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15 March 2019

Craig Purdon
Project Manager
Communications Alliance Ltd
Level 12, 75 Miller St
North Sydney NSW 2060

Dear Craig,

Re: NBN Access Transfer Industry Code Review

The Australian Competition and Consumer Commission (ACCC) welcomes the opportunity to comment on the Communications Alliance's review of the NBN Access Transfer Industry Code (the Code).

The objectives of the Code are to specify operational principles and requirements for the transferring of active NBN services between internet service providers (ISPs) while minimising impacts on consumers during the transfer process.

The ACCC's role and support for the Code review

As the independent statutory authority responsible for promoting compliance with the *Competition and Consumer Act 2010* (CCA), the ACCC supports efficient transfer processes that promote competition by lowering barriers to switching and support a positive consumer experience.

Proposed framework against which to assess the Code's effectiveness

The ACCC would encourage the Code review to consider the effectiveness of the existing code and any proposed changes, against the following considerations:

- Competition – does it lower barriers to switching?
- Efficiency – does it result in end-to-end processes that can complete more quickly, at less cost and with fewer touch points between service providers and end-users?
- Customer experience – does it lead to consumers making more informed choices at an earlier stage in the switching process?

Specific enhancements for consideration

In this regard, the ACCC considers that the Code could be potentially improved by facilitating the provision of enhanced service qualification (SQ) data that would

- Assist consumers when selecting a service to switch to and give authority to switch
- Assist service providers to better identify the service to transfer.

A. Enhanced SQ information to assist consumers

While NBN Co (and the LSP) hold maximum attainable speed data for service locations with an existing VDSL service (i.e., those supplied over FTTB, FTTN and FTTC access networks), this information is not made available to the Gaining Service Provider (GSP) until after the customer authorisation (CA) has been obtained and the service transfer has completed.

In our view, the Code review should consider how this maximum attainable speed data could best be provided to the GSP via an enhanced service qualification process. This would enable the GSP to obtain a CA on a more informed basis, and the consumer can make a better informed decision during the sales process about whether to switch and if so the GSP's broadband plan that would represent best value.

This would improve efficiency of the transfer process by minimising the number of reversals or plan changes after the GSP service has been activated, and hence the number of end-user and service provider touch points. It would also better enable a positive customer experience by supporting consumers to make more informed choices at an earlier stage of the sales and transfer process.

Data from the ACCC's Measuring Broadband Australia program¹ suggest that this initiative would likely bring benefits to a significant proportion of consumers that are considering the transfer of a VDSL service. These data indicate that around 1 in 4 FTTN services at the NBN50 wholesale tier, which is not the most popular NBN wholesale speed tier, are 'underperforming', i.e., they do not come close to delivering the maximum speed of the end-user's plan at any time of the day.

B. Enhanced SQ data to assist RSPs correctly identify the service to transfer

We understand that a complete address is sufficient to identify the correct service in the majority of instances, but additional information is required when multiple NBN services are being supplied at the service address, not all of which are to be transferred. In this scenario, there is a real risk of the wrong service being transferred.

In our view, the Code review should consider what additional service metadata could be provided by way of an enhanced SQ so that it is more likely that the service to be transferred can be correctly identified at multi-service premises.

¹ <https://www.accc.gov.au/regulated-infrastructure/communications/monitoring-reporting/measuring-broadband-australia-program>

Additional matters to consider

We would encourage the Code review to give particular consideration to the following matters:

C. Invalid transfer requests

We would support the Code review considering whether a material number of invalid transfer requests are being made, e.g., without customer authority or with an incorrect service nominated for transfer. And if so to also consider measures that would provide stronger incentives on RSPs to reduce the number of invalid requests.

D. Cooperation amongst RSPs to reverse transfers and reinstate services

We would support the Code review considering whether RSPs are making available contact details and escalation paths for use in coordinating transfer reversals and service reinstatements in cases where there has been an invalid transfer, and in meeting reasonable timeframes for reinstating services where there has been an invalid transfer. If this is not the case, the ACCC would support further measures that encourage RSPs to provide this information and support.

E. Further information regarding the existence of local factors affecting VDSL speeds

We understand from NBN Co's public statements that it is developing a database that records service locations where there is a real likelihood that local issues, such as interference introduced by in-premise wiring, are impacting the speed and performance of the VDSL service, and is intending to make this accessible by service providers.

We would support the Code review considering whether there would be additional benefit to this information being provided by way of an enhanced service qualification undertaken as part of the transfer process. This would facilitate a GSP sending a technician to the premise and coordinate the installation of the new network termination unit with remediation work.

F. Standardisation of address data

We understand that there can be issues with resolving service address conflicts during the sales process so that SQ results can be obtained and orders can be submitted in reasonable proximity to when the consumer first provides a CA.

We would support the Code review considering whether there are practical measures that can be implemented to improve the ease of resolving address conflicts, such as the availability of an automated online address validation process for service providers to use when submitting SQ requests as part of the transfer process.

We would be happy to discuss our submission further with the Communications Alliance. Please contact Guy Donald, Director, on (03) 9290 1857.

Yours sincerely

Sean Riordan
General Manager, Communications Markets and Advocacy

