

21 February 2019

Department of Communications and the Arts
Competition Policy Section
competitionpolicy@communications.gov.au



Re: Consultation on the remaking of Telstra Carrier Licence Conditions

The Australian Communications Consumer Action Network (ACCAN) welcomes the opportunity to provide feedback on the Exposure Draft of the Carrier License Conditions (Telstra Corporation Limited) Declaration 2019 (Telstra Carrier Licence Conditions (CLCs)). ACCAN is Australia's peak communications consumer organisation representing individuals, small businesses and not-for-profit groups as consumers of communications products and services.

ACCAN has reviewed the exposure draft and is satisfied that the provisions that have been removed are appropriate. We also recognise that a number of amendments are proposed to provide clarity and update terminology. These changes render Telstra's carrier license conditions largely unchanged from those that are in force today. However, ACCAN encourages the Department to consider the remaking of Telstra's license conditions to improve the Network Reliability Framework.

Outside the NBN fixed footprint, Telstra's legacy network will continue to provide essential communications services beyond the completion of the NBN. There are approximately 235 000 ADSL customers outside of the NBN fixed footprint, of which 60 000 customers are in the satellite footprint.¹ The Government has recognised the importance of these services to customers outside the fixed NBN footprint and has committed to continuing funding for Telstra to maintain legacy services in these areas. Accordingly, the Network Reliability Framework warrants review to ensure it captures the relevant metrics to assess Telstra's performance in these areas.

Under the Network Reliability Framework Telstra provides reporting on fault repair on its legacy network. There are three levels of reporting:

- Level 1—national and geographical area level, based on Telstra's 44 field service areas (FSAs)
- Level 2—local-level cable runs in disaggregated parts of the network
- Level 3—individual service level that includes all Telstra services covered by the CSG Standard.

Level 1 has overall reliability levels with the ACMA reporting average time to repair fault levels. Level 2 requires Telstra to report on and undertake remediation work of the 40 poorest performing cable runs. The ACMA does not report where these are located or the proportion that were identified in previous reporting periods (that is, remediation work incomplete or not addressed). It is also not clear how performance is benchmarked. Level 3 relates to individual CSG services that experience either 3 faults in a rolling 60-day period or 4 faults in a rolling 365 day period. The duration of faults is not identified.

¹ Australian Government, Australian Government response to the Joint Standing Committee on the National Broadband Network report: The rollout of the National Broadband Network in rural and regional areas: 2nd report of the 45th Parliament, February 2019.

Thus although the overall network performance is known at an aggregate level, we cannot see how faults (or breaches) are distributed between regions or the distribution of repair times. That is, how many customers experience repair times greater than 1 week, 2 weeks, 3 weeks etc. Therefore we believe more detailed reporting is warranted.

ACCAN has proposed in its submission to the Consumer Safeguards Review part B that the following reliability metrics be reported:

- Number of times a customer's supply is interrupted;
- Duration of each interruption to supply;
- Distribution of interruptions by duration (such that the time it takes to repair is known as well as the quantity of repairs performed in that timeframe); and
- Number of momentary interruptions per customer.

These reporting metrics can be incorporated into Telstra's license condition by amending section 15(1).

Furthermore, the focus for level 3 reporting (contained in section 17) is on taking reasonable steps to remediate multiple faults. We suggest this section be amended to incorporate steps to minimise the *duration* of faults.

The additional information suggested will enable policy makers to see how long outages are as they are experienced by individual customers – not just averages, as is currently reported. This is particularly important in regional areas as we hear many stories of customers being without services for *weeks*.

We encourage the Government to consider our recommendations. We are available to discuss further at your request.

Regards

Tara D'Souza
Senior Policy Advisor