

Regulating telecommunications services to benefit all consumers

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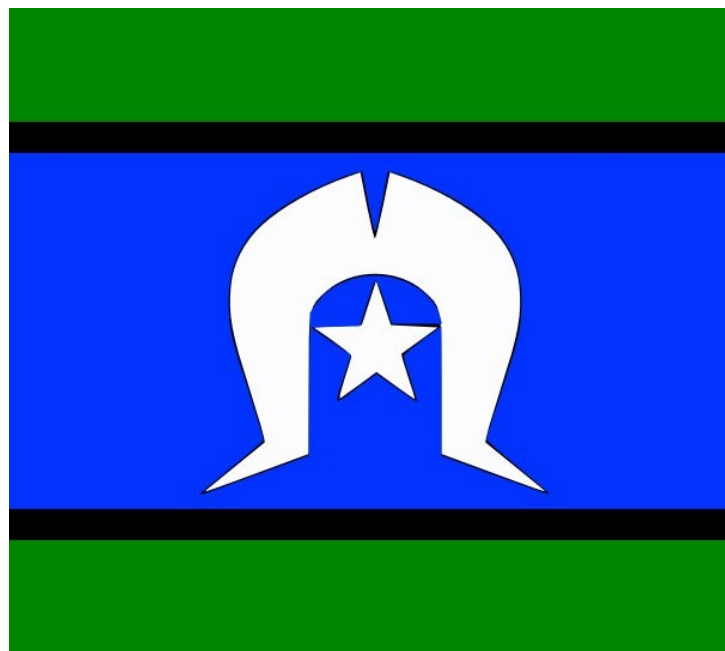


Acknowledgement of Country



Sarah Richards, Marrawuy Journeys

ACCAN Innovate Reconciliation Action
Plan July 2021-July 2023



ACCAN's Purpose



The Australian Communications Consumer Action Network (ACCAN) is the national peak body that represents all consumers on communications issues including telecommunications, broadband, and emerging new services.

ACCAN works towards communications services that are **trusted, inclusive, accessible, and available for all.**

Regulatory framework



- Wholesale broadband services in Australia are regulated within the legislative framework set out in Part XIC of the *Competition and Consumer Act 2010* (Cth).
- Part XIC sets out how the telecommunications access regime is applied to the National Broadband Network Co (**NBN Co**).

Hierarchy of instruments

Access agreements

Special access undertakings

Binding rules of conduct

ACCC determinations

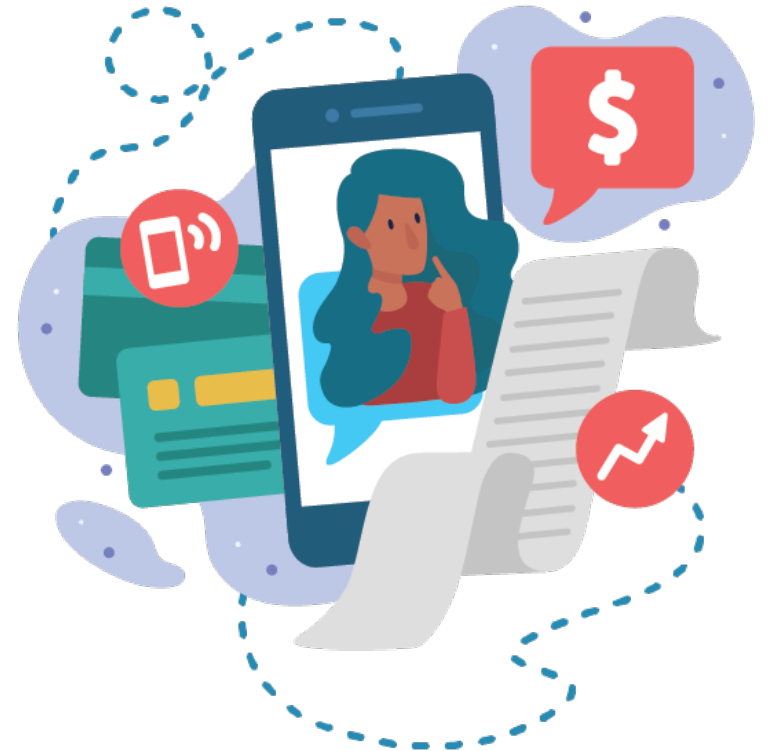


Special Access Undertaking (SAU) contents

- Expenditure criteria
- Regulated Asset Base
- Long Term Revenue Constraint Methodology
- Pricing methodology
- Service standards
- Product development and withdrawal
- Cost-allocation methodology

Why does the SAU matter to consumers?

- The SAU sets out the majority of the framework of economic regulation for NBN services.
- The terms of the SAU will determine **NBN expenditures, revenue recovery, pricing and service standards through to 2040.**
- Importantly, the SAU will govern the **recovery of a forecast \$97.311 billion** (FY14) in revenue from consumers and small businesses.



New consumer engagement requirements



Consult with Access Seekers and Consumer Advocacy Groups on the Relevant Expenditure NBN Co proposes to undertake in the current Regulatory Cycle.



Provide a summary of the consultation to the ACCC setting out the views of stakeholders including Consumer Advocacy Groups and how NBN Co has responded.



Propose expenditure forecasts that take into account the concerns of Consumer Advocacy Groups as identified by NBN Co in the course of its engagement with such persons.

Who is a consumer advocacy group?

Consumer Advocacy Group is defined as:

‘a body or association whose functions include representing the interests of consumers of telecommunications services in Australia’



Source: NBN Special Access Undertaking Variation (November 2022), Attachment C Dictionary, Clause 1.

What are the challenges?



Timing

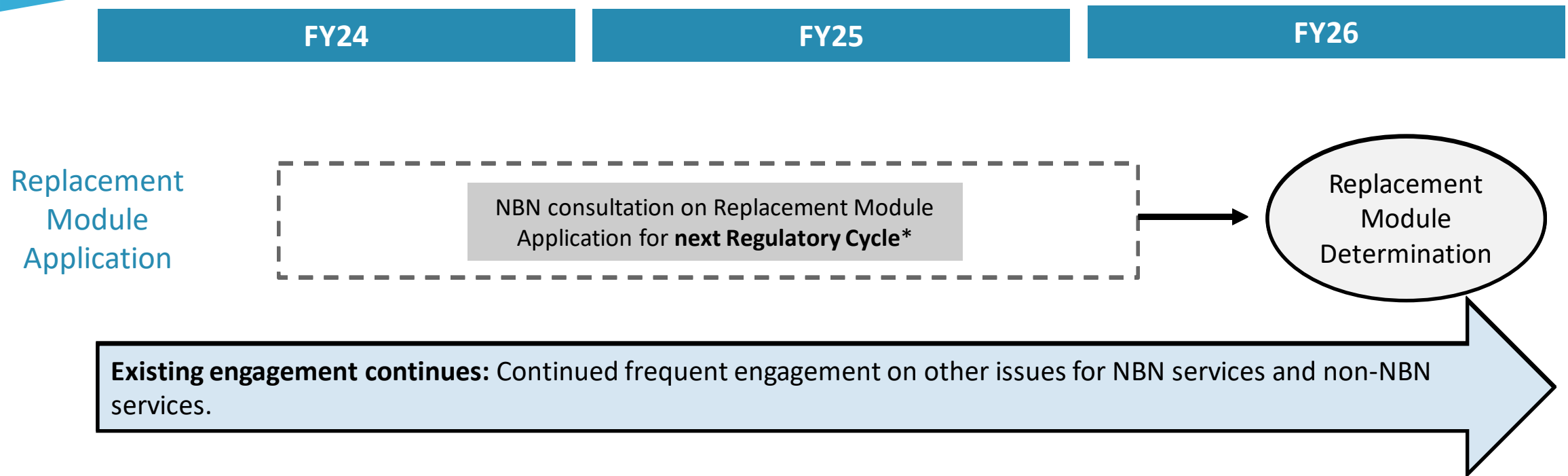
- NBN's first regulatory cycle ends on the 30th of June 2026.
- The SAU requires NBN Co to submit their first Replacement Module Application (RMA) by no later than 30 September 2025.
- Engagement on the RMA and relevant expenditure may coincide with other material reforms including potential reform to the Universal Service Obligation (USO).



Resourcing

- Currently there are no Consumer Advocacy Groups funded to engage with the economic regulation of NBN Co.

Challenge 1: Timing



*This represents NBN Co's estimate of the broad window in which this consultation is likely to occur. The precise timing will be dependent on the date the ACCC notifies NBN Co that its RMA must be submitted.

Challenge 2: Resourcing



- National peak body for communications consumers.
- 4.8 policy team staff (including DCEO), with an additional 1.8 policy staff focused on disability inclusion.
- Funded via the telecommunications industry levy (resourcing approx. 1/3 of Energy Consumers Australia).
- Established, technical expertise in the economic regulation of communications.



- Independent volunteer support, advisory, information and advocacy group for bush communications.
- Funded by donations.
- Lived experience of regional, rural and remote communications.
- Technical expertise in ICT and communications equipment.
- ACCAN member.



- Policy committee composed of individual members.
- Membership broader than just consumers.
- Technical expertise in communications infrastructure.
- Limited engagement with economic regulation of NBN services.
- ACCAN member.

What kind of engagement should we aim for?



The same...

Best practice models exist - there is no compelling reason to not leverage the experience of the energy sector. So, let's leverage existing ACCC and AER guidance on best practice engagement e.g. Better Resets Handbook.

...but different

Nation-wide - the geographic scope of the network means that the scope of engagement will necessarily be wider.

Demographic diversity is greater - so targeted engagement with specific demographics e.g. First Nations residing in remote areas will be necessary.

Technology - the economics of services will be fundamentally more complex as communications services are delivered over multiple technologies.