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Confidential communication

Dear Mr Wright

Public inquiry to make final access determinations for the declared fixed line services - exemption for resale services supplied over NBN

I refer to Telstra's submissions dated 3 June 2011 in the above matter, in which Telstra submitted that the final access determinations (FADs) should exempt Access Providers from the SAOs in respect of WLR, LCS and PSTN OA (pre-select and override) supplied over the NBN access network.

In particular, paragraph 72 of Telstra's submissions referred to the fact that a number of NBN trial participants had indicated that they were going to provide NBN-based access aggregation and resale services in upstream markets, to substantiate its submission that the wholesale market for services over the NBN will be very competitive.

Following Telstra's submissions, several Access Seekers have confirmed that they intend to provide NBN-based access aggregation and resale services.

First, Nextgen Network's Managing Director, Phil Sykes, recently announced the launch of Nextgen's new wholesale strategy for NBN involving the integration of NBN access with its own backhaul network to help RSP's reach their customers.¹ Mr Sykes stated that:

"Our original position on the number of points of interconnect was based on the view that we would be an active wholesale provider in that marketplace, focused on assisting service providers to get to their NBN customers. And with the NBN Connect product...we've reinforced that commitment...we see a tremendous potential for a range of new service providers to enter the market, and our objective is to make it as easy and cost-effective [as

¹ See *Nextgen details new NBN wholesale strategy*, Communications Day, 15 June 2011, p 1 (**Attachment A**).

possible] for those service providers to get to their customers, wherever they are”.

Second, AAPT officially confirmed its status as a network-certified NBN aggregator.² AAPT has stated that it is *“well positioned to support its customers, with more than 350 DSL exchanges, 180 Mid-Band enabled exchanges and fibre to approximately 1300 buildings throughout metropolitan areas, as the NBN is progressively rolled out”*.³ Further, AAPT CEO David Yuile said that AAPT would also *“leverage its position within the NBN to grow its existing product portfolio, with further expansion into services such as converged communications and cloud solutions”*.⁴

Third, Platform Networks confirmed in a press release that it has been accepted as a NBN first release aggregator. Platform Networks is reported to be commencing the *“onboarding process in preparation for participating in the first release site end-user trials and is actively looking for wholesale customers who have customers in the trial areas”*.⁵ The Managing Director of Platform Networks, Mr David Hooton, stated that Platform Networks is *“very excited to be among the very first wholesale providers to offer services on the NBN and the very first wholesale only aggregator to offer services”*.⁶

Finally, a relatively new entrant in to the telecommunications market, Continuum Communications has also voiced an intention to become a NBN wholesale aggregator. Continuum’s Managing Director, Mr Lakshman Mawalagedera, recently flagged that the company is looking forward to expanding through the impending fibre network. Mr Mawalagedera noted that Continuum already has *“customer management systems as well as OSS/BSS (business support systems) in place so [it has] the capability to actually provide aggregated service access through the NBN to [its] channel partners”*.⁷

Telstra submits that the entry of the above companies into the wholesale market for NBN further demonstrates the competitive nature of that market, and thus further justifies the exemption in respect of those resale services supplied over the NBN access network.

Please contact Jennifer Sirca on (03) 8649 2056 or jennifer.sirca@team.telstra.com should you have any queries.

Yours sincerely,



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² See *AAPT to build on NBN aggregator role*, Communications Day, 4 July 2011, p 3 (**Attachment B**).

³ See <http://aapt.com.au/our-company/news/2011/aapt-confirms-aggregator-role-national-broadband-network> (**Attachment C**).

⁴ See Attachment C.

⁵ See http://www2.platformnetworks.net/nbn_08042011.aspx (**Attachment D**).

⁶ See Attachment D.

⁷ See http://www.arnnet.com.au/article/390879/new_telco_player_aspires_nbn_wholesale_aggregator (**Attachment E**).