

ARINC India Private Limited

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Sam Png
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Attn: Shri Akhilesh Kumar Trivedi
Advisor (Networks, Spectrum and Licensing)
TRAI

Re: ARINC's Comments in Response to TRAI's Supplementary Consultation Paper on Data Communication Services Between Aircraft and Ground Stations Provided by Organizations Other than Airports Authority of India (Consultation Paper No. 12/2023)

Dear Sir

Please find below ARINC India Private Limited's response to the above-mentioned supplementary consultation paper released by TRAI on 03rd August 2023.

SQ1. In case it is decided to bring data communication services between aircraft and ground stations provided by organizations other than Airports Authority of India under service licensing regime, what should be the eligibility conditions for obtaining service license for data communication services between aircraft and ground stations? Please provide a detailed response with justifications.

ARINC's Response: The basic eligibility criteria should be the following:

- a. Applicant must be an Indian entity registered under the Indian Companies Act, 2013.
- b. The applicant shall be the occupant of the geographical area(s)/property(ies) (either owned or leased) on which such network(s) will be established

However, meeting the above criteria do not automatically grant the licenses to the applicant. Based on experiences with several licensing authorities globally, applicants (and its partners, if applicable) are also evaluated based on one or more of the following considerations:

- Financial capability (audited accounts, paid up capital, source of funding)
- Technical capability and experience to deploy the service (technical expertise, past experience, track records)
- Compliance with international messaging standards (i.e., ARINC Specification 618)
- Global reach and availability of network

SQ2: In case it is decided to auction.

the spectrum in the frequency range 117.975 - 137 MHz for Data Communication Services Between Aircraft and Ground Stations, -

(a) What should be the eligibility conditions for participating in auction?

ARINC's Response: ARINC would advise against the auction methodology for the following reason:

- a. Auction methodologies are generally more suited to markets with many potential service providers and the need to create a competitive environment due to scarcity of frequencies accompanied by high demand. This is however not the case for data communication services between aircraft and ground stations as there are only two global service providers offering such services in India and there is a limited request in terms of channels. Such conditions do not fulfil the goal of creating a competitive environment under the action methodology.
- b. Each service provider may only require one designated frequency, while the allocation of the Common Signalling Channel (CSC) operating at 136.975 MHz is shared by both providers¹.
- c. If auction is practiced, it could potentially result in unwanted outcomes such as uncertainty or sudden change in the charges/costs involved and pose a risk to service providers who are required to maintain their service for the long term. This may also lead to service disruptions (affecting flight safety) in the event of sudden change in the valuation of VHF spectrum leading to the cessation of service.
- d. Any increase in the cost of the frequency will likely be passed down to the end users - airlines. For flight safety considerations, spectrum costs should be kept low (or even absorbed by the Government) to allow accessibility to such critical services.
- e. The auction methodology is not practiced anywhere else in the world for such type of service. Regulatory authorities globally generally use an administrative approach for the allocation of such spectrum with transparent fixed fees published.

(b) Whether the entire available spectrum in 117.975 - 137 MHz band at each airport/ ground station should be put to auction?

ARINC's Response: ARINC is not in favor of the auction methodology for the entire available spectrum for the reasons mentioned in response to SQ2(a).

(c) What should be the block size of spectrum and minimum bid quantity in terms of number of blocks?

ARINC's Response: ARINC is not in favor of the auction methodology for the entire available spectrum for the reasons mentioned in response to SQ2(a). The block size can follow the existing structure.

(d) What should be the spectrum cap for each airport/ ground station?

¹ The frequency 136.975 MHz is recognized by ICAO as the reserved worldwide common signaling channel (CSC) for VHF digital link Mode 2 (VDLM2). This CSC uses the VDL Mode 2 modulation scheme and carrier sense multiple access (CSMA). VDL Mode 2 has been designed to allow multi-users on the same channel

ARINC's Response: ARINC is not in favor of the auction methodology for the entire available spectrum for the reasons mentioned in response to SQ2(a).

(e) What should be the roll-out obligations associated with the assignment of spectrum at each airport/ ground station?

ARINC's Response: While ARINC is not in favor of the auction methodology, there should be roll-out obligations even with the administrative approach. This is to ensure that service providers efficiently utilize the assigned frequency spectrum and deploy the services within the stipulated time in a specified geographical area. A reasonable timeframe to deploy the service would be within 12 months from the assignment of frequency.

(f) What should be the period of assignment of spectrum?

ARINC's Response: While ARINC is not in favor of the auction methodology, the period of assignment of spectrum in the administrative approach could be retained as per current yearly basis. However, to reduce the administrative work involved in this process, there should be a streamlined and self-service mechanism (such as online/web renewal and payment of fees) for the annual renewal exercise. Licenses should be automatically renewed upon payment of annual license fees.

(g) What should be the minimum period beyond which the spectrum acquired through auction may be permitted to be surrendered?

ARINC's Response: ARINC is not in favor of the auction methodology for the reasons mentioned in response to SQ2(a). However, in the administrative approach, spectrum acquired should be allowed to be surrendered at any point of time if the service provider is unable to provide the service.

(h) What should be the process and associated terms and conditions for permitting surrender of spectrum through auction?

ARINC's Response: ARINC is not in favor of the auction methodology for the reasons mentioned in response to SQ2(a). However, in the administrative approach, surrendering of spectrum could be handled by formally notifying the regulator of such decision at least 3 months prior to the proposed date of surrender.

SQ3. In case of auction based and/ or administrative assignment of spectrum, what should the payment terms and associated conditions for the assignment of spectrum for Data Communication Services between Aircraft and ground Stations relating to:

(i) Upfront payment,

ARINC's Response: Since the spectrum for data communication services between aircraft and ground station is currently being assigned on an administrative basis, spectrum charges are due annually and upfront payment is not applicable. The same approach can be adopted in the new policy framework as it a common practice with most other countries as well and there are no deficiencies noted with this arrangement.

(ii) Moratorium period,

ARINC's Response: This should not be applicable as the fees are due annually. Fees levied should aim at recovering the administrative cost as the service provided is essential for flight safety.

(iii) Total number of installments to recover deferred payments,

ARINC's Response: This should not be applicable as the fees are due annually. Fees levied should aim at recovering the administrative cost as the service provided is essential for flight safety.

(iv) Rate of discount in respect of deferred payment and prepayment?

ARINC's Response: This should not be applicable as the fees are due annually. Fees levied should aim at recovering the administrative cost as the service provided is essential for flight safety.

SQ4. Whether there are any other issues/ suggestions relevant to the subject? The same may be submitted with proper explanation and justification.

ARINC's Response: ARINC recommends the administrative approach for the assignment of frequency related to data communication service between aircraft and ground stations, and a licensing framework that is clear, efficient, and transparent to the service providers. The current administrative process of issuing the wireless operating licenses largely works well and is also practiced by most countries globally.


However, a point to highlight is the license fee charged by DOT today is notably one of the highest as compared to other countries within the region or globally. Most countries view this service as a critical safety feature that should be made accessible to the air transport industry and the fees levied are nominal to cover the cost of administering the licenses.

It is also crucial to urgently resume the issuance of licenses to communication service providers to support the exponential growth in air traffic and allow airline operators to access essential air-to-ground communication services for flight critical and safety communications, and to comply with the requirement by DGCA to use all suitable means to track their aircraft on a real-time basis.

Best Regards

Sam Png

In the capacity of: Program Manager, Aviation Datalink Services

Signed:  _____

Duly authorized to sign for and on behalf of **ARINC India Private Limited**, a part of Collins Aerospace

*Written Comments on the Supplementary Consultation Paper are invited from the stakeholders by **17.08.2023** and counter-comments by **24.08.2023**. Comments and counter-comments will be posted on TRAI's website www.trai.gov.in. The comments and counter-comments may be sent, preferably in electronic form, to Shri Akhilesh Kumar Trivedi, Advisor (Networks, Spectrum and Licensing), TRAI on the email ID advmn@trai.gov.in.*

For any clarification/information, Shri Akhilesh Kumar Trivedi, Advisor (Networks, Spectrum and Licensing), TRAI, may be contacted at Telephone No. +91-11-23210481.
