



Consumer Safeguards Review

Part B – Reliability of Services

Department of Communications and the Arts (DoCA)
Consultation

Submission by Aussie Broadband Pty Ltd

January 2019

About Aussie Broadband

Aussie Broadband is a small, high quality internet service provider based out of the Latrobe Valley in Gippsland, Victoria.

To date, we are the only ISP outside the big four to build a network to all 121 NBN POIs across Australia. We provide services via all NBN technologies other than satellite with a focus on a congestion-free, quality network and all-Australian support. We are the fifth largest provider of new fixed wireless NBN services.

Whilst our services can and do cover nearly all Australians, we have a particular affinity with rural and regional Australia. Many of our leadership team and staff – including our Managing Director Phillip Britt – receive their home NBN via fixed wireless.

Introduction

Aussie Broadband thanks the Department of Communications and the Arts (DoCA) for their consultation on this review and for the chance to provide input from our unique viewpoint as a regionally-based provider.

Some of the issues and responses we raise in this submission reflect our affinity with our rural and regional Australian customers and with our customers throughout Australia as we rapidly expand our position in the national market place.

Summary of submission

We are aware that the national industry body, Communications Alliance, has included in their submission some significant discussion on the “Principles” proposed in the consultation document. We generally agree with their position, so we will only briefly touch on these.

Aussie Broadband’s submission emphasises:

- the issues of service connection and repair timeframes and
- providing an “alternative service” if there are delays in connecting or repairing the primary service, notably in communication black spots, regional and rural areas.

Where the ACMA has reported “*the most common service reliability issues raised by consumers were establishing a service, no service and intermittent service or drop outs*”, Aussie Broadband believes the proposed connection and repair timeframes (with associated penalties) may go some way to addressing these issues. However this submission raises some concerns for small rural and regional RSPs, and for rural and regional customers, that need to be considered.

Principles

Principle 1.

Telecommunications is an essential service, and the entire industry needs to be responsible for keeping consumers connected.

Although an admirable principle, it needs to acknowledge the multiple components of the supply chain where each participant can only be directly accountable for the element within their control. This principle needs to be backed by a framework of co-operation between the supply chain participants. This is discussed in detail in the industry submission by the Communications Alliance.

Principle 2.

Consumer safeguards are best delivered through direct regulation to support public policy.

Aussie Broadband disagrees with this principle and supports the notion by Communications Alliance that;

"Consumer safeguards are best delivered through competition, and regulation should only be used where competition is not delivering".

Principle 3.

Consumers should get what they pay for.

Aussie Broadband supports this principle as it is expressed in Australian Consumer Law.

Proposals

Proposal 1.

Mandatory rules will cover how consumers and small businesses are connected, and stay connected to, fixed telecommunications networks, including appointments.

Timeframes for Network Connections:

The Consultation Paper proposes mandatory timeframes for the connection of services. Aussie Broadband agrees with the intent of the timeframes but suggests clarifying definitions used in the examples and considering edge cases before they are locked into regulation.

If an ordered service receives the response “build required” (meaning additional infrastructure is needed), even if it is defined as “close to required infrastructure”, the mandated timeframe of “within 2 working days” for a connection is unlikely to be achievable and should be allowed for in any regulation.

There will also need to be timeframe caveats beyond “not close to infrastructure”. For example, smaller and regional suppliers (or any providers serving regional customers) may need further time for the postage/delivery of consumer equipment, which can result in significantly longer timeframes to achieve the customer’s network connection (or to discover if there is a network issue that needs to be addressed) after the order is placed. The regulations could extend timeframes specifically for these cases or simply exclude equipment delivery/postage from the timeframe.

Stop Sell:

Aussie Broadband uses the concept of a “stop sell order”, where we do not progress an order if the subsequent connection will provide a service below customer (and Aussie Broadband’s) expectations. This can mean a significant period of delay between when a service order is placed by the customer and its actual progress to connection - the customer is not charged for the service during this delay period.

“We have made the decision that if we are at 80% of the backhaul bandwidth available, and we know an order for new bandwidth is running behind schedule, we will stop selling on that POI,” said Aussie Broadband Managing Director Phillip Britt

“That way, we don’t oversell a POI before new backhaul is provisioned. Customers can choose to wait via a presold process, or they may choose to go elsewhere”.

This is clearly a process designed to benefit the consumer (*Principle 3: Consumers should get what they pay for*) in that they are not charged for a service that Aussie Broadband believes it cannot deliver to the customer’s (and Aussie Broadband’s) expectations.

However, if strict service connection timeframes are regulated, Aussie Broadband would be penalised for not delivering the ordered service within the mandated timeframe, despite having the customer’s best interest at heart.

Provision for this might be covered under the *intent* of the regulation but relying on interpretation by the regulator of the day each time such a case arose would not be ideal.

Timeframes for Repairs:

The Consultation Paper proposes mandatory timeframes for the repair of services and again Aussie Broadband agrees with the principal of including more significant penalties for “missed appointments” or exceeding reasonable timeframes to repair/restore a service. We believe the proposed \$100 fee provides both a good incentive for the technician attending the appointment, and appropriate compensation for the consumer.

Fault rectification and service restoration that does not require a technician to attend at the customer premises or the network infrastructure serving the customer should be able to comply with the proposed timeframes.

Where an appointment is required for technician to attend the customer's premises there would, however, need to be a definition of a missed appointment codified in the regulation. This especially needs to address the many instances where a customer complains they were at the premises at the nominated (broad) time but the technician did not turn up, while the technician reports the customer was NIA (not in attendance).

We suggest:

- The technician should call the customer and RSP in advance to advise of the estimated arrival time (late or otherwise)
- Better proof be developed that the technician has attended, if the customer claims otherwise
- A live tracking application (as commonly used for food deliveries and taxi cab orders) should be used to indicate where the technician may be in their progress to the customer/connection location.

Proposal 2.

Providers must focus on keeping customers connected to a service if timeframes cannot be met.

Although the aim to provide an alternative service is admirable it is not always possible (and not only, but especially, in rural/regional areas).

There will be times where there is no alternative service available - there is not sufficient infrastructure and/or there is insufficient mobile signal in the customer's location. These “black spot” areas still exist.

Setting Expectations: If it is known in advance that the RSP will not be able to provide an interim service (eg if the customer is in a poor mobile signal area), we believe there should be provision for the RSP to avoid penalty or a breach if they advise the customer at the time/point of sale that they would be unable to provide an interim/alternative service if required. Armed with that knowledge, it would be the customer's decision whether or not to proceed with the order.

If s RSPs are penalised when providing an alternative service is not possible/feasible, we believe this would discourage (especially smaller/regional) RSPs from offering services to customers at all in known blackspot areas, which would certainly be to the detriment of competition and the consumer.

We also believe an RSP should not be penalised, and this allowance should be included in the regulations, if the RSP makes all reasonable attempts to provide a reliable alternative service but this proved technically impossible or financially unfeasible:

The regulations should allow for a "reasonable effort" to provide an alternative service and doing all that was possible within the RSP's capabilities to achieve this. An RSP should not be punished for not doing the impossible if they have made every effort to do what was feasible and not raising a customer's expectations beyond this at point of sale.

Proposal 3.

Network infrastructure providers that support the supply of retail services to consumers will be required to publish network reliability metrics and to report to the ACMA on network performance.

Aussie Broadband supports the proposal and will always support network providers supplying us with more network reliability and outage information, especially for "planned outages" where we have been known to receive notification with only one or two day's notice to pass information onto our customers.

The regulations should provide for a minimum period of notice to RSPs for a "planned outage". Aussie Broadband proposes this regulated notice for a planned outage be 5 days or greater.

Aussie Broadband proposes that RSPs be provided with greater freedom to communicate the appropriate components of the network provider's network reliability (including exchange/Pol/wireless tower congestion) and outage information to their customers.

Proposal 4.

The ACMA will be responsible for the collection of data relating to fixed connections, repairs and appointments, with reporting obligations applying at both wholesale and retail level. The ACMA will publish the results.

Aussie Broadband supports more data collection and analysis as long as the collection of this data is:

- Not duplicated with that provided to other regulators (regardless of format or content)
- Does not imposed onerous burdens on RSPs (especially smaller and regional RSPs)

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