



# **DECLARATION OF THE DOMESTIC TRANSMISSION CAPACITY SERVICE**

Submission to the  
Australian Competition  
and Consumer Commission

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# 1. Executive summary

Vodafone Hutchison Australia Pty Limited (**VHA**) welcomes the opportunity to participate in the Australian Competition and Consumer Commission's (**ACCC**) consultation on its draft decision to re-declare the domestic transmission capacity service (**DTCS**).

The DTCS is a foundational product in the delivery of downstream fixed and mobile services. It provides critical connectivity between service providers' access network locations and their core network.

The ACCC's review of the declaration of the DTCS is timely. Growth in consumer demand for data services has dramatically increased the importance of the DTCS for many access seekers. The rising prominence of the DTCS has exposed several shortcomings in the declaration of this service. In particular, ambiguity within the service description has led to uncertainty among access seekers over the scope of the declaration. This has adversely affected business planning and investment decisions, and led to less use of the declared DTCS than is economically efficient.

The ACCC's revised competition assessment methodology and the attention it has provided to the service description in the draft decision are welcome steps forward. However, it would be a mistake to see any "rule of thumb" revision to increase the geographic scope of deregulated ESAs as a sign of broader contestability within the supply of the DTCS.

The DTCS has become less contestable since the ACCC last reviewed the declaration. Suppliers of the DTCS have become more concentrated through acquisition just as demand for the service is increasing. Moreover, as the ACCC observes, "high barriers to entry in many DTCS markets will remain".<sup>1</sup> For these reasons, Telstra remains uniquely positioned as the dominant supplier of the DTCS and the only access provider capable of delivering ubiquitous, nation-wide transmission solutions.

The effectiveness of DTCS regulation rests on a clear and well-defined service description. In its draft decision, the ACCC proposed numerous changes to the service description. VHA supports many of these changes, including:

- geographic descriptions being aligned to the DTCS FAD for listed metropolitan and regional routes;
- retention of the words "uncontended" and "symmetric" in the general service description; and
- the retention of references to Exchange Service Area (ESA) in the service description.

Despite the improvements, further refinements are required to ensure the service description is fit-for-purpose. In particular, it is important for the ACCC to acknowledge within the service description that Telstra's transmission infrastructure is the reason the DTCS is declared. VHA, therefore, proposes several changes to the service

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<sup>1</sup> An ACCC Draft Report on the review of the declaration for the Domestic Transmission Capacity Service, Public Version, December 2013, page 30.



description to align it with this intent as well as proposing changes to remove ambiguity in the product and geographic scope of the service description. The key changes proposed by VHA are:

- drafting changes to improve the technology neutrality of the service description;
- inclusion of a new concept, “established sites”, to ensure access seekers can interconnect at, or in close proximity to, Telstra’s exchanges in ESAs the ACCC are proposing to exempt from declaration;
- clarification on the geographic scope of deregulated metropolitan and regional DTCS routes;
- inclusion of a reference to “ancillary linkage services” to address special linkage charges; and
- inclusion of a reference to “interconnect links” to address the unique economic drivers for these services.

These changes are not incidental; they are necessary and fundamental to ensuring the DTCS declaration promotes the long-term interests of end-users (LTIE). For this reason, VHA recommends the ACCC adopt the changes proposed by VHA in the service description at Appendix A as it proceeds to finalise its declaration of the DTCS.

In the rest of this submission, VHA outlines the need for significant improvements in DTCS regulation (section 2), assesses the draft declaration’s regime for geographic exemptions (section 3), describes how to improve the clarity of the DTCS service description (section 4), comments on the importance of the next stage of the DTCS review – the Final Access Determination (section 5) and then comments on the length of the DTCS declaration (section 6).

## 2. The need to improve DTCS regulation

### 2.1 The importance of the DTCS for the telecommunications industry

High capacity transmission services are the foundations of the telecommunications industry. Their importance means there are strong commercial drivers for vertically integrated players to inappropriately take advantage of market power in the supply of DTCS to the detriment of competition in the many telecommunications markets for which the DTCS is a critical input. It is therefore essential that regulators oversee this market to ensure that it is operating to deliver efficient outcomes.

The need for effective regulatory oversight is particularly important at this time. Consumer demand for high-speed mobile and fixed data services is driving the need for increased network capacity across all layers of the network. The Australian Bureau of Statistics reports a 63% increase in the volume of data downloaded to 657,262 terabytes in the three months to 30 June 2013 against the same period in 2012.<sup>2</sup> While there has been significant investment in transmission infrastructure to meet this demand, there has also been a significant increase in the concentration of DTCS suppliers.

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<sup>2</sup> Australian Bureau of Statistics (2013), *Internet Activity, Australia*, Cat no. 8153.0, June.



As well as the growing need for high capacity transmission services, there has been a substantial change in the technology needs of the industry. For example, among mobile network operators, the emergence of 4G has significantly increased capacity requirements and led to an evolution in the technologies mobile carriers use to deliver mobile services. For instance, any-to-any connectivity for High Definition (HD) voice requires Internet Protocol (IP) interconnect links between networks whereas standard voice calls have been able to use Time-Division Multiplexing (TDM) network interfaces. A DTCS supplier that uses its market power to limit the upgrade path of transmission services can severely hinder innovation and also entrench its downstream market position. Such issues warrant special consideration within the DTCS declaration.

## 2.2 The state of competition in DTCS markets

Unfortunately, the expanding demand for the DTCS has not been matched by increased competition in the market in which it is offered. Instead, increasing demand is exacerbating the economies of scale which are reducing competition in the supply of DTCS. Many crucial DTCS routes remain a monopoly (or in some cases a duopoly) and the market for the supply of the DTCS has become more concentrated and less competitive over the past five years. TPG has acquired Pipe Networks and recently announced the acquisition of AAPT, removing two independent suppliers from the market. Now, three of the four major suppliers of the DTCS – Telstra, Optus and TPG – are vertically integrated, which could lead to strategic behaviour in their supply of the DTCS because of incentives to favour their downstream business interests. Vertical integration also means self-supply of the DTCS will impact competitive market dynamics in the demand for the DTCS. VHA agrees with the ACCC's assessment that Telstra is "the dominant supplier of transmission services across Australia, particularly in regional areas".<sup>3</sup> Telstra's operation of a monopoly on many links and its unique ability to provide nation-wide DTCS give it prodigious market power in the supply of the DTCS across the nation. The sunk costs of Telstra's DTCS infrastructure, combined with (arguably accurate) market perceptions that it has sufficient capacity to alter its pricing if faced with competition, act as effective deterrents to entry on many transmission routes.

Of course, some routes are competitive and the presence of multiple access providers on these routes constrains behaviour. VHA observes lower pricing for some types of services on these competitive routes. Yet competition should not be regarded as the norm for supply of the DTCS. The most significant competitive expansion in the fibre footprint was the \$250 million Regional Backhaul Blackspots Program – a massive Australian Government intervention in the DTCS market designed to enhance the competitive supply of wholesale backbone transmission infrastructure. The scale of the program demonstrates the enormous barriers to unsubsidised expansion faced by competing suppliers to Telstra.

Given the essential nature of DTCS for the supply of telecommunications service to Australian consumers, it is imperative that regulation of the market effectively addresses Telstra's dominance of, and the decreasing competition in, the DTCS market. Unfortunately, the ACCC has not properly responded to the profoundly powerful position Telstra has in this market.

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<sup>3</sup> An ACCC Draft Report on the review of the declaration for the Domestic Transmission Capacity Service, Public Version, December 2013, page 8.



Past ACCC reviews of the DTCS have drawn on the examples of competitive routes to infer a potential for greater contestability in the supply of the DTCS than has in fact occurred. This has led the ACCC to disproportionately focus on developing “rules of thumb” to enable the deregulation of certain links rather than developing more detailed assessments of Telstra’s overall market behaviour. VHA urges the ACCC to spend more time developing effective mechanisms to facilitate and promote access to this essential “bottleneck” infrastructure and to ensure that the overall market behaviour of Telstra is appropriate and efficient.

## **2.3 Telstra’s dominance**

Telstra’s fibre network is the only network which links geographical areas across all of Australia. As a result, Telstra is the only viable supplier of transmission services in many parts of the country for access seekers who wish to provide a national service to end-users in downstream markets.

Unfortunately, the extent of Telstra’s dominance (and Telstra’s poor market practices) have not been at the centre of the regulatory assessments of DTCS. As a result, despite declaration, limited regulatory oversight of Telstra’s pricing practices and the appropriate assessment of the cost based pricing has ensured that Telstra continues to exploit its market power and enjoy the benefit of economies of scope and scale, to the enduring detriment of competition and end users.

For these reasons, it is important for the service description to reflect the fact that Telstra’s transmission infrastructure is the primary reason the DTCS is declared.

# **3. The Draft Declaration’s exemption methodology**

## **3.1 The ACCC’s revised exemption methodology is an improvement**

Many submissions to the ACCC’s DTCS Discussion Paper outlined that the current declaration exemption regime did not accurately determine the level of competition for a particular DTCS route and this was a key area in need of improvement. VHA welcomes the ACCC’s acknowledgment that an assessment of competition must focus on the existence of real and effective competition, rather than the potential for competition to exist in the future. The ACCC’s proposed revised methodology recognises that the mere existence of fibre infrastructure does not, of itself, indicate that the DTCS is available or that a particular route is competitive. Rather, an assessment of the quality of the competitor, including whether or not it actually poses a competitive constraint on Telstra, needs to be taken into account when determining whether a particular route should be declared or exempt from declaration.

## **3.2 Suggested areas of refinement**

VHA considers the proposed methodology represents a positive step toward identifying the level of competition in a market and will assist in ensuring the regulation is applied in a manner consistent with the LTIE. However, the ACCC’s proposed competition test remains problematic for a number of reasons. This section includes recommendations to improve the ACCC’s proposed approach.



### 3.2.1 Access to Telstra's exchange

VHA supports step 2 of the proposed competition methodology, which requires the ACCC to consider whether fibre providers are located at very close proximity to Telstra's exchange. However, proximity to the Telstra exchange is not enough for those fibre providers to effectively compete with Telstra in that market. As the ACCC has recognised, "entry into a transmission market is related to the ability of a carrier or CSP to connect with the Telstra customer access network (CAN) via a Telstra exchange".<sup>4</sup> In order to effectively compete with Telstra in a DTCS market, fibre providers must not only be located near to the Telstra exchange, but have the ability to connect to Telstra's exchange, for example, through purchasing the Telstra Equipment Building Access (TEBA) service. The ACCC should expand step 2 of the methodology so that it requires consideration of whether access providers have the ability to connect to Telstra's exchange, not just whether they are present nearby.

In light of this, the ACCC should reconsider the proposed exemption of a number of ESAs. VHA is concerned that fibre providers may not currently have access to Telstra exchanges in a number of ESAs which the ACCC is currently proposing to exempt from regulation. As at 23 April 2013, Telstra did not offer the TEBA service in over 100 exchanges which the ACCC has indicated should be deregulated.<sup>5</sup> Appendix C sets out a list of these ESAs. The ACCC must investigate whether fibre providers currently have access to the Telstra exchange in those ESAs and, if they do not, either require Telstra to offer the TEBA service (or another means for connection) to those exchanges, or remove those ESAs from the list of deregulated ESAs in the service description.

### 3.2.2 Use of Telstra's 'zone' categorisations as an indication of competition

VHA appreciates that the consideration of Telstra's zone classification in step 6 of the proposed methodology is designed to act as an additional check to avoid exemption of routes which may appear competitive. However, the ACCC should be aware of the potential ramifications of that approach.

Firstly, referencing Telstra's ESA classifications is unlikely to lead to long-term certainty for access seekers as to the scope of the declaration. This is due to:

[c-i-c]

If the ACCC will have regard to Telstra's zone classifications in its assessment of competition at an ESA, it must also be aware that this may create an incentive for Telstra to temporarily classify zones in a certain way to avoid regulation in future declaration inquiries. This is of particular concern given Telstra's current practice of re-zoning ESAs from time to time.

VHA urges the ACCC to actively monitor zone classifications throughout the declaration period.

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<sup>4</sup> *An ACCC Draft Report on the review of the declaration for the Domestic Transmission Capacity Service*, Public Version, December 2013, page 17.

<sup>5</sup> Based on the list of established TEBA sites published by Telstra at <http://www.telstrawholesale.com.au/products/facilities/teba/index.htm>.



### 3.2.3 The need to assess the product offerings that are available in an area

The proposed competition assessment methodology does not take account of the possibility that access providers may each offer different products at an ESA. Where different products are provided at a single exchange by different access providers, technical considerations favouring one product over another may limit the alternatives available to an access seeker. A true assessment of competition must take into account the various products available in an ESA, and the extent of competition for the supply of each product separately. VHA recommends the ACCC address this concern by incorporating product considerations into the final step of its competition assessment (see section 3.3).

### 3.2.4 Other relevant considerations that warrant removal of an ESA from regulation

The final limb of the revised competition test (step 7) affords the ACCC flexibility in determining whether or not to exempt an ESA from regulation. If the ACCC intends to include such a broad limb in its competition test, the limb should be expressed as a requirement to have regard to both considerations which warrant declaration of the ESA and considerations which warrant exemption.

### 3.2.1 Independence of fibre providers

To take into account TPG's acquisition of AAPT, the ACCC should consider AAPT the same fibre provider as TPG in considering whether there are at least three independent fibre transmission providers at an ESA (in step 1 of the competition assessment).

## 3.3 Recommendations in regard to the exemption regime

In summary, VHA recommends that the ACCC:

- **expands step 2 of the methodology so that it includes consideration of whether access providers have the ability to connect to Telstra's exchange (step 2);**
- **investigates whether fibre providers currently have access to connect to the Telstra exchange in the ESAs that the ACCC is proposing to exempt from regulation. If they do not have the ability to connect to the exchange, the ACCC should either require Telstra to offer the TEBA service (or another means for connection) to those exchanges, or maintain declaration of those ESAs (step 2);**
- **actively monitors Telstra's zone classifications throughout the declaration period (step 6);**
- **collects and uses information on the suite of transmission products offered by access providers on routes it believes may be subject to effective competition. The ACCC should include that information as a relevant consideration to be taken into account in the final limb of the competition assessment methodology (step 7);**





- amends the “other relevant considerations” limb of the proposed competition test, so that it reads “Are there any other relevant considerations that warrant regulation of this ESA or removal of this ESA from regulation” (step 7); and
- not treat AAPT and TPG as independent fibre transmission providers when applying its revised methodology (step 1).

## 4. DTCS service description

### 4.1 The need for improvements to the current service description

As outlined in a number of submissions (and the recent ACCC/industry roundtable) several access seekers have expressed concern around the ambiguity of the existing DTCS service description. Ambiguity imposes an intangible and inefficient cost on the acquisition of the declared DTCS which ultimately leads to a less than efficient use of the essential bottleneck infrastructure. Of more concern is the potential for access providers to take advantage of the uncertainty to avoid the intended application of the regulatory framework, both in particular instances and more generally.

In order for declaration to promote the LTIE and operate in a transparent and predictable manner, it is critical that access providers and access seekers alike are confident in how a regime is to be applied. Further, it is essential that all elements of Telstra’s infrastructure to which competitors require access are provided in order to promote the LTIE through competition. As a result, VHA considers that the ACCC should take this opportunity to amend the service description. This is outlined in more detail in sections 4.2 to 9 below and VHA’s proposed revised service description is set out in Appendix A (in mark-up) and Appendix B (clean version). VHA’s proposed changes are intended to preserve technology neutrality while clarifying the product and geographic scope of the services covered.

### 4.2 Structure

The legal drafting and general structure of the current and proposed service description has caused uncertainty on the part of both access providers and access seekers. For instance, a number of defined terms (including metropolitan, regional and inter-capital routes) are only used in headings, and it is unclear how those headings affect the interpretation of the service description. Further, some of the defined terms (such as exchange) are not referred to in the service description at all. VHA has proposed amendments to address each of these concerns.

### 4.3 Products and technology neutrality

The proposed service description is structured so as to reflect the various geographic markets for the DTCS, rather than the various product markets. Given that much of access seekers’ uncertainty in relation to the current service description relates to the products to which it applies, the ACCC should ensure the revised service description clearly applies to the various products forming part of the DTCS, including managed leased lines and Wavelength-division Multiplexing (**WDM**) services.



VHA acknowledges and supports the ACCC's stated objective of creating a technology neutral service description. However, VHA considers that the current definition of network interfaces is not sufficiently technology neutral as it refers to specific protocols. In order to promote clarity and greater technological neutrality, VHA proposes that the service description be amended to remove references to network interfaces.

#### 4.4 Approach to exemptions

VHA supports the ACCC's move away from the use of exchange-based terminology in the service description. However, to account for the removal of that terminology, further amendments are required to the service description to ensure it accurately captures the intended extent of the exemptions. The ACCC's proposed drafting of the exemptions, as applying to routes between *any* transmission points in deregulated ESAs, creates ambiguity as to whether they are intended to exempt only inter-exchange links or also tails attached to those links. The drafting of the service description should make it clear only inter-exchange links are exempt, while avoiding exchange-based terminology. VHA's drafting suggestions are set out in Appendix A.

Reverting to exemptions that are specific site-based, rather than drafted more broadly, will also more closely reflect the ACCC's competition assessment. The ACCC's proposed competition assessment methodology hinges upon the presence of providers not just in an ESA, but also in very close proximity to the Telstra exchange within that ESA. This important characteristic of deregulated routes should be reflected in the drafting of the exemptions in the service description. VHA's proposed amendments to the service description exempt routes by reference to individual transmission points, the ESA in which the transmission point is located, and the transmission point's proximity to the Telstra exchange.

#### 4.5 Special linkage charges (SLCs)

VHA welcomes the ACCC's acknowledgment of the lack of transparency and process issues inherent in Telstra's current practice of levying SLCs. The supply of the DTCS and SLCs are inseparable in practice and SLCs are a common feature of VHA's commercial arrangements for supply of the DTCS. The issues caused by current SLC levies must therefore be addressed in order for DTCS regulation to effectively regulate the service from end to end. VHA does not think this means that the ACCC should introduce a prescriptive set of pricing for SLCs, but does believe the ACCC should establish the (cost-based) principles of charging for the service and outline the ACCC's expectations about transparency and consistency. While VHA understands that addressing this issue is best left to the FAD, it is important that the DTCS service description is written so as to allow the ACCC to regulate the levying of SLCs in a manner which best promotes the LTIE. For this reason, VHA recommends that ancillary linkage services the subject of SLCs be expressly included in the service description.

Significant variation exists in the amount of SLCs levied by Telstra. [c-i-c]. The ACCC indicates that Telstra claims its SLCs reflect the costs of building a link to an access seeker's site,<sup>6</sup> however SLCs are quoted without any transparency as to what those costs are and access seekers have no ability to verify this claim. Access seekers have no visibility of the extent to which the relevant infrastructure may be utilised by other access seekers, or by

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<sup>6</sup> *An ACCC Draft Report on the review of the declaration for the Domestic Transmission Capacity Service*, Public Version, December 2013, page 48



the access provider itself. In short, access seekers cannot determine whether the cost proposed by the access provider to augment its network has been efficiently determined.

The lack of transparency creates uncertainty for access seekers in their planning processes, by preventing them from meaningfully estimating likely SLCs at sites. [c-i-c], from an economy-wide perspective, increases the risk of inefficient investments occurring.

Arduous SLCs are not just a barrier to new infrastructure builds; they can also act as a disincentive for access seekers to upgrade a service to a more efficient technology, which in turn can lead to network congestion, adversely affecting customer experience to the detriment of competition in downstream markets. [c-i-c]

VHA's investment decisions have had the effect of creating a bottleneck at those sites. VHA's continued use of TDM technology also allows Telstra to continue to recover fees for a legacy service, which may already be fully depreciated. This potential for over-recovery of costs for legacy technologies must be considered in the ACCC's contemplation of a new access determination for the DTCS.

Without effective transparency of SLCs, there is also a risk those SLCs do not reflect Telstra's cost of providing the linking service. As no transparency is required, the current framework may create an incentive for access providers to "gold plate" SLCs.

Access providers should not be compelled by regulation to build new infrastructure to supplement their existing networks and VHA is not suggesting that this be the case. However, where an access provider elects to do so:

- it should be required to provide transparency around the calculation of SLCs, with clear quotes and specifics; and
- access seekers should be assured those SLCs are reflective of efficiently incurred costs (e.g. on a time and materials basis).

VHA recognises that the appropriate place for the ACCC to set non-price terms for SLCs is in the upcoming FAD, but recommends the ACCC amend the proposed service description so it is not prevented from addressing these issues in the FAD itself.

#### 4.6 Interconnect links

VHA also considers that interconnect links should be expressly acknowledged as a type of DTCS in the service description. [c-i-c]. This demonstrates the failure of the current regulation to promote efficient use of and investment in infrastructure by providing incentives for access providers to upgrade to the most efficient technology on critical transmission links. This has the potential to detrimentally impact consumers in downstream markets. [c-i-c]

Given that interconnect links are used more or less symmetrically by access seekers and access providers alike, a unique pricing framework may be required for interconnect links as distinct from other DTCS. Identifying



interconnect links as a separate category of DTCS in the service description would permit the ACCC to ensure appropriate incentives are set for these critical interconnect links as part of the FAD.

#### 4.7 Deregulated capital cities

The proposed service description is unclear in the scope of the exemption of inter-capital routes. As currently drafted, the inter-capital route exemption refers to specific exempt capital cities and to Table 3 for the boundaries of those capital cities. However, Table 3 contains the boundaries of *all* capital cities, not just those which are intended to be exempt. To improve clarity and certainty, VHA proposes the service description be amended to:

- include a revised definition of inter-capital routes to clarify that routes between *all* capital city boundaries (including Hobart and Darwin) are considered inter-capital routes;
- provide that, unless specifically exempted, all inter-capital routes are declared;
- insert a definition of 'deregulated capital city'; and
- exempt routes between deregulated capital city boundaries.

#### 4.8 Table 1: Golden Grove

[c-i-c]. As such, it appears that the ACCC has made an error in the application of the proposed methodology and has incorrectly exempted the Golden Grove ESA. VHA requests that it amend Table 1 of the DTCS service description to remove Golden Grove as a deregulated ESA.

#### 4.9 Table 4: Established sites

VHA's proposed amendments to the service description include the incorporation of a Table 4 listing the Telstra established sites in each of the ESAs which the ACCC considers should be exempt from regulation. The version of that table in Appendix A is based on the list of established sites Telstra makes publically available<sup>7</sup> and, as discussed in section 3.2.1 above, does not include sites in some of the ESAs the ACCC proposes should be deregulated. Table 4 may need to be updated following the ACCC's investigation of whether fibre providers have access to Telstra exchanges at each of those exchanges (see section 3.2.1).

#### 4.10 Recommendations

**VHA recommends the ACCC amend its proposed DTCS service description as shown in mark-up in Appendix A.**

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<sup>7</sup> at <http://www.telstrawholesale.com.au/products/facilities/teba/index.htm>



## 5 Importance of the FAD

VHA acknowledges that pricing of the DTCS will be addressed in the upcoming FAD inquiry. However, it is important that the ACCC now commits to a more holistic, rigorous and disciplined approach to regulation of the DTCS. In VHA's view, this involves ensuring that the final declaration decision explicitly foreshadows the ACCC's approach to the FAD inquiry, including the necessary changes to ensure a move to cost-based pricing outcomes.

The ACCC's current approach to pricing of the DTCS using its particular incantation of a domestic benchmark regression model is currently a very poor proxy for cost-based pricing and has resulted in regulated prices significantly greater than the commercial rates for certain DTCS routes. This is clearly inconsistent with the promotion of the LTIE. Without significant reforms to the pricing of the DTCS, including moving to a cost-based pricing approach, any benefits the ACCC's improved approach to assessing whether or not a route should be declared will be negated.

## 6 Length of the DTCS declaration

VHA supports the ACCC's preliminary decision to maintain the DTCS declaration for a further five years, and to apply a transitional period of 9 months to the newly deregulated and re-declared routes. VHA also welcomes the ACCC closely monitoring the level of competition on individual routes, and the impact of the NBN rollout on DTCS markets. VHA agrees that the ACCC should commence an inquiry to amend or vary the DTCS declaration as the need arises.

## 7 Conclusion

VHA welcomes the ACCC's proposal that a more robust methodology be used to assess competition in DTCS markets. While the proposed methodology has some weaknesses, VHA considers that, if its recommendations set out in section 3 are adopted, the methodology will lead to improvements in application the regulatory framework.

In order to ensure the effectiveness of regulation, the ACCC must reconsider its proposed service description. The current DTCS review presents an opportunity to move to more technology neutral language, and remove ambiguity which has caused uncertainty for access seekers. The ACCC should propose a new service description, consistent with the version set out in Appendix B.

While VHA welcomes the use by the ACCC of a more robust competition assessment, it is the price set by the ACCC for the DTCS which has most undermined the effectiveness of the regulation to date. While declaration of a route is a critical part of the regulatory framework, declaration is not effective without appropriate pricing principles. Competition will only be encouraged in downstream markets where the DTCS price is reflective of the access provider's costs in providing the service. VHA looks forward to the ACCC setting genuine cost-based prices in the upcoming FAD.

## Appendix A – Revised service description

The domestic transmission capacity service ~~is a service~~ comprises the full range of symmetric services for the carriage of ~~certain~~ communications from one transmission point to another transmission point ~~via symmetric network interfaces~~ at a transmission rate of 2.048 Megabits per second or above on a permanent uncontended basis by means of guided and/or unguided electromagnetic energy (transmission services), including services provided over:

- (a) inter-capital routes;
- (b) metropolitan routes;
- (c) regional routes;
- (d) ancillary linkage services; and
- (e) interconnect links,

other than: , except communications between :-

- ~~(a)(f)~~ transmission services between one customer transmission point ~~directly to and~~ another customer transmission point via a direct route.

- ~~(b) — one access seeker network location directly to another access seeker network location~~

~~(c) —~~

- ~~(d) Inter-capital routes~~

~~(e) —~~

- ~~(f)(g)~~ a transmission point from one capital city boundary to a transmission point in another capital city boundary. Capital cities include: Adelaide, Brisbane, Canberra, Melbourne, Perth or Sydney. in the case of inter-capital routes, transmission services between a deregulated access provider site within a deregulated capital city boundary and a deregulated access provider site within another deregulated capital city boundary.

Refer to ~~Table 1 for the exchange service areas (ESAs) which are deregulated in each capital city and~~ Table 3 for the boundaries of each capital city.

- ~~(g) Regional routes~~

~~(h) —~~

- ~~(i)(h)~~ a transmission point in a deregulated regional ESA to a deregulated in the case of regional routes, transmission services between a deregulated access provider site within a listed regional ESA and a deregulated access provider site within a listed ESA in Sydney, Melbourne, Brisbane or Adelaide.

Refer to Table 1 for the ESAs which are ~~deregulated~~inlisted for Sydney, Melbourne, Brisbane or Adelaide.

Refer to Table 2 for the ~~list of deregulated~~listed regional ESAs.

- ~~(j) — Metropolitan route~~transmission points:
- ~~(k) —~~
- ~~(l) — (1) — in any of the deregulated metropolitan ESAs in Sydney~~
- ~~(m) —~~
- ~~(n) — (2) — in any of the deregulated metropolitan ESAs in Brisbane~~
- ~~(o) —~~
- ~~(p) — (3) — in any of the deregulated metropolitan ESAs in Melbourne~~
- ~~(q) —~~
- ~~(r) — (4) — in any of the deregulated metropolitan ESAs in Perth~~
- ~~(s) —~~
- ~~(t) — (5) — in any of the deregulated metropolitan ESAs in Adelaide~~
- ~~(u) —~~
- ~~(v) — (6) — in any of the deregulated metropolitan ESAs in Canberra~~
- (i) — in the case of metropolitan routes, transmission services between a deregulated access provider site within an ESA that is listed in a capital city and a deregulated access provider site within a different ESA that is listed in that same capital city.

Refer to Table 1 for the ESAs which are ~~deregulated~~listed in each capital city.

### Definitions

Where words or phrases used in this Annexure are defined in the *Competition and Consumer Act 2010* or the *Telecommunications Act 1997*, they have the meaning given in those Acts

**ancillary linkage services** mean any additional cabling required to connect an access provider's network to a transmission point

~~an access seeker network location is a point in a network operated by a service provider that is not a point of interconnection or a customer transmission point~~

a **customer transmission point** is a point at which an access ~~provider~~seeker currently delivers a service to its own customers (either wholesale or retail) including the premises of the access seeker's customer or an access seeker's mobile base station

the **DTCS Route Category Workbook** forms part of the ACCC's 2012 Final Access Determination for the DTCS and is published at [www.accc.gov.au](http://www.accc.gov.au)

~~**inter-capital route** means a route from an ESA within the boundary of the capital city to an ESA within the boundary of another capital city. Capital city boundaries are listed in Table 3. An inter-capital route may include a tail end where it is purchased as part of a bundle with the inter-capital route~~

~~network interfaces include Ethernet, Plesiochronous Digital Hierarchy (PDH) and Synchronous Digital Hierarchy (SDH) network interfaces used to provide a transmission rate of 2.048 Megabits per second or above which an access provider provides to itself or others~~

~~exchange means a telecommunications exchange and includes the land, buildings and facilities (within the meaning of section 7 of the *Telecommunications Act 1997 (Cth)*) that comprise or form part of the exchange~~

**deregulated access provider site means:**

- (a) an established site; or
- (b) a point in a network operated by an access provider from which it is capable of providing transmission services to access seekers which is located no more than 50 metres from an established site.

Established sites are listed in Table 4

**deregulated capital city** means Adelaide, Brisbane, Canberra, Melbourne, Perth or Sydney

**exchange service servicing area** or **ESA** has the meaning given to that phrase by the ~~Communications Alliance Ltd Australian Communications Industry Forum Limited~~ definition in ACIF C559:~~2006~~2012, *Part 1 ULLS Performance Requirements*s Industry Code

**inter-capital route** means a transmission service from a transmission point within one capital city boundary to a transmission point within another capital city boundary. Capital city boundaries are listed in Table 3

**interconnect link** means a transmission service, where one transmission point is a point of interconnect, which is used for the purpose of the handover of voice calls between a network operated by a carrier or a carriage service provider and another network operated by a carrier or a carriage service provider

**metropolitan route** means a ~~route~~transmission service where both the beginning and end of the route are within the same capital city boundary. Capital city boundaries are listed in Table 3. ~~A metropolitan route may include a tail end where it is purchased as part of a bundle with the metropolitan route~~

a **point of interconnection** is a physical point of interconnection in Australia between a network operated by a carrier or a carriage service provider and another network operated by a carrier or a carriage service provider

**regional route** means a ~~route~~transmission service where either or both of the beginning and end of the route are outside a capital city boundary. Capital city boundaries are listed



in Table 3. ~~A regional route may include a tail end where it is purchased as part of a bundle with the regional route~~

~~**tail-end** means a route wholly within a single ESA. A regional tail-end route is a route wholly within a single ESA outside the boundary of a capital city. A metropolitan tail-end route is a route wholly within a single ESA within the boundary of a capital city. A tail-end service is only purchased as a stand-alone product~~

a **transmission point** is any of the following:

- (a) a point of interconnection;
- (a) a customer transmission point; or
- (b) any other point in a network operated by an access seeker ~~network location~~

**uncontended** means dedicated and not shared

Table 1: ~~Deregulated-Listed~~ ESAs in each capital city

<b><del>Deregulated</del> Metropolitan Areas</b>	<b>ESA names</b>
Sydney	Ashfield, Balgowlah, Balmain, Bankstown, Baulkham Hills, Blacktown, Bondi, Botany, Burwood, Campbelltown, Campsie, Carlingford, Carramar, Castle Hill, Chatswood, City South, Coogee, Concord, Cremorne, Cronulla, Dalley, Dee Why, Drummoyne, East, Eastwood, Edensor Park, Edgecliff, Engadine, Epping, Erskine Park, Frenchs Forest, Glebe, Granville, Guildford, Harbord, Haymarket, Homebush, Hornsby, Hunters Hill, Hurstville, Ingleburn, Kensington, Kent, Killara, Kingsgrove, Kogarah, Lakemba, Lane Cove, Lidcombe, Liverpool, Manly, Maroubra, Mascot, Miller, Minto, Miranda, Mosman, Newtown, North Parramatta, Penrith, North Ryde, North Sydney, Parramatta, Peakhurst, Pendle Hill, Pennant Hills, Petersham, Pitt, Pymble, Randwick, Redfern, Revesby, Rockdale, Rose Bay, Rydalmere, Ryde, Seven Hills, Silverwater, Sutherland, St Leonards, St Marys, Undercliffe, Wahroonga, Waverley, Wetherill Park, Willoughby
Brisbane	Acacia Ridge, Albion, Alexandra Hills, Bulimba, Browns Plains, Charlotte, Chermside, Chapel Hill, Capalaba, Coorparoo, Edison, Eight Mile Plains, Everton Park, Goodna, Inala, Lutwyche, Mitchelton, Mount Gravatt, Nunda, New Farm, Paddington, Petrie, Salisbury, Slacks Creek, South Brisbane, Spring Hill, Sunnybank, Tingalpa, Toowong, Valley, Woolloongabba, Wynnum, Yeronga, Zillmere
Melbourne	Ascot, Batman, Berwick, Blackburn, Brooklyn, Brunswick, Bundoora, Burwood, Camberwell, Canterbury, Carlton, Caulfield, Cheltenham, Coburg, Collingwood, Croydon, Dandenong, Deepdene, East Kew, Elsternwick, Epping, Exhibition, Flemington, Footscray, Glen Iris, Hawthorn, Heidelberg, Highett, Kooyong, Lonsdale, Malvern, Mitcham, Moreland, North Balwyn, Northcote, North Essendon, North Melbourne, Oakleigh, Port Melbourne, Preston, Richmond, Ringwood, South Melbourne, St Kilda, Sunshine, South Yarra, Tally Ho, Thomastown, Thornbury, Toorak, Tullamarine, Wheelers Hill, Windsor, Wantirna
Perth	Bateman, Bulwer, Cannington, Cottesloe, Doubleview, Hilton, Maylands, Pier, South Perth, Subiaco, Victoria Park, Wellington
Adelaide	Brighton, Croydon, Gepps Cross, Flinders, <del>Golden Grove</del> , Norwood, Salisbury, Stirling, St Peters, Unley, Waymouth, West Adelaide, St Marys
Canberra	Civic

Table 2: ~~Deregulated-Listed~~ Regional ESAs

<b><del>Deregulated</del> Regional Areas</b>	<b>ESA Names</b>
New South Wales	Albury, Lavington Bathurst Lismore Mayfield, Hamilton, Wolfe, New Lambton, Charlestown Grafton Wollongong, Unanderra, Corrimal, Dapto Taree Dubbo Gosford Coffs Harbour Goulburn Orange Wagga Wagga
Victoria	Ballarat Bendigo Geelong, North Geelong Shepparton
Queensland	Ipswich Toowoomba, Southport, Nerang, Merrimac, Arundel, Bundall, Surfer's Paradise, Robina, Mudgeeraba, Oxenford Rothwell, Narangba Beenleigh, Loganholme Caloundra, Mooloolaba, Maroochydore Townsville
South Australia	Murray Bridge Port Augusta Smithfield

Table 3: Capital City Boundaries (as defined in the DTCS Route Category workbook)

Adelaide	a 25 km radius from the Waymouth ESA
Brisbane	a 25 km radius from the Edison ESA
Canberra	a 15 km radius from a CBD ESA
Darwin	a 10 km radius from the Nightcliff ESA
Hobart	a 6 km radius from a CBD ESA
Melbourne	a 45 km radius from the Kooyong ESA
Perth	a 30 km radius from the Wellington ESA
Sydney	a 50 km radius from the City South ESA

-Table 4: Established sites

<u>State</u>	<u>ESA name</u>	<u>Address</u>
<u>New South Wales</u>	<u>Albury</u>	<u>475 Kiewa St Albury 2640</u>
	<u>Ashfield</u>	<u>Lot 1 Foxs Lane Ashfield 2131</u>
	<u>Balgowlah</u>	<u>394 Sydney Rd Balgowlah 2093</u>
	<u>Bankstown</u>	<u>18 Kitchener Pde Bankstown 2200</u>
	<u>Blacktown</u>	<u>17 Flushcombe Rd Blacktown 2148</u>
	<u>Burwood</u>	<u>30-32 Railway Pde Burwood 2134</u>
	<u>Campsie</u>	<u>395 Canterbury Rd Campsie 2194</u>
	<u>Cardiff</u>	<u>19 Queen Ave Cardiff 2285</u>
	<u>Carramar</u>	<u>6-12 The Horsley Dr Carramar 2163</u>
	<u>Castle Hill</u>	<u>4 Castle Pl Castle Hill 2154</u>
	<u>Charlestown</u>	<u>89 Pacific Hwy Charlestown 2290</u>
	<u>Chatswood</u>	<u>1A Thomas St Chatswood 2067</u>
	<u>City South</u>	<u>219-227 Castlereagh St Sydney 2000</u>
	<u>Coffs Harbour</u>	<u>3 Moonee St Coffs Harbour 2450</u>
	<u>Coogee</u>	<u>53 Dolphin St Coogee 2034</u>
	<u>Corrimal</u>	<u>176 Princes Hwy Corrimal 2518</u>
	<u>Cremorne</u>	<u>219 Military Rd Cremorne 2090</u>
	<u>Dalley</u>	<u>4 Dalley St Sydney 2000</u>
	<u>Dapto</u>	<u>Marshall St Dapto 2530</u>
	<u>Dubbo</u>	<u>100 Macquarie St Dubbo 2830</u>
	<u>East</u>	<u>320-326 Liverpool St Darlinghurst 2010</u>
	<u>Eastwood</u>	<u>103-105 Chatham Rd Eastwood 2122</u>
	<u>Edgecliff</u>	<u>295-299 New South Head Rd Edgecliff 2027</u>

<u>State</u>	<u>ESA name</u>	<u>Address</u>
	<u>Epping</u>	<u>5-7 Oxford St Epping 2121</u>
	<u>Glebe</u>	<u>120-126 St Johns Rd Glebe 2037</u>
	<u>Goonellabah</u>	<u>16 Ballina Rd Goonellabah 2480</u>
	<u>Gosford</u>	<u>21-23 Mann St Gosford 2250</u>
	<u>Goulburn</u>	<u>163-169 Auburn St Goulburn 2580</u>
	<u>Grafton</u>	<u>King St Grafton 2460</u>
	<u>Granville</u>	<u>Maud St Granville 2142</u>
	<u>Hamilton</u>	<u>104-116 Lawson St Hamilton 2303</u>
	<u>Harbord</u>	<u>19 Oliver St Harbord 2096</u>
	<u>Haymarket</u>	<u>15-33 Parker St Haymarket 2000</u>
	<u>Homebush</u>	<u>68 Beresford Rd Homebush 2140</u>
	<u>Hornsby</u>	<u>290 Pacific Hwy,Hornsby NSW 2077</u>
	<u>Hurstville</u>	<u>39 Bridge St Hurstville 2220</u>
	<u>Kensington</u>	<u>115 Todman Ave Kensington 2033</u>
	<u>Kent</u>	<u>242-246 Kent St Sydney 2000</u>
	<u>Kingsgrove</u>	<u>107-111 Wolli St Kingsgrove 2208</u>
	<u>Kogarah</u>	<u>Lot 2 Belgrave St Kogarah 2217</u>
	<u>Lakemba</u>	<u>20 Croydon St Lakemba 2195</u>
	<u>Lane Cove</u>	<u>3 Rosenthal Ave Lane Cove 2066</u>
	<u>Lavington</u>	<u>Urana-Wagga Wagga Rd Lavington 2641</u>
	<u>Lidcombe</u>	<u>1 Taylor St Lidcombe 2141</u>
	<u>Lismore</u>	<u>176 Molesworth St Lismore 2480</u>
	<u>Liverpool</u>	<u>48-52 Terminus St Liverpool 2170</u>
	<u>Mascot</u>	<u>904-922 Botany Rd Mascot 2020</u>

<u>State</u>	<u>ESA name</u>	<u>Address</u>
	<u>Mayfield</u>	<u>314 Maitland Rd Mayfield 2304</u>
	<u>Mosman</u>	<u>Rear846 Military Rd Mosman 2088</u>
	<u>New Lambton</u>	<u>77 Victoria St New Lambton 2305</u>
	<u>Newtown</u>	<u>295 King St Newtown 2042</u>
	<u>North Parramatta</u>	<u>83-85 Sorrell St North Parramatta 2150</u>
	<u>North Ryde</u>	<u>165 Lane Cove Rd North Ryde 2113</u>
	<u>North Sydney</u>	<u>1 Wheeler Lane North Sydney 2060</u>
	<u>Parramatta</u>	<u>91-93 Marsden St Parramatta 2150</u>
	<u>Pendle Hill</u>	<u>209 Dunmore St Pendle Hill 2145</u>
	<u>Pennant Hills</u>	<u>383-385 Pennant Hills Rd Pennant Hills 2120</u>
	<u>Petersham</u>	<u>91 Audley St Petersham 2049</u>
	<u>Pitt</u>	<u>76-78 Pitt St Sydney 2000</u>
	<u>Randwick</u>	<u>206 Alison Rd Randwick 2031</u>
	<u>Redfern</u>	<u>101 George St Redfern 2016</u>
	<u>Revesby</u>	<u>2 Doyle Rd Revesby 2212</u>
	<u>Rockdale</u>	<u>393-405 Princes Hwy Rockdale 2216</u>
	<u>Rydalmere</u>	<u>431 Victoria Rd Rydalmere 2116</u>
	<u>Ryde</u>	<u>116 Blaxland Rd Ryde 2112</u>
	<u>Seven Hills</u>	<u>31 Brahms St Seven Hills 2147</u>
	<u>Silverwater</u>	<u>98 Parramatta Rd Lidcombe 2141</u>
	<u>St Leonards</u>	<u>524 Pacific Hwy St Leonards 2065</u>
	<u>Taree</u>	<u>Butterworth Pl Taree 2430</u>
	<u>Unanderra</u>	<u>111 Princes Hwy Unanderra 2526</u>
	<u>Undercliffe</u>	<u>299 Livingston Rd Undercliffe 2206</u>

<u>State</u>	<u>ESA name</u>	<u>Address</u>
	<u>Wallsend</u>	<u>50-52 Cowper St Wallsend 2287</u>
	<u>Waverley</u>	<u>Bronte Rd Bondi Junction 2024</u>
	<u>Wolfe</u>	<u>20 Wolfe St Newcastle</u>
	<u>Wollongong</u>	<u>296-298 Crown St Wollongong 2500</u>
<u>Victoria</u>	<u>Ascot</u>	<u>313-315 Ascot Vale Rd Moonee Ponds 3039</u>
	<u>Ballarat</u>	<u>105-111 Doveton St Ballarat 3350</u>
	<u>Batman</u>	<u>380-382 Flinders Lane Melbourne 3000</u>
	<u>Bendigo</u>	<u>38 Short St Bendigo 3550</u>
	<u>Brunswick</u>	<u>1-5 Frith St Brunswick 3056</u>
	<u>Caulfield</u>	<u>62-78 Waverley Rd Caulfield East 3145</u>
	<u>Coburg</u>	<u>697 Sydney Rd Coburg 3058</u>
	<u>Elsternwick</u>	<u>19-21 Selwyn St Elsternwick 3185</u>
	<u>Exhibition St</u>	<u>300 Exhibition St Melbourne 3000</u>
	<u>Footscray</u>	<u>82 Napier St Footscray 3011</u>
	<u>Geelong</u>	<u>17-19 Little Ryrie St Geelong 3220</u>
	<u>Heidelberg</u>	<u>99-101 Cape St Heidelberg 3084</u>
	<u>Lonsdale St</u>	<u>447 Lonsdale St Melbourne 3000</u>
	<u>Malvern</u>	<u>8 Llaneast St Malvern 3144</u>
	<u>Maryborough</u>	<u>20 Campbell St Maryborough 3465</u>
	<u>Moreland</u>	<u>83-87 Sydney Rd Coburg 3058</u>
	<u>North Geelong</u>	<u>189 Melbourne Rd Geelong North 3215</u>
	<u>North Melbourne</u>	<u>168 Chetwynd St North Melbourne 3051</u>
	<u>Port Melbourne</u>	<u>175-183 Clark St Port Melbourne 3207</u>
	<u>Preston</u>	<u>300 Wood St Preston 3072</u>



<u>State</u>	<u>ESA name</u>	<u>Address</u>
	<u>Richmond</u>	<u>8 Waltham St Richmond 3121</u>
	<u>Shepparton</u>	<u>307/331 Wyndham St, Shepparton 3630</u>
	<u>South Melbourne</u>	<u>255-271 Bank St South Melbourne 3205</u>
	<u>St Kilda</u>	<u>62 Inkerman St St Kilda 3182</u>
	<u>Toorak</u>	<u>268 Williams Rd Toorak 3142</u>
	<u>Wodonga</u>	<u>Hume St Wodonga 3690</u>
<u>Queensland</u>	<u>Arundel</u>	<u>Napper Rd Labrador 4215</u>
	<u>Bundaberg</u>	<u>157A Bourbong St Bundaberg 4670</u>
	<u>Bundall</u>	<u>Holden Pl Bundall 4217</u>
	<u>Charlotte</u>	<u>20-26 Charlotte St Brisbane 4000</u>
	<u>Edison</u>	<u>280 Elizabeth St Brisbane 4000</u>
	<u>Frenchville</u>	<u>146 Kerrigan St North Rockhampton 4701</u>
	<u>Gulliver</u>	<u>22 Sargeant St Gulliver 4812</u>
	<u>Merrimac</u>	<u>199 Sunshine Blvd Mermaid Waters 4218</u>
	<u>Middle Ridge</u>	<u>321 Hume St Toowoomba 4350</u>
	<u>Mudgeeraba</u>	<u>5 Piallingo St Mudgeeraba 4213</u>
	<u>Nerang</u>	<u>31 Nerang-Broadbeach Rd Nerang 4211</u>
	<u>Paddington</u>	<u>291 Given Tce Paddington 4064</u>
	<u>Robina</u>	<u>205-207 Ron Penhaligon Way Robina 4226</u>
	<u>Rockhampton</u>	<u>12 Denham St Rockhampton 4700</u>
	<u>Southport</u>	<u>41 Nerang Rd Southport 4215</u>
	<u>Spring Hill</u>	<u>Boundary St Spring Hill 4004</u>
	<u>Surfers Paradise</u>	<u>27 Old Burleigh Rd Surfers Paradise 4217</u>
	<u>Toowong</u>	<u>101 Jephson St Toowong 4066</u>

<u>State</u>	<u>ESA name</u>	<u>Address</u>
	<u>Toowoomba</u>	<u>157 Hume St Toowoomba 4350</u>
	<u>Townsville</u>	<u>22 Sturt St Townsville 4810</u>
	<u>Valley</u>	<u>21 Ballow St Fortitude Valley 4006</u>
	<u>Woolloongabba</u>	<u>820 Main St Woolloongabba 4102</u>
<u>South Australia</u>	<u>Flinders</u>	<u>111-139 Flinders St Adelaide 5000</u>
	<u>Murray Bridge</u>	<u>Fourth St Murray Bridge 5253</u>
	<u>Port Augusta</u>	<u>5 Mckay St Port Augusta 5700</u>
	<u>Smithfield</u>	<u>Lot39 Queen St Smithfield 5114</u>
	<u>Waymouth</u>	<u>67 Waymouth St Adelaide 5000</u>
<u>Western Australia</u>	<u>Bulwer</u>	<u>199 Bulwer St Perth 6000</u>
	<u>Pier</u>	<u>98 Pier St Perth 6000</u>
	<u>South Perth</u>	<u>59 Angelo St South Perth 6151</u>
	<u>Subiaco</u>	<u>172 Rokeby Rd Subiaco 6008</u>
	<u>Wellington</u>	<u>639 Wellington St Perth 6000</u>

## Appendix B – VHA's proposed service description

The domestic transmission capacity service comprises the full range of symmetric services for the carriage of communications from one transmission point to another transmission point at a transmission rate of 2.048 Megabits per second or above on a permanent uncontended basis by means of guided and/or unguided electromagnetic energy (**transmission services**), including services provided over:

- (a) inter-capital routes;
- (b) metropolitan routes;
- (c) regional routes;
- (d) ancillary linkage services; and
- (e) interconnect links,

other than:

- (f) transmission services between one customer transmission point and another customer transmission point via a direct route.
- (g) in the case of inter-capital routes, transmission services between a deregulated access provider site within a deregulated capital city boundary and a deregulated access provider site within another deregulated capital city boundary.

Refer to Table 3 for the boundaries of each capital city.

- (h) in the case of regional routes, transmission services between a deregulated access provider site within a listed regional ESA and a deregulated access provider site within a listed ESA in Sydney, Melbourne, Brisbane or Adelaide.

Refer to Table 1 for the ESAs which are listed for Sydney, Melbourne, Brisbane or Adelaide.

Refer to Table 2 for the listed regional ESAs.

- (i) in the case of metropolitan routes, transmission services between a deregulated access provider site within an ESA that is listed in a capital city and a deregulated access provider site within a different ESA that is listed in that same capital city.

Refer to Table 1 for the ESAs which are listed in each capital city.

## Definitions

Where words or phrases used in this Annexure are defined in the *Competition and Consumer Act 2010* or the *Telecommunications Act 1997*, they have the meaning given in those Acts

**ancillary linkage services** mean any additional cabling required to connect an access provider's network to a transmission point

a **customer transmission point** is a point at which an access seeker currently delivers a service to its own customers (either wholesale or retail), including the premises of the access seeker's customer or an access seeker's mobile base station

the **DTCS Route Category Workbook** forms part of the ACCC's 2012 Final Access Determination for the DTCS and is published at [www.accc.gov.au](http://www.accc.gov.au)

**deregulated access provider site** means:

- (a) an established site; or
- (b) a point in a network operated by an access provider from which it is capable of providing transmission services to access seekers which is located no more than 50 metres from an established site.

Established sites are listed in Table 4

**deregulated capital city** means Adelaide, Brisbane, Canberra, Melbourne, Perth or Sydney

**exchange service area** or **ESA** has the meaning given to that phrase by the Communications Alliance Ltd definition in C559:2012, *Part 1ULLS Performance Requirements* Industry Code

**inter-capital route** means a transmission service from a transmission point within one capital city boundary to a transmission point within another capital city boundary. Capital city boundaries are listed in Table 3

**interconnect link** means a transmission service, where one transmission point is a point of interconnect, which is used for the purpose of the handover of voice calls between a network operated by a carrier or a carriage service provider and another network operated by a carrier or a carriage service provider

**metropolitan route** means a transmission service where both the beginning and end of the route are within the same capital city boundary. Capital city boundaries are listed in Table 3.

a **point of interconnection** is a physical point of interconnection in Australia between a network operated by a carrier or a carriage service provider and another network operated by a carrier or a carriage service provider

**regional route** means a transmission service where either or both of the beginning and end of the route are outside a capital city boundary. Capital city boundaries are listed in Table 3.

a **transmission point** is any of the following:

- (b) a point of interconnection;
- (c) a customer transmission point; or
- (d) any other point in a network operated by an access seeker

**uncontended** means dedicated and not shared

Table 1: Listed ESAs in each capital city

<b>Metropolitan Areas</b>	<b>ESA names</b>
Sydney	Ashfield, Balgowlah, Balmain, Bankstown, Baulkham Hills, Blacktown, Bondi, Botany, Burwood, Campbelltown, Campsie, Carlingford, Carramar, Castle Hill, Chatswood, City South, Coogee, Concord, Cremorne, Cronulla, Dalley, Dee Why, Drummoyne, East, Eastwood, Edensor Park, Edgecliff, Engadine, Epping, Erskine Park, Frenchs Forest, Glebe, Granville, Guildford, Harbord, Haymarket, Homebush, Hornsby, Hunters Hill, Hurstville, Ingleburn, Kensington, Kent, Killara, Kingsgrove, Kogarah, Lakemba, Lane Cove, Lidcombe, Liverpool, Manly, Maroubra, Mascot, Miller, Minto, Miranda, Mosman, Newtown, North Parramatta, Penrith, North Ryde, North Sydney, Parramatta, Peakhurst, Pendle Hill, Pennant Hills, Petersham, Pitt, Pymble, Randwick, Redfern, Revesby, Rockdale, Rose Bay, Rydalmere, Ryde, Seven Hills, Silverwater, Sutherland, St Leonards, St Marys, Undercliffe, Wahroonga, Waverley, Wetherill Park, Willoughby
Brisbane	Acacia Ridge, Albion, Alexandra Hills, Bulimba, Browns Plains, Charlotte, Chermside, Chapel Hill, Capalaba, Coorparoo, Edison, Eight Mile Plains, Everton Park, Goodna, Inala, Lutwyche, Mitchelton, Mount Gravatt, Nunda, New Farm, Paddington, Petrie, Salisbury, Slacks Creek, South Brisbane, Spring Hill, Sunnybank, Tingalpa, Toowong, Valley, Woolloongabba, Wynnum, Yeronga, Zillmere
Melbourne	Ascot, Batman, Berwick, Blackburn, Brooklyn, Brunswick, Bundoora, Burwood, Camberwell, Canterbury, Carlton, Caulfield, Cheltenham, Coburg, Collingwood, Croydon, Dandenong, Deepdene, East Kew, Elsternwick, Epping, Exhibition, Flemington, Footscray, Glen Iris, Hawthorn, Heidelberg, Highett, Kooyong, Lonsdale, Malvern, Mitcham, Moreland, North Balwyn, Northcote, North Essendon, North Melbourne, Oakleigh, Port Melbourne, Preston, Richmond, Ringwood, South Melbourne, St Kilda, Sunshine, South Yarra, Tally Ho, Thomastown, Thornbury, Toorak, Tullamarine, Wheelers Hill, Windsor, Wantirna
Perth	Bateman, Bulwer, Cannington, Cottesloe, Doubleview, Hilton, Maylands, Pier, South Perth, Subiaco, Victoria Park, Wellington
Adelaide	Brighton, Croydon, Gepps Cross, Flinders, Norwood, Salisbury, Stirling, St Peters, Unley, Waymouth, West Adelaide, St Marys
Canberra	Civic

Table 2: Listed Regional ESAs

<b>Regional Areas</b>	<b>ESA Names</b>
New South Wales	Albury, Lavington Bathurst Lismore Mayfield, Hamilton, Wolfe, New Lambton, Charlestown Grafton Wollongong, Unanderra, Corrimal, Dapto Taree Dubbo Gosford Coffs Harbour Goulburn Orange Wagga Wagga
Victoria	Ballarat Bendigo Geelong, North Geelong Shepparton
Queensland	Ipswich Toowoomba, Southport, Nerang, Merrimac, Arundel, Bundall, Surfer's Paradise, Robina, Mudgeeraba, Oxenford Rothwell, Narangba Beenleigh, Loganholme Caloundra, Mooloolaba, Maroochydore Townsville
South Australia	Murray Bridge Port Augusta Smithfield

Table 3: Capital City Boundaries (as defined in the DTCS Route Category workbook)

Adelaide	a 25 km radius from the Waymouth ESA
Brisbane	a 25 km radius from the Edison ESA
Canberra	a 15 km radius from a CBD ESA
Darwin	a 10 km radius from the Nightcliff ESA
Hobart	a 6 km radius from a CBD ESA
Melbourne	a 45 km radius from the Kooyong ESA
Perth	a 30 km radius from the Wellington ESA
Sydney	a 50 km radius from the City South ESA



Table 4: Established sites

State	ESA name	Address
New South Wales	Albury	475 Kiewa St Albury 2640
	Ashfield	Lot 1 Foxs Lane Ashfield 2131
	Balgowlah	394 Sydney Rd Balgowlah 2093
	Bankstown	18 Kitchener Pde Bankstown 2200
	Blacktown	17 Flushcombe Rd Blacktown 2148
	Burwood	30-32 Railway Pde Burwood 2134
	Campsie	395 Canterbury Rd Campsie 2194
	Cardiff	19 Queen Ave Cardiff 2285
	Carramar	6-12 The Horsley Dr Carramar 2163
	Castle Hill	4 Castle Pl Castle Hill 2154
	Charlestown	89 Pacific Hwy Charlestown 2290
	Chatswood	1A Thomas St Chatswood 2067
	City South	219-227 Castlereagh St Sydney 2000
	Coffs Harbour	3 Moonee St Coffs Harbour 2450
	Coogee	53 Dolphin St Coogee 2034
	Corrimal	176 Princes Hwy Corrimal 2518
	Cremorne	219 Military Rd Cremorne 2090
	Dalley	4 Dalley St Sydney 2000
	Dapto	Marshall St Dapto 2530
	Dubbo	100 Macquarie St Dubbo 2830
	East	320-326 Liverpool St Darlinghurst 2010
	Eastwood	103-105 Chatham Rd Eastwood 2122
	Edgecliff	295-299 New South Head Rd Edgecliff 2027

State	ESA name	Address
	Epping	5-7 Oxford St Epping 2121
	Glebe	120-126 St Johns Rd Glebe 2037
	Goonellabah	16 Ballina Rd Goonellabah 2480
	Gosford	21-23 Mann St Gosford 2250
	Goulburn	163-169 Auburn St Goulburn 2580
	Grafton	King St Grafton 2460
	Granville	Maud St Granville 2142
	Hamilton	104-116 Lawson St Hamilton 2303
	Harbord	19 Oliver St Harbord 2096
	Haymarket	15-33 Parker St Haymarket 2000
	Homebush	68 Beresford Rd Homebush 2140
	Hornsby	290 Pacific Hwy,Hornsby NSW 2077
	Hurstville	39 Bridge St Hurstville 2220
	Kensington	115 Todman Ave Kensington 2033
	Kent	242-246 Kent St Sydney 2000
	Kingsgrove	107-111 Wolli St Kingsgrove 2208
	Kogarah	Lot 2 Belgrave St Kogarah 2217
	Lakemba	20 Croydon St Lakemba 2195
	Lane cove	3 Rosenthal Ave Lane Cove 2066
	Lavington	Urana-Wagga Wagga Rd Lavington 2641
	Lidcombe	1 Taylor St Lidcombe 2141
	Lismore	176 Molesworth St Lismore 2480
	Liverpool	48-52 Terminus St Liverpool 2170
	Mascot	904-922 Botany Rd Mascot 2020

State	ESA name	Address
	Mayfield	314 Maitland Rd Mayfield 2304
	Mosman	Rear846 Military Rd Mosman 2088
	New Lambton	77 Victoria St New Lambton 2305
	Newtown	295 King St Newtown 2042
	North Parramatta	83-85 Sorrell St North Parramatta 2150
	North Ryde	165 Lane Cove Rd North Ryde 2113
	North Sydney	1 Wheeler Lane North Sydney 2060
	Parramatta	91-93 Marsden St Parramatta 2150
	Pendle Hill	209 Dunmore St Pendle Hill 2145
	Pennant Hills	383-385 Pennant Hills Rd Pennant Hills 2120
	Petersham	91 Audley St Petersham 2049
	Pitt	76-78 Pitt St Sydney 2000
	Randwick	206 Alison Rd Randwick 2031
	Redfern	101 George St Redfern 2016
	Revesby	2 Doyle Rd Revesby 2212
	Rockdale	393-405 Princes Hwy Rockdale 2216
	Rydalmere	431 Victoria Rd Rydalmere 2116
	Ryde	116 Blaxland Rd Ryde 2112
	Seven hills	31 Brahms St Seven Hills 2147
	Silverwater	98 Parramatta Rd Lidcombe 2141
	St Leonards	524 Pacific Hwy St Leonards 2065
	Taree	Butterworth Pl Taree 2430
	Unanderra	111 Princes Hwy Unanderra 2526
	Undercliffe	299 Livingston Rd Undercliffe 2206

State	ESA name	Address
	Wallsend	50-52 Cowper St Wallsend 2287
	Waverley	Bronte Rd Bondi Junction 2024
	Wolfe	20 Wolfe St Newcastle
	Wollongong	296-298 Crown St Wollongong 2500
Victoria	Ascot	313-315 Ascot Vale Rd Moonee Ponds 3039
	Ballarat	105-111 Doveton St Ballarat 3350
	Batman	380-382 Flinders Lane Melbourne 3000
	Bendigo	38 Short St Bendigo 3550
	Brunswick	1-5 Frith St Brunswick 3056
	Caulfield	62-78 Waverley Rd Caulfield East 3145
	Coburg	697 Sydney Rd Coburg 3058
	Elsternwick	19-21 Selwyn St Elsternwick 3185
	Exhibition st	300 Exhibition St Melbourne 3000
	Footscray	82 Napier St Footscray 3011
	Geelong	17-19 Little Ryrie St Geelong 3220
	Heidelberg	99-101 Cape St Heidelberg 3084
	Lonsdale st	447 Lonsdale St Melbourne 3000
	Malvern	8 Llaneast St Malvern 3144
	Maryborough	20 Campbell St Maryborough 3465
	Moreland	83-87 Sydney Rd Coburg 3058
	North geelong	189 Melbourne Rd Geelong North 3215
	North melbourne	168 Chetwynd St North Melbourne 3051
	Port melbourne	175-183 Clark St Port Melbourne 3207
	Preston	300 Wood St Preston 3072

State	ESA name	Address
	Richmond	8 Waltham St Richmond 3121
	Shepparton	307/331 Wyndham St, Shepparton 3630
	South Melbourne	255-271 Bank St South Melbourne 3205
	St Kilda	62 Inkerman St St Kilda 3182
	Toorak	268 Williams Rd Toorak 3142
	Wodonga	Hume St Wodonga 3690
Queensland	Arundel	Napper Rd Labrador 4215
	Bundaberg	157A Bourbong St Bundaberg 4670
	Bundall	Holden Pl Bundall 4217
	Charlotte	20-26 Charlotte St Brisbane 4000
	Edison	280 Elizabeth St Brisbane 4000
	Frenchville	146 Kerrigan St North Rockhampton 4701
	Gulliver	22 Sargeant St Gulliver 4812
	Merrimac	199 Sunshine Blvd Mermaid Waters 4218
	Middle ridge	321 Hume St Toowoomba 4350
	Mudgeeraba	5 Piallingo St Mudgeeraba 4213
	Nerang	31 Nerang-Broadbeach Rd Nerang 4211
	Paddington	291 Given Tce Paddington 4064
	Robina	205-207 Ron Penhaligon Way Robina 4226
	Rockhampton	12 Denham St Rockhampton 4700
	Southport	41 Nerang Rd Southport 4215
	Spring Hill	Boundary St Spring Hill 4004
	Surfers paradise	27 Old Burleigh Rd Surfers Paradise 4217
	Toowong	101 Jephson St Toowong 4066

State	ESA name	Address
	Toowoomba	157 Hume St Toowoomba 4350
	Townsville	22 Sturt St Townsville 4810
	Valley	21 Ballow St Fortitude Valley 4006
	Woolloongabba	820 Main St Woolloongabba 4102
South Australia	Flinders	111-139 Flinders St Adelaide 5000
	Murray Bridge	Fourth St Murray Bridge 5253
	Port Augusta	5 Mckay St Port Augusta 5700
	Smithfield	Lot39 Queen St Smithfield 5114
	Waymouth	67 Waymouth St Adelaide 5000
Western Australia	Bulwer	199 Bulwer St Perth 6000
	Pier	98 Pier St Perth 6000
	South Perth	59 Angelo St South Perth 6151
	Subiaco	172 Rokeby Rd Subiaco 6008
	Wellington	639 Wellington St Perth 6000

## Appendix C – List of ESAs the ACCC proposes to exempt from regulation in which Telstra does not offer a TEBA service

ESA name	City
Balmain	Sydney
Baulkham Hills	Sydney
Bondi	Sydney
Botany	Sydney
Campbelltown	Sydney
Carlingford	Sydney
Concord	Sydney
Cronulla	Sydney
Dee Why	Sydney
Drummoyne	Sydney
Edensor Park	Sydney
Engadine	Sydney
Erskine Park	Sydney
Frenchs Forest	Sydney
Guildford	Sydney
Hunters Hill	Sydney
Ingleburn	Sydney
Killara	Sydney
Manly	Sydney
Maroubra	Sydney
Miller	Sydney
Minto	Sydney
Miranda	Sydney
Peakhurst	Sydney
Penrith	Sydney
Pymble	Sydney
Rose Bay	Sydney
St Marys	Sydney
Sutherland	Sydney
Wahroonga	Sydney
Wetherill Park	Sydney
Willoughby	Sydney
Berwick	Melbourne

ESA name	City
Blackburn	Melbourne
Brooklyn	Melbourne
Bundoora	Melbourne
Burwood	Melbourne
Camberwell	Melbourne
Canterbury	Melbourne
Carlton	Melbourne
Cheltenham	Melbourne
Collingwood	Melbourne
Croydon	Melbourne
Dandenong	Melbourne
Deepdene	Melbourne
East Kew	Melbourne
Epping	Melbourne
Flemington	Melbourne
Glen Iris	Melbourne
Hawthorn	Melbourne
Highett	Melbourne
Kooyong	Melbourne
Mitcham	Melbourne
North Balwyn	Melbourne
North Essendon	Melbourne
Northcote	Melbourne
Oakleigh	Melbourne
Ringwood	Melbourne
South Yarra	Melbourne
Sunshine	Melbourne
Tally Ho	Melbourne
Thomastown	Melbourne
Thornbury	Melbourne
Tullamarine	Melbourne
Wantirna	Melbourne
Wheelers Hill	Melbourne

ESA name	City
Windsor	Melbourne
Alexandra Hills	Brisbane
Browns Plains	Brisbane
Bulimba	Brisbane
Capalaba	Brisbane
Chapel Hill	Brisbane
Chermside	Brisbane
Coorparoo	Brisbane
Eight Mile Plains	Brisbane
Everton Park	Brisbane
Goodna	Brisbane
Inala	Brisbane
Lutwyche	Brisbane
Mitchelton	Brisbane
Mount Gravatt	Brisbane
New Farm	Brisbane
Petrie	Brisbane
Salisbury	Brisbane
Slacks Creek	Brisbane
Sunnybank	Brisbane
Tingalpa	Brisbane
Brighton	Adelaide
Croydon	Adelaide
Gepps Cross	Adelaide
Golden Grove	Adelaide
Norwood	Adelaide
Salisbury	Adelaide
St Marys	Adelaide
St Peters	Adelaide
Stirling	Adelaide
Unley	Adelaide
West Adelaide	Adelaide
Bateman	Perth
Cannington	Perth
Cottesloe	Perth
Doubleview	Perth
Hilton	Perth
Maylands	Perth

ESA name	City
Victoria Park	Perth
Civic	Canberra
Bathurst	Bathurst
Orange	Orange
Wagga Wagga	Wagga Wagga
Ipswich	Ipswich
Oxenford	Gold Coast
Rothwell	Moreton Bay
Narangba	Moreton Bay
Beenleigh	Logan City
Loganholme	Logan City
Caloundra	Sunshine Coast
Mooloolaba	Sunshine Coast
Maroochydore	Sunshine Coast