

31 October 2017

Mr Grahame O'Leary Director Australian Competition & Consumer Commission (ACCC) **By email**: grahame.oleary@accc.gov.au

Copy to: david.hinitt@accc.gov.au

Dear Mr O'Leary,

Re: Review of the National Broadband Network Services in Operation Record Keeping Rules (NBN SIO RKR) Further Consultation Paper

This letter relates to the ACCC's Further Consultation Paper on the Review of the NBN SIO RKR published in October 2017. Telstra supports the proposed variation, and responses to the specific questions included in the Consultation Paper are provided at the end of this letter. Telstra also supports the submission prepared by Communications Alliance.

The decision to move away from the proposal for reporting based on CVC 'thresholds' is appropriate because, for the reasons detailed in Telstra's response to the ACCC's Consultation Paper on the Review of the NBN SIO RKR published in June 2017¹, any standardised threshold would not provide meaningful insight. As an alternative, the proposed variation seeking more granular CVC utilisation data will provide the ACCC with more meaningful information. However, there remain limitations in its utility. Telstra reiterates its position that, while additional information will provide some insight into access seeker traffic management behaviour, more granular CVC utilisation data alone cannot be used to compare access seekers in respect of received download speeds. This is because end-user experience is impacted by a multitude of factors including the overall CVC capacity and the mix of different speed tiers sold by an access seeker.

Given these limitations, it is important that this CVC information be retained for the ACCC's internal review (which Telstra understands is the intent), because if disclosed it may cause confusion and inhibit competition. The reported CVC information should also be provided to the access seeker to allow feedback in the event that there is any inconsistency between NBN Co reported data and access seeker data.

Telstra also maintains its position that, for the ACCC and access seekers to be able to more thoroughly understand the broadband speed performance that end users can expect, further transparency in relation to the network performance of the NBN Co controlled network between the various Points of Interconnect and the end user would be beneficial.

¹ Telstra, Letter to ACCC re: Review of the National Broadband Network Services in Operation Record Keeping Rules (NBN SIO RKR) and NBN Wholesale Market Indicators Report (WMIR), 28 July 2017, p 2-3.

#	Question	Telstra Response
1	Is the proposal to vary the NBN SIO RKR to account for MTM technologies sufficient or is additional information required?	The proposal is sufficient, but note that there is a redundant reference to Interim Satellite access services in rule 18(a).
2	Should the ACCC vary the CVC related reporting requirements so daily and more detailed peak period CVC utilisation data are reported?	Telstra supports this proposal, noting the limitations in the utility of this additional reporting described in the letter above.
3	Should more detailed peak period reporting apply for all traffic classes, or only TC4?	The additional reporting should only apply to TC4.
4	For the peak period reporting, would reporting of 30 minute or 60 minute periods be sufficient? Should the ACCC consider other reporting requirements during peak periods?	Reporting for 60 minute periods would be sufficient.
5	Is the peak period of 7pm to 10pm appropriate for TC4? Should a wider period be reported?	The reporting period should align to other definitions of peak period for consistency e.g. In the ACCC's "Broadband Speed Claims – Industry Guidance" the peak period is defined as 7pm to 11pm.
6	What CVC utilisation peak hours do access seekers currently experience with residential NBN broadband services? Is this likely to change?	The current understanding of peak period remains relevant; Telstra sees no reason why this is likely to change at this stage.
7	Should CVC capacity be reported as at the end of a day? Or at another time?	The end of the day is appropriate, and Telstra assumes this to be defined as 11.59pm.

If you have any questions please contact Geoff Golden on (03) 8694 1428 or <u>geoff.golden@team.telstra.com</u>.

Yours sincerely,

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Jane van Beelen Executive Director – Regulatory Affairs Corporate Affairs Jane.vanbeelen@team.telstra.com