Commonwealth of Australia

Telecommunications (Consumer Protection and Service Standards) Act 1999

Telstra Carrier Charges—Price Control Arrangements, Notification and Disallowance Determination No. 1 of 2005 (Amendment No. 1 of 2012)

I, STEPHEN MICHAEL CONROY, Minister for Broadband, Communications and the Digital Economy make the following Determination under subsections 154 (1), 155 (1) and 157 (1) of the Telecommunications (Consumer Protection and Service Standards) Act 1999.

Dated 26 June 2012

STEPHEN MICHAEL CONROY
Minister for Broadband, Communications and the Digital Economy

1 Name of Determination

This Determination is the Telstra Carrier Charges—Price Control Arrangements, Notification and Disallowance Determination No. 1 of 2005 (Amendment No. 1 of 2012).

2 Commencement

This Determination commences on the day after it is registered on the Federal Register of Legislative Instruments.

3 Variation

The Telstra Carrier Charges—Price Control Arrangements, Notification and Disallowance Determination No. 1 of 2005 is varied as set out in the Schedule to this Determination.
Schedule Amendments
(clause 3)

[1] Clause 3 (Expire)

Omit “30 June 2012” and substitute “30 June 2014”.

[2] Subclause 5(1), after the definition of connection

Insert:

connection service product means the grouping of connection services listed in column 2 of the table at Schedule 3.

[3] Subclause 5(1), after the definition of CPI number

Insert:

designated superfast telecommunications network means a wholesale-only telecommunications network, other than the national broadband network, that:

(a) is used, or is proposed to be used, to supply one or more Layer 2 bitstream services wholly or principally to residential or small business customers, or prospective residential or small business customers, in Australia; and

(b) is used, or is proposed to be used, to supply a superfast carriage service wholly or principally to residential or small business customers, or prospective residential or small business customers, in Australia; and

(c) either:

(i) came into existence on or after 1 January 2011; or

(ii) was altered or upgraded on or after 1 January 2011 and, as a result of the alteration or upgrade, the network became capable of being used to supply a superfast carriage service to residential or small business customers, or prospective residential or small business customers, in Australia.

designated VOIP service means a VOIP service supplied by Telstra:

(a) in fulfilment of the universal service obligation; or

(b) in compliance with the obligations under a contract or grant entered into under section 13 of the Telecommunications Universal Service Management Agency Act 2012 for a
purpose relating to the achievement of a policy objective set out in section 11 of that Act; or

(c) using the national broadband network; or

(d) using a designated superfast telecommunications network.

[4] Subclause 5(1), definition of *Extended Zone*

Omit the definition.

[5] Subclause 5(1), after the definition of *fourth basket of services*

Insert:

Note: The concept of the ‘fourth basket of services’ ceases to apply at the end of 30 June 2012. From that time, the price control arrangements for connections are dealt with through connection service products.

[6] Subclause 5(1), definition of *line rental*

Omit all occurrences of the words “the Telstra network” and substitute “the telecommunications network”.

[7] Subclause 5(1), after the definition of *national and international operator call connection service*

Insert:

*national broadband network* has the same meaning as in section 5 of the *National Broadband Network Companies Act 2011*.

[8] Subclause 5(1), after the definition of *subscription pricing package*

Insert:

*superfast carriage service* has the same meaning as in subsection 141(10) of the *Telecommunications Act 1997*.

*telephony-only service* means a service that:

(a) involves the supply of a standard telephone service; and

(b) does not involve the supply of an internet carriage service.

[9] Subclause 5(2)

Omit “*Internet service provider,*” substitute “*internet carriage service, Internet service provider, Layer 2 bitstream service,*”. 
[10] Clause 9

Substitute:

9 No application to a carrier charge for certain VOIP services

(1) This Determination does not apply to a charge for a VOIP service other than a designated VOIP service.

(2) Where Telstra supplies designated VOIP services, the definitions in this Determination of:
   (a) national long distance call;
   (b) trunk call; and
   (c) international call;
are to be read as if those VOIP services were standard telephone services on the domestic public switched telephone network.

Note: By virtue of clause 10A, this Determination has limited application in respect of services supplied over:
   (a) the national broadband network; or
   (b) a designated superfast telecommunications network.


Insert:

Part 1A Application of price control arrangements and notification and disallowance requirements to the Telstra network and other networks

10A Application of price control arrangements to the Telstra network and other networks

(1) Subject to subclause (2), the price control arrangements set out in Part 3 of this Determination apply only to the supply of the relevant services by Telstra using:

   (a) a fixed-line network owned by Telstra; or
   (b) a non-fixed line network (other than the national broadband network) but only to the extent the network is used by Telstra to supply services:

   (i) in fulfilment of the universal service obligation; or
   (ii) in compliance with the obligations under a contract or grant entered into under section 13 of the Telecommunications Universal Service Management Agency Act 2012 for a purpose
relating to the achievement of a policy objective set out in section 11 of that Act.

(2) The price control arrangements set out in clause 16 (Untimed local calls) apply to the supply by Telstra of the relevant services using:

(a) a fixed-line network owned by Telstra; or
(b) a non-fixed line network (other than the national broadband network) but only to the extent the network is used by Telstra to supply services:
   (i) in fulfilment of the universal service obligation; or
   (ii) in compliance with the obligations under a contract or grant entered into under section 13 of the Telecommunications Universal Service Management Agency Act 2012 for a purpose relating to the achievement of a policy objective set out in section 11 of that Act; or

(c) the national broadband network; or

(d) a designated superfast telecommunications network.

10B Application of notification and disallowance requirement to the Telstra network and other networks

The notification and disallowance requirements set out in Part 5 of this Determination apply to the supply of the relevant services by Telstra using:

(a) a fixed-line network owned by Telstra; or
(b) a non-fixed line network (other than the national broadband network) but only to the extent the network is used by Telstra to supply services:
   (i) in fulfilment of the universal service obligation; or
   (ii) in compliance with the obligations under a contract or grant entered into under section 13 of the Telecommunications Universal Service Management Agency Act 2012 for a purpose relating to the achievement of a policy objective set out in section 11 of that Act; or

(c) the national broadband network; or

(d) a designated superfast telecommunications network.
[12] **After subclause 12(2)**

Insert:

(3) Paragraph 12(2)(d) ceases to have effect at the end of 30 June 2012.

Note: The concept of the ‘fourth basket of services’ ceases to apply at the end of 30 June 2012. From that time, the price control arrangements for connections are dealt with through connection service products.

(4) The price movement of each connection service product referred to in column 2 of the table at Schedule 3 for the 2012/2013 financial year and each subsequent price-cap period is subject to a price-cap equal to the respective price movement specified in column 4 (for each relevant item).

[13] **After subclause 13(1)**

Insert:

(1AA) Paragraph 13(1)(c) ceases to have effect at the end of 30 June 2012.

[14] **After subclause 13(1A)**

Insert:

(1B) A price movement for each connection service product referred to in column 2 of Schedule 3 for the 2012/2013 financial year and each subsequent price-cap period is taken to be the sum of the movements in the price for that respective connection service product in the preceding 12 months.

Note: The concept of the ‘fourth basket of services’ ceases to apply at the end of 30 June 2012. From that time, the price control arrangements for connections are dealt with through connection service products.

[15] **Subclause 13(2)**

Substitute:

(2) For the purpose of calculating the price movement in subclauses (1), (1A), and (1B) the provision of:

(a) carriage services to an excluded customer;
(b) VOIP services other than designated VOIP services; and
(c) national and international operator call connection services and directory assistance services;
are to be disregarded.

Note: By virtue of clause 10A, this Determination has limited application in respect of services supplied over:
(a) the national broadband network; or
(b) a designated superfast telecommunications network.

[16] Paragraph 13(9)(b)
Substitute:
(b) VOIP services other than designated VOIP services; and

[17] At the end of subclause 13(9)
Insert:

Note: By virtue of clause 10A, this Determination has limited application in respect of services supplied over:
(a) the national broadband network; or
(b) a designated superfast telecommunications network.

[18] Clause 15
Omit the clause.

[19] Subclause 16(2)
Omit “(3) and (4)” and substitute “(2A), (3) and (4)”.

[20] After subclause 16(2)
Insert:

(2A) Subclause (2) does not apply to:
(a) local calls offered as part of a service supplied by Telstra using the national broadband network, other than local calls offered as part of a telephony-only service; or
(b) local calls offered as part of a service supplied by Telstra using a designated superfast telecommunications network, other than local calls offered as part of a telephony-only service.

[21] After subclause 16(9)
Insert:

Note: By virtue of clause 10A, clause 16 applies to services supplied by Telstra over one
or more of the following:
(a) a fixed-line network owned by Telstra;
(b) certain non-fixed line networks;
(c) the national broadband network;
(d) a designated superfast telecommunications network.

[22] Paragraph 17(2)(a)
Substitute:

(a) a call made from a public mobile telephone service, except where the service is supplied either:
   (i) in fulfilment of the universal service obligation; or
   (ii) in compliance with the obligations under a contract or grant entered into under section 13 of the Telecommunications Universal Service Management Agency Act 2012 for a purpose relating to the achievement of a policy objective set out in section 11 of that Act;

[23] Paragraph 17(2)(c)
Substitute:

(c) a call made from a satellite service, except where the service is supplied either:
   (i) in fulfilment of the universal service obligation; or
   (ii) in compliance with the obligations under a contract or grant entered into under section 13 of the Telecommunications Universal Service Management Agency Act 2012 for a purpose relating to the achievement of a policy objective set out in section 11 of that Act;

[24] Paragraph 20(2)(c)
Substitute:

(c) the election is not in respect of a price-cap that would otherwise apply for the first, second or third basket of services in the 2013/2014 financial year.

Note: The concept of the ‘fourth basket of services’ ceases to apply at the end of 30 June 2012. From that time, the price control arrangements for connections are dealt with through connection service products.
[25] After subclause 20(2)

Insert:

(3) For the avoidance of doubt, an election may not be made for any connection service product referred to in column 2 of the table at Schedule 3 for the 2012/2013 financial year, or any subsequent price-cap period.

[26] Subclause 21(1)

Omit the subclause.

[27] Subclause 21(2)

Renumber subclause 21(2) as 21(1).

[28] Subclause 22(1)

Omit “subclause 22(2)” and substitute “subclauses 22(2) and (3)”.

[29] Subclause 22(2)

Substitute:

(2) Subclause (1) does not apply if the value of the price movement of:

(a) the first basket of services; or
(b) the second basket of services; or
(c) the third basket of services;

over the 2013/2014 financial year is less than the price-cap for the relevant basket in that financial year.

(3) For the avoidance of doubt, subclause (1) does not apply if the value of the price movement of any connection service product referred to in column 2 of the table at Schedule 3 over the 2012/2013 financial year or the 2013/2014 financial year is less than the applicable price-cap for the relevant connection service product in that financial year.

[30] Subclause 23(2)

Substitute:

(2) If:

(a) the value of the price movement of the first basket of services over the 2013/2014 financial year is greater
than the price-cap for that financial year (as varied in accordance with this Determination) for the relevant basket plus 0.2 percentage points; and
(b) clauses 11, 12 and 13 continue to apply in the 2014/2015 financial year in accordance with clause 30 as if this Determination had not expired;
the price-cap for the relevant basket in the 2014/2015 financial year is taken to be varied by the unexercised amount of the price-cap for the 2013/2014 financial year.

[31] Subclause 23(3)
Substitute:
(3) If:
(a) the value of the price movement of the second or third basket of services over the 2013/2014 financial year is greater than the price-cap for that financial year (as varied in accordance with this Determination) for the relevant basket plus 0.1 percentage points; and
(b) clauses 11, 12 and 13 continue to apply in the 2014/2015 financial year in accordance with clause 30 as if this Determination had not expired;
the price-cap for the relevant basket in the 2014/2015 financial year is taken to be varied by the unexercised amount of the price-cap for the 2013/2014 financial year.

Note: There is no applicable price-cap variation under clause 23 for each component connection service product referred to in column 2 of the table at Schedule 3 for the 2012/2013 financial year or any subsequent financial year.

[32] At the end of clause 29
Insert:

Note: By virtue of clause 10B, clause 29 applies to services supplied by Telstra over one or more of the following:
(a) a fixed-line network owned by Telstra;
(b) certain non-fixed line networks;
(c) the national broadband network;
(d) a designated superfast telecommunications network.

[33] Heading to Part 6
Omit “2012/2013” and substitute “2014/2015”.
[34] Heading to Clause 30
Omit “2012/2013” and substitute “2014/2015”.

[35] Clause 30
Omit “subclause 21(2)” and substitute “subclause 21(1)”.

[36] At the end of Schedule 2
Insert:

Note: The concept of the ‘fourth basket of services’ ceases to apply at the end of 30 June 2012. From that time, the price control arrangements for connections are dealt with through connection service products.

[37] After Schedule 2
Insert

Schedule 3 Price-caps for each specified connection service product for 2012/2013 financial year and each subsequent price-cap period
(subclause 12 (3))

<table>
<thead>
<tr>
<th>Item Column 1</th>
<th>Description of connection service Column 2</th>
<th>Price for 2012/2013 financial year Column 3</th>
<th>Price movement for each subsequent price-cap period Column 4</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Existing phone line, no technician visit required, standard connection</td>
<td>$59.00 for first line and $59.00 for each additional line</td>
<td>CPI-0</td>
</tr>
<tr>
<td>2</td>
<td>Existing phone line, no technician visit required, temporary connection</td>
<td>$159.00 for first line and $159.00 for each additional line</td>
<td>CPI-0</td>
</tr>
<tr>
<td>3</td>
<td>Existing phone line, technician visit required, no cabling work needed, standard connection</td>
<td>$125.00 for first line and $75.50 for each additional line and $75.00 technician call out fee</td>
<td>CPI-0</td>
</tr>
<tr>
<td>4</td>
<td>Existing phone line, technician visit required, no cabling work needed, temporary connection</td>
<td>$225.00 for first line and $175.50 for each additional line and</td>
<td>CPI-0</td>
</tr>
<tr>
<td></td>
<td>Description</td>
<td>Fee</td>
<td></td>
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<tr>
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<td>-----------------------------------------------------------------------------</td>
<td>----------------------------------------------------------------------</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Existing phone line, technician visit required, cabling work needed,</td>
<td>$299.00 for first line and $179.00 for each additional line and $75.00 technician call out fee</td>
<td></td>
</tr>
<tr>
<td></td>
<td>standard connection</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Existing phone line, technician visit required, cabling work needed,</td>
<td>$399.00 for first line and $279.00 for each additional line and $75.00 technician call out fee</td>
<td></td>
</tr>
<tr>
<td></td>
<td>temporary connection</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>New service connection, technician visit required, not a Telstra Velocity</td>
<td>$299.00 and $75.00 technician call out fee</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Service, standard connection</td>
<td></td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>New service connection, technician visit required, not a Telstra Velocity</td>
<td>$399.00 and $75.00 technician call out fee</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Service, temporary connection</td>
<td></td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>New service connection, technician visit required, Telstra Velocity Service,</td>
<td>$299.00 for first line and $179.00 for each additional line and $75.00 technician call out fee</td>
<td></td>
</tr>
<tr>
<td></td>
<td>standard connection</td>
<td></td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>New service connection, technician visit required, Telstra Velocity Service,</td>
<td>$399.00 for first line and $279.00 for each additional line and $75.00 technician call out fee</td>
<td></td>
</tr>
<tr>
<td></td>
<td>temporary connection</td>
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</tr>
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</table>