

Fixed line services FAD inquiry 2018 – preliminary consultation

Anonymous questionnaire submission via ACCC Consultation Hub

Submitted on 4 Jan 2019

Question 1:

The ACCC in its 2015 FAD inquiry for the seven declared fixed line services applied a nominal uniform price change to all declared services which maintained existing price relativities. For this FAD should the ACCC maintain existing price relativities for declared services or adopt a different price structure? For this FAD should the ACCC maintain existing price relativities for declared services or adopt a different price structure?

Answer 1:

Adopt a different price structure

Question 2:

The ACCC in its 2015 FAD inquiry for the seven declared fixed line services applied a nominal uniform price change to all declared services which maintained existing price relativities. For this FAD should the ACCC maintain existing price relativities for declared services or adopt a different price structure? Please provide further comments:

Answer 2:

Given the state of the copper network is deteriorating, (in my case I've gone from 7Mbit/s line sync to 5Mbit/s line sync over the last 4 years), and that neither Telstra nor any of its resellers will do any maintenance on the copper network with the rollout of the NBN, the price structure should come down, and the ACCC should enforce that this price reduction is reflected in retail prices.

Question 3:

Do you have any views on the following potential drivers of cost and their impact on service prices since the last FAD? Do you have any views on the following potential drivers of cost and their impact on service prices since the last FAD?

Answer 3:

Since the last FAD no maintenance has been performed on the copper network. Given that there is no desire to maintain the copper network, and productivity levels have gone up, the price should not be increased.

Question 4:

In light of the influences affecting the cost of providing services since the determination of the current FAD, the ACCC is interested in views on whether there is justification for a continuation of fixed line and wholesale ADSL prices at their current levels. Please provide further comments

Answer 4:

Yes, as many people are still stuck on ADSL with no sign of the NBN anytime soon.

Question 5:

Is a single set of prices in the FAD for the entire five year declaration period for fixed line services appropriate? Is a single set of prices in the FAD for the entire five year declaration period for fixed line services appropriate?

Answer 5:

Yes

Question 6:

Would FAD prices be better determined by reference to pre and post NBN migration completion periods? Would FAD prices be better determined by reference to pre and post NBN migration completion periods?

Answer 6:

No

Question 7:

Would a single period FAD be appropriate noting that a variation could be requested at a later date as the operational circumstances of the copper network in the post NBN migration period become clearer? Would a single period FAD be appropriate noting that a variation could be requested at a later date as the operational circumstances of the copper network in the post NBN migration period become clearer?

Answer 7:

Yes