

1 March 2019

Scott Harding
Director
NBN & Pricing Coordination
ACCC

and

Nathan Sargent
Assistant Director
NBN & Pricing Coordination
ACCC

Sent by email to: nbn@acc.gov.au
cc: Scott.Harding@acc.gov.au and Nathan.Sargent@acc.gov.au

Dear Scott and Nathan,

ACCC inquiry into NBN wholesale service standards: second discussion paper

I have been following with interest, the progress of the ACCC's NBN wholesale service standards inquiry.

Following the first phase of the inquiry, I have been considering the potential impact of nbn co's recent ACCC undertaking on retail end users. I note nbn co undertakes to pay new rebates to those it directly contracts with (whether a wholesaler, aggregator, or retail service provider), including the new \$25 rebate for a missed technician appointment.

The undertaking includes an expectation that participants in the supply chain will pass on the new \$25 rebate or 'its fair value' to affected retail customers. The ACCC's second discussion paper seeks comment from retail service providers about how they might practically achieve this, and whether supporting rules at the wholesale level are needed. I would like to be kept updated of developments in this area, especially if they might involve a change in my office's approach to complaints handling.

This letter sets out two matters for consideration:

- My office could ask whether the retailer will pass on the \$25 rebate as part of the resolution outcome
- The interplay between the CSG and passing on the \$25 rebate (or its fair value)

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1. The TIO could ask whether the retailer will pass on the \$25 rebate as part of the resolution outcome

The TIO currently considers complaints made by residential, small business and Not For Profit customers. These customers may tell us about a missed technician appointment when complaining about not having a connection to an NBN service or not having a quality connection.

In these cases, neither we nor the customer may know whether a missed appointment involves a technician sent by nbn co or the retail service provider. We could ask whether the retailer will pass on the \$25 rebate or 'its fair value' and take the retailer's response into account when proposing a fair and reasonable resolution of the complaint.

If my office were to do this, we anticipate providers might adopt different practices and approaches depending on how they interpret the interplay between the \$25 pass on requirement and the customer payments required by the Customer Service Guarantee (CSG)¹. If a uniform interpretation is not shared by the sector, this could create complexity for TIO complaints handling and longer timeframes to reach a resolution.

2. The interplay between the CSG and passing on the \$25 rebate (or its fair value)

The TIO currently considers whether the CSG applies to complaints.

For example, if a customer has not waived their entitlement to CSG protections, they may be eligible for a CSG payment of:

- \$14.52 per missed appointment if they are a residential or Not For Profit customer; or
- \$24.20 per missed appointment if they are a business customer.

The CSG missed appointment payments may be in addition to other CSG payments such as for delayed service connections and delayed fault repairs.

We seek clarification of whether the \$25 pass on is intended to be a customer entitlement, separate to a CSG payment. How would eligibility for both payments be balanced?

If you have any questions regarding this letter, please feel free to contact me, or my Senior Policy Advisor, Ai-Lin Lee on (03) 8680 8403 or Ai-Lin.Lee@tio.com.au.

Yours sincerely,



Judi Jones
Telecommunications Industry Ombudsman

¹ *Telecommunications (Consumer Protection and Service Standards Act) 1999, Part 5; Telecommunications (Customer Service Guarantee) Standard 2011*