



Submission to Fixed Services Review Discussion Paper

Extension of Existing Fixed Line Services and Wholesale ADSL Declaration

May 2014

The Competitive Carriers' Coalition welcomes the opportunity to comment on the proposed fixed line variations.

The Competitive Carriers' Coalition believes the regulation of the prices of fixed line services in CBD areas and the regulation of price and terms of access for IIC represent necessary actions to address and correct anomalies in the regulatory arrangements.

The CCC supports the Commission's proposal to extend FAD price and conditions to the fixed services in CBD locations previously the subject of exemption from declaration.

The CCC believes the LCS and WLR services are national markets and this view was accepted by the Commission in its decision to remove the CBD exemptions.

The extension of FAD conditions to the services supplied in these locations is the necessary and logical extension of the decision to make the services subject to regulation. A failure to do so would create an incentive for Telstra to seek to differentiate prices and terms of access, which would inevitably lead to disputation and eventual determinations.

The CCC supports the Commission's decision to introduce a determination related to the price of access to the internal interconnection cable.

The arbitrated disputes over the prices and terms of access to these cables in the past demonstrates that Telstra has an incentive and ability to charge costs above those required to recover costs, and that it has done so. In the absence of on going regulation there is every reason to believe that Telstra would again engage in conduct that would require Commission intervention.

The IIC service is a necessary input to the LSS and ULLS services and the CCC submits it should now be included in the list declared services to put beyond doubt that it will be treated as a bottleneck service.

In response to the specific questions posed in the discussion paper:

1 Q Do you agree with the ACCC's application of the subsection 152BCA(1) criteria for making the proposed variation?

A Yes.

2 Q Do you agree with the ACCC's proposed LCS and WLR service CBD prices?

A Yes. The CCC believes the services are offered in a national market and for the purposes of certainty, and in the context of the present inquiry into future pricing, it is appropriate that the prices of the FAD for other regions are applied.

3 Q Do you agree with the ACCC's proposed non-price terms?

A Yes, as above

4 Q Do you agree with the ACCC's application of the subsection 152BCA(1) criteria for making the proposed variation?

A Yes

5 Q Do you agree with the ACCC's proposed IIC charge?

A Yes, for the purposes of certainty, and in the context of the present inquiry into future prices.

For further information please contact

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on behalf of the CCC