

21 November 2008

Sarah Sheppard and David Cranston Communications Group Australian Competition and Consumer Commission GPO Box 520J MELBOURNE VIC 3000

By email: digitalradio@accc.gov.au

Dear Ms. Sheppard and Mr. Cranston,

Digital radio access regime - access undertaking

3UZ Pty.Ltd. is a shareholder in Digital Radio Broadcasting Melbourne Pty Ltd and has a direct interest in the development of the access undertaking for digital radio and its consideration by the ACCC.

3UZ Pty.Ltd. supports the proposed access undertaking in its current form. The ACCC should approve the proposed access undertaking in its current form.

3UZ Pty.Ltd. considers that the proposed access undertaking is consistent with:

- applicable terms of the Radiocommunications Act; and
- the ACCC's decision making criteria.

Under the framework for digital radio multiplex services established under the Radiocommunications Act, each EJVC will operate as a wholesale only business and will have a single stream of revenue from the supply of digital radio multiplex services to access seekers.

In order to ensure the financial viability of EJVCs and the supply of digital radio multiplex services on a sustainable basis, 3UZ Pty.Ltd. wishes to emphasise that it is necessary to ensure that the proposed access undertaking allows for each EJVC to:

- · fully recover their costs in providing multiplex capacity to access seekers; and
- achieve a normal commercial rate of return.

3UZ Pty.Ltd. considers that the access undertaking provides a strong basis for achieving these aims, while ensuring that access charges payable by access seekers are fair and reasonable. As each EJVC shareholder will also be an acquirer of multiplex capacity through the EJVC, each EJVC will face a strong incentive to minimise access charges and ensure that access is provided to all access seekers on a non-discriminatory basis.

Please do not hesitate to contact me if you have any questions.

Yours sincerely,

Kelvin Brown Chief Engineer 3UZ Pty. Ltd.

