COMMUNICATIONS ALLIANCE LTD

NBN CO INDUSTRY CONSULTATION PAPER

NBN CO IMPLEMENTATION OPTIONS FOR MEDIUM TO HIGH COMPLEXITY MULTIPLE PREMISES SITES (MPS)

COMMUNICATIONS ALLIANCE SUBMISSION JANUARY 2014

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INTRODUCTION

Communications Alliance welcomes the opportunity to respond to NBN Co's consultation paper on Implementation Options for Medium to High Complexity Multiple Premises Sites (MPS).

At a principle level Communications Alliance sees improving the experience of end users as a key consideration in the rollout of the NBN Co's fibre to the premises (FTTP) network. By adopting a clear and consistent implementation process that minimises cost and service disruption to end users, NBN Co will go some way towards promoting confidence in its MPS implementation methodology, which in turn will encourage take-up. However, industry is concerned that introducing a centralised or hybrid implementation model for some ('complex') parts of the FTTP network has potential to create confusion in the mind of consumers.

The complexities presented by customer premises cabling in MPS are not new to industry, and are not limited to the commercial MPS that this consultation paper discusses. It is not clear why these sites are inherently more complex than any number of residential multiple dwelling units. Nor is it clear why such sites should be considered non-standard installations. While the installation process will obviously differ from, say, a suburban street installation, once established the process is standard and repeatable, .

Shifting the location of the network terminating device (NTD) from each individual premise to a centralised location also has potential to create difficulties for end-users in the event of a fault, as they will be unable to observe the NTD's power status indicators. It also introduces potential for interference with this equipment by third parties.

For these reasons, Communication Alliance favours continuation of the existing decentralised deployment of the NBN Co's FTTP network where each premise is served by its own NTD.

About Communications Alliance

Communications Alliance is the primary telecommunications industry body in Australia. Its membership is drawn from a wide cross-section of the communications industry, including carriers, carriage and internet service providers, content providers, equipment vendors, IT companies, consultants and business groups.

Its vision is to provide a unified voice for the telecommunications industry and to lead it into the next generation of converging networks, technologies and services. The prime mission of Communications Alliance is to promote the growth of the Australian communications industry and the protection of consumer interests by fostering the highest standards of business ethics and behaviour through industry self-governance. For more details about Communications Alliance, see http://www.commsalliance.com.au.

1. Solution templates

2.1 Existing Standard Solution

Communications Alliance seeks a greater degree of certainty with regards to NBN Co's proposed billing model for MPS, noting that charges for Non-Standard Installations will have to be passed on to the end user. This being the case, the end user will rightly question the need for an additional cost for the cabling of a new service which is effectively replacing the working service that they already have on site. Examples follow of some of the questions on which industry seeks clarity.

- Will NBN Co provide a 'rate-sheet' or some other form of standard indicator as to the rates proposed to be billed for NBN Co personnel and/or sub-contractor time?

- If Non-Standard installations are to be billed by NBN Co on a time and materials basis, would there be provision for only a portion of the full billable amount to be charged where an installation does not meet all of the criteria listed in the consultation paper?

- In terms of time, will billing be rounded up (or down) to the nearest hour? Noting the absence of certainty surrounding the means by which NBN Co intends to pass charges onto Access Seekers, Communications Alliance proposes that consideration be given to a pre-determined fixed price for all Non-Standard installations.

- Is NBN Co proposing to charge Access Seekers for ongoing support and maintenance?

- There is potential for bespoke solutions to be developed outside the parameters of what constitutes a Standard or Non-Standard installation. How does NBN Co propose to charge for such solutions?

- Will Copper Cease Sale disconnection principles apply for installs in premises where the cost of cabling is likely to be high?

- If the NTD is in the comms room, every Retail Service Provider will need to provide cabling to the NTD at a cost to the customer. This is likely to have competition implications. Has NBN Co designed a process to manage this?

- End users are likely to be sensitive to any additional charges that might be incurred and therefore the existing building infrastructure in any given MPS should be taken into account when delivering NBN services to that MPS. Accordingly Communications Alliance recommends that NBN Co consider pre-

determined fixed charges for simple to complex installations in order to give end users a greater degree of certainty. Further, feedback from Retail Service Providers indicates that clarification is required as to the need for a non-standard installation charge at all as ideally such scenarios would be the exception to the rule.

2.2 Existing Decentralised Solution

- Given the options available, Communications Alliance feels that continuation of the existing Decentralised Solution offers the highest degree of certainty and will provides the end customer with an appropriate range of solutions from which to choose. An increased number of options for end users is one of the key drivers of the NBN.

- With respect to NBN Co's definition of what constitutes an MPS location, Communications Alliance requests that further detail be provided so that Access Seekers are able to determine in advance what the likely cost impact is likely to be, both for the Access Seeker and the end user.

- Communications Alliance notes the deployment scenarios from the building entry point into the comms room as set out in Figure 1. Where access is required to the comms room, Access Seekers will require greater clarity on access arrangements both during and outside business hours. It is not clear if access arrangements are established between NBN Co and the MPS owner, or between each Access Seeker and the MPS owner.

- Access Seekers will need visibility of NBN Co's ability to provide support in the event that issues arise in the comms room itself, and what the boundaries of such support are to be.

2.3 Potential New Centralised Solutions

- Communications Alliance considers that a purely centralised model is likely to create unwanted disruption to the end user as well as introducing an added layer of complexity for Access Seekers and end-users. Access issues, space constraints, unclear demarcation points and the potential for all end users to be affected during fault rectification windows would all serve to undermine confidence in the NBN.

- Security of MDF/NTD equipment e.g. ethernet ports, in a shared comms room is an ever present concern for all Access Seekers.

- Physical security measures for those accessing a shared comms room are also an imperative. Communications Alliance would prefer that all security measures be clearly set out in NBN Co's MPS implementation construct.
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- Communications Alliance would like clarification on Service Level Agreements (SLAs) for MPS. Will installations have separate SLAs outside those already set out in NBN Co's Wholesale Broadband Agreement and/or Access Seekers' CSG? If so what will these SLAs stipulate in terms of measures? It is noted that commercial tenants/end users are generally more sensitive to outages and thus are often provided with 'bespoke' SLAs. In this respect Communications Alliance would be interested in exploring further the ease with which an end user can be cutover from a legacy network to the NBN with minimal downtime.

3. Conclusion

Communications Alliance is pleased to have been consulted on NBN Co's Implementation Options for Medium to High Complexity MPS discussion paper. As highlighted in this submission, underpinning all considerations should be the experience of the end user. The end user experience will primarily be determined by the extent to which they are impacted from the perspective of cost, service availability and optionality.

With regards to cost, end users are likely to be wary of any infrastructure driven processes that have the potential to add to existing costs. As any costs incurred by Access Seekers that arise from amendments to existing implementation options for MPS will be passed onto the end user, Communications Alliance recommends that the billing model undergo further refinement, with a greater emphasis on fixed charging rates that would allow Access Seekers to provide their customers with notification (and justification) of any installation charges.

Of the options provided in the Consultation Paper, Communications Alliance feels that the continuation of the Decentralised Solution best provides the certainty that end users desire when connecting to NBN Co's FTTP network. A Centralised Solution is only likely to add to those complexities, particularly with respect to access and security procedures in the comms room.

For any questions relating to this submission please contact Margaret Fleming on 02 9959 9118 or at m.fleming@commsalliance.com.au