

29 October 2012

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Australian Competition and Consumer Commission
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Dear Sean,

RE: Optus submission on Telstra's proposed variation to the Migration Plan

Thank you for the opportunity to provide feedback on Telstra's proposed variations to the Migration Plan given by Telstra Corporation Limited to the Australian Competition and Consumer Commission (ACCC) under Section 577BF of the *Telecommunications Act 1997*.

Optus supports the proposal to delay the initial commencement of Cease Sale until 1 May 2013 and the deferral of the application of the Cease Sale obligation until 10 business days after the Ready for Service Date.

In saying that, however, Optus would like to ensure that the ACCC is aware that the successful implementation of a Cease Sale process will rely heavily on a revised wholesale service qualification interface. The implementation of Cease Sale and a revised service qualification interface should not adversely affect wholesale customers' ability to continue to order copper services in areas not yet enabled for NBNCo products, or the ability to order copper specifically for the delivery of Special Services within enabled NBN Rollout Regions.

Managed Service Qualification Interface (MSQ)

Telstra stated that one of the key reasons for the initial delay in implementing Cease Sale is that wholesale customers will need sufficient time in order to migrate to Telstra's MSQ. Optus would like to expand on this point and bring to the ACCC's attention the importance of aligning this interface change to the Cease Sale obligation.

We refer to the letter from Ms Jane van Beelen of Telstra to the ACCC on 18 July 2012 **Re: Changes to wholesale service qualification and associated systems, to support Telstra's Structural Separation and Migration Plan commitments**. In this letter, Telstra highlighted the importance of having an integrated MSQ solution to ensure compliance with the Definitive Agreements and the Migration Plan; and to assist in promoting a seamless migration to the NBN for Telstra Wholesale customers.

Telstra also indicated to the ACCC in this letter that it would begin engaging with wholesale customers in August 2012 to allow them time to assess the impact and make changes to their B2B interfaces. To date, Optus has only received one formal notice that provided few details other than a basic timeframe on when the new MSQ specification would be circulated. Telstra's letter indicated there would be a customer engagement process; however, Telstra is yet to engage with Optus. Optus currently relies heavily on the existing service qualification process that Telstra provides to Wholesale Customers. Until detailed information is received from Telstra on the new MSQ interface and its implementation, Optus is unable to conduct any impact assessment or to properly consider what system modifications may need to be implemented.

Given the delay in Telstra's engagement, Optus believes that in addition to the delay in implementation of Cease Sale obligation until 1 May 2013, the implementation of the MSQ interface should also be pushed out from February 2013 to 1 May 2013. This will allow wholesale customers adequate time to assess the impacts, plan, implement and test these changes with Telstra in order to minimise disruption. Alterations to service qualification interfaces may require significant changes to Optus' existing systems and processes that rely on this interface.

Special Services

Optus has additional concerns that neither the proposed variation to the Migration Plan or the previously mentioned letter provide any detail on how these changes will support the ongoing ordering of copper for the delivery of Special Services after a Cease Sale has been implemented. It is vital that a workable process is in place to support the ordering of Special Services over copper after the Cease Sale date. The diagram provided in Ms Van Beelan's letter does not allow for Special Services which should be a key part of any revised SQ process as Cease Sale is implemented.

While Optus welcomes Telstra's proposed variation to delay the implementation of Cease Sale obligation to 1 May 2013, Optus submits that the implementation of a new MSQ interface to also be aligned to 1 May 2013 in order to provide a sufficient system

development and testing window. Furthermore, it is critical that Telstra provide a clarification on the treatment of Special Services within the changed MSQ environment.

Regards,

A handwritten signature in black ink, appearing to read 'L. van Hooft', with a period at the end.

Luke van Hooft

Manager, Economic Regulation