

8 November 2010

Joshua Davies
Communications Group
Australian Competition and Consumer Commission

By email: joshua.davies@accc.gov.au

Dear Mr Davies,

Primus Telecom welcomes the opportunity to comment on the number and location of the initial points of Interconnection (POIs) for the National Broadband Network.

Primus supports the proposal for 14 centralised POI's. In considering the long term interests of end users, Primus considers the 14 POI proposal will best deliver the Government's uniform pricing ambition, while also enhancing the prospect for genuine competition.

As has been well acknowledged, the structure of the telecommunications industry in Australia has been critically flawed. Incumbent and integrated operators have discriminated against challengers in the industry. Primus submits that the Government, through the creation of NBN Co, now has an opportunity to create once and for all a level playing field, and NBN Co should not shy away from that ambition. The centralised POI model delivers on that ambition. Primus notes that rural and regional consumers have particularly suffered from a lack of competitive services, and Primus submits the POI model proposed by NBN Co has the potential to deliver significantly better value and choice to all of Australia, including those neglected rural and regional parts of Australia.

While Primus acknowledges there may be some initial objection from opportunists or those in the industry seeking to preserve their market power, Primus submits the decision on POI's must be based on the long term interests of end users, which Primus considers is best supported by a centralised POI model. This is particularly so given the vested interests of the integrated infrastructure providers in the industry. In these entrenched circumstances, with such strong overriding vested interests, Primus considers it unlikely that a level playing field could ever emerge under a distributed points of interconnect model. Primus submits further that discrimination and unfair advantage in respect to backhaul and transmission will have greater implications in the future given escalating bandwidth requirements. In delivering competition and better consumers outcomes NBN Co must remain loyal to creating a level playing field and delivering its uniform pricing ambitions.

Primus strongly supports the arguments for a centralised points of interconnect model as proposed by NBN Co

Yours faithfully



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