

2021 REGIONAL TELECOMMUNICAITONS REVIEW

Submission lodged by B Bebbington

ISSUE PAPER PAGE 1, INTRODUCTION

The opening paragraph of the issues paper introduction highlights the complete misunderstanding of the telecommunication shortcomings for regional, rural and remote Australians.

“The particular importance of regional telecommunications has been underlined by a number of recent events, including natural disasters and the COVID-19 pandemic. These events have reinforced the value of high-speed, reliable and resilient broadband and mobile networks in regional areas to support public safety, day-to-day business, social contact and access to essential services like health and education.”

There is no mention of the landline phone network.

Repeatedly the discussion is about broadband and about mobile.

In the recent events like Cyclone Seroja which hit the mid-west of WA in April 2021, the loss of mobile coverage had no impact on those forgotten Australians who do not have mobile coverage. Their landline phone is their only form of voice communication, yet it does not warrant mention in the issues paper as being significant for public safety, day to day business and essential services like health.

The Skymaster service fails when there is no electricity, which is a common event in cyclones, storms, floods and bushfires, all significant rural and remote occurrences.

The mobile phone services that did exist failed when there was no electricity and insufficient or non-existent back up power or power generation at the mobile tower sites.

For many their NBN service, also failed when there was no electricity to run the in-home infrastructure or for the service to be provided by NBNco.

KEY ISSUES- ADEQUACY-MOBILE

“Mobile services are available to 99.5 per cent of Australia’s population and 33 per cent of the Australian landmass.”

This statement is incorrect and misleading and should not form part of the issue paper.

It is incorrect, grammatically, as mobile services are available to the entire Australian population, not 99.5%.

However, people living in rural, regional and remote Australia have to travel to be able to access the mobile services.

The problem is that the mobile services are not provided where Australian's live and work.

If the intended statement were that 99.5 of the Australian population had mobile coverage available, which is possibly what the issues paper is trying to claim, then this is incorrect also.

This would indicate that only 128,883 Australians do not have mobile coverage, that is a workable service that is available and reliable 24 hour a day, 7 day a week, including peak periods like school holidays and widespread emergencies such as bushfires.

Available and reliable should be the benchmark and it should be what someone in capital cities and urban areas consider their benchmark. No dropouts, no signal part of the time and no having to move around your house to get a signal.

The Productivity Commission review of the Universal Service Obligation in 2017 referred to 99.3% of the Australian population having mobile coverage, as advertised by Telstra. The review raised the issue that if only 0.7% of the population do not have mobile coverage, why does the USO provide for national landline repair and reliability subsidy.

In response Telstra, partly to emphasise the need for them to retain the USO funding, gave evidence at the Sydney hearing that it could not determine the percentage of the population that it could provide mobile coverage and that their estimate of mobile coverage was based "at the front gate of a property or residence" and they further outlined issues with walls and building materials in a premises impacting on coverage.

Subsequently Telstra discontinued claiming 99.3% coverage and changed the claim to "Australia's Largest Network" and revised their mobile coverage maps.

We went from 'having mobile coverage" to being outside of mobile coverage, and despite the installation of a tower which is visible the road in front of part of our property, accurately remain as being without coverage.

Disappointingly, Telstra currently states on its website (<https://www.telstra.com.au/coverage-networks/our-network>)

Most reliable network

With 4GX across 99.2% of the population, in over 1600 Australian towns and communities, we have the most reliable network in Australia

Coverage at your front gate, or in your garden, in your back paddock or while standing on the roof of your ute is not providing a mobile service.

Why is, as the industry claims, "highly regulated telecommunications industry" allowed to make unsubstantiated claims about their products and services which no other businesses in Australia can do?

A retailer can not make false claims about products under Australian Law without coming under the scrutiny of the ACCC, yet mobile phone providers are allowed to advertise coverage that does not exist.

This review has the authority make a recommendation that will have profound impact upon rural and remote Australians.

A recommendation that causes a review by the ACCC of the claims made by the entire mobile phone industry (not singling out one provider only) to determine if continuous, reliable, usable, 24 hour a day, including peak loadings (including regional emergencies such as bushfires, cyclones and flooding) mobile phone coverage exists in the homes and residences of all Australians.

From that recommendation, the establishment of the truth would permit proper planning for mobile blackspot funding and the provision of the service to as many Australians as possible.

It would provide an outcome for those who need the service the most.

Provision of mobile coverage in new areas will provide revenue

“Additionally, in parts of regional Australia, the costs of improving mobile coverage are high due to factors such as the distance from existing infrastructure. Given the smaller populations in many regional areas, this high cost reduces the commercial incentives for carriers to expand their networks”. Issue paper page 6.

As we do not have mobile coverage, and live and work from our farm, our mobiles are rarely used.

There is no point using the mobile (when in range) to ring someone when people ignore the message or text left saying ring back on the landline as we have no coverage, because we can't pick up the messages without leaving the property. As such our mobiles have minimal use.

Therefore, we use prepaid services (with Telstra and Optus), these had been plans which gave us a time-period and a high-cost per minute (or 30 seconds) for calls. They did give us the opportunity to reload and have “free” talk periods when we were travelling and needed the service.

Recent changes to Telstra plans has meant we no longer have these options.

The presumption is that if a mobile tower is put in a rural or remote area, then it will not generate revenue. However, if due to having a reliable, working mobile service, means that rural and remote people can change to mobile only (like the apparently 99.5% of the population who are able to relinquish their landlines due to already having coverage), then surely this will generate revenue that did not exist before.

Pre mobile phone, when people traditionally had one landline phone in their home and either accessed a phone from work or used a payphone, the revenue was for one service plus call fees.

Currently most households with reliable mobile coverage will have multiple mobile phone plans in lieu of a single landline.

Therefore, if a reliable and usable mobile service is made available in a rural or remote area, the same will occur with multiple plans being activated for a residence. This must generate additional revenue for providers and mitigates the argument of the high-cost of expanding the network.

The mobile providers will also generate revenue because existing customer who travel into these currently unserved areas will be able to use the service which will generate revenue when they use their phones and also if they require additional data, because they now have access in an area they did not have it, this will generate revenue.

NON-MOBILE COVERAGE ADDS TO THE TELECOMMUNICATIONS COSTS FOR RURAL AND REMOTE RESIDENTS

Urban residents have lower cost broadband available often with unlimited data and increasing speeds.

Urban residents can forgo their landline phone due to mobile coverage.

Urban residents are offered fixed line services as part of their NBN packages, often with little or no cost.

Urban residents have options, if their fibre broadband service fails they can resort to mobile, even if it is more expensive data, but they have the option.

Urban residents have reliability, due to their being alternative suppliers for mobile, landline and broadband, if they are not happy with service.

Regional and remote customers on Skymuster with no mobile coverage have the most expensive data per dollar.

Skymuster customers have monthly data limits.

Skymuster customers have no guaranteed speed and no expectation of an increase above 25mps.

Skymuster customers have no broadband if there is no electricity unless they generate it themselves at their cost (generator or solar/wind) and pay for back up batteries to allow for power disruptions.

Skymuster customers do not have broadband options.

Skymuster customers do not have service guarantees, with wholesale timeframes of 3 months (and in some cases no timeframe for restoration).

Non-mobile coverage also adds to the cost of having to use Skymuster and a landline, and possibly mobile plans if work or travel takes them to areas of coverage. There is no workable choice (due to latency on Skymuster) and electricity supply for many rural and remote people to have to pay for three or more services.

Whereas an urban customer can get away with one service (mobile voice and broadband) with unlimited data, high speed and reliability.

REGIONAL BROADBAND SCHEME

“However, the costs of providing broadband services in regional Australia are very high. The Australian Competition and Consumer Commission (ACCC) estimates that the NBN Co fixed wireless and satellite networks will incur a net loss of around \$12.9 billion (present value) over 30 years. The new Regional Broadband Scheme is designed to support the sustainable funding of these NBN services.” Issues paper page 7.

There are four significant problems with the Regional Broadband Scheme

- a) The loss was calculated on the basis of the 2015 Bureau of Communications and Arts Research review of NBN non-commercial losses, based on equipment replacement requirements to 2040 from information supplied by NBNco, which NBNco have since stated is not required to be replaced,
- b) The Regional Broadband Scheme does not impose any service standards, reliability standards or safeguards for fixed wireless and skymuster customers despite the funding providing for replacement equipment as requested by NBNco,
- c) The Regional Broadband Scheme does not provide any incentive to improve service quality, increase data limits, increase speeds or reliability.
- d) The review acknowledged it failed to ask NBNco what the existing cross subsidy was that was already incorporated into its wholesale price for fibre, fixed and satellite customers, but merely calculated what would be needed.

a) REPLACEMENT OF NBN SATELLITE AND FIXED WIRELESS COMPONENTS

The Bureau of Communications and Arts Research review of NBN non-commercial losses (2015-2016) outlined there was a useful life of five years for customer premises equipment for fixed wireless (page 18 table 3). It also referred to a useful life of seven years for customer premises equipment for satellite.

Despite raising this in my submission and seeking information on this, no answers were forthcoming and when I raised the matter with NBNco they were not aware of any such replacement or of any plans how equipment that fails would be replaced.

However, despite this being raised in multiple submissions (including the 2018 Regional Telecommunications Review) the legislation was put forward and passed with NBNco to receive the funding for replacing equipment it had said it no longer needs to replace.

Will it be when it fails and rely on customer reports, or will the equipment automatically be replaced at the end of its useful life?

As fixed wireless has been in use since 2012 (NBN weekly progress report 5 July 2018), this would mean that there are already premises that are operating on borrowed time, based on NBNco's original replacement claim.

91 fixed wireless services were active by June 30 2012, 1,874 fixed wireless services were active by June 30 2013, by June 30 2014 a further 14,679 service, totalling 16,553.

By the June 30 2020, 47,473 services will have passed the useful life as claimed by NBNco in the BCAR review. Based on ABS population figures that would be around 123,000 customers who have equipment that is past its useful life, on fixed wireless alone.

By June 30 2020 47,473 households or 123,000 people or almost one in every 200 Australians were at risk of losing internet and voice telephone access for an unknown period of time while they wait for replacement equipment to be installed.

These fixed wireless customers who have once again been forgotten about, as there is no plan to replace equipment at its planned failure time, only when it has failed, are rural, regional and remote customers.

THERE NEEDS TO BE A REPLACEMENT PROGRAM BEFORE THESE SERVICES FAIL

This replacement program will impact regional, rural and remote customers so answers must be sought to ensure that a process is in place before the end of useful life failures start, to ensure that regional, rural and remote customers are not left without internet and voice communications!

UNREASONABLE TO EXPECT ELECTRONIC EQUIPMENT TO LAST 28 YEARS WITHOUT REPLACEMENT

I first raised concerns about the life of the satellite and fixed wireless customer equipment in my submissions to the BCAR review.

My primary concerns at the time were-

- a) Trying to establish safeguards for fixed wireless and skymuster customers, with repair timeframes, reliability improvement and continuity of service, and
- b) To reduce the non-commercial losses by a systematic approach to the replacement of equipment identified by NBNco as having a limited life.

NBNco have stated they do not have to replace any customer premises equipment for the period of the review (25 years to 2040) after having sought the funding for that replacement of customer premises equipment.

Therefore, NBNco is saying that the satellite dish, Inb, external cabling from the dish and Inb to the premises and satellite modem will not have to be replaced over a 25-year period, unless damaged.

Likewise for fixed wireless the receiver, cabling and electronic equipment will not need replacing in a 25-year period unless damaged.

Point 4d of the terms of reference for 2021 Regional Telecommunications Review state

“ In conducting the review, the Committee is to have regard to:

4d. service reliability and impacts on customers and communities in regional and remote areas.”

In that respect, the terms of reference will require the Committee to determine whether it is reasonable that

- a) In the case of skymuster electronic equipment installed as early as 2011 will still be functioning in 2040 without failure of componentry?
- b) In the case of fixed wireless electronic equipment installed as early as 2011 will still be functioning in 2040 without failure of componentry?
- c) Will the lnb of a satellite dish last 29 years without failing?
- d) Will external cabling for satellite and fixed wireless customers still operate after 29 years?
- e) There will be no deterioration in the service quality of those customer premises components over a period of 29 years.
- f) Service reliability will be maintained without the replacement of the customer premises equipment
- g) Whether safeguards are required to ensure that customers who encounter end of useful life failures will not be without NBN services for significant periods of time,
- h) Whether certain customers, such as those with 3 months (or no specified timeframe) can be supplied with equipment in advance rather than having to wait for equipment to be sourced, supplied and installed.

I do not believe that electronic equipment will last for the length of time NBNco now claim, and that the original end of life timeframes for which NBNco are receiving funding for, be reviewed and it be established that customers will not be impacted by the failure of NBNco to plan for replacement of items such as electronic equipment in the form of modems.

I have no issue with NBNco receiving the funding under the RBS for the replacement of consumer premises equipment when it is based on the replacements occurring or being likely to occur.

However, if NBNco are not making provision to replace the consumer premises equipment and are being funded to do so, then consumers nationally should be able to expect efficient and timely replacement of failed equipment.

Point (h) refers to those customers in remote and non serviced areas with 3 month or more delay (based upon the last information supplied to me by NBNco).

Rather than remote customers on a station or homestead wait 3 months for a replacement of their satellite modem for the personal service and their children's distance education service (due to there being no legislated safeguards) perhaps these customers could be supplied with a satellite modem that they can store and install if their existing modem (the NBN supplied satellite modem, not any retailer provided router or wifi modem) fails they can plug the new unit it and allow NBNco through their reseller to activate the new modem.

This will not involve any electrical work, requiring a qualified technician, this is simply enabling a consumer to –

- a) switching off the power source to the old modem (unplugging a power socket like a kettle),
- b) Undoing the NBN cable connection at the wall (like a tv connection)
- c) Screwing the new modem cable to the connection at the wall, and

- d) Plugging the power cord in and switching on the power.

This is no different from when a customer changes reseller and the customer is told over the phone to move the cable from Port 1 to Port 2, and NBNco activating that port.

This assumes the customer has a landline phone to report the failure to their reseller.

There will also be a significant cost saving to NBNco in not having to send a technician to a remote area to undertake the above five-minute procedure.

I put it to the review committee that the terms of reference provide the committee two choices.

- a) To ignore the terms of reference and do nothing to help the remotest NBN skymuster customers with the longest service timeframes to provide them with service continuity and continuity of remote education of their children, or
- b) To provide a strong message to our remotest NBN customers that the committee understands some of their issues and recommend that NBNco is proactive in servicing the remotest NBN skymuster customers by supplying them with the relevant consumer premises equipment by a set date (for existing customers) and at the time of installations for new customers.

NO KNOWLEDGE OF EXISTING CROSS SUBSIDY

The BCAR review acknowledged it had not asked NBNco how much it already had a cross subsidy in its pricing structure.

As a result there was no check done to find out if the legislated levy under the RBS would increase wholesale prices for fibre customers or if in fact there had been a higher cross subsidy and the wholesale prices could have been dropped.

This failure to ascertain the critical cross subsidy information during and subsequent to the inquiry may be costing all broadband fibre customers in this county additional money.

ESTABLISHING THE TRUE NON-COMMERCIAL LOSS MAY REDUCE BROADBAND COSTS NATIONALLY

If the non-commercial loss had been adjusted when NBNco revealed it did not need to replace on a five and seven year basis, customer premise equipment, the RBS levy could have been reduced.

I raised this in the 2018 review and no action was taken then.

Now is the time to establish if the replacements are necessary in the interests of fixed wireless and satellite customer service continuity and to ensure correct pricing of NBN plans and the levy.

ISSUES PAPER QUESTION 3

How have the Government's policies and programs affected service outcomes in regional, rural and remote Australia? How can these be improved?

Customer service standards, like the Customer Service Guarantee 2011, for all broadband (fibre, fixed and satellite) and for mobile (voice and data) need to be established.

Appropriate timeframes for repairs need establishing.

Would an urban customer be happy waiting 3 months for their broadband service to be repaired?

Why should this be the case for Skymuster customers.

A review of the RBS and whether equipment needs replacing and appropriate procedures to ensure funded equipment is available and can be installed in appropriate timeframes.

The supply of consumer premises equipment for those customers with the longest repair times to be enacted.

There is no excuse for there being no consumer protections and no service guarantees under NBN, as it was a planned government initiative. This impacts all Australians.

SERVICE RELIABILITY-MOBILE PHONE TOWER RANGE UNDER PEAK LOADING

Mobile phone towers have limited capacity, and in rural and remote areas they often can not handle the increase demand during school holidays or emergencies.

The main impact being reduced range under peak loading.

Those on high ground in our area who have mobile coverage and who have relinquished their landline service, are now experiencing reduced range, reduced data speeds and dropouts. This has increased during COVID19 when there has been increased demand where people are working from home or participating in telehealth rather than travelling to regional or capital city hospitals or specialists.

This is also of concern as a volunteer firefighter as the mobile network provides two integral functions being

- a) Communication between non radio equipped fire fighting units and command points
Impacting on the ability to ensure the safety of firefighters in the event of a change of fire conditions or direction.
- b) Communication for residents who may not have an electricity source to access computers to check on emergency warnings.

If electricity has not failed due to the fire itself, it is a normal procedure to request electricity to be shut down if the fire crews, helicopters and fixed wing aircraft (water bombers) are operating in close proximity to power lines and may be impacted by line or pole failures.

In addition to the impact upon residents losing power, but if the mobile phone tower has no or limited battery back up or a stand-alone power source, the tower becomes ineffective.

MOBILE PHONE TOWER FAULTS NOT REPAIRED

In 2016 I became aware that a local mobile phone tower located on a highway appeared to only provide service along a north-south axis, in the direction of the highway and approached Telstra to

see if it could be made omni directional (360 degrees) to improve coverage for the local area, in particular to help with fire fighting.

I met with Telstra's chief sustainability officer at a conference in September 2016 and raised the issue, as I was unable to ascertain whether it was a black spot funded tower or a WA state government funded tower and whether it could be upgraded.

Over the next two years Telstra repeatedly stated there was nothing wrong with the tower and that the North-south axis was what it was designed for and there were no plans to upgrade to 360 degrees.

The same response was given to the local shire and the South-West Development Commission (WA State Government Commission) on a number of occasions.

In October 2018 after a series of phone calls I was put through to a State Government employee who was the engineer who designed the particular tower, who confirmed it was designed, installed and operated as a 360-degree tower and who then approached Telstra who remotely repaired the fault within 24 hours.

It took over two years of my attempts, the local government and a State government commission to get a mobile phone tower fault attended to.

It is unacceptable that Telstra (or any other mobile provider) should be allowed to refuse to act upon a request from a local government or state government authority, to check on the status of a mobile phone tower or infrastructure, in a fire prone area.

As Telstra has shown it had no procedure to report, record or act upon mobile phone tower faults, then I urge the committee to protect regional, rural and remote Australian's by making a recommendation that a process be established whereby residents, businesses, other mobile providers (or resellers), local government, state government and federal government, can report a concern about-

- a) Mobile phone tower range and direction concerns
- b) NBN fixed wireless range concerns
- c) Mobile phone tower infrastructure failure
- d) NBN fixed wireless infrastructure failure

So that no other community is wantonly put at risk by the deliberate failure of senior Telecommunications personnel or NBN personnel to act when asked to do so in relation to personal safety in relation to fire, flood or other natural events.

I thank the committee for the opportunity to make a submission, as I have done for previous reviews.

Due to the reference to various submissions and inquiries, if you would like additional documents or information please contact me.

September 30 2021

Bruce Bebbington

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