TRADE PRACTICES ACT 1974

Section 152AQA

Pricing Principles for the Unconditioned Local Loop Service

The Australian Competition and Consumer Commission (the Commission) determines, pursuant to section 152AQA of the Trade Practices Act 1974 (the Act), that the pricing principles specified in Schedule 1 are to apply to the Unconditioned Local Loop Service (ULLS) declared by the Commission under section 152AL of the Act.

This Determination commences on the day it is made.

Note: for the effect of this determination, see subsection 152AQA(6) of the Act.

Made by the Australian Competition and Consumer Commission on 21 November 2007

Graeme Samuel
Chairman
SCHEDULE 1

The Commission’s pricing principles for the ULLS are:

- a TSLRIC+ Pricing principles should be applied to the ULLS

- a specific cost component should be included in the ULLS monthly price, calculated by combining ‘ULLS specific costs’ with ‘LSS specific costs’ and Telstra’s internal equivalent costs for ADSL, and allocating those costs across the number of active ULLS, LSS and ADSL lines.

- the ULLS charges should be geographically de-averaged

- connection charges should be set with reference to the amounts charged by third party contractors to Telstra for jumpering work in exchanges, indirect costs and back-of-house costs.