



Australian Government

Department of the Prime Minister and Cabinet Office of Best Practice Regulation

Reference: 17625

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Mr Ian Robinson
Deputy Secretary
Infrastructure Group
Department of Communications

Dear Mr Robinson

Regulation Impact Statement – Carrier Licence Conditions (Networks supplying Superfast Carriage Services to Residential Customers) Declaration 2014 - final assessment second pass

Thank you for forwarding a Regulation Impact Statement (RIS) for the above proposal on 9 December 2014. I note that you have formally certified the RIS as required by the best practice regulation requirements.

The Office of Best Practice Regulation (OBPR) has assessed the RIS for consistency and adequacy – consistency relates to following the prescribed process and adequacy relates to the quality of the analysis. The OBPR's final assessment is that the Department of Communications is compliant with the Government's RIS requirements and is consistent with best practice.

This assessment is based on your letter certifying that our comments of 5 December 2014 on the initial draft have been appropriately addressed, and the department has been consistent with the RIS guidelines, having twice provided a certified details-stage RIS to the OBPR for the two-pass assessment before the decision-maker considers the RIS.

In addition, the regulatory savings having been agreed with the OBPR, the RIS addresses the seven RIS questions; does not contain obvious errors; and considers a minimum of three policy options, one of which is a non-regulatory option.

I note that the recommended option is to make a temporary condition for carrier licences to vertically separate their network and retail business. The option also includes a longer term arrangement whereby businesses can seek authorisation from the ACCC to build a vertically integrated network. I note the options in the RIS seek to address the concerns about the risk to consumers from vertically integrated suppliers.

I note that consultation was undertaken in a manner consistent with best practice.

Additionally, the OBPR maintains a RIS website and the Government requires that RISs be posted within five business days of a regulatory decision being publicly announced. Please forward a final copy of the RIS in *Microsoft Word .doc* format in a form meeting the Australian Government's *Web Content Accessibility Guidelines*. We suggest liaising with your web services team to ensure these guidelines are met. The OBPR should be consulted if the RIS is amended. It is the agency preparing the RIS, not the OBPR, which is responsible for the content of the published RIS.

Please retain this letter as a record of the OBPR's advice. If you have any further queries, please do not hesitate to contact me.

Yours sincerely



Jason McNamara
Executive Director
Office of Best Practice Regulation
15 December 2014