

4 April 2013

Mr Sean Riordan
 General Manager
 Industry Structure & Compliance
 Communications Group
 Australian Competition and Consumer Commission
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Dear Mr Riordan

Request to Vary Telstra's Migration Plan to Add Initial Release Rollout Regions

As discussed with you recently, Telstra requests approval from the Australian Competition and Consumer Commission (the Commission) to a minor variation of the Migration Plan as allowed by s 577BF of the *Telecommunications Act 1997 (Cth)*. The effect of the variation would be to extend the definition of Initial Release Rollout Region under the Migration Plan to include additional regions, called Specified Rollout Regions. There are 82 Specified Rollout Regions that have been determined by NBN Co and agreed with Telstra.

Telstra is proposing this variation in response to a request by NBN Co, who has consented to and supports the change.

If permitted by the ACCC, the variation will give NBN Co the ability to make available 82 additional geographic regions (the Specified Rollout Regions) within which retail service providers (RSPs) can connect services on the NBN ahead of the Disconnection Commencement Date, for those particular regions.

We believe that this proposed change is a minor variation only to the Migration Plan, and that accordingly, the Commission should not need to consult with industry for a full 28 days prior to accepting the variation.

The Proposed Variation

Telstra proposes that the change be effected by varying the definition of Initial Release Rollout Region in Schedule 9 of the Migration Plan. The proposed variation is underlined below.

Currently the Initial Release Rollout Region is defined as:

“a geographic region determined by NBN Co and notified to Telstra within which the Rollout has commenced prior to the commencement of the Definitive Agreements”.

Telstra proposes that this definition be amended to include the Specified Rollout Regions as follows:

"Initial Release Rollout Region means:

(a) a geographic region determined by NBN Co and notified to Telstra within which the Rollout has commenced prior to the commencement of the Definitive Agreements; and

(b) each Specified Rollout Region"

"Specified Rollout Region" means an FSA Module agreed between Telstra and NBN Co as set out in Schedule 10.

A new Schedule 10 would be added to the Migration Plan listing the agreed 82 Specified Rollout Regions. Schedule 10 would be added to the Index of the Migration Plan on page ii. A copy of Schedule 10 is attached for reference.

Benefits of the Proposal

Telstra believes the proposed variation to the Migration Plan will benefit both industry and end-users in the following ways:

- It will allow end-users within the Specified Rollout Regions who are interested in acquiring services on the NBN, and who are at premises which are already passed by the NBN, the ability to connect to the NBN earlier;
- It will allow RSPs the option to sell fibre services earlier than if the region remained as a regular rollout region. All RSPs obtain this benefit equally; and
- By allowing the earlier take-up of services on the NBN, it will allow end-users within the Specified Rollout Regions more time in which to migrate to the NBN, ahead of the final Disconnection Date.

In addition, there will be no detriment to RSPs or end-users as a result of the inclusion of the Specified Rollout Regions in the Migration Plan. RSPs who are not currently ready to supply services over the NBN will be able to continue acquiring services over Telstra's network until the Cease Sale date applies for each particular region (noting that the Cease Sale Commencement date for each Specified Rollout Region will not be impacted by this change). RSPs who are ready to supply services over the NBN will be able to offer their customers a choice of supplying services over the NBN or using Telstra's infrastructure, in accordance with current arrangements.

Request is a Minor Variation of the Migration Plan

Telstra considers that this variation is a minor variation for the following reasons.

- The concept and arrangements for Initial Release Rollout Regions already exist in the Migration Plan. This variation is a simple extension of the definition to additional locations (namely, the Specified Rollout Regions);
- The variation is likely to impact only a relatively small number of end-users;
- NBN Co has agreed the 82 Specified Rollout Regions with Telstra;
- There is no detriment to industry or end-users that would result from the variation being implemented. Consumers will benefit from greater choice of the services available to them and from having a longer period of time in which to migrate to the NBN; and
- This proposal will not change other obligations in the Migration Plan. For example the Disconnection Date for Initial Release Rollout Regions will continue to be 18 months after NBN Co notify the Disconnection Commencement Date as currently

set out in the Migration Plan, and the Cease Sale Commencement date will still operate only after the Disconnection Commencement date for each Proposed IRRR.

The proposed variation is also consistent with the Minister's Telecommunications (Migration Plan Principles) Determination 2011. The proposed variation is an extension of the definition of Initial Release Rollout Region to include additional locations from the arrangements set out in the current Migration Plan which has already been agreed to by the Commission as being consistent with the Determination. Therefore, in Telstra's view, adding a relatively small number of Specified Rollout Regions into the definition of Initial Release Rollout Region would be consistent with the Determination.

It is Telstra's view that the Commission should accept the proposed variation.

If you have any questions, please do not hesitate to contact Trish Cameron on (02) 6129 4635.

Yours sincerely



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Attachment 1 enclosed

Attachment 1

Schedule 10 – Specified Rollout Regions

	FSAM ID	Name
1.	9CRC-04	Crace
2.	2GOS-01	Gosford
3.	2GOS-03	Gosford
4.	2CFS-04	Coffs Harbour
5.	2LJT-03	Long Jetty
6.	2LJT-01	Long Jetty
7.	2SAW-02	Sawtell
8.	2SAW-03	Sawtell
9.	2CFS-03	Coffs Harbour
10.	2SAW-04	Sawtell
11.	2BLK-03	Blacktown
12.	2LJT-02	Long Jetty
13.	2RIV-02	Riverstone
14.	2RIV-03	Riverstone
15.	2BLK-04	Blacktown
16.	2CFS-06	Coffs Harbour
17.	2BLK-05	Blacktown
18.	2PTH-02	Penrith
19.	2RCH-05	Richmond
20.	2PTH-04	Penrith
21.	2PTH-03	Penrith
22.	2WLG-01	Wollongong

23.	2DAP-02	Dapto
24.	2DAP-03	Dapto
25.	2RIV-04	Riverstone
26.	2DAP-04	Dapto
27.	2LID-02	Lidcombe
28.	2LID-03	Lidcombe
29.	8DRW-04	Darwin
30.	8DRW-05	Darwin
31.	8DRW-06	Darwin
32.	8CSU-03	Casuarina
33.	4APL-04	Aspley
34.	4GDN-03	Goodna
35.	4GDN-04	Goodna
36.	4APL-03	Aspley
37.	4APL-02	Aspley
38.	4GUL-05	Gulliver
39.	4TNS-01	Townsville
40.	4TNS-02	Townsville
41.	4TNS-03	Townsville
42.	4TNS-05	Townsville
43.	4MKY-01	Mackay
44.	4MKY-02	Mackay
45.	4TNS-04	Townsville
46.	4GDN-05	Goodna
47.	3CTN-07	Carlton

48.	4GDN-06	Goodna
49.	4ACO-01	Ascot
50.	4ACO-02	Ascot
51.	4NDG-01	Nudgee
52.	5ALD-03	Aldinga
53.	5ONK-01	Onkaparinga
54.	5ALD-02	Aldinga
55.	5SFD-04	Seaford
56.	7KIN-03	Kingston
57.	7HOB-04	Hobart
58.	7LAU-01	Launceston
59.	7STH-02	St Helens
60.	7HOB-05	Hobart
61.	7LAU-03	Launceston
62.	7KIN-04	Kingston
63.	7LAU-04	Launceston
64.	7HOB-06	Hobart
65.	7KIN-02	Kingston
66.	7HOB-03	Hobart
67.	7LAU-02	Launceston
68.	7SOE-01	Somerset
69.	3BAC-03	Bacchus Marsh
70.	3SMR-01	South Morang
71.	3BRU-03	Brunswick
72.	3SMR-04	South Morang

73.	3BRU-04	Brunswick
74.	3BRU-06	Brunswick
75.	3SMR-05	South Morang
76.	3BRU-05	Brunswick
77.	3CTN-04	Carlton
78.	6MSP-03	Meadow Springs
79.	6MDR-03	Mandurah
80.	2CFS-05	Coffs Harbour
81.	3SMR-06	South Morang
82.	6MSP-01	Meadow Springs