

To whom it may concern,

Thank you for providing the opportunity to express my opinion. We recently had the NBN FTTN connected up about a month ago. I followed up with over 10 hours researching to try & determine roughly my maximum expected download speed as well as RSP congestion for plan selection. This was difficult due to lack of available information. After reading countless Whirlpool posts, delimiter articles, Jennox blog & NBN press releases; it appears clear current NBN pricing structure is at fault. The current price structure is still unfeasible & it is leading to Telstra having a sole monopoly again by 2018 when CVC prices are switched to RSP instead of group discount. I suspect the \$11 billion NBN purchase of Telstra's deteriorating copper network (against expert advice who recommended renting instead) could have been better spent buying up backhaul cables & renting the copper. This significant (~\$470 per Australian) injection of cash appears to have allowed Telstra to purchase CVC beyond what any smaller RSP could afford resulting in countless dissatisfied customers abandoning their RSP to switch to Telstra to avoid speed issues. This is further worsened by Telstra being paid \$1.6 billion to repair the network it sold the NBN.

This creates a catch 22 as RSP's need to sign up new NBN customers to create financial solvency yet every new customer leads to further POI congestion. The biggest issue still appears to be the CVC cost. While the new NBN cost structure reward RSPs who provide their customers as average of 12Mbps, they still need to spend over \$120 month per customer to achieve that bandwidth. This artificial barrier will either lead to RSPs increasing prices to over \$100 for a plan slower than ADSL or RSPs becoming financially insolvent. This could be improved upon by changing one of the four network costs RSPs have to pay. The per customer access AVC monthly fee comes with 56Kbps of CVC (most recent figure I could find). This is pathetic for a network that we are told will deliver over 12000Kbps to everyone within the next 4 years. While in an ideal world the lowest tier wouldn't be slower than its predecessor & the issue of bandwidth cost wouldn't apply. However, the NBN does cost taxpayers money & the government wants to recuperate some of that investment. If the NBN increased the included cvc on its avc to at least 6Mbps this would significantly decrease peak congestion & allow everyone access to speeds greater than the previous average ADSL speed. The RSPs would still need to purchase CVC to get the average customer speed up but it would be less likely to send them broke.

It could even be included in RSP's wholesale contractual obligations or in legislation to allow the ACCC to enforce. If customers were finding ongoing lower speeds, then it would mean the RSP wasn't purchasing enough CVC; meaning the RSP could be penalised. Acceptable definitions would need defining for minimum speed, leeway time, acceptable exceptions & any penalty. I support the idea of forcing increased RSP transparency to an extent. When signing up to a plan the RSP should have to provide a minimum speed guarantee (even if they were allowed to include a short separate minimum for the busiest period ie 6-9pm) but you shouldn't be allowed to see their CVC/congestion stats as this would penalise smaller RSPs.

On that note I would also like to point out the NBN is a partially taxpayer owned entity yet they lack transparency. Couple of key examples would be when they mislead the senate hearings on a number of occasions & their denial of an FOI request regarding acceptable modem requirements.

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