

13 March 2025

The Manager
National Interests Section
Australian Communications and Media Authority

By submission: <https://www.acma.gov.au/consultations/2025-02/improving-customer-communications-outages>

RE: Proposed Amendments to the Telecommunications (Customer Communications for Outages) Industry Standard 2024

The Internet Association of Australia (**IAA**) thanks the Australian Communications and Media Authority (**ACMA**) for the opportunity to respond to the consultation on the proposed amendments to the *Telecommunications (Customer Communications for Outages) Industry Standard 2024 (CCO Standard)*.

IAA is a member-based association representing Australia's Internet community. Our membership is largely comprised of small to medium sized Internet service providers (**ISPs**), many of which also supply other carriage services to end-users and are therefore currently subject to the CCO Standard as carriage service providers (**CSPs**), as well as a limited number of small carriers that would be affected by the proposed amendments to the CCO Standard.

In general, IAA and our members recognise the increasingly vital role that telecommunications plays in the lives of Australians, and therefore, the importance of having a clear regulatory framework that sets out communication obligations during times of significant outages. While telecommunications networks are generally reliable, they can never be 100% fail-proof, and given that Australians will face more frequent natural disasters, and of increasing severity, in the face of climate change, we understand the value in establishing regulatory obligations that meet community expectations. We further understand that the ACMA has been directed by the Minister to create an industry standard that deals with both 'major outages' as well as 'significant local outages' (**Direction**), and that these proposed amendments reflect the inclusion of requirements mandated by the Minister's direction, and that these must commence no later than 30 June 2025.

However, we are concerned that the proposed amendments do not sufficiently consider the great burden that would be placed on smaller CSPs and carriers to meet their compliance obligations. As the ACMA is likely already aware, the telecommunications sector has a 'long tail' of smaller telecommunications providers that do not have the technical capabilities nor resource availability to efficiently comply with the requirements under the CCO Standard, including the proposed amendments. We therefore offer our response to propose alternative approaches to amending the CCO Standard to strike an appropriate balance between providing communications to end-users during major and significant local outages, as well as proportionate compliance obligations that will not unduly burden smaller telecommunications providers.

OUR RESPONSE

DEFINITION OF SIGNIFICANT LOCAL OUTAGE

- 1. Is the proposed definition of significant local outage workable? If not, please provide suggested wording for an alternative definition giving reasons.***
- 2. Does the definition adequately capture outages that are lesser in scale than major outages, but have a significant impact on local communities in the areas that may have lower levels of access to alternative telecommunications networks?***

In general, we support the proposed definition of ‘significant local outage’. Limiting the definition to an outage that affects at least 1,000 services in operation, as well as only those in regional or remote areas reflects the objective of the Standard as well as the Direction to ensure end-users are being appropriately informed and assisted during a significant outage where they do not have other means of staying connected. Given the nature of Australia’s telecommunications networks, we agree that the risk to end-users in metropolitan areas is not as significant to warrant the same communications provisions under the CCO Standard.

However, we note that for smaller providers, this demarcation will not be easy to apply. We understand that many smaller telecommunications providers do not have the technical capability to easily segment their data sets and/or customer base information according to the thresholds set out under this definition. This will particularly be an issue for providers who service customers nationally or across various States and Territories, as many smaller providers do not have a complete mapping of their customers such as across NBN sites or POIs.

Thus, we recommend the ACMA to introduce a new exemption for smaller telecommunications providers, as will be further detailed below under our response to ‘Additional/Alternative Requirements’.

OUTAGES CAUSED BY NATURAL DISASTERS

- 3. Are there concerns about the imposition of requirements on carriers and CSPs in relation to outages caused by natural disasters? If yes, please explain.***
- 4. Can you suggest an alternative way to manage communications with customers and the public during outages caused by natural disasters so that the objectives of the direction are met?***

We are concerned about the requirements to comply with the proposed obligations in relation to outages caused by natural disasters that would cause further stress on carriers and CSPs during what is already a difficult and stressful period.

We especially note that there are a number of telecommunications providers whose entire business model centres around providing telecommunications services in select regional and rural areas. Noting that rural and regional areas are also most vulnerable to natural disasters, and the aftermath of such events has a longer effect due to limited infrastructure and geographic isolation, we are concerned that these requirements would therefore disproportionately burden smaller niche providers.

We fully appreciate that loss of connection during natural disasters also causes stress for end-users. However, in such circumstances, providers prioritise restoring services in recognition of the

importance of maintaining service connection during times of crisis, and are often already in the practice of providing information on their website about service unavailability due to natural disasters. Furthermore, end-users are already aware of the effect and implications of a natural disaster on their telecommunications services.

We are therefore concerned about the increasing paternalism in regulation of the telecommunications industry that sets out prescriptive obligations with threat of enforcement action in relation to situations that are already stressful. Thus, we believe that it is more appropriate to set out communications requirements in relation to a natural disaster in industry guidance material such as the guidelines developed and provided by Communications Alliance. We therefore recommend the ACMA continue to exempt carriers and CSPs from the obligations under the CCO Standard in relation to any outages caused by natural disasters, and that the ACMA works with industry and Communications Alliance to develop guidelines in relation to communications that carriers and CSPs should provide in response to outages caused by natural disasters. We believe this is a more appropriate mechanism to ensure end-users and other stakeholders are being appropriately informed and updated about the effect of natural disasters on their telecommunications network without causing further undue stress on telecommunication providers that are trying to do the right thing.

FEASIBILITY AND COSTS

5. For carriers and carriage service providers, what are the likely costs and benefits of implementation for your organisation? (Please provide specific cost estimates in your response.) Are there alternative ways to achieve the objectives of the direction that would be consistent with its terms and provide for lesser costs and/or greater benefits?

Due to breadth of our membership, we are unable to provide specific cost estimates in response to this question. Furthermore, we contend that smaller providers are underrepresented in formal consultation processes due to their lack of resources, making it difficult to engage despite the disproportionate regulatory burdens often imposed as a result of regulatory reform, and it is therefore unlikely that the ACMA will receive costs estimates from smaller telecommunication providers. However, we use this opportunity to reiterate the significant costs of the proposed amendments to the CCO Standard on smaller providers.

As aforementioned, there are many providers who are not currently able to segment their customer base to efficiently comply with obligations in relation to significant local outages. This will require providers to develop new software systems, configure those systems and establish new automation processes that will allow them to segment their data-sets, and push out communications in accordance with the CCO Standard, and the proposed amendments. Such work represents significant cost, especially in consideration of the various other regulatory reform that is underway in the sector, including those headed by the ACMA such as changes to the *Telecommunications (Consumer Complaints Handling Industry Standard)* that is proposed to commence at the same time as the amendments to the CCO Standard.

In addition, our members have expressed concern about the requirement to provide real-time or near real-time assistance under the CCO Standard. In particular, the provisions suggest that such assistance should be provided *at all times* during an outage, including outside of standard business hours. We note the considerable cost this would impose, particularly for smaller CSPs. Given the limited control and responsibilities that CSPs have over outages on an underlying carrier's network, it is unreasonable to introduce such an impost on CSPs. We therefore recommend that section 16

of the CCO Standard be further amended to note that real-time and near real-time assistance is not reasonably expected outside of a CSP's standard business hours. Rather, we believe that this assistance should be provided by the responsible carrier, to which the CSP may redirect contact from end-users for requests of real-time or near real-time assistance.

Furthermore, section 16 suggests that real-time or near real-time assistance should also be provided in relation to outages caused by a natural disaster. We are concerned that this requirement would clog up communications networks during what is already a stressful period with limited network availability. Therefore, it is more appropriate for end-users to be directed to the applicable SES and/or other centralised emergency services. Thus, we recommend that section 16 also be amended to exempt CSPs where the outage is caused by a natural disaster.

COMMENCEMENT

- 6. *We are seeking views, and the reasons for them, on the earliest practical date for the standard for significant local outages to commence in full, noting that this must be no later than 30 June 2025.***

In consideration of the great costs and limited resources of smaller providers, we do not support the proposed amendments commencing earlier than 30 June. As aforementioned, smaller providers will need to make considerable changes to processes, systems and operations, all of which will also require thorough testing and training in order to effectively and efficiently comply with the proposed amendments to the CCO Standard.

As such, we do not consider it appropriate to introduce an earlier commencement date. As it stands, providers already have less than 3 months to implement changes from the last date that the provisions relating to significant local outages must be determined by (30 April). Therefore, it would be unreasonable to expect providers to be compliant by earlier than 30 June.

At the least, should the ACMA impose an earlier commencement date, we propose that CCO Standard introduce a phased commencement approach so that only providers with over 30,000 active services in operation are subject to the earlier commencement date, with the 30 June commencement date applying to all other providers subject to the CCO Standard.

Furthermore, we recommend that the CCO Standard introduces a 3-month grace period following the commencement of the proposed amendments to the CCO Standard before enforcement action will be taken for non-compliance with the obligations. During this period, the ACMA can also work with telecommunications providers to assist with industry compliance efforts. Moreover, we also recommend that ACMA's enforcement approach will focus on occasions of non-compliance that exemplify gross negligence for the first 12 months following the commencement of the proposed changes, reflecting a compliance and enforcement approach that has been well-received in other areas of telecommunications regulation such as the new requirements under the *Security of Critical Infrastructure Act*. We believe this to be the most appropriate approach to ensure the telecommunications industry start implementing changes as required, with a proportionate enforcement approach.

ADDITIONAL/ALTERNATIVE REQUIREMENTS

Introduce an exemption for CSPs with under 30,000 SIOs

As previously mentioned and in light of the issues raised throughout this submission, we recommend that the CCO Standard be amended to introduce a new exemption for smaller carriers

and CSPs from compliance with the CCO Standard. We consider that the appropriate threshold to apply this exemption would be for those providers with under 30,000 active services in operation. We note that this is a threshold that already applies across various other regulation for the telecommunications sector, and is therefore easier for industry to apply and understand. Moreover, we note that this would represent the vast majority of telecommunications consumers. We also understand that subsection 6(b) of the Direction allows for certain classes of carriers and CSPs to be exempted from certain provisions, and therefore the introduction of the proposed exemption is not out of alignment with the Direction.

Nevertheless, we would recommend the ACMA engage with the telecommunications industry to implement these communications procedures in respect of significant outages affecting metropolitan areas, regardless of there being no legal obligation to do so. We reiterate our understanding of the vital role of telecommunications, and therefore our commitment to ensuring end-users are being appropriately notified where such services are not working. However, we simultaneously believe that smaller providers should not be unduly burdened by prescriptive regulation that makes it difficult for such providers to thrive and compete in what is an already imbalanced market. We therefore believe such an exemption alongside assistance from the ACMA to develop comparable notification processes – without threat of enforcement action – would achieve the necessary balance.

CONCLUSION

Once again, IAA appreciates the opportunity to contribute to the proposed amendments to the *Telecommunications (Customer Communications for Outages) Industry Standard 2024*. As Australians continue and increasingly rely on telecommunications for everyday life, and as we expect to continue to face outages to such key networks, we are committed collaborating with the ACMA, industry and consumers for the development of a regulatory framework that is fit for purpose and appropriately reflects consumer safeguards as well as proportionate obligations for industry.

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

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 seven 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.

Yours faithfully,
Internet Association of Australia