



13 October 2009

Mr Michael Cosgrave
Group General Manager
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Australian Competition and Consumer Commission

ATTENTION Mr Chris Ratchford
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MARS/PRISM:

Dear Mr Cosgrave and Mr Ratchford

Draft Pricing Principles and Indicative Prices for LCS, WLR, PSTN, OTA, ULLS and LSS – Supporting documentation

We refer to Telstra's letter dated 12 October 2009 enclosing CD ROMs containing Telstra's submissions together with volume 1 Supporting Documents in response to the Draft Pricing Principles and Indicative Prices for LCS, WLR, PSTN, OTA, ULLS and LSS issued by the Commission on 21 August 2009 (**the Draft IPP Determination**).

Volume 2 Supporting Documents and Footnote References

As foreshadowed in Telstra's letter of 12 October 2009, in making submissions in response to the Draft IPP Determination, Telstra relies on a number of documents previously provided to the Commission in the context of Telstra's Band 2 ULLS access undertaking. Accordingly, for the Commission's convenience, Telstra now provides additional CD ROMs of those supporting materials (**Volume 2 Supporting Materials**) as follows:

- the CD ROM marked "**Public**" contains public versions of the Volume 2 Supporting Materials (where available). These documents have confidential information redacted and marked with the words "c-i-c".
- the CD ROM marked "**Commercial-in-Confidence TC1**" contains confidential versions of the Volume 2 Supporting Materials (where available) with Telstra Category 1 confidential information (**TC1**) identified and any other confidential information redacted and marked with the words "c-i-c" (or where a whole document or attachment is TC1 confidential that fact is noted in the footer). For completeness, this CD ROM also contains all the public Volume 2 Supporting Materials;
- the CD ROM marked "**Commercial-in-Confidence TC2**" contains further confidential versions of the Volume 2 Supporting Materials with Telstra Category 2 confidential information (**TC2**) identified in red highlight. Any TC1 information again appears in yellow highlight (or where a whole document or attachment is TC1 or TC2 confidential that fact is noted in the footer). For completeness, this CD ROM also contains all the public Volume 2 Supporting Materials. As such, Telstra suggests the Commission may find it of greatest assistance in its deliberations in the Draft IPP Determination process to refer to the content of this "Commercial-in-Confidence TC2" CD ROM.

Telstra also provides:

- a CD ROM marked "**Footnote References**" which contains a set of the reference materials cited in footnotes to Telstra's submissions, for the Commission's ease of reference.

Publication on the Commission's website

Telstra confirms it is content for the Commission to publish:

- this covering letter; and
- the attached document marked 'Volume 2 Public Index'; and
- the attached document marked 'Footnote References Index'; and
- all documents contained on the CD ROM marked 'Public'; and
- all documents contained on the CD ROM marked 'Footnote References'.

on the Commission's website should the Commission wish to do so.

Given they contain confidential information, the Commission should **not publish**:

- the attached document marked 'Volume 2 Commercial-in-Confidence Index';
- the documents contained on the CD ROM marked "Commercial-in-Confidence TC1"; or
- the documents contained on the CD ROM marked "Commercial-in-Confidence TC2".

Access to confidential information by interested parties

Although Telstra anticipates that interested parties already have appropriate access to the Volume 2 Supporting Materials, Telstra will ensure a copy of the "**Commercial-in-Confidence TC1**" CD ROM and/or the "**Commercial-in-Confidence TC2**" CD ROM is made available to interested parties in accordance with the arrangements for accessing Telstra confidential material as described on the Commission's website.

If you would like to discuss any aspect of this letter please do not hesitate to contact me (on 02 8576 2730).

Yours sincerely,



Jane van Beelen
Acting Executive Director - Regulatory Affairs
Public Policy and Communications

VOLUME 2 PUBLIC INDEX

Document	Description
Supporting Documents, Volume 2	
Supporting Document 2.1	Telstra's Efficient Access (TEA) Model Overview, December 2007
Supporting Document 2.2	Statement of C-i-C, including Annexure RIB2, March 2009
Supporting Document 2.3	Statement of C-i-C, August 2008
Supporting Document 2.4	Statement of F Hatzenbuehler, November 2008
Supporting Document 2.5	Statement of C-i-C (No.1), August 2008
Supporting Document 2.6	DBCDE, National Broadband Network: Regulatory Reform for 21st Century Broadband, Discussion Paper, April 2009
Supporting Document 2.7	Statement of C-i-C, 19 March 2009, including Annexure TCL1 entitled "Calculation of the average Lot Frontages by Density Group (Metres)"
Supporting Document 2.8	Harris and Fitzsimmons, An Assessment of Telstra's TEA Cost Model for Use in the Costing and Pricing of Unconditioned Local Loop Services (ULLS), November 2008
Supporting Document 2.9	Telstra, Response to ACCC's request for further information on Telstra's Band 2 ULLS undertaking made pursuant to s152BT of Trade Practices Act dated 16 December 2008, March 2009
Supporting Document 2.10	Statement of C-i-C, 11 March 2009
Supporting Document 2.11	Ovum Consulting, Telstra Efficient Access cost model – Economic issues, February 2009
Supporting Document 2.12	Telstra's Ordinary Access Undertaking for the Unconditioned Local Loop Service: Response to Ovum Advisory Notes, April 2009
Supporting Document 2.13	Telstra, Operations and Maintenance and Indirect Cost Factor Study, April 2008
Supporting Document 2.14	NERA, Does Telstra's TEA Model Provide a Reasonable Estimate of the TSLRIC+ of Supplying ULLS?, January 2009
Supporting Document 2.15	Ovum Consulting, Review of the economic principles, capital cost and expense calculations of the Telstra Efficient Access cost model, August 2008
Supporting Document 2.16	Telstra, Telstra's Ordinary Access Undertaking for the Unconditioned Local Loop Service: Response to the ACCC's Draft

Document	Description
	Decision, December 2008
Supporting Document 2.17	Statement of C-i-C, August 2008
Supporting Document 2.18	Supplementary Statement of C-i-C, December 2008
Supporting Document 2.19	Dr Harris report (March 2009)
Supporting Document 2.20	Telstra, <i>Measure of TEA Model Efficiency: ULLS Band 2 – version 2</i> , 9 March 2009
Supporting Document 2.21	Telstra, <i>Response to Ovum's Submissions</i> , 5 December 2008
Supporting Document 2.22	Telstra, <i>Operations and Maintenance and Indirect Cost Factor Study</i> , 7 April 2008
Supporting Document 2.23	Statement of C-i-C, December 2008
Supporting Document 2.24	Statement of C-i-C December 2008
Supporting Document 2.25	Concept Economics, <i>Depreciation</i> , August 2008
Supporting Document 2.26	Telstra, <i>Telstra's Response to the ACCC's Discussion Paper dated June 2008</i> , 12 August 2008
Supporting Document 2.27	Telstra, <i>Telstra's Ordinary Access Undertaking for the Unconditioned Local Loop Service: Response to Access Seeker Submissions</i> , 1 April 2009
Supporting Document 2.28	R Bowman, <i>Telstra's Weighted Average Cost of Capital for the CAN-related Assets for the provision of ULLS: Comments on Reports of Optus and Ovum and the ACCC draft decision</i> , Prepared for Telstra, 17 March 2009
Supporting Document 2.29	Bishop Officer, <i>Market Risk Premium – Further Comments</i> , January 2009
Supporting Document 2.30	Handley J, <i>Further comments on the Historical Equity Risk Premium – Final</i> , 14 April 2009