



14 November 2017

Mr Robert Wright
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Australian Competition and Consumer Commission
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Dear Mr Wright

Notice of Proposed Amendment to Required Measure 5(D)

As you will be aware, following the ACCC's confirmation that it had no objection to the measure and considered it to be consistent with the Migration Plan Principles, on 21 April 2017 Telstra published Required Measure 5(D) (**RM5(D)**). Since this date, RM5(D) has accordingly formed part of the schedules to the Migration Plan.

In accordance with clause 5.3 of the Migration Plan, we are now writing to notify you that Telstra is proposing to amend RM5(D) in relation to the 'stop-sell' commencement date to new customers. The proposed change will extend this stop-sell date by a further 6 months, aligning it with the stop-sell date for existing customers in RM5(D).

We consider that this change will benefit end-user outcomes by allowing all RSPs the same opportunity to sell legacy services to new customers and in turn, it will simplify communications with customers seeking to acquire new services. On this basis, we have assessed that the change to RM5(D) will not have a material or adverse commercial effect on a Wholesale Customer. We are therefore providing the ACCC, NBN Co and Wholesale Customers with 15 Business Days notice of the proposed change in accordance with clause 5.3(a)(ii) of the Migration Plan. Subject to any objection we receive during this period, we shall then proceed to publish this amended RM5(D) on the Wholesale Customer Portal as an updated schedule forming part of the Migration Plan.

Background:

RM5(D) reflects the disconnection processes that will apply to DDS Fastway, Data Access Radial, Megalink, Frame Relay, ISDN2 and ISDN10/20/30 Direct Special Services (**DSS**) and Special Service Inputs (**SSI**) that are certified as being used to provide an equivalent product, together the Covered Access Service Families. The scheduled Special Service Disconnection Dates (**SSDD**) apply as follows:



- 31 May 2019, for the DDS Fastway, DAR and Megalink Products; and
- 30 September 2019, for the Frame Relay and ISDN Products.

As previously communicated, Telstra has announced national product exits for the products covered by RM5(D), with the disconnection process initially following the nbn rollout, followed by a Final Exit Date whereby any remaining services nationally will be disconnected (currently expected to be in 2022).

Prior to the SSDD, Telstra is currently required by the terms of clause 4.1 of RM5(D) to implement 'stop sell' arrangements to the Covered Access Service Families, whereby Telstra will not supply any new DSS or SSI:

- on and from 31 January 2018 to new customers (being customers that did not acquire DSS or SSI in the particular Covered Access Service Family as at 31 January 2018); and
- to any customers (i.e. to neither new nor existing customers), on and from 30 June 2018.

Proposal and Rationale:

The change we are proposing to RM5(D) is to simply align the 'stop sell' commencement dates for new and existing customers to a single date, being 30 June 2018. This will have the effect of amending the current 'stop sell' date applicable to new customers to match the 'stop sell' date applicable to existing customers. This single 'stop sell' date will still apply nationally, irrespective of whether the relevant services are in the Fixed Line Footprint, the Rollout Region's timing for disconnection, nbn serviceability or the nbn access technology applicable for any given location.

Our key reasons in support of aligning the 'stop sell' commencement date for all customers to a single date are to:

- ensure all RSPs have the same opportunity to sell legacy services to new customers up until the commencement of a single 'stop sell' date.
- remove the potential for confusion and simplify communications with Wholesale and Retail Customers about their ability to obtain new services within the Covered Access Service Families; and
- simplify the implementation of the 'stop sell' restriction in RM5(D) across the Covered Access Service Families for both Telstra and its Wholesale Customers.

Telstra also considers that the alignment of the 'stop sell' commencement dates to 30 June 2018 (the later of the two dates originally proposed in RM5(D)) is consistent with the objective outlined in our RM5(D) Submission in Support from February 2017, to announce a national 'stop sell' date ahead of NBN rollout driven disconnection that balances the future product support challenges with supporting service continuity for end users where they do not have an NBN based alternative.

An overview of the key milestone dates associated with RM5(D)'s national product exit processes taking account of the proposal to align 'stop sell' dates is set out in the following table:



Product Group	National Stop Sell (new and existing customers)	SSDD (within FTTP, FTTN and FTTB footprint only)	Final Sunset Exit (service disconnection)
DDS Fastway, Data Access Radial and Megalink	30 June 2018	31 May 2019	Currently anticipated to be 2022
Frame Relay, ISDN2 and ISDN10/20/30		30 September 2019	

Next Steps:

In line with the terms of clause 5.3(a)(ii) of the Migration Plan, we look forward to receiving any feedback the ACCC has on the change we are proposing to RM5(D) by 6 December 2017. As mentioned above, we have also notified Wholesale Customers and NBN Co of the proposed amendment.

Depending on any feedback received, we will next proceed to publish the amended RM5(D) on the Wholesale Customer Portal in accordance with clause 5.2 of the Migration Plan. As per clauses 5.2(f) and 5.3(b) of the Migration Plan, in the absence of any objection being received to the change, this variation will then automatically form part of the Migration Plan and will not be treated as a formal variation to the Migration Plan under section 577BF of the Telecommunications Act 1997 (Cth).

Please contact Kim Hilton-Cowie on (02) 9866 2001 or me if you have any questions in relation to this matter.

Yours sincerely

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