

SUBMISSION IN SUPPORT OF THE ACCC'S DRAFT DECISION IN THE WHOLESALE ADSL DELCARATION INQUIRY

Macquarie Telecom Group strongly supports the ACCC's decision to extend the declaration of the wholesale ADSL service for 5 years because the key circumstances that justified the original declaration, Telstra's ownership of the copper network, will remain at least until the NBN is fully deployed.

Macquarie Telecom Group believes that this decision will promote competition by allowing access to a wholesale ADSL service at a regulated price and therefore benefit end users by allowing competitors to Telstra to offer differentiated services.

Macquarie Telecom Group supports the ACCC's view that this decision will encourage economically efficient use of infrastructure, particularly in the face of the transition to the NBN. The decision is unlikely to materially affect investment by Telstra in the context of its arrangements with the NBN.

Finally, Macquarie Telecom Group strongly supports the need for all 289 ESAs to be declared. Macquarie Telecom Group requires national coverage to supply its customers and would face additional costs if it had to split a customer's network between various different wholesale ADSL suppliers. ADSL is a national service and a national market, and in the transition to NBN we would expect it would become impossible to deploy in the exchange to acquire ULLS (which will be decommissioned as NBN connects) leaving WADSL as the only commercially viable access technology. It is therefore important to ensure regulated access to WADSL to ensure a competitive market for retail services to end users.

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