

Australian **Competition &** Consumer Commission

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18 August 2011

Ms Christine Williams Acting Executive Director Regulatory Affairs **Public Policy and Communications Telstra Corporation Limited** 11/400 George St SYDNEY NSW 2000

Email: Christine.E.Williams@team.telstra.com cc: Tracy.Thomas@team.telstra.com

cc: lain.Little@team.telstra.com

Dear Ms Williams

## Re: Fixed line services geographic exemptions—request for market information

In its Inquiry to make final access determinations for the declared fixed line services: Final report, released on 21 July 2011, the ACCC stated that the issue of the future operation of the exemptions relating to the Wholesale Line Rental (WLR), Local Call Service (LCS) and PSTN Originating Access (PSTN OA) services required further investigation and consideration. The ACCC indicated that it would be seeking additional information on matters such as access seeker investment and alternative supply.

Section 152BCN of the Competition and Consumer Act 2010 allows the ACCC to vary or revoke a final access determination provided certain procedures are followed. These procedures include a requirement that the Commission has held a public inquiry under Part 25 of the Telecommunications Act 1997 about a proposal to vary or revoke the determination. The ACCC intends to commence a variation inquiry on the issue of exemptions shortly.

To assist it in undertaking an initial analysis of issues on which the ACCC will be consulting, the ACCC is requesting factual information relevant to the current state of competition in the exempt and non-exempt areas. We are seeking this information from Telstra and a number of access seekers.

The ACCC considers that this information will facilitate the timely conclusion of the ACCC's inquiry and thereby provide certainty for the industry on the geographic coverage of the final access determinations for the declared fixed line services.

I would appreciate your provision of the information requested in the attachment **by close of business Friday 2 September 2011**. Please contact Annette Weier on (03) 9290 6911 if this deadline causes any difficulties or if you have any queries about this information request.

In your response to this information request, you should clearly identify any information considered confidential. You should also indicate whether you would be willing to provide that information to other parties participating in the consultation process for the inquiry, subject to appropriate confidentiality undertakings. We will write to you separately in regard to confidentiality arrangements for the inquiry.

Yours sincerely

R. Wright.

Robert Wright General Manager Access Operations and Pricing Communications Group

## **ATTACHMENT: REQUESTED INFORMATION**

## Guidelines for providing the requested information

For questions requesting numbers of services (SIOs) provided, the date to which the data applies should be stated. For consistency, data should be supplied as at the same date.

If possible within the requested deadline, the ACCC would prefer that data is supplied as at 31 March 2010 and 31 March 2011.

A list of exchange service areas (ESAs) is provided in the attached spreadsheet. Please use the codes in this list in providing information by ESA.

The ACCC has prepared the attached spreadsheet to assist you in providing the requested information. You are invited to populate the spreadsheet to provide the requested information. However, you are welcome to provide it in an alternative format if more convenient.

## Questions

- 1. Do you supply fixed line services to retail customers only, wholesale customers only, or both retail and wholesale customers?
- 2. <u>For access seekers</u>, do you supply retail fixed line services by purchasing Unconditioned Local Loop Services (ULLS) from Telstra and using your own digital subscriber line access multiplexers (DSLAMS) and/or multi-service access nodes (MSANs)?
  - If so, provide a list of the exchange service areas (ESAs) in which you have installed DSLAMs/MSANs.
  - For each of these ESAs, state the number of DSLAMs/MSANs and how many of those DSLAMs contain voice ports. If available within the requested deadline, identify how many DSLAMs without voice ports could be upgraded to provide voice capability.
- 3. <u>For access seekers</u>, do you supply retail fixed line services (such as voice, data or bundled voice and data services) by reselling wholesale services, such as wholesale line rental, local carriage service or PSTN originating access services (or equivalent services known by another name)? (Such wholesale services are known as resale services.)
  - If so, provide a list of the exchange service areas (ESAs) in which you purchase resale services.
  - For each of these ESAs, list the number and type of resale services purchased and the name of the supplier of those services.
- 4. Do you supply wholesale services—such as wholesale line rental, local carriage service or PSTN originating access services (or equivalent services known by another name)—designed to be resold to retail customers? (Such wholesale services are known as resale services.)
  - If so, list the number and type of resale services supplied and the name of the purchaser by ESA.
  - Identify which of these services are voice-only, data-only or bundled voice and data.

- 5. If you answered yes to question 4, do you place any of the following conditions on the supply of voice-only resale services—minimum contract length, minimum number of voice lines per address, minimum purchase requirements?
  - If so, list the conditions placed on the supply of these services. Indicate whether the conditions are standard for all purchasers. If the conditions vary, state the basis for setting conditions, for example, number of services required, location of services, residential or business end-user, etc.
- 6. If you answered yes to question 4, do you have a list of standard charges for these services or are they determined on a case-by-case basis?
  - If standard charges are set, list these charges.
  - If charges vary across purchasers, state the charges for each wholesale customer.
  - Do charges vary according to whether the end-use is for business or residential purposes? If so, state the charges for business and residential purposes.
  - Do you offer rebates against the charges for resale services? If so, what is the nature and amount of these rebates and what conditions are placed on their payment?
- 7. If you supply fixed line services to both retail and wholesale customers, and you place conditions on the supply of voice-only resale products (see question 4 above), do you place similar conditions on the supply of voice-only retail products?
  - If so, specify the conditions placed on the supply of voice-only retail products.
  - If different conditions are placed on the supply of voice-only retail products, specify those conditions.
- 8. <u>For access seekers</u>, if you purchase resale services (see question 3 above), what charges do you pay for these services?
  - Do you receive any rebates against these charges? If so, what is the nature and amount of these rebates and what conditions must be met to receive them?
  - Have you previously received rebates but no longer receive them? If so, state the nature of the rebates, the period for which they applied and the reason for no longer receiving them.