TRADE PRACTICES ACT 1974 - SECTION 152AT APPLICATION FOR EXEMPTION FROM STANDARD ACCESS OBLIGATIONS

LINE RENTAL SERVICE

12 October 2007

TRADE PRACTICES ACT 1974 - SECTION 152AT

APPLICATION FOR EXEMPTION FROM STANDARD ACCESS OBLIGATIONS

LINE RENTAL SERVICE

TO: The Australian Competition and Consumer Commission ("Commission")

Application is made under subsection 152AT(1) of the *Trade Practices Act 1974* (Cwlth) ("**TPA**") for an exemption from all of the standard access obligations set out in section 152AR of the TPA in respect of the Line Rental Service (otherwise known as Wholesale Line Rental) ("**WLR**") declared by the Commission under subsection 152AL(3) of the TPA with effect from 1 August 2006 ("**Exemption Application**").

1 (a) Name of applicant:

Telstra Corporation Limited (ABN 33 051 775 556) ("Telstra").

(b) Short description of business carried on by applicant:

Telstra is both a carrier and carriage service provider under the *Telecommunications Act 1997 (Cwlth)* and it supplies telecommunications services.

(c) Address in Australia for service of documents on the applicant:

Tony Warren
Executive Director Regulatory Affairs
Public Policy and Communications
Telstra Corporation Limited
Level 2
Engineering House
Unit 11 National Circuit
Barton ACT 2600

Copy to:
Paul McLachlan
Legal Counsel
Regulatory Legal Group
Telstra Corporation Limited
Level 11
231 Elizabeth Street
Sydney NSW 2000

2 (a) Description of declared service to which this application relates:

This exemption application relates to WLR, which is a "declared service" pursuant to subsection 152AL(3) of the TPA.

(b) Description of exemption applied for:

Telstra applies for an exemption from all of the standard access obligations in section 152AR of the TPA in respect of the supply of WLR in the Exemption Area with effect from the date of the Commission's determination under paragraph 152AT(3)(a) of the TPA until the earlier of:

- (a) WLR ceasing to be a declared service;
- (b) a finding by a Court of competent jurisdiction that Part XIC of the TPA is invalid as it relates to the Unconditioned Local Loop Service and/or the High Frequency Unconditioned Local Loop Service; or
- (c) 31 December 2012.

Exemption Area means the Exchange Service Areas ("ESAs" and each an "ESA") set out in Attachment A to this Exemption Application.

(c) Grounds for grant of exemption:

An order by the Commission granting the exemption sought by Telstra will promote the long-term interests of end-users of carriage services or of services provided by means of carriage services for the reasons set out in Attachment B to this Exemption Application.

A draft exemption order in the form prepared by Telstra is at Attachment C to this Exemption Application.

3 Interpretation

WLR means the Line Rental Service (otherwise known as Wholesale Line Rental) as declared by the Commission with effect from 1 August 2006 and set out in the Commonwealth of Australia Gazette No. GN 31 of 9 August 2006.

The singular includes the plural and vice versa.

A Name and address of persons authorised by the applicant to provide additional information in relation to this application:

Tony Warren
Executive Director Regulatory Affairs
Public Policy and Communications
Telstra Corporation Limited
Level 2
Engineering House
Unit 11 National Circuit
Barton ACT 2600

Paul McLachlan Legal Counsel Regulatory Legal Group Telstra Corporation Limited Level 11 231 Elizabeth Street Sydney NSW 2000

ATTACHMENT A

EXEMPTION AREA

| State | Name | ESA |
|-------|------------|------|
| NSW | WOYWOY | WOYY |
| NSW | BOOLAROO | BLRO |
| NSW | CARDIFF | CRDF |
| NSW | TORONTO | TRTO |
| NSW | SARATOGA | SRTA |
| NSW | DURAL | DURA |
| NSW | BELMONT | BELT |
| QLD | PETRIE | PETR |
| QLD | BUNDABERG | BBEG |
| QLD | NUDGEE | NDGE |
| QLD | CABOOLTURE | CABO |
| QLD | ROTHWELL | RTWL |
| TAS | BATHURST | BTST |
| VIC | SEAFORD | SEAF |
| VIC | GLENROY | GNRY |
| VIC | ST ALBAN | SALB |

ATTACHMENT B

GROUNDS FOR EXEMPTION

The grounds for exemption are set out in the attached supporting submission. Telstra further relies on the the supporting materials provided to the Commission in its exemption application lodged on or about 9 July 2007 in respect of the Local Carriage Service (a service declared by the Commission pursuant to subsection 152AL(3) of the TPA with effect from 1 August 2006 as set out in the *Commonwealth of Australia Gazette* No GN 31 of 9 August 2006).

ATTACHMENT C DRAFT EXEMPTION ORDER

The Australian Competition and Consumer Commission ("Commission") under paragraph 152AT(3)(a) of the *Trade Practices Act 1974* (Cwlth) ("TPA") determines that Telstra is exempt from the standard access obligations specified below.

Citation

This order may be cited as the "Telstra Line Rental Service Exemption Order".

Commencement

This order comes into effect on the date of the Commission's determination.

Term

- This order expires on the earlier of:
 - (a) the Line Rental Service (otherwise known as Wholesale Line Rental) ("WLR") ceasing to be an active declared service;
 - (b) a finding by a Court of competent jurisdiction that Part XIC of the TPA is invalid as it relates to the Unconditioned Local Loop Service and/or the High Frequency Unconditioned Local Loop Service; or
 - (c) 31 December 2012.

Interpretation

4 For the purposes of this order:

active declared service has the meaning set out in section 152AR of the TPA.

Exemption Area means the Exchange Service Areas ("ESAs" and each an "ESA") set out in Attachment A to this order.

WLR means the Line Rental Service (otherwise known as Wholesale Line Rental) as declared by the Commission with effect from 1 August 2006 and set out in the Commonwealth of Australia Gazette No. GN 31 of 9 August 2006.

Telstra means Telstra Corporation Limited (ABN 33 051 775 556).

The singular includes the plural and vice versa.

Exemption

Subject to paragraph 6, Telstra is exempt from all of the standard access obligations in section 152AR of the TPA in respect of the supply of WLR to access seekers within the Exemption Area.

Limitation or conditions to Exempted Service

| | For the avoidance of doubt the Telstra Line Rental Service Exemption Order has no effect in respect of WLR calls provided under an agreement which is in force on the date of this order for so long as that agreement remains in force. |
|-------|--|
| Dated | |

ATTACHMENT A

EXEMPTION AREA

| State | Name | ESA | |
|-------|------------|------|--|
| NSW | WOY WOY | WOYY | |
| NSW | BOOLAROO | BLRO | |
| NSW | CARDIFF | CRDF | |
| NSW | TORONTO | TRTO | |
| NSW | SARATOGA | SRTA | |
| NSW | DURAL | DURA | |
| NSW | BELMONT | BELT | |
| QLD | PETRIE | PETR | |
| QLD | BUNDABERG | BBEG | |
| QLD | NUDGEE | NDGE | |
| QLD | CABOOLTURE | CABO | |
| QLD | ROTHWELL | RTWL | |
| TAS | BATHURST | BTST | |
| VIC | SEAFORD | SEAF | |
| VIC | GLENROY | GNRY | |
| VIC | ST ALBAN | SALB | |