
TELSTRA CORPORATION LIMITED

Variation to Telstra's Migration Plan

Submission in support

6 October 2017

1. Executive Summary

Telstra is required to make changes to the Migration Plan (**Plan**) to reflect NBN Co's adoption of a new Access Technology type – fibre to the curb (**FTTC**), and the consequential variation to the Definitive Agreements (**DAs**) between NBN Co and Telstra. In addition, Telstra has identified a small number of other minor variations to the Plan to clarify these areas to industry participants.

The varied Plan complies with the *Telecommunications (Migration Plan Principles) Determination of 2015 (MPPs)*, and continues to ensure that disconnection processes that apply to Telstra's Copper and HFC Networks are well understood within the industry. The Migration Plan we are submitting for approval is a consolidated version which incorporates the previously approved Schedule 1 and Required Measures 5(A) to (E).

2. Introduction of FTTC as an NBN Access Technology

NBN Co announced that it will commence deploying the FTTC Access Technology under its Multi-Technology Mix (**MTM**) approach in November 2016. This requires Telstra to vary the Plan in relation to:

- processes for the disconnection of Copper Services, including Special Services (**SS**), during the Migration Window;
- Special Service Classes required to facilitate NBN Co's technology-specific product development process, and associated disconnection timelines; and
- other obligations and associated definitions required to support these changes.

Update to Existing Standard Processes for the Disconnection of Copper Services

The introduction of fibre to the node (**FTTN**) and fibre to the basement (**FTTB**) Access Technologies as part of the MTM rollout required variations to clauses 9 and 22 of the Plan, as well as Schedule 1, to reflect the requirement for the re-use of Telstra's copper infrastructure to deliver NBN services. The introduction of FTTC as an Access Technology will give rise to similar changes.

In the case of FTTC, Telstra's copper infrastructure is required from a small Distribution Point Unit (**DPU**) location in a telecom pit outside a home to the customer premise. Telstra has therefore updated the existing disconnection processes for Copper Services during the Migration Window set out in Clauses 9 and 22 of the Plan, as well as Schedule 1, to accommodate the deployment of FTTC as an Access Technology. These amendments update the disconnection processes that were introduced in the approved variations that occurred in July 2016 to facilitate FTTN and FTTB-Connected Premises, to include FTTC-Connected Premises. In particular, they reflect the fact that NBN Co's use of Telstra's existing copper network infrastructure for the purpose of supplying a new NBN service over FTTC may result in the disconnection of Copper Services supplied over the same infrastructure when NBN Co notifies Telstra that the FTTC order is complete (without the Telstra Retail or Telstra Wholesale customer placing a disconnection order).

These changes are summarised below.

Relevant Section of the Plan	Development and Implication
<ul style="list-style-type: none"> • Clause 9.1 - Existing Processes for disconnection of Retail Copper Services during the Migration Window; and • Clause 9.3 - Wholesale Customers to retain autonomy over disconnection decisions, including control over the timing of disconnection; and • Clause 22.8 - Disconnection of Direct Special Services 	<ul style="list-style-type: none"> • New sub-clauses have been included within clauses 9.1(Retail Copper Services), 9.3 (Wholesale Copper Services) and 22.8 (Special Services and Special Service Inputs) to clarify the conditions for Telstra Copper Services to be disconnected as per the FTTC process without the customer needing to place a disconnection order. • Consequential changes to clause 9.3 to reference the new sub-clauses referred to above.
<ul style="list-style-type: none"> • Schedule 1 - Telstra existing standard processes for 	<ul style="list-style-type: none"> • Addition of text to section 8 setting out the process Telstra will follow to disconnect Retail and Wholesale Copper Services to include FTTC-Connected

<p>disconnection of Copper Services (other than Special Services)</p>	<p>Premises that are included in a Daily Migration File provided by NBN Co.</p> <ul style="list-style-type: none"> • Addition of consequential text to other sections to include FTTC-Connected Premises and reflect the amendments to section 8 • Telstra Copper services with disconnection processes set out in Schedule 1 are: <ul style="list-style-type: none"> ○ Standard Telephony Service (STS) ○ Asymmetrical Digital Subscriber Line (ADSL) ○ Wholesale Line Rental (WLR) ○ Unconditioned Local Loop Service (ULLS) ○ Wholesale Asymmetrical Digital Subscriber Line (WADSL) ○ Line Sharing Service (LSS)
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Telstra considers these changes are practical and provide clarity for industry regarding the processes that will be used for disconnecting Copper Services at FTTC-Connected Premises. The changes will apply equivalently across Retail and Wholesale services. The changes are consistent with the MPPs, specifically MPP 23, which requires the Plan to set out any known circumstances where a wholesale customer may not be able to control the timing of disconnection by Telstra of a wholesale service, because the supply of an NBN Service to the premises results in the disconnection. In respect of the changes to Schedule 1, Telstra considers that they will not have a material or adverse commercial effect on a Wholesale Customer, and as such has not conducted industry consultation in accordance with clause 5.3 of the Plan, and MPP 28.

Updated Direct SS Classes

In Telstra's variation to the Plan that was approved by the ACCC on 20 July 2016, the concept of an SS Class in the Plan was revised to reflect that SSs and SS Inputs (**SSIs**) were also defined by the Access Technology to be utilised. This was required to accommodate NBN Co's technology-specific White Paper process, whereby product development may proceed on a technology-by-technology basis. In particular, the term "Access Service" in Schedule 4 was redefined as the "Access Service Family" and the "SS Class", as a sub-category that is Access Technology specific. In order to accommodate the introduction of FTTC-Connected Premises, Telstra has therefore updated the SS Class lists for Direct Special Services for Retail and Wholesale in Schedule 4.

The proposed variation is in accordance with clause 22.16 of the Migration Plan, and is consistent with MPP 18, which sets out the requirements for Telstra's disconnection regime for SS's.

Relevant Section of the Plan	Development and Implication
<ul style="list-style-type: none"> • Schedule 4 -Special Services 	<p>Addition of FTTC as an SS Class associated to the Access Service Families within Table 1 for Retail and Table 2 for Wholesale.</p>

Updates to other related Obligations and Definitions:

In order to support the amendments to the Plan for the above sections, amendments to other existing obligations / clarifications within the Plan are also required, as set out below:

Relevant Section of the Plan	Development and Implication
<ul style="list-style-type: none"> • Clause 1.2 - Interpretation 	<p>New sub-clause to clarify how a Premises is Passed if the location is intended to be FTTC-Connected.</p>
<ul style="list-style-type: none"> • Clause 2.3 - Interdependencies of this Plan with action of other Parties 	<p>Addition of text to include FTTC-Connected Premises as a classification within NBN Co's service qualification system that will guide the basis as to how Telstra will act where particular treatment is required under the Plan.</p>
<ul style="list-style-type: none"> • Clause 5.2 - Development of new or replacement Schedules; and 	<p>Minor amendments to existing text in anticipation of NBN Co releasing White Papers incorporating FTTC as a SS Class, whereby Telstra may develop the associated</p>

<ul style="list-style-type: none"> • Clause 5.3 - Ongoing amendment to processes under Schedules 	Special Service Disconnection Process by varying an existing Disconnection Schedule (Required Measure 5) previously accepted by the ACCC.
<ul style="list-style-type: none"> • Clause 6.3(f) - Telstra will use Standard Process 	Addition of text to include reference to the new sub-clauses within clause 9 (Disconnection of Copper Services during the Migration Window) introduced for FTTC.
<ul style="list-style-type: none"> • Clause 25.1 - NBN Co Information Security; and • Clause 25.3 - Other information which Telstra agrees with NBN Co is NBN Co Migration Information 	Addition of text to clarify the current application of information security obligations under the Plan for FTTC-Connected Premises will apply in a manner equivalent to FTTN-Connected Premises, FTTB-Connected Premises and HFC-Connected Premises.
<ul style="list-style-type: none"> • Schedule 10 - Dictionary 	<p>The following existing definitions are amended :</p> <ul style="list-style-type: none"> • Access Technology (to include FTTC) • FTTN-Connected Premises (to remove FTTdp duplication) • Material NBN Unavailability (to include FTTC) • NBN Co FTTN Node (to exclude NBN Co DPU) • NBN Co Node (to exclude NBN Co DPU) • NBN Fixed Line Network (to include FTTC) <p>The following new definitions are included:</p> <ul style="list-style-type: none"> • FTTC-Connected Premises • FTTC Control Joint • NBN Co DPU • NBN Co FTTC Interconnection Point.

Telstra considers these changes are practical and provide further clarity to the Plan as required by the introduction of FTTC as an Access Technology on the NBN. Telstra considers these amendments are consistent with the MPPs, including MPP 18 and 23 as described in the sections above.

3. Clarification of the Order Stability Period (OSP) duration

Telstra last amended its OSP obligations under clause 13 of the Plan in association with the June 2015 variation. In June 2015, the ACCC accepted that in order to support the operation of the disconnection arrangements introduced for FSAMs 32+, it was necessary to operate the OSP during the same timeframe as managed disconnection.¹

Currently, the Plan requires Telstra to conclude OSP no later than:

- 45 business days after the Disconnection Date for all services other than services at In-Train Order Premises (noting that Telstra will commence its managed disconnection process from 26 Business Days after the Disconnection Date); and
- DD+120 business days for In-Train Order Premises;

(unless cancelled or revoked earlier, such as when the service is migrated).

However, under the Plan, Phase 2 In-Train Order Premises are to be permanently disconnected as soon as reasonably practicable after the date that is 155 Business Days after the Disconnection Date for a Rollout Region (clause 15.1A(c)(ii)(F)). As the existing OSP is to conclude at 120 Business Days after Disconnection Date, this potentially causes a minor misalignment between the OSP and Phase 2 In-Train Order Premises.

Telstra considers that this misalignment should be corrected to ensure that the OSP is equivalently applied across the various In-Train Order Premises timeframes. As this clarification is only applicable to Phase 2 ITO Premises, Telstra considers the proposal is consistent with MPP 17.2(c) which seeks to ensure the OSP is applied for the shortest period reasonably required. Further, to the extent it is in Telstra's control, this proposal also minimises disruption to the supply of Copper Services and HFC

¹ ACCC, Assessment of Telstra's revised Migration Plan, June 2015, page 3

Services (MPPs, sections 17(2)(a) and 10(1)). For these reasons, Telstra believes that the proposed amendments will benefit retail service providers.

Relevant Section of the Plan	Development and Implication
Clause 13.1 - Order Stability Period	Amend the conclusion timeframe for the OSP to align with the timeline specified in clause 15 as the date by which Telstra will permanently disconnect In-Train Order Premises.

4. Clarification of cease sale application to Multi Dwelling Unit (MDU) Common Area Sub Locations (CASLs)

Telstra has amended clause 1.4 of the Plan to clarify that cease sale service restriction obligations that currently apply to MDU Common Areas, will also incorporate any sub-locations within an in-scope MDU Common Area.

Clause 17.1 of the Plan requires Telstra to not supply new Copper Services to premises after the Cease Sale Commencement Date for a Rollout Region where those premises are in the Fixed Line Footprint and are NBN Serviceable. The Fixed Line Footprint refers to premises that are listed on the Fixed Footprint List (**FFL**).

NBN Co currently includes MDU Common Areas premises as part of the FFL for a Rollout Region. Each MDU Common Area has a single Location ID (**Loc ID**). However, the Loc ID for a MDU Common Areas location may not be the actual serviceable location (for example the gas utilities room). These sub-locations within the MDU Common Area are consequentially represented on the FFL by the MDU Common Area Loc ID (although they are individually listed on the Historical Footprint List).

Relevant Section of the Plan	Development and Implication
Clause 1.4 - MDU Common Areas and related Copper Services and HFC Services	Add additional text to confirm that application of clause 17 of the Plan to MDU Common Areas includes sub-locations within that MDU Common Area.

Telstra considers the proposal is consistent with MPP 14.3(a) that seeks to ensure that the Cease Sale service restriction is applied to an MDU Common Area in the same manner as for other premises in the same Rollout Region. Accordingly this minor change clarifies that Telstra will apply Cease Sale both to a MDU Common Area and to any associated sub-locations within a MDU Common Area.

5. Conclusion

The varied Plan reflects the changes required to give effect to the introduction of FTTC as an Access Technology in association with NBN Co's MTM rollout and also provides necessary clarification around the applicability of OSP and cease sale for ITO premises and MDU CASLs respectively.

The varied Plan is consistent with, and will facilitate, the key objectives of the MPPs, being to provide for an efficient and timely disconnection of services from Telstra's separating networks, equivalence in the disconnection process between Telstra's retail and wholesale customers, and reasonable regulatory certainty for Telstra. Telstra is therefore pleased to submit the Varied Plan to the ACCC for approval under section 577BF(2) of the *Telecommunications Act*.