



INTERNET ASSOCIATION OF AUSTRALIA
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To: Australian Competition and Consumer Commission

By email: ServiceLevelsRKR@acc.gov.au

RE: Record Keeping Rule – NBN Service Performance

Thank you for the opportunity to express the Internet Association of Australia's (**IAA**) perspective on the ACCC's Record Keeping Rule – NBN Service Performance Consultation Paper.

IAA is a member-based association representing Australia's Internet community. Our membership is largely comprised of small to medium sized Internet Service Providers, many of whom are also NBN Retail Service Providers (**RSPs**). Our response is predominately in representation of these members and for the public good of the Internet more generally.

In general, IAA broadly supports the implementation of a Record Keeping Rule (**RKR**) for NBN Co and view it to be necessary to help improve transparency and accountability of NBN Co. We have been actively involved in the consultations regarding NBN Co, including its SAU, wherein we also supported greater record keeping obligations for NBN Co. We have also supported similar obligations being introduced for large SBAS providers in response to the ACCC's SBAS Access Draft Determination (**SBAS Determination**).

We provide further information and respond to the questions contained within the ACCC's consultation paper as below.

1. *Are the service aspects, service level metrics and proposed data set out in Attachment A appropriate for an RKR for NBN Co?*
and
4. *Should more or fewer metrics form part of the RKR? Could the proposed metrics be more clearly expressed or defined? If so, please provide details of any suggested changes and the reasoning supporting the changes proposed?*

We broadly support the proposed service level metrics set out in Attachment A. We also support the inclusion of NBN Co operational and capital expenditure against budget forecasts as was suggested in the Consultation Paper for future inclusion. Ensuring the efficient provision of service is a key component of NBN Co and thus reporting on its expenditure against its budget forecasts can be a good way to assess whether it is spending appropriately.

In addition, we recommend that in addition to keeping quantitative data, where there are faults, delays and other failures to meet the service standards, NBN Co should also be required to report on the reasons for such faults, delays and failures. Reporting on such data will increase the level of transparency and allow for more efficient investigation of potential systemic issues.

2. *To what extent should the service aspects, service level metrics and proposed data set out in Attachment A also apply to SBAS providers?*

All applicable service aspects, service level metrics and proposed data should apply to relevant SBAS providers as they do to NBN Co.

3. *Should there be a threshold regarding SBAS network scale before the provider is subject to an RKR for service quality and performance metrics?*

We strongly support a balanced approach that ensures consumers being able to receive fit-for-purpose service versus overly burdensome regulation that impedes the operation of providers, particularly the smaller SBAS providers. Thus, while we understand there may be some limited value in smaller SBAS providers being subject to the RKR to ensure accountability of all providers, we don't believe this offers great value commercially or otherwise when applied to small providers and instead poses an overly burdensome regulatory threshold given their limited resources and high barriers to entry into the market.

In our support for RKR for SBAS providers, we have been primarily concerned with the larger providers who control much of the SBAS network landscape due to its largely unregulated context. IAA's response to the SBAS Determination primarily focused on a single provider which has in effect become a monopoly, setting the standards and prices for the network and failing to provide good quality service, while some other providers follow.

We believe the threshold for an SBAS network scale should be similar to the structural separation number and set at 2000 SIO or another high value as determined by the Minister for Communications as part of a class declaration or individual determination.

7. *We are considering bi-annual (June and December) reporting with quarterly data to be provided. Is this reporting frequency suitable for reporting under an RKR for NBN Co?*

While we don't have any issues with the frequency proposed in the Consultation Paper, we note that it has been suggested that SBAS providers will be subject to quarterly reporting. In general, we support consistency between the two frameworks unless there is a particular reason a different reporting period has been proposed.

Once again, IAA appreciates the opportunity to contribute to the Consultation Paper on Record Keeping Rule – NBN Service Performance. As Internet becomes more widely used and relied upon in Australia, it is imperative that NBN Co improves its transparency and is held to a greater level of accountability regarding its service. We look forward to working with the ACCC, industry and other stakeholders to develop a RKR framework that ensures this, as well as an equivalent RKR for SBAS providers in due course that will be for the benefit of Australian consumers and the overall telecommunications industry.

Yours faithfully,

Narelle Clark
Chief Executive Officer
Internet Association of Australia

ABOUT THE INTERNET ASSOCIATION OF AUSTRALIA

The Internet Association of Australia (IAA) is a member-based association representing the Internet community. Founded in 1995, as the Western Australian Internet Association (WAIA), the Association changed its name in early 2016 to better reflect our national membership and growth.

Our members comprise industry professionals, corporations, and affiliate organisations. IAA provides a range of services and resources for members and supports the development of the Internet industry both within Australia and internationally. Providing technical services as well as social and professional development events, IAA aims to provide services and resources that our members need.

IX-Australia is a service provided by the Internet Association of Australia to Corporate and Affiliate members. It is the longest running carrier neutral Internet Exchange in Australia. Spanning six states and territories, IAA operates over 30 points of presence and operates the New Zealand Internet Exchange on behalf of NZIX Inc in New Zealand.

IAA is also a licenced telecommunications carrier, and operates on a not-for-profit basis.