

Fixed line and wholesale ADSL services - final access determinations (FAD) inquiry 2018

Questions on which the ACCC seeks views:

Pricing structure

- 1) The ACCC in its 2015 FAD inquiry for the seven declared fixed line services applied a nominal uniform price change to all declared services which maintained existing price relativities. For this FAD should the ACCC maintain existing price relativities for declared services or adopt a different price structure?

Factors affecting costs of providing service

- 2) There are a number of factors affecting the cost of providing fixed line and wholesale ADSL services. Do you have any views on the following potential drivers of cost and their impact on service prices since the last FAD?
 - Interest rates
 - Productivity levels
 - Fixed to mobile substitution as a source of declining demand for fixed line services.
 - Input prices
- 3) Are there any other major factors that are likely to effect the cost of providing fixed line and wholesale ADSL services?

Future pricing

- 4) In light of the influences affecting the cost of providing services since the determination of the current FAD, the ACCC is interested in views on whether there is justification for a continuation of fixed line and wholesale ADSL prices at their current levels.

Pricing duration

- 5) Is a single set of prices in the FAD for the entire five year declaration period for fixed line services appropriate? We note that by the end of the NBN migration period only the copper network in the NBN fixed wireless and satellite footprints in generally remote areas will remain in operation.
 - a) Would FAD prices be better determined by reference to pre and post NBN migration completion periods?
 - b) Would a single period FAD be appropriate noting that a variation could be requested at a later date as the operational circumstances of the copper network in the post NBN migration period become clearer?

Fixed Principles

- 6) The FAD fixed principles in the current FAD are due to expire in 2021. Do you have any comments on the role of the fixed principles in the next FAD decision and their expiry or renewal?

Other

- 7) Are there any additional issues or views you would like to share with respect to price and non-price terms for access to the declared services at this stage?