



## Hot issues

### Getting a refund for unattainable NBN speeds

In November, the [ACCC announced](#) that Telstra will offer remedies to around 42,000 customers. Announcements that Optus would compensate [more than 8,700 of its customers](#) and that TPG would compensate [nearly 8,000 of its customers](#) for the same issue were made in December.

Both announcements received wide coverage in the media. There is some confusion around the issue and who is entitled to a remedy. This blog attempts to clear up this confusion.

#### **What is the issue?**

While there are a number of issues that consumers are reporting with services over the NBN, this compensation relates to a very specific problem where the maximum download speed consumers paid for was never possible at their premises.

Maximum speeds on FTTN and FTTB connections will depend on the location of the premises in relation to the NBN infrastructure. If the premises is far away from the node, the maximum speed will be lower than what other premises' can achieve, and possibly lower than the maximum speed offered under your plan. In the case where it is lower than what your plan advertised, under Australian Consumer Law, the provider may have misled you on the level of service they could deliver. This is why Telstra, Optus and TPG are offering remedies to customers.

#### **Who does it affect?**

This issue will affect consumers on FTTN and FTTB services. If you are not sure what technology your nbn connection uses, you can find out by entering your address on the [nbn website](#). If you are unable to ever experience the maximum speed that your plan advertised, then you may be affected.

There is a difference between maximum and average speeds experienced. If your service slows during different hours of the day (for example between peak hours of 7-11pm) then this is likely due to a congestion issue, where everyone is online at the same time and your provider might not have invested enough in capacity. This is a separate issue and is not related to the one highlighted in the announcements from the ACCC.

#### **What is your maximum capable speed?**

You are unlikely to be told the maximum speed capable at your premises. Each premises in the FTTN and FTTB network has its own maximum speed. If you are connected through the FTTN and FTTB networks you should call your retailer to ask what the maximum speed you can achieve at your premises is. They will be able to tell you a few weeks after you have connected.

## What should I do?

In November, Telstra said that it would be [contacting customers](#) in “over the next few weeks” about a remedy. If you have not been contacted but think you may be affected, call Telstra and ask them what your maximum speed is and if you are due compensation. Telstra has said it will allow customers to switch to a lower speed tier or exit their contract with no fee.

Optus will be contacting affected consumers on or before 2 March 2018 by email or letter. It will offer customers remedies including refunds, moving speed plans, discounted speed plans, and the choice to exit from contracts without paying a fee.

TPG will contact affected consumers by 2 March 2018 by email or letter. TPG will tell affected consumers the maximum speed their connection can achieve and explain their compensation options.

If you are with another provider and have a FTTN or FTTB connection you may also be affected. You should ring your provider and ask what the maximum speed your premises is capable of. If you cannot achieve the maximum speed of your plan you should negotiate with your provider. Ask for a refund of the difference between monthly costs for the speed plan that you can achieve and the one you are paying. Ask for a refund for each month you have paid for. You can also ask to move to a lower speed tier, or you can leave your contract without being charged a fee.

Possibly, any premises connected to FTTN and FTTB may be affected and may have been sold plans with maximum speeds that cannot be achieved. It is likely that there are a large number of consumers with other providers who should also be offered remedies. [TPG](#) and [Vocus](#) have said they are looking into the issue.

## Will switching provider improve your max speed?

No, your maximum speed is determined by the network that is connecting you, so switching retail providers will not improve the maximum speed. However, if you are experiencing slow peak hour speeds then switching providers, or examining your in-home set up may help. Check out our tip sheet on [what affects the quality of broadband](#) for more information on this.

## Not happy with the outcome of your complaint?

If you complain to your provider and don't get a satisfactory response you can:

- Take your complaint to the [Telecommunications Industry Ombudsman](#) (TIO)
- Report it to the ACCC as a [consumer issue](#)