ACCC's Proposed changes to the NBN Services in Operation Record Keeping Rules

Vocus welcomes the opportunity to provide a response to the ACCC's consultation on proposed changes to the NBN Services in Operation Record Keeping Rules.

CVC reporting

The ACCC is proposing to improve transparency by publicly disclosing information already reported under the NBN SIO RKR to provide more detailed Connectivity Virtual Circuit (CVC) information to stakeholders in the NBN Wholesale Market Indicators Report.

For example, this could include public disclosure of the following data in the NBN Wholesale Market Indicators Report:
- Total CVC capacity acquired per access seeker or access seeker group
- Average quarterly CVC capacity acquired per access seeker or access seeker group
- Average quarterly CVC utilisation per access seeker or access seeker group
- Average weekly CVC utilisation by POI or by state or territory.

The ACCC is also proposing that NBN Co begin confidentially reporting CVC overage information that NBN Co calculates for access seekers each month. The ACCC is not proposing to publicly disclose data relating to reported overage at an access seeker level, but is considering doing so at an aggregate level.

CVC overage reporting

Do you have views regarding the introduction of CVC overage reporting?

The ACCC's position is that NBN should report overage data to the ACCC and that the reporting the ACCC is likely to receive from NBN for access seekers' billing cycle would include each of the following: overage quantity (Mbps), overage amount payable ($), National Ordered Bandwidth, National Included Bandwidth.

Vocus considers that this data will provide an indication into how customer usage is rising significantly higher than NBN's CVC inclusions.

However, Vocus also considers that the overage data provides an incomplete picture of end-user experience as the total amount of CVC bandwidth provisioned by an RSP (that is the bundled inclusion, plus overage) is only one variable in a complex set of factors that are relevant to end-user experience. Network factors include backhaul topology, transit and peering dimensioning and content caching agreements. There are also commercial factors that will impact on how much CVC is purchased, for example speed tier mix.

What level of disaggregation should CVC overage reporting be provided?

Vocus does not support NBN providing data concerning CVC overage at access seeker level to the ACCC. This data is commercially sensitive and needs to be understood in the context of circumstances that are specific to each access seeker.

If CVC overage is reported by NBN to the ACCC, it should be done so at the national, state and POI level.

Even at the POI level of disaggregation each access seeker will have different market demographics and different product offerings that will influence CVC overage. These are further examples of the complex factors that mean using CVC overage in isolation as an indicator of end-user experience is not valid.

Do you have views regarding the publication of high-level CVC overage information in the NBN Wholesale Market Indicators Report, or elsewhere?

If the reporting of the overage data is published at an industry-level and access seeker-level information is not able to be identified, then there may be merit in publishing this information. This high-level CVC overage data could provide insight into industry trends concerning CVC usage.

CVC acquired reporting.

Do you consider that TC4 CVC capacity acquired data should be publicly reported for access seekers? Please provide reasons.

Vocus does not support the ACCC publicly reporting TC4 CVC capacity acquired data for access seekers.

It is a matter for each access seeker as to how they manage traffic within their network and balance customer experience and the costs paid to NBN and of operating their network more broadly.

Publishing the TC4 CVC capacity acquired data without context of the various factors that influence customer experience could inappropriately impact the reputation of the access seeker.

An unintended consequence could also be higher retail prices if provisioned capacity becomes an "arms race".

Another complexity is that access seekers may operate multiple CVCs per POI to serve different retail brands. In this case, the overall access seeker data will not directly relate to the retail brand. For example, Vocus may operate a retail-only CVC, a wholesale-only CVC and a shared CVC in a

specific POI. In this case, again there will be no direct relationship for the public analysing the report between the CVC capacity acquired data at the POI and a specific retail brand.

Do you consider that TC4 CVC capacity acquired data should be publicly reported each quarter across a wider range of timeframes (e.g. weekly, monthly)? Please provide reasons.

Vocus does not support TC4 CVC capacity being publicly reported each quarter across a wider range of timeframes.

If more granular CVC capacity acquired data is to be published it should be an end of quarter value as this is aligned with the data for SIO count. SIO count is another key metric that needs to be considered in this context.

How should TC4 CVC capacity acquired data be best presented to provide stakeholders with an appropriate level of information?

It is difficult to present this data in a manner that provides an appropriate level of information to end users. CVC capacity acquired is only one variable in a complex set of factors that are relevant to end-user experience. These factors include backhaul topology, transit and peering dimensioning and content caching agreements.

CVC utilisation reporting

The ACCC considers that the publication of some selected CVC utilisation data is likely to assist the various NBN stakeholders.

The ACCC is seeking stakeholder feedback on how utilisation metrics could be published and to what extent these should be disaggregated, such as:

- o national average utilisation of Week 13 (day and peak period)
- o access seeker average utilisation of Week 13 (day and peak period)
- o POI by POI average utilisation of Week 13 (day and peak period), and
- o weekly national average for each of the 13 weeks of each quarter.

Do you consider that CVC utilisation data should be reported publicly? What level of disaggregation is appropriate? Please provide reasons.

Vocus does not support the ACCC reporting publicly on CVC utilisation data at an access-seeker level.

As highlighted above, it is a matter for each access seeker as to how they manage traffic within their network and balance customer experience and the costs paid to NBN and of operating their network more broadly.

Publishing the TC4 CVC capacity acquired data without context of the various factors that influence customer experience could inappropriately impact the reputation of the access seeker.

If the ACCC does report selected CVC utilisation data this should be published at a POI by POI level as this granularity is most likely identifiable to the end-user.

How should CVC utilisation be best presented to provide stakeholders with an appropriate level of information?

CVC utilisation in an overage pricing construct shows how an RSP is able to manage the competing demands of customer experience and NBN economics and as noted above, this data should not be made publicly available.

If the data is published, the most appropriate presentation would be on a state-by-state basis peak usage (or average of 7-day peaks across 15–60-minute intervals. Presenting the data on a national basis will lead to artificially low numbers given time zone differences.

Is using a 7-day average (e.g. for Week 13 of each quarter) appropriate to present utilisation data, or another methodology? Please provide reasons

The risk of using a 7-day average is it can be influenced by events such as software releases and gaming updates.

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