Submission on discussion document: review of radio spectrum licence fees

Your name and organisation

Name	Soren Low - Chairman
Organisation	The Radio Frequency Users Association of New Zealand Incorporated (RFUANZ)

General questions

Questions for organisations and businesses

1	What sector of the economy do you or your organisation operate in?
	Our association represents a wide range of spectrum users across New Zealand, including private networks, rural operators, public safety communications, and innovation-driven technology companies. As such, we are deeply invested in ensuring that the fee structure is fair, efficient, promotes innovation, and supports ongoing investment in radio-based technologies.
2	Approximately how many licences do you or your organisation hold?
	Our members range anywhere from 1 to 1000+ licences.
3	Before considering changes to fees, are you planning to increase or decrease the number of licences you or your organisation hold over the next five years? If yes, please indicate the expected proportion of this change.
	Yes, the majority of our members have indicated a reduction of unused or underutilized licenses in the next few years. This is preferred common practice regardless of the review but we can confirm a minimum of 10% of our members licences are currently under review.
4	What proportion of your licences do you expect will need to be modified in the next five years?
	Numerous members will need to modify existing licenses to reflect changed location, emission type and frequency changes. At least half of our members will actively reduce their licences, with many already beginning to do so.

Questions about the proposals in the discussion document

Options for annual licence fee changes

1	What do you see as the advantages and disadvantages of option one?
	After consulting widely with our members, RFUANZ supports Option 1 as the better way forward. Our reasoning is as follows: ● It's predictable and manageable. ○ Option 1 allows operators to plan ahead for increases, rather than facing steep upfront costs that would disrupt ongoing operations and investment. ● It supports innovation and flexibility. ○ Under Option 2, higher costs for new and modified licences would discourage upgrades, innovation, and better use of spectrum. Option 1 avoids creating barriers to improving services. ● It has strong member support. ○ Most of our members favoured Option 1 in our recent survey. While many accept that a fee increase is necessary, they want a model that doesn't punish companies for growing, adapting, or improving. ● It reflects today's economic environment. ○ Many operators — especially in rural areas — are already operating under significant financial pressure. A gradual, predictable fee increase is much easier for them to absorb than sudden large costs.
2	What do you see as the advantages and disadvantages of option two?
	We see option two as a barrier for entry with a higher cost for new and modified licences discouraging upgrades, innovation, and non-efficient use of spectrum. The minority of our members see this option as worthwhile due to the lack of fee increase with renewals.
3	Which option do you prefer? Why?
	Option One as above.

4	Is there any other option that has not been considered in this document? If yes, please explain this option in detail, including why it is preferable to option one and two.
5	What impact will the fee increase have on your business or entity?
	RFUANZ and its membership believe the proposed fees are manageable provided the adopted model doesn't punish companies for growing and improving. A gradual, predictable fee increase is much easier to absorb than sudden large costs.
6	How would fee option two impact the licensing decisions of your organisation or entity over the next five years?
	RFUANZ as a majority sees this option as stunting industry growth. If option two is adopted we see this as a barrier for current holders to update and maintain their licences. Our members want the ability to keep their licenses up to date in a cost-effective way to fulfil their obligations as license holders and avoid possible enforcement action.

Closing comments

7	Are there any other comments you wish to make?
	RFUANZ supports the principle of sustainable cost recovery for RSM and acknowledges the importance of maintaining a robust regulatory framework. However, we believe that a balanced approach is necessary to maintain a healthy, innovative, and equitable radio spectrum environment. RFUANZ is committed to continuing to work constructively with RSM and stakeholders to ensure the long-term success of New Zealand's radio spectrum management. We are happy to participate further in consultation, technical discussions, or working groups as needed. Thank you for considering our submission.