

Dear Mr Seymour and Mr Farago

Consultation on Superfast broadband network class exemption and deemed functional separation undertaking

Thank you for the opportunity to respond to this consultation.

Countrytell is a small carrier focused on regional Australia. Whilst we have historically focused on fixed wireless delivery we see opportunities to grow by delivering small business and residential fixed line services. We have started a network build in Newcastle for business services, and have been waiting on these regulatory changes to enter the residential market, as the previous rules meant the cost to operate separate retail and wholesale businesses was not viable (we have 10 staff).

Our concern is that the 2000 SIO threshold is very low and would cap our growth because the costs to separate would be too high to be viable. We believe it is in the interests of end users of telecommunications service to have a range of infrastructure operators to choose from. We would like to see a higher threshold, particularly where operators are building in under-served areas.

We feel that a carriers size and the markets they serve (particularly under-served regional Australia) should factor into the threshold. In our case, we think that separation becomes viable around the 10,000 subscriber mark.

Regards,

Chris Deere
Chairman
CountryTell