



23 July, 2013

Mr Sean Riordan
General Manager, Industry Structure & Compliance
Communications Group
Australian Competition and Consumer Commission
360 Elizabeth Street
Melbourne Vic 3000
By email

Dear Sean,

RE: OPTUS' FEEDBACK ON THE PROPOSED VARIATION TO THE MIGRATION PLAN: CEASE SALE

Optus welcomes the opportunity to comment on the proposed changes to the migration plan regarding the arrangements for the cease sale of copper.

Optus has previously raised a number of concerns in relation to the continued supply of copper services to premises that are not NBN serviceable directly with NBN Co, Telstra and the ACCC. In particular, Optus has identified that the application of cease sale provisions to connections that require the installation of 'new copper or other infrastructure' would likely result in a significant number of premises being unserviceable as they had access to neither the NBN fibre nor the Telstra copper. Optus submits that the proposed change to the migration plan to remove the original clause 17.1 (b) addresses this particular concern.

Optus notes that Telstra has included provisions that specifically apply the cease sale provisions to Frustrated Premises. NBN Co's submission in support of Telstra's variation makes it clear that these provisions are designed to place additional incentives on property owners to connect to the NBN. To the extent that these provisions operate on an equivalent basis then Optus does not object in principle to them. However, Optus notes that it appears somewhat premature to include these provisions in the Migration Plan at this stage given that the definition of Frustrated Premises is yet to be finalised and without industry consultation regarding the processes surrounding the identification and treatment of Frustrated Premises and the appropriate arrangements to mitigate disruption to end-users.

Notwithstanding the need to finalise an industry accepted process in classifying and dealing with the Frustrated Premises, Optus considers that as a minimum further amendments to the Migration Plan are required to address the Disconnection of Frustrated Premises. Clause 15 of the Migration Plan classifies the types of premises in relation to the disconnection windows; these are In-Train Order Premises, Added Premises and Premises where disconnection is prohibited by law. Optus believes that another crucial category of Premises needs to be added. These are the Premises that are added to the Fibre Footprint in a Rollout Region within 6 months of the Disconnection Date for which there are currently no completed, valid and serviceable NBN orders submitted, i.e. a category not covered by In-Train Order premises or Added Premises.

This category of premises is necessary as typically it may take longer for every customer within a Frustrated Premises (such as business customers within a MDU) to finalise their order details before submitting an order through their RSP. Adequate time should be allowed for these customers to assess their NBN service options and to submit orders for NBN services. These premises should have a disconnection window outside the Disconnection Date to recognize that they have become newly serviceable closer to the Disconnection Date.

Should you have any questions regarding this letter, or wish to discuss further, please do not hesitate to contact me.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'AS', with a long horizontal flourish extending to the right.

Andrew Sheridan
Head of Interconnect & Economic Regulation