

**ACCESS DISPUTE BETWEEN CHIME COMMUNICATIONS PTY LTD (ACCESS SEEKER)  
AND  
TELSTRA CORPORATION LIMITED (ACCESS PROVIDER)  
UNCONDITIONED LOCAL LOOP SERVICE (ULLS)**

**Revocation and making of an Interim Determination  
under Section 152CPA of the *Trade Practices Act 1974***

**Background**

1. On 28 November 2005, the Australian Competition and Consumer Commission (the Commission) received a written notification (the notification) from Chime Communications Pty Ltd (Chime) of an access dispute in relation to the supply, by Telstra Corporation Limited (Telstra) to Chime, of the Unconditioned Local Loop Service (the ULLS). Chime's notification was provided to the Commission pursuant to subsection 152CM(1) of the *Trade Practices Act 1974* (the TPA).
2. The ULLS is an access service involving the use of unconditioned cable, primarily copper pairs, between end-users and a telephone exchange, where the unconditioned cable terminates. The ULLS is used by access seekers to connect their own networks to existing infrastructure to deliver high-speed data-based services and voice services to end-users.
3. After holding a public inquiry, the Commission declared the ULLS pursuant to subsection 152AL(3) of the TPA in August 1999. A copy of the declaration was published in the *Commonwealth of Australia Gazette* No. GN32, 11 August 1999. The ULLS declaration was extended pursuant to subsection 152ALA(4) of the TPA in July 2006.
4. The notification states that Telstra supplies ULLS to Chime under a 'Customer Relationship Agreement' (CRA) which was entered into between the parties on 9 October 2003.
5. The notification specifies that the dispute is about a range of price and non-price terms and conditions of supply of the ULLS.
6. Chime seek a determination in relation to the supply of the ULLS from the period 25 November 2005 to the period concluding on 30 June 2007.
7. On 10 April 2006, the Commission made an interim determination in this matter.
8. The interim determination made on 10 April 2006 is revoked pursuant to subsection 152CPA(6).
9. The Commission has formed the view that the requirements of subsection 152CM(1) of the TPA are satisfied. That is:
  - Telstra is a carrier;
  - Telstra supplies the declared ULLS;

- Telstra has an obligation under subsection 152AR(3) of the TPA to supply the ULLS to Chime; and
  - Chime is unable to agree with Telstra about inter alia, the **Annual Charge** at which Telstra is to comply with that obligation.
10. Pursuant to subsection 152CPA(1) of the TPA, the Commission makes this interim determination relating to the terms and conditions of access by Chime to the ULLS provided by Telstra.

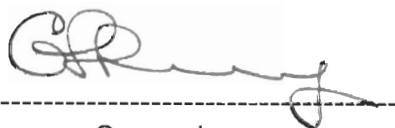
### Interim Determination

11. This interim determination relates to the ULLS Annual Charge only.
12. Except where the parties agree otherwise, the **Annual Charge** payable by Chime to Telstra for the ULLS is to be as follows:

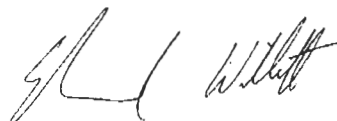
#### Annual Charge rates

Annual Charge Telstra Unconditioned Local Loop Service	Band 1 (See Table CRA 167.1)	Band 2 (See Table CRA 167.1)	Band 3 (See Table CRA 167.1)
RSS/RSU	\$86.40 per annum (\$7.20 per month)	\$212.40 per annum (\$17.70 per month)	\$410.40 per annum (\$34.20 per month)

13. Except where the parties agree otherwise, other non-price terms and conditions upon which Telstra currently supplies the ULLS to Chime are to continue to apply.
14. This interim determination shall take effect as and from 11 August 2006, and will remain in force until 10 April 2007, or until:
- i. the date a final determination comes into effect; or
  - ii. this interim determination is revoked.



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Graeme Samuel  
Chairman



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Ed Willett  
Commissioner

DATED: 11 August 2006