

PROPOSED VARIATION TO THE NBN CO SPECIAL ACCESS UNDERTAKING AUGUST 2023.

This submission follows on from my earlier submissions lodged during the public consultation periods advertised by the ACCC.

The proposed NBN Sau does not have any regard for the long-term interests of end users, where those users are on NBN skymuster.

There are no proposed improvements in relation to speed, cost effectiveness, service standards, service benchmarks or performance testing in FY24, the first review, the first or second module for skymuster.

The ACCC, by its own admission in the paper, is required to take the LTIE into account for all consumers, not just those for whom there is a competitive market.

ACCC CONSULTATION PAPER

PAGE 14 4.1 NOVEMBER 2022

Reference is made to the different arrangements applying before and after June 30, 2023.

This should be corrected, as the arrangements refer to pre and post June 30, 2032.

PAGE 20 AUGUST 2023 SAU VARIATION PROPOSAL TABLE 2

Proposed floor and ceiling pricing elements by speed tier.

There is no reference to whether this price structure applies to skymuster, or if it only applies to fibre and fixed wireless.

PAGE 26 SERVICE TRANSFER AND ACCESS REACTIVATION FEES – MASS TRANSFER EVENT.

Reference is made to the payment of fees when there is a mass transfer event.

If there were to be individual transfers, such as individual customers transferring to a different reseller the charging of a fee would be fair and relevant.

However, a “mass transfer event” such as a merger of retailers, should entail a batch transfer of the list of customers from retailer “a” to retailer “b” and would not involve the act of transferring each individual customer.

The necessity to charge an individual fee merely reflects a failure of NBNco to have systems in place that allow a “batch transfer”.

NBNco should be able to identify groups of customers who are attached to a particular reseller, as this would provide an aggregate billing for that reseller, rather than having a system that bills the reseller for each individual customer.

This approach also reflects that if there were an issue with a reseller, such as loss of carrier licence or insolvency event, NBNco does not have systems in place to identify impacted customers.

For example, the premise of the individual transfer fees means that if a reseller had 20,000 NBNco customers, then NBNco would be issuing 20,000 invoices per month to the reseller rather than one invoice. This type of inefficiency within NBNco is inexcusable and if this exists then this will be another element of why NBNco has such a high-cost base.

A relatively new, post computerisation, company such as NBNco should have systems in place that allow bulk billing to a reseller rather than individual billing to each customer.

There is no justification for NBNco to need to charge individual fees for mass events such as a merger or takeover, fees which ultimately will be passed onto individual customers.

A similar situation would apply for any activation fees if it were intended that NBNco could charge a reactivation/activation fee upon a mass transfer event.

#### PAGE 30 4.3 SERVICE QUALITY

Based on the NBN document that highlights the changes proposed in the August 2023 proposal, there is still no indication of any proposed service quality, speed, or reliability for skymuster services.

Requirement to review performance in each service level and service performance objective (4A.4.3 ref page 30).

As the ACCC does not test the speed and quality of all technology types, specifically Skymuster, there is no independent method for the ACCC to verify if NBNco is achieving the performance in all technologies, only those for which there is a competitive market.

Skymuster, which has no competition, has no checks and balances in place, which is where the ACCC should be taking all steps possible to ensure that, due to the non-existence of competition, that NBNco is achieving the speed, performance, reliability, and service repair it will report on.

I have been trying for several years to obtain information from NBNco in relation to the various categories referred to by NBNco in the SAU, wba and proposed SAUs, as to what the numbers of services are for each technology type for each service standard grouping.

The ACCC, I believe, has the scope and ability to require NBNco to incorporate reporting on the individual service categories for each technology, and to instigate testing of speeds across all technologies, to ensure that all benchmarks and performance standards are being met.

If the performance reviews are permitted to refer to a national percentage of performance and the service, rather than for each technology type and each service standard, then the volume of fibre customers with prompt repair timeframes will mask and distort the actual service quality and performance of the smaller technologies, such as skymuster, and the smaller service groups such as isolated and remote.

## PAGE 41 APPENDIX B -PREVIOUS ENGAGEMENT

The fifth output of the engagement is.

“...there is a clear and robust quality of service framework so retailers and end-users know what to expect from NBN services, including a review mechanism so that service standards remain fit for purpose”.

The service standards are already unfit for purpose.

Skymuster service standards include the fact that there are no service restoration timeframes for some customers.

Skymuster service standards for some customers are excessive.

There is no improvement in service standards proposed in the SAU.

There is no attempt by the ACCC to require that these services are separated from the overall service reporting nominated by NBNco.

As NBNco have refused to provide any details of the numbers of customers in those service levels, it is not possible to determine how many customers do not have any service standard at all, and how many are in those areas with excessively and unjustifiably long service and restoration timeframes.

The use of the ARIA mapping rather than distance from urban centres, to determine the service levels, is inconsistent with the current repair timeframes under the customer service guarantee.

There should be no reason why service repair timeframes that have been agreed, accepted, and legislated for the copper network, can not be the benchmark for the SAU and that these benchmarks should be required to be improved over the period to 2040.

The service standards are not fit for purpose, as they are inconsistent with the existing repair benchmarks and there has been no review and there is no proposed review mechanism for these service standards and benchmarks.

The service standards should have been improved significantly in the SAU at acceptance due to the low uptake of skymuster services and the Federal Government funded program to expand the fixed wireless network to reduce the number of skymuster services.

There should be an improvement shown in future service standards and benchmarks with the completion of this program and the recognition that the service standards are unacceptable in the context of the necessity of broadband for all Australians in 2023 and beyond.

As an absolute minimum improvement in the SAU, the adoption of service areas based on urban centres and population rather than the ARIA map would be a significant achievement for those customers living within 20km of urban centres but classed as remote or isolated.

NBN INDICATIVE FY24 ANNUAL SERVICE IMPROVEMENT PLAN – ACCC AND INDUSTRY UPDATE 6 SEPTEMBER 2023

## PAGE 7 SIMPLIFICATION

“proactively addressing FTTN underperforming lines. FTTN services in the FTTP upgrade footprint that cannot attain 25/5 Mbps will be addressed proactively...”

With no legislated minimum standard, NBN is committing that those that can not get 25/5 Mbps will have their service improved., as this is clearly an unacceptable speed delivery to NBNco.

#### NO SERVICE IMPROVEMENT PLAN FOR SKYMUSTER

There is no reference to skymuster in the FY24 service improvement plan.

There is no intention whatsoever to improve any skymuster services.

Skymuster services do not attain 25/5, and there is no testing done by NBNco to verify otherwise and there is no ACCC testing of speeds.

All underperforming services should be proactively addressed, not just those in the competitive environment.

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