is equivalent to \$100,000 of additional carrier co-contribution - funding that could ordinarily be put towards additional base stations. Although this may result in easing the entry of other network operators, it will be at the expense of coverage.

The Department said it was aware of this potential trade off and that the inclusion and weighting given to the roaming criterion was a conscious Government policy decision.

Telstra applauds the Government's commitment to infrastructure investment and respects its stated desire to have the Guidelines promote competitive outcomes. However, given the opportunity for regional Australians to enjoy improved coverage and services, we think there should be greater weighting in favour of coverage.

This could be achieved by increasing the number of points allocated to the residents passed. We think that the current assumption about the average number of residents passed is overly optimistic.

Telstra's network currently covers 99.3% of the Australian population and over 2.3 million square km of land. Telstra believes that the average number of premises picked up under the program is likely to be in order of 50 premises or less in most areas.

To gauge the number of premises covered by a typical site, Telstra took a simple sample of 10 sites on the Government's location list. The number of premises at each site was found to be as follows: 3, 3, 5, 20, 10, 10, 20, 40, 50, and 120. While the sample was low, it suggests that the number of points allocated to applicants for this criterion will be on average in the order of 5-10 points (i.e. number of premises is divided by 5), which is low compared to points available for the other criteria.

We also consider that the number of points allocated per premise should be increased to avoid applicants pursuing a maximum coverage footprint regardless of whether that coverage benefits customers. In other words, with low points allocated to premises covered, carriers are effectively incentivised to locate towers on very high hills to achieve the absolute maximum coverage footprint irrespective of whether the area is populated.

Roaming criterion weighting

If competition related criteria are included, they should attempt to maximise infrastructure based investment and competition in regional areas.

Infrastructure based competition is generally accepted as the preferred form of competition because it delivers greater choice, investment, diversity and innovation. This has certainly been the experience to date in the Australian mobile market. Further, access based competition such as roaming, hinders infrastructure competition because it reduces the commercial incentive for providers to invest in new infrastructure.¹

This is not reflected in the Guidelines. Under the Guidelines, the ability to support a second network operator (criterion 7(b)), which is intended to promote infrastructure based competition, and roaming (criterion 6(b)) are afforded equal weighting of 10 points each. Assuming infrastructure based competition is the preferred outcome; we believe the weighting of the roaming criterion should be reduced significantly to 3 points.

Audit of black spot sites

One matter that was not raised with the Department was the need to audit the list of black spot sites to check their eligibility for inclusion in the tender, i.e., that they are not in centres with a population of 100,000 or more, and they are not in part of any MNOs existing handheld coverage area. It is our view that this is largely a technical matter and there is significant benefit to all parties being involved to resolve this before the launch of the tender. The audit would ensure that the tender submission work is focussed on the eligible black spot areas and avoids any disputes about eligibility later in the tender process. To achieve this we believe the Government should arrange an independent audit to be taken, in consultation with the mobile carriers, before releasing the final list of black spots with the tender. To assist in such a process, we would be willing to share our coverage maps with the Department.

Closing comments

We would be grateful if you could consider the above matters in your review of the tender guidelines and let us have your thoughts. Please do not hesitate to contact me if you require further information.

Yours sincerely,



¹ Please refer to the Covec report *Economic drivers and contribution of mobile communications in Australia*.

James Shaw
Director
Government Relations
s22(1)(a)(ii)