



19 January 2009

Mr Robert Wright
General Manager
Compliance & Regulatory Operations Group
Communications Group
Australian Competition & Consumer Commission
Level 35, The Tower
360 Elizabeth Street
MELBOURNE VIC 3000
Email: robert.wright@accc.gov.au

Public Policy and Communications

Executive Director Regulatory Affairs
Unit 11, Level 2
11 National Circuit
BARTON ACT 2600

Telephone 02 6208 0740
Facsimile 02 9261 8390

Copy to: Ms Kim Huynh
Communications Group
Email: kim.huynh@accc.gov.au

Dear Mr Wright

Telstra's Band 2 ULLS Undertaking – NERA Report

I refer to the ACCC's Draft Decision released 13 November 2008 in relation to Telstra's ULLS Undertaking.

As you are aware, Telstra has provided the ACCC with the TEA model as well as a substantial body of documentation and submissions in support of Telstra's view that its ULLS Undertaking is reasonable and should be accepted by the ACCC.

Continuing that approach, this letter attaches:

1. a Confidential [Category 1] version of a report entitled "*Does Telstra's TEA Model provide a reasonable estimate of the TSLRIC+ of supplying ULLS*" by NERA Economic Consulting dated 16 January 2009 (**NERA Report**); and
2. a Public version of the NERA report.

Telstra **does not** claim confidentiality over:

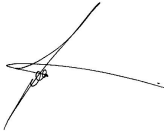
1. this letter; or
2. the Public version of the NERA Report,

and those documents may be published on the ACCC's website.

Telstra **does** claim confidentiality over the Confidential [Category 1] version of the NERA report provided to the ACCC under cover of this letter and it should not be published on the ACCC's website.

Otherwise, as usual, Telstra will make appropriately marked confidential version(s) of the NERA report available to interested parties subject to the same terms of access applicable to any other Telstra Confidential Material and, to the extent that the material contains access seekers' confidential information, in compliance with Telstra's obligations of confidence in respect of that access seeker's confidential information.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Tony Warren', with a long horizontal stroke extending to the right.

Tony Warren
Executive Director Regulatory Affairs
Public Policy and Communications