From:

To: <u>Infrastructure And Access</u>

Subject: South Brisbane "Velocity" network: Telstra Special Conditions

Date: Thursday, 28 May 2020 3:42:47 PM

To whom it may concern,

I'm writing with respect to the special conditions Telstra currently hold for the South Brisbane "Velocity" network. I understand these conditions are due to expire on the 1st July, 2020. I am writing to request that Telstra is refused an extension to the special conditions. These conditions have been held since 2012 which is ample time for Telstra to have identified a solution to the network architecture issues, especially as these architecture issues are of Telstra's own making and the special conditions were initially applied with an end date of 31st December 2013.

Whilst it would seem the obvious solution is for Telstra to sell the assets to the nbn as noted by The Australian Communications Consumer Action Network (ACCAN) it is favourable for Telstra to not complete this sale. That residents in the area are disadvantaged by the continuation of these special conditions is widely accepted; for example the Australian Competition and Consumer Commission (ACCC) noted in July 2016 that "the retail plans in South Brisbane and in Velocity estates have largely remained unchanged . . . These prices are higher than those offered on nbn and other regulated networks".

My partner and I have resided in South Brisbane for 5 years since emigrating from the UK. On arrival we were shocked by both the paucity of providers and the low specifications we were able to choose for our broadband service; particularly given how close to a major cities CBD we live. By comparison 5 years ago we were paying £25 (~\$50)pcm for 50Mbs unlimited data in a small regional English city.

We have also been impacted by the appalling customer service which results from Telstra's near monopoly in the area. We moved within the area 2½ years ago; it took ~2 months to connect our service despite us moving into a unit where the previous owner had been a Telstra customer, hence we were taking over a 'live' connection. The customer service was so appalling I was actually asked to buy a phone handset (we have no use for the landline) so we could connect that to enable Telstra to identify which port we were connected to in order to speed up connecting us. Once we were connected it took several more months, and multiple conversations, before we were able to achieve a usable speed and stability. This required Telstra to boost the speed of our service. This is despite my partner and I being, until the recent lockdown, relatively light users; we are typically out of the home during the day so our usage is browsing and occasional streaming in the evenings.

Whilst the boosted speed made our service usable for our previous relatively light requirements we are now in a position where we are paying an extra \$20pcm (on top of a base bill of \$75pcm) for a speed boost that isn't sufficient for my partner and I to be

able to guarantee we'll be able to take part in separate Zoom calls concurrently. This isn't surprising given Telstra's Velocity site advertises the service as typically only achieving 10Mbs during the evening peak. By comparison we could purchase a 21Mbs unlimited (as opposed to our 500Gb limit) package for \$59.90pcm if we were connected to the nbn. It is galling to note just how much better the specifications and prices of nbn packages are compared to Telstra's Velocity offering; instead of our \$95pcm for a 10Mbs 500GB package a \$90pcm nbn package would supply unlimited data at 82Mbs. We are also locked out of accessing lower priced bills by excessive contractual lengths; we could reduce our bill to \$75pcm if we resigned for another 2yrs with Telstra however we anticipate moving in that time frame. By comparison the \$90pcm unlimited 82Mbs nbn package is a rolling monthly contract.

Given the marked disadvantage to consumers of the special conditions enjoyed by Telstra, and the length of time they've had to either negotiate a sale or rollout a technical solution, I am strongly opposed to these conditions being extended yet again. As ACCAN notes in its 2019 report Telstra have enjoyed Brisbane's Kulripa Peninsula residents paying an extra \$900 to \$1200 per household for services over and above comparable options on the nbn in the 5yrs since we moved to the area. Having had 8yrs to find a solution to a problem it was anticipated would take < 2yrs to resolve when the special conditions exception was applied surely this extra consumer cost is more than enough? Telstra should now be refused an exemption to its requirements to supply wholesale layer 2 bitstream services on a wholesale-only basis under the 1997 Telecommunications Act.

Kind regards,

South Brisbane 4101 QLD