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To: National Broadband Network Taskforce
Subject: National Broadband Network

Hello,

I think that the ideal proposal here is one that allows competition on many levels though, the current environment works well it doesn't, but to some extent, it has allowed competitors to place their ADSL2+ equipment in exchanges.

I don't think we need FTTN, not all possible technologies will allow for competitors to invest side by side. I think wireless would be ideal to be considered!

What is absolutely critical is to allow competition to differentiate itself. We don't need a repeat of the current environment, where nearly everyone sells Telstra's rubbish. Competition can't simply look the same, and be the same because the wholesale offering is the same. The situation needs to be set for the market to invest and take care of itself. The government shouldn't need to spend money on such investments.

What we need is an enhanced wholesale provider who will allow providers to all obtain services different to each other if they so choose, and not restrict wholesale competition to the network to one wholesale provider only, either, which is where wireless type networks come in, they allow more competition, more choice.

Proposals should allow for multiple wholesale ONLY bodies to deal direct with the network provider, or if they choose, to work directly with the network's own wholesale provider. What I'm saying here is we should definitely encourage competition at all possible levels.

So, basically the network owner is allowed to be the only network owner in areas they get the rights to build in (there can always be more than one network owner, so long as they are not sharing the same area), from that network owner, wholesale entities can form, wholesale entities can choose to be involved in retail if they so choose, retail entities must contact wholesale entities for service, and cannot approach the network owner directly for pricing on services.

Do we really need FTTN? The future seems to be a wireless one, with wireless services capable of exceeding FTTN speeds as it is now.

A retail entity however may choose to offer a different technology service, much like ADSL2+ providers do now, and basically get infrastructure installed should the chosen technology permit this, and that should allow competitors to create infrastructure competition at many levels.

The network owner should be required to, after notice, submit any information requested to the ACCC (or other body) where required, if there is suspicion of a wholesale price squeeze where the provider of the network is also a retail provider.

Retail providers in single monopoly environments should also have access to backhaul at rates that are very transparent to the same proven costs any retail/wholesale/network owner body might claim, but also, these rates cannot be at levels which cause investment to stall due to being able to pickpocket. The case for investment must exist, both, at the backhaul level, as well as in the exchange.

That is, where the network owner is the monopoly backhaul provider, the network owner might be required to demonstrate how they price their own retail offerings and how they price wholesale access, and how they price wholesale backhaul (network transmission access) to ensure there is some transparency involved.

The reason for the above is clear, currently, competitors don't invest in some exchanges in regional and rural Australia not due to low customer numbers, but rather, due to expensive backhaul, and it not being economically sound to run competing backhaul (if they did that, Telstra would just cut price below them and force them out of business).

We should also encourage competitors to invest in regional areas also, by limiting the infrastructure investments in metro / built up areas, so to encourage further investment in regional areas. This is to limit the current situation repeating again also, where competitors happily invest in metro areas where plenty of backhaul competition exists, and where customer numbers are generally higher. It would be good to see more big business moving away from the central city, and moving businesses out to regional areas where there is no housing crisis for example.

There should be minimal opportunity for anyone to take the complete industry to ransom like Telstra are doing currently in threatening the Australian elected government, using political pressure and holding the complete industry (and therefore consumers) to ransom by refusing to deliver services.

We need to foster a competitive approach, and encourage ALL players in the market to work for the consumer dollar, much like has happened in the mobile industry.

FTTN isn't worth investing in, if it means prices will rise. Internode and iiNet, both ADSL2+ supplying ISPs have shown graphs that demonstrate a large percentage of users in ADSL2+ covered areas already receive speeds within acceptable parameters, many above 12Mbps, which is what Conroy's bright idea is anyway. The results of those graphs make a clear suggestion that FTTN is not actually required, and looking to the future, FTTN could be easily superseded by any number of technologies.

I think we don't need to spend the money, but rather, encourage private industry to invest in furthering their own networks, or perhaps a government owned backhaul network to facilitate more investment into regional and rural areas is ideal. As it stands, metro areas are generally capable of looking after themselves, with some select cases where wireless technologies like WiMAX would fill in the spot nicely, and for the long future (WiMAX hasn't even discovered its full potential yet). Look at wireless, look at FTTH, look at backhaul investment into regional areas, or don't bother looking is my advice.

WiMAX would be cheaper to deploy, yet, on scale would likely make FTTN look inferior, mainly because it is. It's only really use is trying to band-aid ADSL2+, a band-aid isn't future networking, band-aids tend to wear off, keep that in mind.

Please feel free to contact me by reply if you wish to have any further clarification.
Please don't waste money on band-aids.

Thanks!
Jason