



Bundled Service Record Keeping and Reporting Rules

Section 151BU Part XIB *Trade Practices Act 1974*

March 2006

TITLE

1. These rules, made by the Commission pursuant to section 151BU of the Act, are the Bundled Service Record-Keeping and Reporting Rules (the 'Rules').

COMMENCEMENT

2. These rules shall take effect on **1 April 2006**.

INTERPRETATION

“**Austar**” means Austar United Communications Limited (ACN 087 695 707).

“**Accrued Discount**” equals $X - Y$ where:

X is the amount that would have been payable for the component services of a Bundled Service should they have been supplied on the terms at which they are available for individual supply to a customer; and,

Y is the amount paid or payable by the customer for the Bundled Service.

In applying this formula, if a component service is not available for individual supply, but is available as part of a Bundled Service that consists of fewer component services than the Bundled Service in question, the X value is to be calculated by reference to the amount that would have been payable for the lesser Bundled Service and the amount that would have been payable for individual supply of the remaining component services.

In applying this formula to a Bundled Service that includes a subscription broadcasting service as a Component Service, the X value is to be calculated by reference to the price advertised by Foxtel or Austar as relevant for its subscription broadcasting service and the amount that would have been payable for the individual supply of the remaining Component Services.

A service (referred to hereafter as 'the Service in question') is a “**Bundled Service**” if:

- (i) it is made up of more than one Component Service; and either
- (ii) a Component Service (other than the supply of, or the connection or installation of, customer equipment, fixed line access, or local calls) is not available for supply from Telstra except where another Component Service is also acquired; or,
- (iii) the Component Services are available for individual supply from Telstra on different terms to those on which they are available as part of the Service in question, including that the price of the Service in question differs to that which would be payable should all of the Component Services be acquired from Telstra other than as part of the Service in question.

“**Component service**” means:

Fixed line access, fixed-line calls (such as, local calls, national long distance calls, international long distance calls and fixed to mobile calls), mobile calls, subscription broadcasting services, dial-up internet services, broadband internet services, and, the supply of, or the connection or installation of, customer equipment for use in connection with the above services.

“**Commission**” means the Australian Competition and Consumer Commission.

“**Customer**” means a residential customer.

“Customer profile” means, for a class of customers, the average number of calls, call minutes or other usage measures which are relevant to the amount that customers within the class would pay on average for a non-bundled service.

“Foxtel” means FOXTEL Management Pty Limited (ACN 068 671 938) for and on behalf of the FOXTEL Partnership (which is the partnership established between Telstra Media and Sky Cable), FOXTEL Cable Television Pty Limited (ACN 069 008 797).

“SIO” means service in operation

“Subscription broadcasting service” has the meaning given by the Broadcasting Service Act as amended from time to time.

“Telstra” means Telstra Corporation Limited (ACN 051 775 556) and/or Telstra Pay TV Pty Ltd (ACN 095 931 614).

APPLICATION

3. These Rules apply to Telstra Corporation Limited.

EXEMPTION

4. Telstra may request in writing an exemption in relation to compliance with any requirement of the Rules.
5. The Commission must decide whether to grant the exemption requested and must inform Telstra in writing of its decision.
6. In deciding whether or not to grant the exemption the Commission will have regard to whether Telstra is reasonably able to comply with the rule in relation to which an exemption is sought.
7. For the avoidance of doubt, the Commission may grant the exemption requested for on any terms it reasonably considers appropriate.

RECORD KEEPING RULES

8. *Record of Demand (SIOs) for non-bundled fixed-voice services:* In relation to the supply of each type of non-bundled fixed-voice service, Telstra must establish and maintain an electronic record containing the following information:
 - (a) the name of the Bundled service
 - (b) the Demand for the Bundled Service
9. *Record of relevant Demand (SIOs), Gross revenues and Accrued Discounts for Bundled Services:* In relation to the supply of each Bundled Service, Telstra must establish and maintain an electronic record containing the following information:
 - (c) the name of the Bundled service
 - (d) the relevant Component services
 - (e) the Demand for the Bundled Service
 - (f) the Gross revenue derived from the Bundled Service
 - (g) the Accrued discount given in respect of the Bundled Service
10. *Further details of data to be recorded under clauses 8 or 9:* The Demand data are to be monthly data and comprise
 - (a) the number of SIOs as at a regular time within the month (e.g. end of month)

- (b) the number of SIOs added within the month
 - (c) the number of SIOs cancelled within the month
11. The Gross Revenue and Accrued Discount data are to be quarterly data and, unless Telstra has a direct measure of Gross Revenue and Accrued discount data, are to be derived from a customer profile developed for the Bundled Service.
 12. Telstra is to record this data in connection with each different type of Bundled Service it supplies. A Bundled Service is of a different type if it comprises different component services or the price-related terms on which it is supplied differs.

Note: Telstra may apply for an exemption from this requirement in respect of Bundled Service types
 13. *Record of Demand for each type of component service:* In respect of each type of service in operation in connection with which Telstra supplies a bundled service (e.g. fixed-voice SIOs, mobile SIOs, subscription broadcasting SIOs, dial-up internet SIOs, broadband internet SIOs), Telstra must establish and maintain an electronic record containing the following monthly data measured at a regular time within the month (e.g. end of month)
 - (a) the total number of SIOs supplied (either individually or as part of a Bundled Service)
 - (b) the total number of SIOs supplied as part of a Bundled Service
 - (c) for fixed-voice services supplied as part of a bundled service, the total number of SIOs where the bundled service consists solely of line rental and fixed-voice calls, and the total number of SIOs where the bundled service includes another service in addition to line rental and fixed-voice calls
 - (d) for subscription broadcasting services supplied as part of a bundled service:
 - (e) the total number of SIOs where the bundled service includes the Foxtel service, and the net churns between Telstra and Foxtel
 - (f) the total number of SIOs where the bundled service includes the Austar service, and the net churns between Telstra and Austar
 14. *Record of underlying calculations:* Telstra must establish and maintain a record of the calculations that are made, and the underlying data sources that are relied upon, in deriving any data that it records in accordance with the above clauses, including the customer profiles used.

REPORTING REQUIREMENTS

15. Telstra must provide the Commission with quarterly reports containing the information required to be kept by Telstra in accordance with clauses 8 to 12 of these Rules that are prepared in accordance with Schedule A to these rules within four weeks of the end of the quarter to which the report relates.
16. Telstra must provide the Commission with a copy of the calculations referred to at clause 13 above within four weeks of the Commission making a written request for the calculations to be provided.
17. The reports and records of underlying calculations are to be provided to the e-mail address specified by the Commission in writing from time to time.

Schedule A

Report Pursuant to Section 151BU of Part XIB *Trade Practices Act 1974*

Section 1

Fixed-voice-only bundles

Services in operation by month

Name of arrangement	Month	SIOs		
		EOM	Additions	Cancellations
Non-bundled arrangements				
Class of service				
call plan				
...				
...				
Class of service				
call plan				
...				
...				
Bundled arrangements				
Class of service				
call plan				
...				
...				
Class of service				
call plan				
...				
...				

Section 2

Fixed-voice-only bundles

Revenues and discount data by quarter

Name of arrangement	Quarter	
	Revenue	Discount
Bundled arrangements		
Class of service e.g HomeLine Plus		
call plan e.g. Wide Area Call option		
call plan		
...		
Class of service		
call plan		
...		

Section 3

Fixed-voice-and-other-service bundles

Services in operation by month

Name of arrangement	Month		
	EOM	SIOs Adds	Cancel
type e.g. Rewards level e.g. 5% components 1 e.g. fixed + mobile components 2 ... level e.g. 10% components 1 e.g. fixed + mobile components 2 ... type e.g. Rewards Options level e.g. tier 1 components 1 e.g. fixed + mobile components 2 ... level e.g. 10% components 1 e.g. fixed + mobile components 2 ... type e.g. Home and mobile cap level e.g. \$99 to \$500 ...			

Section 4

Fixed-voice-and-other-service bundles

Revenue and discount data by quarter

Name of arrangement	Revenues	Quarter	Discount
type e.g. Rewards			
level e.g. 5%			
components 1 e.g. fixed + mobile			
components 2			
...			
level e.g. 10%			
components 1 e.g. fixed + mobile			
components 2			
...			
type e.g. Rewards Options			
level e.g. tier 1			
components 1 e.g. fixed + mobile			
components 2			
...			
level e.g. 10%			
components 1 e.g. fixed + mobile			
components 2			
...			
type e.g. Home and mobile cap			
level e.g. \$99 to \$500			
...			

Section 5

Component services in operation by month

	Total SIOs	Month	
		Fixed-voice only	Other bundles
Fixed voice SIOs	EOM		
Mobile SIOs	EOM		Other bundles
Dial up internet SIOs	EOM		Other bundles
Broadband SIOs	EOM		Other bundles
Pay TV SIOs			
Foxtel resale	EOM		Other bundles
Austar resale	EOM		Other bundles
Net churns from Foxtel	During month		
Net churns from Austar	During month		