



9 July 2013

Sean Riordan
Industry Structure and Compliance, Communications Group
ACCC

Via Email: ssu-migration@acc.gov.au

RE: Proposed variation to the migration plan: cease sale

ACCAN thanks the ACCC for the opportunity to comment.

ACCAN agrees that this variation of Telstra's cease sale obligations is appropriate because on the whole it would reduce disruption to consumers during the switch-over from the copper network to the NBN.

As has been noted by Telstra, the change will allow the continued processing of orders for new copper-based services according to business as usual processes for premises that are not NBN Serviceable or a Frustrated Premise. There are no proposed changes to the operation of the cease sale obligation for NBN Serviceable premises.

If the cease sale obligation in its old form were to be implemented, a consumer in a ready for service premise may be less likely to be encouraged to switch to an NBN-based service before the disconnection date. As NBN Co has noted in its submission, where an Owners Corporation had refused access to NBN Co and prevented NBN Co from installing infrastructure, if the consumer were to receive a new copper service, that copper service would only be in place for a relatively short period of time before it would be cut off on the disconnection date. The same could be said for consumers engaging in more minor changes to an existing service such as moving from ADSL1 to ADSL2.

In contrast, this variation would see Telstra's cease sale obligations apply, thereby creating a scenario where it is more likely that action will be taken by residents and owners to resolve outstanding issues and ensure migration to the NBN prior to the disconnection date.

ACCAN would on the whole prefer to see these types of "Frustrated Premise" issues resolved well before the relevant disconnection date, rather than see a wave of unexpected disconnections (from the consumer's point of view) at the disconnection date when NBN Co's contractors are experiencing peak demand.

As the ACCC has noted in its analysis, the fewer customers who are using the copper network when it is switched off, the fewer customers will experience service disruption.

We are concerned to ensure that the protocols developed by NBN Co in determining how a premise is classified as Frustrated are transparent. The initial indications from NBN Co in their submission to the ACCC on this matter regarding how such premises would be classified would appear to be appropriate. We would recommend that such protocols be explicit in specifying that the proposed three good faith attempts to resolve issues and objections applies in relation to any organisation or person which is the source of the issue or objection, not only to a property owner or Owners Corporation.

We take this opportunity to note our concern about that subset of Frustrated Premises where the resident may not be able to resolve the problem without the cooperation of third parties over which they may have little influence – for example a local council or a developer. We would accordingly urge the ACCC to use the full extent of its powers to monitor and ensure that NBN Co devote sufficient resources to swiftly resolving access and installation issues that may arise as a result of objections or failures to act by such third parties.

Sincerely,

Jonathan Gadir
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