

S. 22

From: S. 22
Sent: Friday, 25 February 2011 4:28 PM
To: S. 22
Subject: FW: TRIM: Re: Overview of the LIMAC issue [SEC=UNCLASSIFIED]

Security Classification:
UNCLASSIFIED

S. 47G

Background on the packages offered is available in the LIMAC report:
<http://www.telstra.com.au/abouttelstra/download/document/limac-report-2009.pdf>

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From: S. 22
Sent: Tuesday, 26 October 2010 4:48 PM
To: Kelleher, Brian; S. 22
Cc: Grainger, Joanna; Cullen, Marianne
Subject: FW: Overview of the LIMAC issue [SEC=IN-CONFIDENCE:COMMERCIAL]

Dear Brian, S. 22

I discussed this briefly with Marianne who suggested I forward to you.

Could you be able to respond to Duncan.

Best wishes

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From: McIntyre, Duncan

Sent: Monday, 25 October 2010 6:44 PM

To: [redacted] Grainger, Joanna

Cc: S.22

Subject: FW: Overview of the LIMAC issue [SEC=IN-CONFIDENCE:COMMERCIAL]

S.22

As discussed this morning, we would be keen to meet to discuss a number of low income and other issues that need an analogue in the NBN. In brief:

Policy

- Access to telecommunications is central to social participation, so its affordability has direct implications for social exclusion and inclusion.
- We need to ensure that we have policy measures in place to anticipate how the transition to the NBN environment may affect disadvantaged customers.

Existing arrangements

- Telstra currently provides customers with a range of **low income measures**, including Access for Everyone package and the Connected Seniors Program.
- The Low income Measures Assessment Committee (LIMAC) report to the Minister on Telstra's on the effectiveness of Telstra's low-income package and marketing plan, estimated that Telstra's low income packages provide a total benefit to the community of [S.47G] per year.
- Telstra estimate the cost of providing these low income measures is approximately [S.47G] per year.
- Telstra currently want to keep providing these services, rather than moving them to USO Co. We believe this is in part due to the fact that the fixed costs of the network are already covered by other users, so they can still make a profit on the variable part of the low income package.

Issue

- When Telstra are no longer vertically integrated, and have to pay NBN Co for wholesale access to network infrastructure, the potential to make a profit from LIMAC customers is diminished, and, in the case of very low income customers, will likely be entirely removed.

S.47C

- What kind of measures can we put in place to ensure that disadvantaged customers can access standard telephone services once Telstra signs over its infrastructure to the NBN without having to pay far more for the service than they currently pay for access to the existing network.

Cheers

Duncan