



Mobile Services Review

Mobile Domestic Inter-carrier Roaming Service

Draft record keeping rule for public consultation

December 2004

Overview

The Commission has recently conducted an inquiry into whether a mobile domestic inter-carrier roaming service (domestic roaming) should be declared under Part XIC of the *Trade Practices Act 1974* (the Act). Domestic roaming is a service which enables mobile subscribers to use their handsets to make and receive calls by means of another network when outside the coverage area of the network to which they subscribe (i.e. the home network). It is also used by satellite network subscribers to access lower-cost terrestrial mobile networks when within the coverage of such a network.

Declaration would create a requirement for those carriers supplying domestic roaming to provide the service upon request to another service provider (i.e. the carrier operating the home network). This would enable the home network carrier to supply roaming services to its subscribers. If the carrier supplying domestic roaming and the home network carrier could not agree on the terms and conditions of supply, either party could seek arbitration by the Commission.

In its Final Report for the declaration inquiry¹, the Commission stated it was not satisfied that declaration of domestic roaming will promote the long-term interests of end-users. It was, however, concerned about competitive conditions for the supply of domestic roaming by means of CDMA networks but considered that there was insufficient information to justify declaration at that time.

Consequently, the Commission proposed to formally monitor the situation over 12-24 months with a view to re-examining the case for declaration of domestic roaming supplied by means of CDMA networks if information received by the Commission suggests that the terms and conditions of supply are unreasonable. The Commission proposes that this formal monitoring be undertaken through making a record keeping rule (RKR) pursuant to section 151BU of the Act. In this regard, the Commission has prepared the draft RKR at Appendix 1.

Scope of the proposed RKR

The primary purpose of the proposed RKR is to obtain information about the terms and conditions for the supply of domestic roaming by means of CDMA networks.

The proposed RKR defines domestic roaming broadly to encompass not only end-to-end domestic roaming² but also other types of roaming services such as origination-only roaming³. This is because the Commission understands that there is an emerging degree of service diversity regarding the provision of domestic roaming.

¹ ACCC, Mobile Services Review: Mobile Domestic Inter-carrier Roaming Service — Final report on whether or not the Commission should declare a mobile domestic inter-carrier roaming service, December 2004.

² 'End-to-end' domestic roaming is where the carrier providing domestic roaming is responsible for organising origination, carriage and termination of calls made by subscribers when outside their home network area

³ 'Origination-only' domestic roaming is where the carrier providing roaming originates the call and then hands the call back to the home network carrier at a point of inter-connection.

In addition, the proposed RKR covers not only voice calls provided by domestic roaming but also SMS and data services.

The Commission understands that carriers providing domestic roaming can receive revenue not only from the home network carrier, but also from other persons. For instance, when using domestic roaming to terminate a call to a subscriber outside the home network area, the carrier terminating the call receives revenue from both the home network carrier as well as from the carrier who originated the call. The proposed RKR, therefore, seeks to capture all relevant sources of revenue.

Given that the purpose of the proposed RKR is to assist with the Commission's monitoring of domestic roaming over the next 12-24 months, the Commission envisages that the proposed RKR would only operate for a limited period of time.

Issues on which comments are sought

Prior to finalising its views on whether to make an RKR along the lines proposed, the Commission is interested in receiving submissions from interested persons. While the Commission does not wish to pre-empt the range of issues which these persons may choose to raise, the Commission would be particularly interested in submissions on the following issues:

- Whether it is feasible for the information to be provided in the format set out in the proposed RKR.
- If it is not feasible for the information to be provided in the proposed format, what format is feasible?
- Whether further geographic segmentation of the information is desirable. For instance, should the Commission require separate revenue and volume data for metropolitan and non-metropolitan areas?
- Whether systems modifications are necessary in order to provide the information. If so, what would be the costs of the modification and how long would they take to implement?

Submissions

Submissions on the proposed RKR must be provided by close of business on **Friday 28 January 2005** and can be addressed to:

Richard York
Director – Regulatory
Telecommunications
Australian Competition and Consumer Commission
GPO Box 520J
Melbourne VIC 3001

In addition to a hard copy, people making submissions are encouraged to provide an electronic copy of the submission to richard.york@accc.gov.au.

To foster an informed and robust consultative process, the Commission proposes to treat all submissions as non-confidential, unless the author of a submission requests that the submission be kept confidential. Non-confidential written submissions given to the Commission will be made available to interested parties upon request.

Enquiries can be made to Richard York on (03) 9290 1883.

Appendix 1

CDMA Mobile Domestic Inter-carrier Roaming Services Record Keeping and Reporting Rules

Section 151BU Part XIB *Trade Practices Act 1974* (Cth)

Australian Competition and Consumer Commission

1. TITLE

- (1) These record keeping rules, made by the Australian Competition and Consumer Commission pursuant to section 151BU of the *Trade Practices Act 1974*, may be referred to as the CDMA Mobile Domestic Inter-carrier Roaming Services Record Keeping and Reporting Rules ('Rules').

2. COMMENCEMENT

- (1) These Rules shall take effect on 1 April 2005.

3. INTERPRETATION

carrier	has the same meaning as in the <i>Telecommunications Act 1997</i>
CDMA mobile network carrier	means a carrier that provides a digital mobile service through a network based on Code Division Multiple Access technology using 800MHz band spectrum
CDMA mobile domestic inter-carrier roaming service	<p>means an access service provided by a CDMA mobile network carrier that provides for digital mobile service subscribers and satellite telephone service subscribers to do one or more of the following:</p> <ul style="list-style-type: none">(i) make voice calls;(ii) receive voice calls;(iii) send short messaging services (SMS);(iv) receive SMS;(v) access data services; and <p>is provided for the purpose of permitting those subscribers to obtain telephony services on a network other than their home network.</p>
Commission	means the Australian Competition and Consumer Commission
digital mobile service	has the same meaning as in the <i>Telecommunications Numbering Plan 1997</i>
digital mobile service subscriber	means a person assigned a digital mobile service number under the <i>Telecommunications Numbering Plan 1997</i>
satellite telephone service subscriber	means a person assigned a satellite telephone service number under the <i>Telecommunications Numbering Plan 1997</i>

4. APPLICATION

- (1) These Rules apply to Telstra Corporation Limited (ABN 33051775556).
- (2) These Rules also apply to any carrier that supplies a CDMA mobile domestic inter-carrier roaming service and has been notified in writing by the Commission that the Rules apply to that carrier.

5. RECORD KEEPING

- (1) Carriers to whom these Rules apply must keep and retain the records prescribed in the **Schedule**, in the manner and form specified in the **Schedule**.
- (2) A carrier may, in writing to the Commission, request that the Commission vary the requirements of these Rules as they relate to that carrier.

6. REPORTING REQUIREMENTS

- (1) A carrier listed in paragraph 4(1) must provide to the Commission every three months, commencing from 1 April 2005, a report containing the information required to be kept in accordance with these Rules.
- (2) Any other carrier to whom these Rules apply, must provide to the Commission every three months commencing from the date that these Rules commence application to that carrier, a report containing the information required to be kept in accordance with these Rules.

Note: For example, if a carrier is notified that the Rules apply to them on 1 July 2005, then the first report it would be required to provide would cover the period 1 July 2005 to 30 September 2005.

- (3) A report required to be provided under these Rules must be provided to the Commission within 14 days after the reporting period.

7. MANNER AND FORM OF REPORTS

- (1) A carrier must provide to the Commission an electronic copy of all reports prepared under these Rules by the following means:

by email to: rkr@accc.gov.au

- (2) Information provided by a carrier under these Rules must be prepared in the format outlined in the **Schedule**.

Schedule

CDMA mobile domestic inter-carrier roaming service information to be reported by carriers to the Commission

- (1) A carrier to whom these Rules apply, must provide the information detailed at (4).
- (2) The information must be provided subject to the guidelines provided at (3) and, as required, must be provided using the template provided at (5).
- (3) Preliminary comments:
 - (a) charges payable by the home network carrier for the establishment of mobile domestic roaming include charges payable for capital works or systems modifications undertaken in order to implement arrangements for domestic mobile roaming;
 - (b) the location of the subscriber, for the purposes of the template in (5), is the place in which the subscriber was located at the time of making or receiving the call, sending or receiving the SMS, or accessing the data service (as the case may be);
 - (c) revenue information refers to revenue earned during the reporting period, irrespective of whether it has been received;
 - (d) the reference to subscribers is a reference to subscribers of the home network;
 - (e) the reference to home network carrier is a reference to the carrier which operates the home network.
- (4) For each agreement to provide CDMA mobile domestic inter-carrier roaming services, the following information must be provided:
 - (a) names of the parties to the agreement;
 - (b) the date on which the agreement commenced;
 - (c) charges payable by the home network carrier during the reporting period for the establishment of CDMA mobile domestic inter-carrier roaming services;
 - (d) charges payable by the home network carrier during the reporting period in respect of:
 - (i) voice calls made by subscribers;
 - (ii) voice calls received by subscribers;
 - (iii) SMS sent by subscribers;

- (iv) SMS received by subscribers; and
 - (v) data services accessed by subscribers;
- (e) charges (if any) payable by other persons during the reporting period in respect of:
 - (i) voice calls made by subscribers;
 - (ii) voice calls received by subscribers;
 - (iii) SMS sent by subscribers;
 - (iv) SMS received by subscribers; and
 - (v) data services accessed by subscribers
- (f) revenue and usage information for the reporting period in accordance with the template in (5).

(5) Revenue and usage information to be provided to the Commission:

(a) voice calls

Location of subscriber	Revenue from home network carrier for calls made by subscribers	Revenue from home network carrier for calls received by subscribers	Revenue from others for calls received by subscribers	Volume of minutes for calls made by subscribers	Volume of minutes for calls received by subscribers
NSW					
Victoria					
Queensland					
South Australia					
Western Australia					
Tasmania					
Australian Capital Territory					
Northern Territory					

(b) SMS

Location of subscriber	Revenue from home network carrier for outgoing SMS	Revenue from home network carrier for incoming SMS	Revenue from others for incoming SMS	Volume of SMS sent by subscribers	Volume of SMS received by subscribers
NSW					
Victoria					
Queensland					
South Australia					
Western Australia					
Tasmania					
Australian Capital Territory					
Northern Territory					

(c) data services

Location of subscriber	Revenue from home network carrier for data services accessed by subscribers	Revenue from others for data services accessed by subscribers	Volume of data services accessed by subscribers
NSW			
Victoria			
Queensland			
South Australia			
Western Australia			
Tasmania			
Australian Capital Territory			
Northern Territory			