

16 October 2018

Submission re: proposed variations to the Migration Plan

The TPG group notes the various changes proposed by Telstra for its Migration Plan. We support the proposed changes relating to the HFC Pause.

However, in relation to the changes proposed the migrations of services for in-train orders for Special Services, TPG does have strong views.

TPG is concerned about the high likelihood of business customers being stranded without service on the Special Services Discontinuation Date (SSDD). One of the primary concerns we have is driven by the fact that the TPG group does not consider that NBN Co has put in place any products that naturally will fit the requirements that business customers have for their services. The NBN's attempts to meet business requirements have recently included releasing new Ethernet products that will not be available to purchase until late October – less than one month before the SSDD – and provisioning is likely to take a considerable period of time even after order.

TPG believes that business customers ought to be given full opportunity to acquire connectivity solutions from the carrier that best suits their particular requirements, whether that is service supplied using the NBN network or another network provider.

The NBN benefits from a very favourable regulatory environment and from having access to taxpayer capital to fund their competitive entry into the business and government market. It is unreasonable that private companies that have made significant investments with private capital be forced to compete on an uneven playing field.

The current proposal to give businesses that have an in-train order for an NBN service more time, but not those that have an in-train order for a service on a non-nbn network further entrenches the benefits that nbn has, and TPG believes it is anti-competitive and discriminates in favour of NBN. Using the NBN products currently on offer, the effect of the proposal is to force TPG business customers from their current service with TPG (for example a mid-band ethernet service) onto a lower quality and lower speed NBN service at a higher price. TPG has alternative products for business customers to acquire on TPG's own fibre network and, if a business customer wishes to acquire such a service, they should have the choice to do so, without the overhanging threat of near-term forced disconnection.

Accordingly, TPG submits that the ACCC should mandate the non-disconnection of special services pending the following principles having been agreed and accepted by NBN:

1. There must be the ability to claim an extension to the mandatory copper cut off for special services;
2. Such extension should be based on the customer having placed an order for services from any supplier, whether on the nbn network or not.

3. The extension period should not discriminate between businesses who have chosen to move to nbn infrastructure and those who are moving to an alternative provider.

Telstra, it appears from their submission, agrees in principle. A non-discriminatory ITO period will be good for business consumers and for competition in the market.