

28 February 2025

To: CommsAlliance

Submitted via CommsAlliance [online submission](#)

## **Public Consultation**

### **Draft C628:2025: Telecommunications Consumer Protections Code**

Superloop welcomes the opportunity to provide this submission in response to the CommsAlliance *Draft C628:2025: Telecommunications Consumer Protections Code (the Code)* public consultation paper.

In summary, we recommend that the Code be updated to address the following key items:

1. Updating various elements of the credit assessment criteria and framework to provide a better balance between the customer experience/protections and the commercial aspects of Carriage Service Provider (**CSP**) product offerings. This includes:
  - Increasing the minimum dollar threshold to which credit assessments apply
  - Excluding domestic and family violence victim-survivors from credit assessments, and
  - Excluding internal collections activities from ‘*debt being pursued by the CSP*’.
2. Exclusion of pre-paid products from clauses that are inconsistent with pre-paid product design and/or creates unnecessary complexity in the management of pre-paid products.
3. Amending the scope and conditions by which customers have the right to terminate their contract in response to a sale of a business, CSP reorganisation or change of wholesale network provider.

Our recommended changes provide a better balance between customer protections, customer experience and commercial considerations for the industry.

Please find below Superloop’s proposed key changes to the Code, followed by our responses to each of the questions included in the CommsAlliance consultation paper.

## Recommended key changes to the Code

### **Section 6.2, Credit assessments**

#### *Clause 6.2.1*

The current phrase... “where the contract may result in a debt owed by...” requires further clarification.

Regardless of the nature of the product’s terms and conditions, there is always the possibility that a debt owed may be greater than \$150, even if the minimum contracted financial commitment is less than \$150.

To provide further clarity for CSPs, we recommend that the wording in Clause 6.2.1(a) be amended to:

“A CSP must complete a credit assessment for new residential consumers where the minimum contractual financial commitment is equal to or greater than..... ~~contract may result in:~~”

#### *Clauses 6.2.1(a), 6.2.5(a) - Credit assessment dollar threshold*

We recommend that the credit assessment dollar threshold be amended to above \$500 to provide a better balance between protecting consumers, creating a positive customer experience and the industry’s commercial interests. The current \$150 credit assessment threshold would unnecessarily apply to a significant proportion of customer transactions:

- Purchasing a service with a > \$150 monthly spend
- The bundling of a nil initial cost modem with a broadband service
- Bundling of two or more services, e.g. broadband and mobile
- The purchase of multiple products for a family.

#### *Exclusion for victim-survivors of domestic and family violence*

We recommend that Clause 6.2 exclude victim-survivors of domestic and family violence. Conducting a credit assessment may be particularly difficult, including where:

- A perpetrator controls household finances
- A perpetrator forces a debt to be accrued in the victim-survivor’s name, and/or
- A victim-survivor is transitioning into new employment and/or moving their residential location (or staying in temporary accommodation).

We also believe this change is appropriate to better align with the forthcoming domestic and family violence industry standard.

*Clause 6.2.1(b), 6.2.5(b) - Debt being pursued by the CSP*

We recommend that internal collections activities be explicitly excluded from these clauses given that these activities typically follow on or overlap with the issuing of payment reminder communications and/or the issuing of suspension and disconnection notices.

*Clause 6.2.5 - Credit assessments for current residential customers*

We recommend that a minimum time period of at least six months be applied between credit assessments to ensure that a customer is not subject to multiple credit assessments in a short time period. In its current form, the Code may require a CSP to conduct two separate credit assessments in a matter of days or weeks where a customer makes two separate purchases where the minimum financial commitment is greater than \$150 for each respective product.

**Sections 7.4 and 7.5 - Right of customers to terminate contracts upon sale of business or CSP reorganisation and/or move to a different wholesale network provider**

We recommend that the following clauses be removed from the Code:

- 7.4.1(g)(ii), 7.4.2(a) – Customer’s right to terminate a contract with nil fees upon the proposed sale of business or CSP reorganisation, and
- 7.5.1(h)(ii), 7.5.2(a) - Customer’s right to terminate a contract with nil fees upon the proposed transfer to another wholesale network provider.

A number of business grade products, such as symmetrical broadband services, typically require a minimum contract term, e.g. 24 or 36 months. These contracts can result in committed revenue of over \$20,000 for a CSP. Upon commencement of these contracts, CSPs also invest in infrastructure and a support model necessary to service these customers. The inclusion of these clauses:

- Will significantly dilute the business value of CSPs, particularly where that value is derived from the revenue certainty that multi-year contracts provide
- Creates uncertainty in the level of infrastructure and underlying customer support required by the gaining CSP to support the new customers being onboarded, and
- Will discourage CSPs to provide a better customer experience through organisational changes to its business which are often designed to benefit customers.

CSPs should retain the right to receive all entitled revenue for a minimum term contract in accordance with the terms and conditions of that contract.

## Section 7.5 – ‘wholesale network provider’ definition

We recommend that the definition of ‘wholesale network provider’ be included in the Code as there are multiple scenarios that may constitute a change to a wholesale network provider:

- A CSP/carrier utilising a different international cable operator for international transit services
- A CSP/carrier contracting with a different wholesaler of network backhaul services
- A CSP contracting with a new white label provider, including Virtual ISP services
- A CSP moving to another wholesale network provider/brand owned by the same company.

We propose the following definition for inclusion in the Code:

### **“Wholesale network provider**

*Means a Carrier who provides the underlying primary infrastructure for the provision of a carriage service. For example, a mobile telecommunications network provider, NBN...”*

### *Alternative recommendations*

Should clauses 7.4.1(g), 7.5.1(h) remain in the Code, we recommend alternative amendments to these clauses:

- That these clauses only apply:
  - Where the CSP reasonably believes that there will be a material change or impact to the provision of services provided to a customer
  - For a customer with a committed remaining contract spend of less than \$200
  - For “Corporate Reorganisations” where customers are transferred to a different CSP owned by a different organisation.

## Superloop responses to questions included in consultation paper

### 1. Are there any definitions or specific clauses that are not clear?

#### **Definition of “Generally available network coverage”**

We recommend that this definition be limited to 4G/5G mobile networks. Currently the definition is product agnostic. It could therefore be interpreted that network coverage maps are to be provided for:

- Non-NBN fibre networks
- Community residential and public Wi-Fi networks
- Satellite, and
- Fixed Wireless.

Should the definition remain product agnostic, we recommend that the definition be updated as follows, “*means the information on a CSP’s website describing its network coverage. [As far as reasonably practicable](#), this may include coverage maps, [service qualifications](#) or diagrams, with information about coverage in different scenarios (outdoor/external antenna, 4G/5G, etc.).*”

#### **Definition of “natural disaster”**

We recommend that the term “*natural disaster*” be included as a formal definition in the Code. The absence of a definition provides ambiguity for CSPs to determine what events could be classified as a natural disaster. We recommend that the following definition be included in the Code:

#### **“*Natural Disaster*”**

*Means a natural disaster listed on the Commonwealth Government’s [list of declared disasters](#)”.*

#### **Clause 3.3.2 c), Training on First Nations cultural understanding**

We request that further guidance/context be included in the Code to assist CSPs in establishing an appropriate First Nations cultural awareness training curriculum linked to the products and services offered by CSPs, and how this training content may differ to

the training content that addresses customers experiencing vulnerability and responsible sales practices.

### **Section 6.3, Customer contracts**

6.3.1c) – We recommend that there be further clarity regarding disclosing the carrier linked to the product being offered. For example, under a white label agreement, there may be at least two different carriers providing the service:

- The underlying infrastructure provider, e.g. NBN; and
- The carrier who has the commercial relationship with the CSP, and who may also provide carrier infrastructure, such as backhaul services, to the CSP.

We recommend that the following wording be included in this clause:

6.3.1c) - “...where the CSP is not the carrier, the name of the underlying primary carrier”.

### **Section 8.10, Payments**

We recommend that there be a clearer distinction, and where appropriate, exclusions, regarding the applicability of pre-paid and post-paid products.

#### *Clause 8.10.3, Direct debit payment options*

We recommend that pre-paid products be excluded from clause 8.10.3.

The inherent design of pre-paid products is that a customer pays in advance for a set time period, e.g. 30 days. The three direct debit payment options are inconsistent with and/or create significant complexity in the provision of pre-paid products:

- **Choose a recurring payment date** – By choosing a specific date, customers will receive a different number of days of access in each month. CSP’s may have no choice but to create an alternative pricing construct, such as per day charging, to accommodate the difference in the number of days in each month.
- **Choosing a payment frequency** – It is expected that the customer will get confused as to the number of days of access they have remaining based on changes to the payment frequency. The customer may assume, for example, that they will always have 30 days of access irrespective of the payment frequency. Supporting customers who make regular changes to their payment frequency will create significant operational complexity and risk, both manually through call centres and via customer registry systems.
- **Temporarily defer a payment** – Notwithstanding a CSP’s obligations to support customers in financial hardship, deferring a payment on a pre-paid product will result in the product becoming a de-facto post-paid product. A customer may defer their payments every month, resulting in the product becoming a post-paid product for a proportion of every month.

We recommend that limits be applied to the number of payment deferrals that a customer may request. For example, a maximum of 3 payment deferrals every six months. This will limit customers requesting payment deferrals for every invoice they receive.

We also recommend further clarity and linkages to the *Telecommunications (Financial Hardship) Industry Standard 2024*. We recommend the following wording be included within Clause 8.10.3(c):

*“...temporarily defer a payment without penalty up to a maximum of 3 deferrals in a six month period. Where a customer seeks additional payment deferrals, CSPs must apply Section 14 and Section 15 of the Telecommunications (Financial Hardship) Industry Standard 2024.”*

**Post paid products** – The option for customers to choose a recurring payment date or payment frequency will create significant operational complexity elevating the potential for billing/payment errors for customers, particularly where those customers regularly change from one direct debit option to the other.

**2. Recognising that there will be limited flexibility to extend general implementation timeframes, are there areas, in addition to those listed at 2.1.4, that you believe require delayed implementation?** *For example, will you be able to make the required updates to the CIS within 3 months of the Code being registered with the ACMA, or might this require a delayed implementation (6 months)?*

Given the volume and complexity of changes required to be implemented by the industry, we recommend that the Code, in its entirety, have a minimum 6 month transition, with a minimum 12 month transition for systems/payments based changes. In addition to TCP Code, the industry will also be addressing:

- Changes required to be implemented upon the introduction of the domestic and family violence industry standard
- For relevant CSPs, work required to be completed for the transition to higher speed broadband speed tiers, including regular changes to NBN’s wholesale product offering.

**3. Clauses associated with data retention have been consolidated and clarified to attempt to address various (often conflicting) stakeholder feedback. Are the requirements clear, and do you have any concerns or comments?**

We have no comments in response to this question.

**4. A new definition (Authorised estate representative) and new clauses have been included in the draft Code (section 4.5) to facilitate the management of a deceased customer's account. There may be some conflicts between the requirements in clause 4.5.1 and those in the Telecommunications Service Provider (Customer Identity Authentication) Determination 2022. The ACMA is currently consulting on possible changes to that Determination in January 2025. This clause will be reviewed as required in light of those discussions.**

**4 (a) Do you have concerns about such conflicts?**

**4 (b) Do you have any other comments about the proposed requirements?**

We have no comments in response to this question.

**5. Rules in relation to responsible selling in chapters 5 and 6 have been substantially strengthened in response to stakeholder feedback, particularly to address concerns about responsible sales incentive structures (section 6.1) and expectations about remedies. Are the requirements clear? And do you have any concerns or comments?**

We have no comments in response to this question.

## **6. Credit assessment requirements**

**6 (a) As highlighted in the draft, the proposed trigger for an external credit check for a NEW customer is that the potential for a debt owed is over \$150. Is this a reasonable threshold? Why/why not?**

**6 (b) Is the proposed threshold of \$2000 for new or existing small business customers reasonable? Why/why not?**

**6 (c) Is the proposed threshold of \$1000 for an external credit check for existing customers reasonable? (This reflects the current, 2019, Code requirements). Why/why not?**

**6 (d) Any other comments or concerns about the proposed credit check requirements?**

Please refer to our commentary above.





**7. Notify customers of CSP-initiated changes to a customer’s telecommunications service contract. Considering the different perspectives, do you consider the current drafting appropriate? Why/why not?**

We have no comments in response to this question.

We welcome the opportunity for further discussions with CommsAlliance.

Yours sincerely

Adam Foye

Head of Compliance, Risk and Regulatory