

Our Ref: M2007/373
Contact Officer: Sarah Sheppard
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**Australian
Competition &
Consumer
Commission**

12 March 2008

Dr Tony Warren
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Dear Dr Warren

Telstra's local carriage service and wholesale line rental exemption applications dated 9 July 2007: Delays in response to request for further information

I refer to the information request from the Australian Competition and Consumer Commission (ACCC) to Telstra Corporation Limited (Telstra) dated 17 December 2007 regarding the local carriage service (LCS) and wholesale line rental (WLR) exemption applications lodged by Telstra on 9 July 2007 (Information Request).

I note that the ACCC is yet to receive a response to the Information Request.

Please note my concern about the lengthy delays in Telstra's response to the Information Request. The ACCC considers that a party submitting an exemption application should be appropriately prepared to respond to any reasonable information requests in a timely manner.

As you are of course aware, in accordance with section 152AT(11)(b) of the Act, a day during any part of which a request (or part of a request) made under section 152AU of the Act, remains unfilled, is disregarded in calculating the period within which the ACCC must make a decision about the exemption applications. Accordingly, these lengthy delays are likely to have the practical effect of delaying the ACCC's decision on the exemption applications.

Such delays are a concern due to the regulatory uncertainty that they may create for industry participants. Further, they are at odds with the underlying policy intent of Part XIC of the Act that the ACCC make timely decisions on exemption applications, as evidenced by subsection 152AT(10) of the Act which stipulates a six month timeframe for the making of such a decision.

In view of the above, I request that Telstra respond to the Information Request by 26 March 2008.

Should you have any questions regarding this request, please contact Sarah Sheppard on (03) 9290 1992.

Yours sincerely



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Michael Cosgrave
Group General Manager
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