

Three speakers from Network Economics Consulting Group Pty Ltd (NECG) will be appearing before the Commission to present their views on the telecommunications specific competition legislation in Parts XIC and XIB of the *Trade Practices Act 1974*, and to assist the Commission by answering any questions it may have about the speakers' experience with the implementation of the regime.

**Henry Ergas**, the Managing Director of NECG, will be discussing the concept of regulatory risk as it applies to the design and implementation of the telecommunications specific competition legislation in Australia.

**Alexis Hardin**, a Principal with NECG, will be addressing some of the Commission's specific inquiries about the application of the pricing principles, *including*:

- whether the ACCC's approach to network provisioning is appropriate for lumpy investments that may need to be installed ahead of full capacity utilisation;
- the proposal that the treatment of shared Telstra-owned trenches in TSLRIC should be based on the efficient cost of trenches to Telstra, less a proportion of the revenue from leasing of trench space; and
- the appropriate method for calculating depreciation.

**Dr Tony Warren**, a Principal with NECG, will be addressing the Commission's specific inquiries about problems relating to USO tendering:

- He will provide feedback on the disadvantages and advantages and practicality of a market based tendering process for encouraging competition in the provision of universal service.