Premier

Level II, Executive Building, 15 Murray Street, Hobart TAS GPO Box 123, Hobart, TAS 7001 Australia Ph +61 3 6233 3464 Fax +61 3 6234 1572 Email Premier@dpac.tas.gov.au Web www.premier.tas.gov.au



- 8 NOV 2010

Mr G Samuel Chairman Australian Competition and Consumer Commission

Dear Mr Samuel Graene,

Email address:

I am writing in relation to the Australian Competition and Consumer Commission (ACCC)'s Discussion Paper *National Broadband Network Points of Interconnect* and the ACCC's invitation for submissions.

nbnpoiconsultation@accc.gov.au

Attached is the Tasmanian Government's submission. Should your officers have any queries in relation to the submission, the Tasmanian contact officer is Ms Katie Ault, Commercial Strategy Manager, Department of Premier and Cabinet. Ms Ault can be contacted by email at Katie.Ault@dpac.tas.gov.au or by telephone on (03) 6270 5654

Thank you for providing the opportunity to comment. For your information I have also forwarded a copy of the submission to the Senator Conroy, Minister for Broadband, Communications and the Digital Economy.

Yours sincerely

David Bartlett MP

Premier

Copy to:

Mr J Davies

Communications Group

Australian Competition and Consumer Commission

Email:

Joshua.davies@acc.gov.au

Tasmanian Government Submission

Points of Interconnect to the National Broadband Network

November 2010



TABLE OF CONTENTS

I		EXECUTIVE SUMMARY2
2		INTRODUCTION4
3		CURRENT SITUATION5
4		NBN OPPORTUNITY AND THE DIGITAL REVOLUTION7
5		EXCESSIVE CENTRALISATION DETRIMENTAL TO TASMANIA8
	5.1	Benefits for some end users
	5.2	Stranding of the local infrastructure market8
	5.3	Loss of specialist business services & inter-modal competition9
	5.4	Loss of infrastructure supporting the new digital economy10
	5.5	Latency and tromboning
	5.6	Increased dependence and vulnerability
5		TASMANIA NEEDS LOCAL POIs AND LOCAL TRANSMISSION13
	6.1	Local aggregation POIs
	6.2	Assistance in relation to transmission black spots
	6.3	Other matters

I EXECUTIVE SUMMARY

The Tasmanian Government welcomes the National Broadband Network (NBN) as critical enabler for Tasmania's future, including our as a growing technology hub. The NBN fixed distribution network will become the core of Tasmania's telecommunications infrastructure and a crucial input to the State's economy.

However, complementary and alternative technologies and services need to thrive in parallel to the NBN. The Tasmanian Government believes that the NBN initiative in Tasmania must:

- Enhance local, on-island, information and communications technology development. This requires local access to the NBN, not access via the transmission to the mainland of an NBN Retail Service Provider (RSP). It also requires the ongoing existence of a dynamic, innovative, local transmission market.
- Fill in the Bass Strait black spot, not only for use of NBN but also for other transmission services.
 The most efficient, practical, sustainable, and certain way of delivering cost-effective capacity across Bass Strait would be through the construction of a second robust and dedicated non-Telstra undersea cable.
- Enhance local, on-island, service and content deployment capability. This requires that NBN traffic not be routed via the mainland.

Universal National Wholesale Pricing (UNWP) for NBN offers significant benefits to Tasmanian end users of many services delivering information into or out of Tasmania. However, the centralised point of interconnect (POI) models proposed by NBN Co to achieve this aim would displace intrastate transmission providers and could also stifle wholesale and inter-modal competition. It would also lead to more pervasive regulation than is necessary, at significant cost to end users and the economy generally. Local data centre operators, application and content providers would also be stranded unless they trombone traffic back and forth to the mainland, to Tasmania's economic detriment.

To base NBN's architecture on a 'move all core infrastructure to the major-capital cities' model would have the unintended consequence of centralising service provision and network investment, and reducing investment in complementary mobile and wireless services. This is contrary to the vision of better serving regional communities and ensuring their participation in the digital economy.

NBN Co's preferred position (Option 4 outlined in the NBN Co Public Position Paper - Proposed NBN Co Points of Interconnect (POIs)) to achieve the Commonwealth Government's objectives treats Tasmania differently to other States by not including a Tasmanian aggregation POI. This would create significant problems for Tasmanian users of non-NBN services and existing local infrastructure providers. On the other hand, an aggregation POI in Tasmania without action on transmission black spots would entrench an existing State disadvantage in relation to interstate backhaul pricing and availability.

The Tasmanian Government's position is that:

- NBN Co should include at least one aggregation POI in Tasmania; and
- the Bass Strait black spot issue should simultaneously be resolved, to enable the Tasmanian POI to deliver on the access objectives of no barriers, openness and competitively neutral locations for all transmission users.

The participation of regional Australia in the digital economy, including many of the benefits intended to flow from the NBN project, require both a decentralised approach to NBN aggregation POIs and the continuing existence of independent local transmission infrastructure and markets.

UNWP is needed, but mechanisms need to be found to ensure that both competitive local markets and UNWP can co-exist.

2 INTRODUCTION

The Australian Competition and Consumer Commission (ACCC) has released a Discussion Paper on Points of Interconnect (POIs) to the National Broadband Network (NBN) [Discussion Paper], seeking submissions on the most desirable number and location of NBN POIs. The paper includes, as an attachment, the NBN Co Public Position Paper - Proposed NBN Co Points of Interconnect (POIs).

This submission considers the desirable number and location of NBN POIs in the context of other potentially relevant decisions or developments, particularly:

- the in-principle agreement announced in July 2010 between Telstra and NBN Co; and
- the possibility of new regulations affecting access to non-NBN Co fibre.

A POI is the location where traffic is exchanged between one network and another. It forms the interface between NBN's wholesale Layer 2 service and the competitive Retail Service Provider (RSP) Layer 3. It also interfaces between NBN's wholesale Layer 2 service and that of other Layer 2 transmission providers. The location and number of NBN POIs therefore have important implications for the future structure of, and competition in, the telecommunications industry under the NBN.

The ACCC's particular concern is the long term interests of end users of carriage services and services supplied using carriage service providers (LTIE), as defined in part XIC of the *Trade Practices Act 1974*. NBN Co's particular concern is the cost-effective implementation of the Commonwealth Government's policy.

The Tasmanian Government's concern is the short and long-term economic and social welfare of Tasmania and Tasmanians. While this concern is broader than the LTIE, the two are highly aligned since:

- the quality, cost and scope of carriage services and services supplied using carriage service providers are critical to Tasmania's economy and communities; and
- the issues for Tasmania are similar to the issues across regional Australia.

The Tasmanian Government therefore expects that the interests of Tasmania in relation to NBN POIs will be broadly aligned with the LTIE across regional Australia as a whole.

3 CURRENT SITUATION

Tasmania is geographically isolated from mainland Australia. It is an important island economy, but has a very dispersed population and industry base.

Until recently, only Telstra had built and commercialised a telecommunications distribution network connecting the State to the mainland and its towns to each other. Non-Telstra carriers and Internet Service Providers (ISPs) were united in reporting that the price of transmission capacity via Telstra from Hobart-to-Melbourne was ten times higher than capacity from Melbourne to Adelaide, comparing unfavourably even with international routes.

Partly as a consequence of this, non-Telstra carriers had by that time made minimal investments in Tasmania in ADSL2+ or other local loop-based broadband technology. By 2008, three non-Telstra ISPs had put in one or two Tasmanian DSLAMs (equipment for providing broadband over copper) but had frozen their expansion or withdrawn from provision of high-bandwidth services, reportedly due to the high cost of transmission, especially across Bass Strait. There was also minimal investment in mobile technology by non-Telstra operators, with Telstra the only 3G provider and Optus and Vodafone, the only infrastructure-based mobile competition, offering limited coverage and capacity, even in built-up areas.

The result was to constrain growth in Tasmania's household Internet use, household broadband use, and business use of broadband. On all such indicators, Tasmania was then the worst performing State or Territory in Australia, including the Northern Territory.

The following backhaul investments have improved this situation:

- The Tasmanian Government invested over \$30 million on an optic-fibre cable connecting the North, South, and North-west of the State, laid in conjunction with high and low-pressure gas pipelines. After a competitive process, the Government selected Aurora Energy Pty Ltd (Aurora), a State-owned company, to commercialise and expand this asset
- Aurora invested around \$20 million in additional fibre distribution cabling, primarily in and around Hobart
- Basslink Pty Ltd (Basslink) completed and commissioned the only non-Telstra cable across Bass Strait, an undersea optic fibre cable collocated with the Basslink electricity cable. The total cost of this cable, transmission equipment and related infrastructure and contracts is confidential to Basslink.

As a result of these investments, both Aurora and Basslink commenced offering Melbourne-to-Hobart transmission capacity in competition with Telstra. The price of Melbourne-to-Hobart transmission capacity has now fallen significantly. Major ISPs, including Internode and Netspace, resumed investment and expansion of high-bandwidth services in Tasmania. Aurora also became a member of the Tasmanian Government's data networking services panel, providing valuable infrastructure-based competition to Telstra. Optus is now rolling-out its 3G network across Tasmania, with dedicated retail support, to improve coverage and services in order to compete with Telstra.

There are also significant under-developed assets with potential to enhance telecommunications transmission infrastructure competition in Tasmania. In particular, the State's electricity transmission business, Transend Networks Pty Ltd, owns and operates extensive optic fibre cable and microwave networks that currently service the wholesale electricity supply industry.

Private and niche networks also exist, including private fibre networks and other infrastructure established in Hobart and other regional centres, plus microwave links owned by the University of Tasmania and several private wireless providers. The Burnie City Council has also invested in local fibre and wireless infrastructure, partly supported by the Commonwealth Government's Networking the Nation program.

All of these non-Telstra transmission links provide local businesses and government with options they would not have if Telstra were the only supplier in Tasmania.

¹ The Tasmanian Government is the largest single purchaser of telecommunications services in Tasmania. These services are essential inputs to an increasing range of Government services, including health, education, policing and justice services. Since 2007, the Tasmanian Government has had three suppliers on its data connection services panel: Telstra, Aurora, and local provider BBW Telecom. Both non-Telstra suppliers offer services which are not available from Telstra.

4 NBN OPPORTUNITY AND THE DIGITAL REVOLUTION

The Tasmanian NBN roll-out was announced on 9 April 2009 by the Tasmanian Premier, David Bartlett MP and the then Prime Minister, Kevin Rudd MP. It will include the roll-out of fibre to the premises (FTTP) connections to 200 000 premises in Tasmania, within five years of commencement. Remaining premises will be served by new next-generation wireless and satellite-based services.

The Commonwealth Government intends that nationally, in the areas touched by the NBN FTTP footprint, the NBN will become a near-universal, monopoly, wholesale-only, fixed telecommunications distribution network, replacing Telstra's existing, primarily copper fixed distribution network, as well as Telstra's and Optus' hybrid fibre co-axial (HFC) cable networks.

The Tasmanian Government welcomes the NBN investment, and believes that the NBN fixed distribution network will become the core of Tasmania's telecommunications infrastructure and a vital input to the State's economy. However, it will be important to ensure that competing technologies and services are allowed to thrive in parallel to the NBN.

This includes:

- wireless and mobile telecommunications;
- services for the business market. Although NBN Co intends to offer business-grade services in the long-term, Tasmania will need to maintain and grow its other suppliers of infrastructure to ensure competition and innovation, particularly in the corporate and business market.
- services for and from ICT-intensive businesses such as broadcasters, the highereducation and research sector, data centres and application providers and some government agencies.

Together, these infrastructures will support Tasmania's digital revolution, which the Tasmanian Government considers the most important infrastructure revolution in this State since the distribution of electricity a century ago.

Maintaining competitive transmission markets, both within the State and across Bass Strait, is critical to this infrastructure mix. Tasmania's digital economy, built on both NBN and other broadband services, will support:

- families and businesses, through real-time, anytime, fast connectivity;
- health services, through remote medical consultations and services, and on-line integrated health records;
- education and life-long learning, culture, arts, science and research, through virtual classrooms, access to teachers from anywhere, access to digitised material, real-time high-quality video interaction and access to large data sets;
- sustainable cities and towns, transport, agribusiness and mining, through real-time remote monitoring and telemetry, information-rich teleworking, and access to geospatial applications; and
- more generally, expansion of trade, enhancement of government services, and real connection for otherwise isolated communities and individuals.

5 EXCESSIVE CENTRALISATION DETRIMENTAL TO TASMANIA

5.1 Benefits for some end users

The Discussion Paper outlines NBN Co's four options for the location and number of NBN POIs.

Option 3 is a highly centralised model in which NBN Co would provide 14 aggregated POIs, located in five of the mainland capital cities.

Option 4, which is preferred by NBN Co, is a variation on Option 3 in which NBN Co would provide additional connection points called Connectivity Serving Areas (CSAs). CSAs would allow local interconnection in limited circumstances only, such as where this is needed for technical reasons. The implication is that these additional connection points would be offered at NBN Co's discretion and without any defined process, rather than being offered as a result of market demand.

In both cases, the NBN Co paper proposes that Universal National Wholesale Pricing (UNWP) would apply, so that the wholesale price of a connection from a premises to the nearest POI would be the same, regardless of whether the premises was near or far from that POI. For example, a service connecting from a premises in Hobart or King Island to a POI in Melbourne would cost the same as a service connecting to that POI from a premises inside Melbourne.

This centralised model offers one immediately obvious benefit for end users in Tasmania.

As discussed above, the high price of transmission (backhaul) both on-island and across Bass Strait has historically been a barrier to entry to the Tasmanian market for ISPs, mobile operators and other service and content providers.

If there is no marginal cost for connecting to the mainland, many more options will open up both for mainland businesses to serve Tasmanians, and for Tasmanians to purchase services from mainland suppliers. Tasmanian end users would be relieved of what is currently a significant cost and supply disadvantage in relation to obtaining broadband services. In other words, a centralised POI model, with UNWP, would be of benefit to access seekers or RSPs that offer content, services and access for information that comes into or goes out of Tasmania.

However, these benefits could be outweighed by the serious problems also created.

5.2 Stranding of the local infrastructure market

Given the in-principle agreement between NBN Co and Telstra, under which it is understood that Telstra transmission would be used by NBN Co on what amounts to a take-or-pay basis, non-NBN transmission effectively means non-Telstra transmission. If transmission across Tasmania and to Melbourne is bundled at low or minimal cost into the cost of a wholesale NBN connection, the market for non-NBN (or non-Telstra) transmission in Tasmania and across Bass Strait would collapse.

Existing non-Telstra infrastructure, including the very substantial investments made by the Tasmanian Government and several energy businesses over the last ten years (detailed above) would be stranded, because all residential and small business traffic - the majority of all traffic - will pass to and from the mainland over essentially free transmission links. Demand for local transmission, always comparatively marginal in regional Australia but all the more critical for the delivery of government and other services, would fall dramatically.

As is outlined in the following sections, this would not just be a problem for the owners of those stranded assets.

5.3 Loss of specialist business services & inter-modal competition

Many business, corporate and government entities need access to a wide range of specialist business-grade services that are very different from the residential or small business broadband services that are the initial focus of NBN Co.

Business users with particularly acute needs include broadcasters, wireless and mobile service providers, application service providers, data centre providers, the higher-education and research sector, and some government agencies.

As the digital economy expands, more and more services will also be needed to locations that are not premises, such as traffic lights, dams, machines, mobile and other wireless service towers. Services will also continue to be needed for a wide range of telemetry applications.

These needs will not be well met without a competitive, dynamic and innovative local infrastructure market, capable of offering differentiated services at the local level. Given the marginal nature of such infrastructure in regional markets:

- some purposes will be so specialised or critical that private fibre or microwave networks will be needed, such as those currently owned by Transend and others in Tasmania; and
- additional capacity on networks primarily created for particular business or utility needs could play a valuable role in that local infrastructure market.

NBN Co may offer some relevant services. It has indicated that it:

- may offer fibre connections to mobile providers, where there is a business case to do so,
- intends to offer business-grade services, in the long term, and
- may offer connections to some non-premises.

However, if the competitive local transmission market collapses, these core telecommunications services, which are currently being offered by the market or where necessary supplied privately, may only be available from NBN Co at its own discretion, without any clear timeframe or regulatory pricing arrangements.

Further, NBN Co services will never meet all of the needs of the business sector, either in the short or long term. Even if NBN Co were to become active in all business service niches, a lack of competition would inevitably reduce innovation and cost competitiveness compared with what a competitive market could deliver. Experience clearly indicates that regulation is not capable of addressing these needs.

As an example, the majority of the Tasmanian Government's current broadband services are supplied by Telstra. The remainder are provided by alternate suppliers, using non-Telstra infrastructure. It is the Tasmanian Government's experience as a buyer that this infrastructure-based competition:

- improves the pricing and responsiveness of the dominant supplier, and
- makes available innovative services that would not be available at any price from the dominant supplier.

Of particular concern is the availability of competitive transmission to suppliers of services providing marginal competition to the NBN fixed network, such as mobile and wireless services. It would be highly undesirable for such suppliers to be dependent on NBN Co for transmission to mobile and wireless towers and related facilities, particularly as there is no clear indication that NBN Co will offer either the physical connection or wholesale service at an efficient price. This would be akin to making the gas industry dependent on services from the electricity industry, or vice versa.

The POI framework must ensure that competition in the mobile and wireless market can continue to develop based on commercial infrastructure investments. This is particularly important in Tasmania given the historically poor coverage and service levels.

The provision of an FTTP fixed-distribution network for Australia will establish a natural monopoly. This infrastructure monopoly should not be extended to create an effective monopoly on regional transmission through an overly centralised approach to POIs and associated policy settings. This could occur if the ability to offer competitive wholesale services or develop local physical infrastructure - with the latter already marginal in many areas - were undermined by the removal of a large slice of the market to a subsidised solution.

5.4 Loss of infrastructure supporting the new digital economy

As NBN will have a near monopoly in key wholesale segments, innovation and competition in relation to fixed residential and small business services, must occur primarily at the service layer. This includes:

- the RSPs who will provide telephony, Internet, digital TV, monitoring and other telecommunications services to end users; and
- the content, application and other service providers whose services end users will access using those telecommunications services.

However, the assumption behind a centralised POI model is that all information carried by RSPs should enter and leave the Internet. This is a short term view, counter to the opportunities created by the existence of multiple competing RSPs.

In the digital economy, there will be many specialised, dedicated or niche, content, service and access opportunities which do not necessarily include Internet access to the world wide web but which do require an inter-networking capability. This includes many of the services at the heart of the NBN vision. Examples include eHealth, eLearning, smart metering, demand-side energy management, community content providers, creative commons content providers, IP television, Voice over Internet Protocol (VoIP), telepresence, intra-business networking, and local business-to-business applications. For all of these examples, Internet links are either not a requirement or only a secondary requirement.

Many of these services could be Tasmanian-specific, with content and service delivery exclusively targeted for on-island use. Such content providers (as in all States, the Tasmanian Government is an important one of them) should not need to relocate network infrastructure or content stores off-island, just because the only designated NBN aggregation POI is in Melbourne.

A key element of the Tasmanian Government's Digital Futures Strategy is to encourage both local and international ICT application developers to locate on-island to develop and pilot NBN-capable applications, services and technologies into NBN-connected premises. An off-island POI for the later stages of the NBN roll-out would be a disincentive to invest on-island, for example for content storage. There would be no compelling case to be on-island for application development and content delivery unless aggregation POI access can be provided locally.

The loss of these opportunities would be against the long-term interests of end users in Tasmania.

5.5 Latency and tromboning

There are technical reasons why connection through a mainland POI would be unsuitable for many applications operating in Tasmania. This has to do with efficient network management and the need to minimise latency (delays in delivering data between points) for real-time applications and services. Examples of services for which this would be important are:

- dedicated point-to-point and point-to-multipoint services, such as intra-business widearea networks, localised and community-based services, and State-based eGovernment services;
- services with real-time requirements such as telepresence client consultations; and
- services with specialised requirements such as the transfer of large data sets that are best transmitted via jumbo frames, or services for redundant data centres offering business continuity and needing fibre channel-over-IP.

A worst-case routing scenario would be as follows. If all Tasmanian CSA's are aggregated at a POI in Melbourne, then a point-to-multipoint link for an in-home medical consultation involving the patient, GP, local clinic and regional hospital (for example, a Scottsdale resident and the Launceston General Hospital or LGH) would see traffic routed from Scottsdale to Launceston to Hobart across Bass Strait to Melbourne, back across Bass Strait to the resident's RSP, to the LGH's RSP, then back across Bass Strait to Hobart, then back up the same route to Launceston and the LGH. Similar routes would apply for the others in the multipoint consultation, such as the hypothetical GP in Scottsdale. This means four sets of real-time traffic going across Tasmania and across to Melbourne multiple times. This kind of inefficient routing is known as tromboning. It can cause high latency and other performance problems and costs.

As another example, redundant data centres providing real time business continuity require time-critical synchronising between physically separated sites, for example, data centres located at Hobart and Launceston. However, the potential tromboning and latency effects of continually transferring the data to and from Melbourne would be highly inefficient and also impact on other end-users.

In theory, NBN Co's Option 4 addresses this issue by allowing for local CSAs. However, access to the CSA POIs would be limited by timing constraints and NBN Co's business rules.

As noted earlier, this suggests access solely at NBN Co's discretion. Access may be considered only in relation to NBN Co's technical network management rather than to market forces or demand. This would be detrimental to the development and delivery of the very types of services which NBN is being constructed to secure for Australia.

5.6 Increased dependence and vulnerability

Possibly the most negative impact of an excessively centralised model for NBN POIs would be an increase in the dependence and vulnerability of Tasmania, and of regional Australia more generally. This is not in the long term interests of Tasmanian end users of carriage services and carriage service provider services.

The marginalisation of local infrastructure and local infrastructure providers would increase reliance on subsidies and on deep regulation. Higher costs to end users, risk of regulatory capture, and more reactive decision-making by the market are all possible. Productive, allocative and dynamic efficiency would be affected. Given the high degree of penetration that data services will have in the future economy, these costs are likely to be substantial.

Tasmania would have a reduced ability to support and maintain its own services, leaving Tasmanian end users vulnerable to any change in NBN Co or Commonwealth Government policy in relation to pricing and services in regional areas.

In addition, a single, large provider with a national viewpoint, whether Telstra or NBN Co, cannot always deal with local issues in a flexible and innovative way and from a deep knowledge of the local circumstances and resources. Viable local providers are needed to assist in securing local solutions to local problems.

NBN is a major initiative. To base its architecture on a 'move all core infrastructure to the major-capital cities' model would have the unintended consequence of centralising service provision and network investment. This is contrary to the vision of better serving regional communities and ensuring their participation in the digital economy.

This would also militate against current Commonwealth Government policy which seeks to: 'entrench the concept of regionalism into the way in which we govern' and 'encourage local empowerment and do it in a way that can't be 'unpicked' and subject to future changes in politics.' [The Hon Simon Crean, 16 September 2010.]

Additionally, there are implications for the protection of critical national and state infrastructure. A distributed infrastructure is inherently more robust in the face of natural disasters or other security threats than a highly centralised one. For this reason alone, the Tasmanian Government would be concerned by any policy which could have the effect of causing services or infrastructure serving Tasmanians to be moved off-island.

6 TASMANIA NEEDS LOCAL POIs AND LOCAL TRANSMISSION

6.1 Local aggregation POIs

The Tasmanian Government considers that the long term interests of end users of listed services (LTIE) would be best served by mechanisms ensuring that both competitive local markets and UNWP can co-exist.

NBN Co's preferred position (Option 4) to achieve the Commonwealth Government's objectives treats Tasmania differently to other States by not including a Tasmanian POI. This would create significant negative consequences for Tasmanian users of non-NBN services and for existing local infrastructure providers. On the other hand, an aggregation POI in Tasmania without action on transmission black spots would entrench an existing State disadvantage in relation to interstate backhaul pricing and availability.

To ensure that the long term interests of Tasmanian end users are treated equally to the long term interests of users from other States;

- NBN Co should include at least one aggregation POI in Tasmania; and
- the Bass Strait black spot issue must simultaneously be resolved, to enable the Tasmanian POI to deliver on the access objectives of no barriers, openness and competitively neutral locations for all transmission (backhaul) users.

6.2 Assistance in relation to transmission black spots

Bass Strait remains a major transmission black spot affecting Tasmania. The Basslink cable provides valuable competition but:

- is not a dedicated telecommunications cable: and
- is a single crossing with no redundancy.

A sustainable backhaul solution for Tasmania requires a second robust and dedicated undersea crossing not owned by Telstra. The Tasmanian Government believes that this is the fastest most efficient, practical, sustainable, and certain way of delivering cost-effective capacity across Bass Strait.

In 2009 the Tasmanian Government commissioned a study into the cost and design of a fourth cable across Bass Strait. A copy of the resulting study is available to the ACCC on request.

6.3 Other matters

In relation to matters of detail, the Tasmanian Government notes that:

- Tasmania's population is highly decentralised, with major concentrations in Hobart, Launceston and Burnie / Devonport. These three areas are the natural locations for distributed NBN POIs in Tasmania.
- If the following definition of UNWP is used "...that Access Seekers should face the same total wholesale cost from any premises to a designated state capital city point of presence", then Hobart should be one of the designated capital cities.
- RSPs and wholesale access providers should be able to request access to disaggregated POIs as they require it. Terms and conditions should be included in the standard agreements executed between NBN and the RSP or wholesale provider.

- The concept of interconnection to distributed POIs being subject to NBN business rules is not supported. Interconnections should be available on request by RSPs and wholesale access providers. If this position is not supported nationally then Tasmanian-based companies at least should be guaranteed interconnection at the Tasmanian distributed POIs to allow cost effective service delivery. Competitive infrastructure providers should also have access to these POIs.
- NBN Co's proposed fibre transparent local area network (LAN) service is, and will continue to be, needed for business wide area network and business-to-business links.