

21 November 2008



3 Byfield Street
North Ryde
NSW 2113 Australia

Locked Bag 2110
North Ryde
NSW 1670 Australia

T +61 2 8899 9999
F +61 2 8899 9909
www.arn.com.au

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

By email: digitalradio@acc.gov.au

Dear Ms. Sheppard and Mr. Cranston,

Re: Digital radio access regime – access undertaking

Commonwealth Broadcasting Corporation Pty Ltd is a shareholder in Digital Radio Broadcasting Sydney Pty Ltd (**EJVC**) and has taken a strong interest in the development of the access undertaking for digital radio and its consideration by the ACCC.

Commonwealth Broadcasting Corporation Pty Ltd strongly supports the proposed access undertaking and considers that it should be approved by the ACCC in its current form.

Commonwealth Broadcasting Corporation 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, Commonwealth Broadcasting Corporation 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.



Australian Radio Network Pty Ltd
ABN 95 065 986 987

Commonwealth Broadcasting Corporation 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

John Hamilton

**John Hamilton
Company Secretary
Commonwealth Broadcasting Corporation Pty Ltd**