

Record Keeping Rules (RKR) update: Infrastructure RKR, Division 12 RKR and Internet Activity RKR

Consultation paper

March 2022

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1. Introduction

1.1. Purpose

The purpose of this consultation paper is to seek stakeholders' views on the Australian Competition and Consumer Commission's (ACCC) proposed amendments to the following Record Keeping Rules (RKRs):

- the Division 12 RKR
- the Internet Activity RKR, and
- the Audit of Telecommunications Infrastructure Assets RKR.

In late 2021, TPG approached the ACCC with a proposal to streamline its reporting requirements under one single TPG entity. The ACCC is proposing to make amendments to the RKRs to reflect the consolidation of several TPG group companies into one reporting entity.

Over the years, there have been a number of changes to the corporate entities that now make up the TPG group of companies. While TPG Telecom (093 058 069) was the original TPG business entity, the company has grown with a number of mergers and acquisitions including:

- Pipe Networks merged with TPG in 2010
- AAPT's wholesale and networks business was acquired by TPG Telecom in 2013, and
- iiNet was acquired by TPG Telecom in September 2015.

In addition, Vodafone Hutchison Australia (096 304 620) and TPG Telecom (093 058 069) completed a merger in June 2020. As part of the restructure, Vodafone (096 304 620) was renamed TPG Telecom (096 304 620) and TPG Telecom (093 058 069) was renamed to TPG Corporation (093 058 069).

The ACCC is seeking submissions on the proposed changes to allow the consolidation of TPG's reporting into one entity namely TPG Telecom Limited (096 304 620).

1.2. Commencement of proposed changes

The ACCC is proposing that the rule changes take effect as soon as possible.

- For the Division 12 RKR, the new rules will take effect from the 30 June 2022 reference date.
- For the Internet Activity RKR, the new rules will take effect from the 30 June 2022 reference date.
- For the Infrastructure RKR, the new rules will take effect from the 31 January 2023 reference date.

1.3. Submission process

The ACCC is seeking submissions from stakeholders including industry and RKR data users on the specific questions raised in this consultation paper.

Submissions should be provided by Friday 15 April 2022.

Submission of commercial-in-confidence material

All submissions will be considered by the ACCC as public submissions and will be posted on the ACCC website. Interested parties wishing to submit commercial-in-confidence material to the ACCC should submit both a public version and commercial-in-confidence version of their submission. The ACCC has issued a guideline setting out the process parties should follow when submitting confidential information to communications inquiries commenced by the ACCC. The guideline is available on the ACCC website at:

https://www.accc.gov.au/publications/communications-inquiries-submitting-confidential-material

Contact officer and submission lodgement details

Enquiries in the first instance should be directed to Mr Luke Adams at (03) 9290 1954.

Please email submissions to: luke.adams@accc.gov.au and cc Transmission&FacilitiesAccess@accc.gov.au.

2. Division 12 RKR

2.1. Background

The <u>Division 12 RKR</u> was first issued in December 2004 and was subsequently reviewed in April 2009, August 2010, July 2013 and December 2020. The current Division 12 RKR collects information on fixed voice, mobile and internet services on an annual (financial year) basis from Telstra, Optus, iiNet, TPG Corporation and TPG Telecom.

Data collected under the Division 12 RKR relates to services in operation (SIO), revenue, call minutes, number of calls and includes bill sample information. A subset of the information collected is published in the ACCC's annual <u>Communications Market Report</u>.

2.2. Proposed changes to the Rules

The proposed changes to the Division 12 RKR removes the requirement for iiNet, TPG Corporation and TPG Telecom to submit reports individually and instead allows for a consolidated submission from one TPG entity, TPG Telecom Limited (096 304 620), on behalf of all three entities.

3. Audit of Telecommunications Infrastructure Assets RKR

3.1. Background

The <u>Infrastructure RKR</u> was first issued in December 2007 and is currently being reviewed. It requires 24 specified carriers to report on the extent and location of their core network and customer access network (CAN) infrastructure, as well as leased infrastructure or infrastructure operated on behalf of third parties.

Under the Infrastructure RKR, the TPG entities currently report information relating to the following businesses:

- TPG Telecom Ltd (093 058 069) which also includes:
 - AAPT Limited
 - Adam Internet Pty Ltd
 - Agile Pty Ltd
 - iiNet Limited
 - Soul Pattison Telecommunications Pty Ltd
 - TransACT Capital Communications Pty Ltd
- Vodafone Hutchison Australia Pty Ltd (096 304 620)

3.2. Proposed changes to the Rules

The proposed changes replace the requirement for TPG Telecom Limited (093 058 069) and Vodafone Hutchison Australia Pty Ltd (096 304 620) to submit returns individually and instead allows for a combined submission from TPG Telecom Limited (ABN 096 304 620) on behalf of the two entities and other subsidiaries/related entities already named in the RKR.

The changes will also update the corporation names and ACN's to accurately reflect TPG Telecom and Vodafone Hutchison Australia's current names of TPG Corporation (093 058 069) and TPG Telecom (096 304 620).

4. Internet Activity RKR

4.1. Background

The Internet Activity RKR was issued in December 2018 and revised in December 2020. It collects information bi-annually from 13 retail service providers (RSPs) including iiNet Limited (068 628 937), TPG Corporation Limited (093 058 069) (formerly known as TPG Telecom Limited) and TPG Telecom Limited (096 304 620) (formerly known as Vodafone Hutchison Australia Pty Limited).

Information gathered under the Internet Activity RKR includes the number of retail SIOs in terms of access connection, wholesale speed tier and the volume of data downloaded across NBN, non-NBN fixed and mobile services The full suite of information collected under the RKR is released as part of the Internet Activity Report.

Similar information on internet activity was previously collected by the Australia Bureau of Statistics (ABS) under its Internet Activity Survey (IAS). This survey was discontinued in June 2018.

4.2. Proposed changes to the Rules

The proposed changes remove the requirement for iiNet, TPG Corporation and TPG Telecom to submit reports individually and instead allows for a consolidated submission from one TPG entity, TPG Telecom Limited (096 304 620), on behalf of all three entities.

5. Ouestions on which the ACCC seeks views

The ACCC is seeking comments in response to the questions set out below, and any other matters relating to the proposed changes to the Division 12 RKR, Infrastructure RKR and Internet Activity RKR. Where relevant, we ask that you provide reasons in support of your view.

- 1. Do you have any comments about the proposed changes to the RKRs to consolidate the reporting of various TPG entities and related companies under one reporting entity, namely TPG Telecom Limited (096 304 620)
- 2. Are there any issues arising from consolidation of TPG's reporting that might impact the public's use of any RKR data that is publicly disclosed?
- 3. Is the proposed timeframe for implementation sufficient?

6. Next steps

The ACCC will take into consideration all submissions to the consultation and position paper. Should substantial issues arise, further consultation may be undertaken either directly with respondents, or publicly.

Subject to consultation outcomes, the ACCC intends to issue the final versions of the RKRs by May 2022.