



**Submission by AAPT Limited and PowerTel Limited to the
Australian Competition and Consumer Commission in
response to the Position Paper
*Unconditioned Local Loop Service***

*ACCC inquiry into possible variation of the service declaration
for the unconditioned local loop service, December 2007*



Introduction

1. AAPT Limited and PowerTel Limited (together **AAPT**) welcome the opportunity to comment on the Australian Competition and Consumer Commission's (the **Commission's**) December 2007 position paper concerning the possible variation of the service declaration for the unconditioned local loop service (**ULLS**) (**Position Paper**).
2. AAPT considers that it may be incorrect for the Commission to assume that if Telstra was to deploy a FTTN there would be no need to vary the current ULLS service declaration to enable access at the sub-loop level (eg what if Telstra doesn't deploy a CAM at the node?).
3. AAPT also does not support the Commission's view that a variation of the ULLS service declaration to enable sub-loop unbundling should follow and not precede any proposed legislative amendments to allow 100% cutover of the copper. AAPT considers that it is important to make these changes now, in readiness for these legislative changes.
4. Despite these concerns, AAPT acknowledges that the Commission's proposed changes to the ULLS service declaration to effect technical and functional neutrality are important and do achieve this desirable goal but also, as a by-product, in fact deliver sub-loop unbundling (on a line-by-line basis).
5. Consequently, subject to the comments made below on the proposed changes to the ULLS service declaration, AAPT supports the Commission's proposed variation to the ULLS service declaration as specified in the Position Paper.

Telstra FTTN

6. The ACCC notes in the Position Paper that if Telstra was to deploy a FTTN that there would be no need at this point in time to vary the current ULLS service declaration to enable access at the sub-loop level because the current ULLS service declaration already enables such access.
7. AAPT considers that this may be incorrect, eg what if Telstra doesn't deploy a CAM at the node and instead only deploys a DSLAM without a line card capable of providing ring tone, ring current and battery feed because it wishes to offer only VOIP services to end users? AAPT considers that in this scenario the current ULLS service declaration would not permit access seekers to gain access to the sub-loop at the Telstra nodes.

Third Party FTTN

8. The Commission notes in the Position Paper that if a 3rd party FTTN build was imminent that there may be a need to vary the ULLS service declaration to ensure sub-loop access.
9. However, the Commission also notes that 100% cutover of the copper (referred to as sub-loop access (SLA)) is needed because it is critical to a 3rd party's FTTN business case and the fact that there would otherwise be a number of technical impediments that may compromise the efficient deployment of a FTTN (eg difficulty identifying pairs for line-by-line transfer, increased faults of line-by-line transfer, the fact that pillars are full and cross talk issues relating to DSL deployment from both the exchange and the node).

10. The Commission concluded that any change to the ULLS service declaration should therefore follow the legislative changes enabling 100% cutover of the copper.
11. AAPT does not support the Commission's view that variation of the ULLS service declaration to enable sub-loop unbundling should follow and not precede any proposed legislative amendments to allow 100% cutover of the copper. AAPT considers that it is important to make these changes now, as has been done in many jurisdictions around the world, in readiness for these legislative changes.
12. Despite these concerns, AAPT acknowledges that the Commission's proposed changes to the ULLS service declaration to effect technical and functional neutrality (discussed below) are important and do achieve this desirable goal but also, as a by-product, in fact deliver sub-loop unbundling (on a line-by-line basis).

Technical Neutrality

13. The Commission notes in the Position Paper (and AAPT agrees) that:
 - (a) the current ULLS service declaration is tied to the CAM which may be redundant with an IP core; and
 - (b) while there is some uncertainty surrounding the timing of next generation network developments, there is a need to change to the ULLS service declaration now to ensure technical and functional neutrality for future IP developments.
14. AAPT also considers that the current ULLS service declaration is unnecessarily tied to a CAM today and believes that the concept of a concentration point could be used as a direct replacement. However, AAPT recognises that the use of the concept of a CAM has worked to date and so agrees with the Commission's

approach of tying the potential point of interconnection to the CAM *or* a concentration point. While this approach makes the ULLS service declaration more complex than it might otherwise have been, it does remove any risk associated with the more direct approach of replacing the concept of a CAM with the concept of a concentration point.

15. Finally, AAPT questions why the proposed new definition of the CAM removes the words “ring tone, ring current and battery feed” (which AAPT supports) but retains the words “customer line module”. AAPT considers that the deletion of these words will improve the technical and functional neutrality of the proposed definition, remove any ambiguity around what these words actually mean and, in any event, they appear to be unnecessary.

16. Consequently, AAPT proposes that the Commission’s proposed definition of the CAM be amended as follows:

customer access module is a device that provides and receives signalling across the metallic access wire to the customers’ equipment. Examples include Remote Subscriber Stages, Remote Subscriber Units, Remote Integrated Multiplexers, a Local Access Switch, a DSLAM, or a MSAN;

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17. Subject to these comments, AAPT supports the Commission’s proposed variation.