

11 December 2015

Mr Michael Cosgrave  
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Communications Group  
Australian Competition and Consumer Commission  
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Copy to:  
Mr Sean Riordan  
General Manager  
Industry Structure and Compliance Branch  
Australian Competition and Consumer Commission  
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Dear Mr Cosgrave,

### **Consultation on the replacement of Required Measures 2 and 3**

In accordance with clause 5.2 of the Varied Migration Plan accepted by the Australian Competition and Consumer Commission (**ACCC**) on 26 June 2015, we are writing to notify you that Telstra is now commencing consultation on the proposed varied Required Measures 2 and 3 (**RM2** and **RM3**) to reflect the changes necessitated by the Multi-Technology Mix (**MTM**) Variations to the Migration Plan and updated managed disconnection processes. Copies of the proposed replacement Required Measures are attached for your attention.

The MTM Variations have required relatively few revisions to these Required Measures. However, there have been several updates to managed disconnection processes and several additional temporary exemptions from Managed Disconnection for certain types of Premises and Services since RM2 and RM3 were originally approved. We have taken the opportunity to reflect these changes in these proposed replacement Required Measures.

Essentially, the key changes to the replacement RM2 and RM3 are:

- Updating the Managed Disconnection processes to reflect the FSAM 32+ disconnection arrangements that are currently in operation, including;
  - the application of Soft Dial Tone (**SDT**) to Wholesale and Retail line rental services, where practicable, after the Disconnection Date to provide customers with a final prompt to place an NBN order (applies to RM2 only);
  - the creation of an Updated Final Disconnection List to allow for the exclusion of certain Premises from the disconnection list post the Disconnection Date, including those Premises which become In-Train Order Premises as a result of an NBN order being placed with NBN Co within a limited timeframe after the Disconnection Date; and the revised timelines applied for Managed

Disconnection, including the new timeframes for implementing service disconnection and permanent disconnection.

- Allowing for further exemptions to Managed Disconnection that have developed since the original Required Measures, including MDU Common Areas, the temporary exemption for Fire Alarm and Lift Phone services, and minor updates to the In-Train Order disconnection process and timeframes.
- While we are not proposing to change the substance of our reporting obligations, we will consolidate all reporting obligations under the Varied Migration Plan (including under the Required Measures) in clause 26 in due course once the Required Measures have been accepted.

We note that some operational processes relating to these Required Measures are still under development, including:

- the arrangements for implementing the deferral of Managed Disconnections for NBN-Co registered Fire Alarms and Lift Phones until 30 June 2017, including how disconnection of those services will proceed from 1 July 2017;
- the Managed Disconnection of MDU Common Areas notified by NBN Co to Telstra; and
- the longer-term arrangements that will apply to In-Train Order Premises post 30 June 2016.

As we finalise these processes, we will proceed to update these Required Measures and/or seek approval for a variation to the Varied Migration Plan, as appropriate.

Where relevant, the changes made to the Managed Disconnection process for Copper Services (RM2) have been reflected in the Managed Disconnection process for HFC services (RM3). However, as HFC is only available to Retail Customers, the specific requirements relating to notifications of Managed Disconnection to Wholesale Customers do not apply. Additionally, as a range of services are not supplied using Telstra's HFC network, including Special Services, Fire Alarm and Lift Phone services, and SDT, these have not been included in RM3.

We are currently advising Wholesale Customers and NBN Co of the consultation on RM2 and RM3. In line with that consultation we also request that any feedback you have on either or both of the replacement RM2 and / or RM3 be provided to us by 14 January 2016.

Please do not hesitate to contact Chris Williams on (07) 3455 3112 if you have any comments in the meantime.

Yours sincerely



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