



OPERATIONAL EQUIVALENCE REPORT FOR THE SEPTEMBER 2016 QUARTER

30 NOVEMBER 2016



Contents

1.	Executive Summary	3
2.	Introduction	5
2.1.	The Interim Equivalence and Transparency Measures in the SSU	5
2.2.	Purpose of the Operational Equivalence Report	5
2.3.	Contents of the Operational Equivalence Report	5
3.	Equivalence and Transparency Measures and Service Levels	6
3.1.	Service Levels	6
3.2.	Approach to Calculating Results	10
3.3.	Methodology Used to Calculate Average Performance Results (Average Cycle) Times	11
3.4.	Results for the September Quarter	12
	Glossary and Acronyms	19



1. Executive Summary

This Operational Equivalence Report has been prepared under clause 16.2 of the Structural Separation Undertaking (**SSU**) and sets out the results of Telstra's performance against the Equivalence and Transparency Metrics in Schedule 3 of the SSU for the July to September 2016 Quarter (**the September Quarter**).

In total, we report on performance against 35 Metrics in this document. The first 32 Metrics relate to the operational quality and delivery standard of relevant Regulated Services, being:

- Basic Telephone Service (**BTS**) (Metrics 1-7);
- Wholesale ADSL Layer 2 Service (**ADSL**) (Metrics 8-11);
- Line Sharing Service (**LSS**) (Metrics 12-13);
- Unconditioned Local Loop Service (**ULLS**) (Metrics 14-16); and
- Domestic Transmission Capacity Service (**DTCS**) (Metrics 17-18).

The other three Metrics relate to:

- billing timeliness (Metric 19);
- access to Telstra Exchange Building Facilities (Metric 20); and
- Wholesale systems availability (Metric 21).

Metrics 1-11 and 17-19 compare Telstra's performance in relation to services delivered to Wholesale Customers with its performance in relation to services delivered to Retail Business Units. The remaining Metrics (i.e., Metrics 12-16 and 20-21) are measures of our performance against specified service levels for Telstra's delivery of Wholesale service only.

Metrics 1-12 are reported for Business and Residential End-Customers separately.

Telstra's performance details and the information contained in this Operational Equivalence Report are based on the information available at the date the report is prepared. Telstra reserves the right to provide any correction to this Report, should it later discover an error or other methodological issue with the calculation of the results or the explanations provided.

A positive result in the Metric indicates either:

- a result that is in favour of Telstra's Wholesale Customers; or
- that Telstra has exceeded the specified service target.

A negative result in the Metric indicates either:

- a result that is in favour of Telstra's Retail Business Units; or
- that Telstra has not met the specified service target.

Unless explicitly stated, nothing in this Report is to be taken as any legal admission by Telstra that any of the circumstances described amount to a breach of any obligation under the SSU.

**Table 1.1: September Quarter Results**

Metric		Applying the Conditions in para 10, Sch 3, SSU		Not applying the Conditions in para 10, Sch 3, SSU	
		Business	Residential	Business	Residential
1.	BTS Activation – In Place	-0.78%	-1.01%	-0.78%	-1.01%
2.	BTS Activation – New, no work	-16.45%	-1.73%	-23.59%	-2.89%
3.	BTS Activation – New, work	-10.72%	-8.19%	-16.14%	-12.91%
4.	BTS Order Appointment	1.57%	1.19%	1.57%	1.19%
5.	BTS Fault Restoration	5.28%	0.88%	2.83%	-0.62%
6.	BTS Fault Appointment	-0.64%	0.09%	-0.64%	0.09%
7.	BTS Non-Recurring Faults	-0.49%	-0.42%	-0.49%	-0.42%
8.	ADSL Services Provisioned	1.88%	-0.30%	1.17%	-0.36%
9.	ADSL Service – Held Orders	14.20%	-0.35%	14.20%	-3.81%
10.	ADSL Service – Faults Rectified	11.34%	6.66%	21.38%	10.12%
11.	ADSL Service Appointment	-1.01%	-0.03%	-1.01%	-0.03%
12a.	BigPond ADSL L2 & LSS Completed	2.12%	0.54%	1.52%	0.57%
12b.	LSS Completed	8.93%	9.28%	8.33%	8.87%
13.	LSS Faults Rectified	5.26%		-2.05%	
14.	ULLS Individual Cutovers	-1.35%		-8.26%	
15.	ULLS Appointments	4.45%		4.45%	
16.	ULLS Faults Rectified	1.31%		-21.30%	
17.	DTCS Orders Provisioned	Telstra has not included any conditions in the DTCS result for activation performance		Not applicable. There were no Retail orders and therefore no comparison to be made.	
18.	DTCS Faults Rectified	-2.51%		3.49%	
19.	Bill Timeliness	0.95%			
20.	Access to Telstra Exchange Building Facilities	100%			
21.	Wholesale System Availability	96.57%			

As can be seen from the performance results in the table above, of the 35 Metrics reported on (which covers Business and Residential being reported separately for 16 metrics) for the September Quarter, 5 Metrics exceeded the Reporting Variance in favour of Retail.

The remaining 30 Metric results are either in favour of Wholesale Customers or within the tolerance level of the relevant Metric.

A brief explanation for the Reporting Variances can be found in the body of this Report.



2. Introduction

This Operational Equivalence Report sets out the Quarterly results of Telstra's performance against the Equivalence and Transparency Metrics in Schedule 3 of the SSU.

Most of the Metrics are designed to compare Telstra's performance in relation to services delivered to Wholesale Customers with its performance in relation to services delivered to Retail Business Units. The other Metrics measure Telstra's performance in supplying services to Wholesale Customers against specific service levels. To the extent that the results compare favourably, it indicates that the standard of service delivery that Telstra is supplying to Wholesale Customers meets or exceeds the requirements of the SSU.

2.1. The Interim Equivalence and Transparency Measures in the SSU

Under clause 16.2 of the SSU, Telstra is required to prepare, and provide to the ACCC and the Independent Telecommunications Adjudicator (ITA), an Operational Equivalence Report outlining its performance against 35 Equivalence and Transparency Metrics. The Report must be produced Quarterly, for each three month period starting from 1 January, 1 April, 1 July and 1 October each year.

2.2. Purpose of the Operational Equivalence Report

This Operational Equivalence Report is published on the Telstra Wholesale website to provide information to the public, the industry, the ACCC and the ITA about measures of Telstra's performance in meeting the IET requirements in Part D of the SSU.

The URL to the Telstra Wholesale website is <http://www.telstraWholesale.com.au/about/structural-separation-undertaking/index.htm#tab-2>

2.3. Contents of the Operational Equivalence Report

This Operational Equivalence Report contains the following sections:

- **Section 3.1** – sets out the performance standards for each Metric as published in the SSU. Refer to **Tables 3.1.1 to 3.1.8**.
- **Section 3.2** – describes the approach to calculating the results.
- **Section 3.3** – describes the methodology used to calculate the Average Performance Results or Average Cycle Times.
- **Section 3.4** – summarises the results for the September 2016 Quarter (**the September Quarter**) in **Tables 3.4.1, 3.4.2 and 3.4.3**.

In calculating these results, Telstra is entitled to apply certain conditions set out in paragraph 10 of Schedule 3 of the SSU (the **Conditions**). The only Condition that Telstra has applied in the September Quarter relates to Mass Service Disruptions (**MSDs**). Telstra believes that it is reasonable to exclude MSDs from the performance measurements for the relevant Quarter as, by their very nature, MSDs prevent Telstra from provisioning services and rectifying faults, and



impact both Wholesale and Retail Customers within the geographic area in which the MSD is applied. As required under clause 16.2(a)(ii) of the SSU, Telstra has also calculated the results that would have been achieved for each Metric if the Conditions were not applied. **Table 3.4.1** lists the MSDs applicable for the September Quarter.

The Metrics reported in **Table 3.4.2** compare Telstra's performance in relation to services delivered to Wholesale Customers with its performance in relation to services delivered to Retail Business Units. For each of these Metrics, a positive result indicates that Telstra's performance in relation to services delivered to Wholesale Customers exceeds its performance in relation to Retail Business Units. A result of 0 indicates that the performance for Wholesale Customers equals the performance for Retail Business Units. A negative result indicates that the performance for Retail Business Units exceeds the performance for Wholesale Customers.

Table 3.4.3 sets out the Average Performance Results or Average Cycle Times for the supply of the relevant service for Retail and Wholesale Customers.

3. Equivalence and Transparency Measures and Service Levels

3.1. Service Levels

The following table contains the service levels for each Equivalence and Transparency Metric as set out in the SSU.

Table 3.1.1: Basic Telephone Service – Equivalence and Transparency Metrics

Metric	Measure	Service Level [#] (where applicable)
1.	The percentage of Basic Telephone Service customer installation orders provisioned in the relevant Quarter on or by the Service Level – previous service available for automatic connection (i.e. an In-place Connection)	Urban – 2 Clear Working Days Major Rural – 2 Clear Working Days Minor Rural – 2 Clear Working Days Remote – 2 Clear Working Days, each from the relevant order date [^]
2.	The percentage of Basic Telephone Service customer installation orders provisioned in the relevant Quarter on or by the Service Level – new service with available cabling and capacity where pre-provisioning work is not required	Urban – 5 Clear Working Days Major Rural – 10 Clear Working Days Minor Rural – 10 Clear Working Days Remote – 15 Clear Working Days, each from the relevant order date [^]
3.	The percentage of Basic Telephone Service orders provisioned in the relevant Quarter, on or by the Service Level – new service which requires additional cable or network capacity	Urban – 20 Clear Working Days Major Rural – 20 Clear Working Days Minor Rural – 20 Clear Working Days Remote – 20 Clear Working Days, each from the relevant order date [^]
4.	The percentage of Basic Telephone Service order appointments that are met in the relevant Quarter	All locations – appointments between two particular times less than or equal to a 4 hour period – must be at the customer's premises no later than 15 minutes after the end time of the appointment Urban / Major Rural – appointment window between to particular times greater than a 4 hour period but less than or equal to a 5 hour period – must be at the customer's premises no later than the end time of the appointment Minor Rural / Remote – appointment window between two particular times greater than a 4 hour period but less than or



Metric	Measure	Service Level [#] (where applicable)
		equal to a 5 hour period and the technician is required to travel a long distance – must be at the customer's premises no later than 45 minutes after the end time of the appointment Note – Response time is the end time of the calculation. It represents the time that the technician arrived for the appointment and is dependent on Telstra workforce or contractors making a record of their arrival time
5.	The percentage of Basic Telephone Service Faults that are rectified in the relevant Quarter, and copied to Telstra's data warehouse by the relevant data extraction date, on or by the Service Level	Urban – 1 Clear Working Day after the Fault report is logged by Telstra ^{^**} Major Rural / Minor Rural – 2 Clear Working Days after the Fault report is logged by Telstra ^{^**} Remote – 3 Clear Working Days after the Fault report is logged by Telstra ^{^**}
6.	The percentage of Basic Telephone Service Fault appointments that are met in the relevant Quarter	All locations – appointments between two particular times less than or equal to a 4 hour period – must be at the customer's premises no later than 15 minutes after the end time of the appointment Urban / Major Rural – appointment window between two particular times greater than a 4 hour period but less than or equal to a 5 hour period – must be at the customer's premises no later than the end time of the appointment Minor Rural / Remote - appointment between two particular times greater than a 4 hour period but less than or equal to a 5 hour period and the technician is required to travel a long distance - must be at the customer's premises no later than 45 minutes after the end time of the appointment Note – Response time is the end time of the calculation. It represents the time that the technician arrived for the appointment and is dependent on Telstra workforce or contractors making a record of their arrival time
7.	The percentage difference in non-recurring Fault ratio	Percentage of basic telephone service Faults that are not re-reported within 60 calendar days

[#] Interim Orders and Withdrawn Orders are excluded.

[^] Measured from the date which Telstra receives a correct and valid application from the customer to the date recorded in Telstra's relevant provisioning system as the date when all of the relevant stages for that service through which an order can pass are completed or the clearance date if there was a Fault on the connected service.

^{*} Where CRD or RCRD is longer than the Service Level, then the CRD or RCRD will be the Service Level (or Telstra commitment date).

⁺ Metric does not apply where a site visit to the customer's premises is required to determine whether a Fault is the cause of the service difficulty.

Table 3.1.2: Wholesale ADSL Layer 2 Service – Equivalence and Transparency Metrics

Metric	Measure	Service Level (where applicable)
8.	The percentage of services provisioned within Service Level – where the customer or end-user has an existing and functioning basic telephone service capable of supporting ADSL services	3 Clear Working Days from date entered into Telstra's provisioning system [#]
9.	The percentage of services provisioned within Service Level – held orders	20 Clear Working Days from date entered into Telstra's provisioning system [#]
10.	The percentage of Faults rectified within Service Level	Urban – by the end of the first Clear Working Day after the Fault report is logged by Telstra ^{^*} Major Rural and Minor Rural – by the end of 2 Clear Working Days after the Fault report is logged by Telstra ^{^*}



Metric	Measure	Service Level (where applicable)
		Remote – by the end of 3 Clear Working Days after the Fault report is logged by Telstra ^{^*}
11.	The percentage of appointments kept	<p>Appointment between two particular times less than or equal to a 4 hour period - must be at the customer's premises no later than 15 minutes after the end time of the appointment</p> <p>Appointment window between two particular times greater than a 4 hour period but less than or equal to a 5 hour period - must be at the customer's premises no later than the end time of the appointment</p> <p>Appointment window between two particular times greater than a 4 hour period but less than or equal to a 5 hour period and the technician is required to travel a long distance - must be at the customer's premises no later than 45 minutes after the end time of the appointment</p> <p>Note – Response time is the end time of the calculation. It represents the time that the technician arrived for the appointment and is dependent on Telstra workforce and contractors making a record of their arrival time</p>

Where CRD or RCRD is longer than the Service Level, then the CRD or RCRD will be the Service Level (or Telstra commitment date).

[^] Measured from the date the Fault call is received to the earlier of:

- (A) the date and time that the tester enters an actual restore against the order; or
- (B) the date and time the field technician enters as the restore time.

* Metric does not apply where a site visit to the customer's premises is required to determine whether a Fault is the cause of the service difficulty.

Table 3.1.3: Line Sharing Service – Equivalence and Transparency Metrics

Metric	Measure	Service Level (where applicable)
12(a)	The percentage of BigPond ADSL L2 and LSS completed within Service Level	3 Clear Working Days ^{#^*}
12(b)	The percentage of LSS completed within Service Level	3 Clear Working Days ^{#^*}
13.	The percentage of Faults rectified within Service Level	<p>Urban – By the end of the first Clear Work after the Fault report is logged by Telstra^{+>}</p> <p>Major Rural / Minor Rural – by the end of 2 Clear Working Days after the Fault report is logged by Telstra^{+>}</p> <p>Remote – By the end of 3 Clear Working Days after the Fault report is logged by Telstra^{+>}</p>

Where the CRD or RCRD is longer than the Service Level, then the CRD or RCRD will be the Service Level (or Telstra commitment Date).

[^] Measured from the date Telstra enters the order into the relevant provisioning system to the last date recorded against the following states (where applicable) through which can order can pass:

- (A) Plant assignment;
- (B) Exchange building activation.

* Does not apply where any field work or exchange work required to fulfil the activation is not part of a standard LSS activation order.

+ Measured from the date and time the Fault call was logged by Telstra (in Telstra's information technology systems) to the date and time the technician records that the Fault is repaired. If the call date and time is after 5pm, the baseline for calculating the Service Level moves to 9am the next Working Day.

> Does not apply where a site visit to the customer's premises is required to determine whether a Fault is the cause of the service difficulty.

**Table 3.1.4: Unconditioned Local Loop Service - Equivalence and Transparency Metric**

Metric	Measure	Service Level (where applicable)
14.	The percentage of ULL Individual Cutovers completed on the CRD	95% ^{#^}
15.	The percentage of appointments for ULL Individual Cutovers offered according to the Service Level – where there is an Intact metallic path at the relevant premises	For Band 1 and 2 exchanges only, if the Wholesale Customer requests, Telstra will offer an appointment that occurs 3 Clear Working Days after the date the request for the ULL Individual cutover is received. If the CRD is greater than 3 Clear Working Days, that date becomes the applicable Service Level [^]
16.	The percentage of Faults rectified within the Service Level	Band 1 and 2 – by the end of the first Clear Working Day after the Fault report is logged by Telstra ⁺ Band 3 – by the end of 2 Clear Working Days after the Fault report is logged by Telstra ⁺ Band 4 – by the end of 3 Clear Working Days after the Fault report is logged by Telstra ⁺

Metric does not apply where any field work or exchange work required to fulfil the activation is not part of a standard ULLS activation order.

[^] Measured based on the CRD recorded in the relevant Telstra systems.

^{*} Measured from the date and time the Fault call was logged by Telstra (in Telstra's information technology systems) to the date and time the technician reports that the Fault is repaired. If the call date and time is after 5pm, the baseline for calculating the Service Level moves to 9am the next Working Day.

⁺ Metric does not apply where a site visit to the customer's premises is required to determine whether a Fault is the cause of the service difficulty.

Table 3.1.5: Domestic Transmission Capacity Service - Equivalence and Transparency Metrics

Metric	Measure	Service Level (where applicable)
17.	The percentage of Domestic Transmission Capacity Service orders provisioned on or by the Service Level	Category 1 Order: Metro – 9 Clear Working Days ^{#^} Country – 19 Clear Working Days ^{#^} Category 2 Order: Metro – 19 Clear Working Days ^{#^} Country – 39 Clear Working Days ^{#^} Category 3 Order: Metro only – 24 Clear Working Days ^{#^}
18.	The percentage of Faults rectified within Service Level	Urban ⁺ – 1 Clear Working Day Rural ⁺ – 2 Clear Working Days Remote ⁺ – 3 Clear Working Days; of the Fault report being logged by Telstra ⁺

Measured from the date that Telstra received a correct and valid application from the customer to the date recorded in Telstra's IT systems that identifies the date when all of the relevant stages through which the order can pass are completed.

[^] Where the CRD or RCRD is longer than the Service Level, then the CRD or RCRD will be the Service Level (or Telstra commitment date).

^{*} Measured from the 'call date and time' which is the date and time the Fault call is logged by Telstra (in Telstra's IT Systems) to the earlier of:

(A) the date and time that the tester enters an actual restore against the order; or

(B) the date and time the field technician enters as the restore time.

If the call date and time is after 5pm, the baseline for calculating the Service Level moves to 9am the next Working Day.

⁺ Refers to the location of the Fault, and not the location of the terminating points of the service.

**Table 3.1.6: Billing Timeliness - Equivalence and Transparency Metric**

Metric	Measure	Service Level (where applicable)
19.	Billing Timeliness – Current charges generated in Telstra's system presented on bill	Wholesale charges – not older than 95 days Retail charges – not older than 190 days

Table 3.1.7: Access to Telstra Exchange Building Facilities - Equivalence and Transparency Metrics

Metric	Measure	Service Level (where applicable)
20.	The percentage of JCI's completed on the TCD	90%

Table 3.1.8: Wholesale systems availability - Equivalence and Transparency Metrics

Metric	Measure	Service Level (where applicable)
21.	Availability of LOLO	98%

Further information in relation to the metrics, including relevant definitions, is provided in the SSU.

A copy of the SSU is available at <http://www.telstraWholesale.com.au/download/document/ssu.pdf>

3.2. Approach to Calculating Results

Paragraph 10 of Schedule 3 of the SSU provides that, when calculating its performance in relation to each Metric, Telstra is not required to take into account:

- for Metrics 1-16 and 20-21, a ticket of work which is directly affected by NBN-related activities being undertaken by NBN Co or Telstra in any Rollout Region or which is in the course of being migrated to the NBN at any time during the Quarter;
- a failure to meet a Service Level which is caused by activities undertaken by Telstra in order to comply with the Migration Plan;
- a failure to meet a Service Level due to circumstances outside of Telstra's control;
- a failure to meet a Service Level due to the need for Telstra to redeploy staff or equipment from one or more areas to another area that has been affected by circumstances outside of Telstra's control, such as an area that has been affected by a natural disaster;
- circumstances where the Retail Customer or end-user of a Wholesale Customer causes delay or fails to keep an appointment with Telstra without giving at least 24 hours notice;



- a failure to meet a Service Level which the Retail Customer or Wholesale Customer has waived in writing; or
- any temporary planned outage or withdrawal of services necessary in order to maintain or upgrade a facility, service or network, where Telstra has given reasonable notice to the Retail Customer or Wholesale Customer of the outage or withdrawal.

For the September Quarter the only Condition that Telstra has applied relates to MSDs.

3.3. Methodology Used to Calculate Average Performance Results (Average Cycle) Times

The average cycle time has been calculated to determine the average time taken by Telstra to complete the relevant task requested, where the Wholesale or Retail Customer requests the task to be undertaken by the standard provisioning time for that particular task. Accordingly, Telstra has adjusted the data used to calculate average cycle times by excluding Customer requests that are outside the standard provisioning time for that task. Telstra considers this gives a more accurate reading of Telstra's performance in completing tasks for customers, since it removes any distortion of the measure of performance for either Wholesale or Retail Customers caused by those customer requests for a longer-than-standard timeframe for completion. (Telstra's performance on those tasks is still recorded in the Metrics themselves, as such those metrics still capture whether or not Telstra met the timeframe based on the actual date requested by the Customer.)

Telstra's approach in calculating average cycle times is set out below.

Activation

Definition of Working Day:

- Monday to Friday 8 am to 5 pm (except for Metric 17).
- Metric 17 measures Clear Working Days – a Working Day commencing on 8 am on the next or preceding Working Day.
- Excluding public holidays (except for Metric 17).
- Public holidays are included in the measurement of Metric 17 on the basis that two exchanges are involved therefore if there is a public holiday where one exchange is located, work could progress in the other exchange. A variation for national public holidays has not been included due to the complexity of the calculation.
- Excluding days where a MSD or Local Service Disruption (LSD) has been granted for the service (except for Metric 1 and 17).
- MSDs/LSDs are not factored into the measurement of Metric 17 as two exchanges are involved and both may not be impacted by the MSD/LSD.

Rules:

- Metrics 1, 2, 3, 4, and 17 measure the average number of Working Days taken to complete the relevant task between the Application Date and Time and the Completion Date and Time.
- Metrics 8 and 9 measure the average number of Working Days taken to complete the relevant task between the Create Date and Time (i.e. the date/time when the task is entered on Telstra's provisioning system) and the Completion Date and Time.
- If the Application/Create Date and Time is on a Working Day (as defined above) then that is Day 0, the next Working Day of the life of the order would be day 1 and so on.
- If the Application/Create Date and Time is not on a Working Day, then the next Working Day following that Date is counted as Day 0.



- If the order is completed on the same day as the Application/Create Date and this is not on a Working Day (e.g. due to weekends, public Holidays, MSD/LSD), then the Cycle Time is 0.
- If the CRD or Revised Customer Required Date (RCRD) is greater than Standard Provisioning Time (SPT) then the Connection is not counted in the Cycle Time calculation.
- If the Completion Time is invalid or Null then the Connection is not counted in the Cycle Time calculation. This occurs in the rare event that no actual restoration date is logged onto the system. It prevents data errors being returned by the system.
- The provision of an interim service is taken into consideration in determining the measurement.

Assurance

Definition of Working Day:

- Monday to Friday 8 am to 5 pm
- Excluding public holidays where the service is located
- Excluding days where a MSD or LSD has been granted for the service

Rules:

- The measurement is calculated as the average number of days taken to rectify the fault by measuring the number of Working Days between the Call Date/Time or the date/time when we receive it on our systems and the Restore Date.
- If Call Date/Time is on a Working Day (as defined above) then that is Day 0, the next Working Day of the life of the fault would be day 1 and so on.
- If Call Date/Time or the date/time when we receive it on our systems is outside a Working Day, then the next Working Day is Day 0.
- If the order is completed on the same day as the Application/Create Date and this is not on a Working Day (e.g. due to weekends, public Holidays, MSDs/LSDs), then the Cycle Time is 0.
- The provision of an interim service is taken into consideration in the measurement.

3.4. Results for the September Quarter

Under the reporting framework in the SSU, Telstra is required to prepare and provide to the ACCC and ITA an Operational Equivalence Report setting out the results for each Metric in the SSU.

Although there is no requirement to provide Reporting Variance explanations in the public report, Telstra will provide a summary explanation in instances where Retail performance exceeded Wholesale performance by more than the 2% tolerance limit (for comparative Metrics) or where the Wholesale performance has not met the specified performance targets by more than 2% for those Metrics which are not calculated in reference to the Retail performance. Additional detail will be provided in the separate, confidential report prepared for the ACCC and the ITA under clause 16.3 of the SSU.

Note: The measurement of Telstra's performance and whether the Reporting Variance explanations are required is determined by considering the performance results with the Conditions applied, in accordance with clause 16.2(d).

The tables in this section set out the results for the September Quarter. A positive outcome means Telstra's performance for Wholesale Customers was greater than its performance for Retail Customers, or that the specified service level was exceeded.

Two sets of results have been provided in the tables below. With the first set of results Telstra has applied the Conditions. With the second set of results Telstra has not applied the Conditions. The



second set of results are provided for informational purposes only, since Telstra is entitled to apply the Conditions in determining the Metric outcomes.

With the first set of results, the only Condition that Telstra has applied relates to MSDs. Telstra excluded from the calculation the areas where a MSD applied. Each MSD used in the calculation met the requirements of the Australian Communications & Media Authority (ACMA). There are stringent guidelines under which a MSD is approved as an exemption to the Customer Service Guarantee. The exemption process is explained in sections 22-27 of the Telecommunications (Customer Service Guarantee) Standard 2011, which can be found on the Australian Government ComLaw website http://www.comlaw.gov.au/Details/F2011C00791/Html/Text#_Toc304293187

Inclement weather in the September Quarter resulted in a significant number of MSDs being declared. Details on MSDs that are relevant to the September Quarter are provided in the table below. This information has been extracted from the public notices available on Telstra's internet site at <http://www.telstra.com.au/consumer-advice/customer-service/mass-service-disruption/>

Table 3.4.1: September Quarter MSDs

Code	Start	End	Location	Disruption	Estimated Impact
20160929-SA-S-C-P-ADELAIDE-AND-SURROUNDING-DISTRICTS	29/09/2016	13/11/2016	Adelaide, Mount Lofty Ranges, Kangaroo Island, Lower and Eastern Eyre, Yorke Peninsula, Mid North, Riverland, Murraylands, Upper South East. Parts of West Coast, Flinders and Lower South East of SA	Extreme Weather Conditions	Approximately 12,000 services
20160915-SA-S-C-P-ADELAIDE-AND-SURROUNDING-DISTRICTS	15/09/2016	29/09/2016	Adelaide Metropolitan and Mount Lofty Ranges Districts and part of the Mid North District of South Australia	Extreme Weather Conditions	Approximately 4,900 services
20160913-VIC-S-C-P-NORTH-WEST-MELBOURNE-AND-SURROUNDING-AREA-EXTENSION-2	13/09/2016	13/11/2016	Parts of Melbourne and the Central District of Victoria	Extreme Weather Conditions	Approximately 3,500 services
20160913-VIC-S-C-P-NORTH-WEST-MELBOURNE-AND-SURROUNDING-AREA-EXTENSION	13/09/2016	23/10/2016	Parts of Melbourne and the Central District of Victoria	Extreme Weather Conditions	Approximately 3,750 services
20160913-VIC-S-C-P-NORTH-WEST-MELBOURNE-AND-SURROUNDING-AREA	13/09/2016	02/10/2016	Parts of Melbourne and the Central District of Victoria	Extreme Weather Conditions	Approximately 3,600 services
20160912-VIC-S-C-P-WEST-VICTORIA-EXTENSION	12/09/2016	02/11/2016	South West District and parts of the Central, North Central, Northern Country, Mallee and Wimmera Districts of Victoria	Extreme Weather Conditions	Approximately 3,600 services
20160912-NSW-S-C-P-RIVERINA-AND-SURROUNDING-DISTRICTS-EXTENSION-2	12/09/2016	13/11/2016	Parts of the Riverina, Central West Slopes and Plains and South West Slopes Districts of New South Wales	Extreme Weather Conditions	Approximately 700 services
20160912-NSW-S-C-P-RIVERINA-AND-SURROUNDING-DISTRICTS	12/09/2016	02/10/2016	Parts of the Riverina, Central West Slopes and Plains and South West Slopes Districts of New South Wales	Extreme Weather Conditions	Approximately 750 services
20160912-VIC-S-C-P-WEST-VICTORIA	12/09/2016	09/10/2016	South West District and parts of the Central, North Central, Northern Country, Mallee and Wimmera Districts of Victoria	Extreme Weather Conditions	Approximately 2,400 services
20160912-NSW-S-C-P-RIVERINA-AND-SURROUNDING-DISTRICTS-EXTENSION	12/09/2016	23/10/2016	Parts of the Riverina, Central West Slopes and Plains and South West Slopes Districts of New South Wales	Extreme Weather Conditions	Approximately 650 services



Code	Start	End	Location	Disruption	Estimated Impact
20160909-SA-E-C-P-ADELAIDE-AND-SURROUNDING-AREA	09/09/2016	15/09/2016	Parts of the Adelaide Metropolitan District and Mount Lofty Ranges of South Australia	Extreme Weather Conditions	Approximately 2,000 services
20160905-NSW-E-C-P-CENTRAL-AND-SOUTHERN-TABLELANDS	05/09/2016	02/10/2016	Central and Southern Tablelands Districts and parts of the North West Slopes and Plains and South West Slopes Districts of New South Wales	Extreme Weather Conditions	Approximately 1,300 services
20160905-NSW-E-C-P-CENTRAL-AND-SOUTHERN-TABLELANDS-EXTENSION	05/09/2016	23/10/2016	Parts of the Central Tablelands and Central West Slopes and Plains Districts of New South Wales	Extreme Weather Conditions	Approximately 400 services
20160829-NSW-E-C-P-SYDNEY-AND-SURROUNDING-DISTRICTS	29/08/2016	25/09/2016	Sydney Metropolitan District and part of the Illawarra District of New South Wales	Extreme Weather Conditions	Approximately 19,300 services
20160804-NSW-E-C-P-NORTHERN-RIVERS-AND-SURROUNDING-DISTRICTS	04/08/2016	28/08/2016	Parts of the Northern Rivers, Mid North Coast and Northern Tablelands Districts of New South Wales	Extreme Weather Conditions	Approximately 800 services
20160725-SA-E-C-P-ADELAIDE-AND-SURROUNDING-DISTRICTS-EXTENSION	25/07/2016	11/09/2016	Adelaide Metropolitan and Mount Lofty Ranges Districts of South Australia	Extreme Weather Conditions	Approximately 4,000 services
20160725-SA-S-C-P-ADELAIDE-AND-SURROUNDING-DISTRICTS	25/07/2016	21/08/2016	Adelaide Metropolitan, Yorke Peninsula, Mount Lofty Ranges, Upper South East and Lower South East Districts and parts of the Mid North and Murraylands Districts of South Australia	Extreme Weather Conditions	Approximately 6,700 services
20160725-VIC-S-C-P-NORTH-EAST-VIC-AND-RIVERINA	25/07/2016	21/08/2016	North East District of Victoria and parts of the Riverina, South West Slopes and Snowy Mountains Districts of New South Wales	Extreme Weather Conditions	Approximately 1,550 services
20160718-QLD-E-C-P-CENTRAL-QLD	18/07/2016	14/08/2016	Parts of Capricornia, Central Highlands and Coalfields, Central Coast – Whitsundays and Central West Districts of Queensland	Extreme Weather Conditions	Approximately 1,350 services
20160706-VIC-S-C-P-GIPPSLAND-AND-SURROUNDING-AREA	06/07/2016	31/07/2016	East, West and South Gippsland Districts of Victoria	Extreme Weather Conditions	Approximately 1,580 services
20160706-VIC-S-C-P-GIPPSLAND-AND-SURROUNDING-AREA-EXTENSION	06/07/2016	21/08/2016	East, West and South Gippsland Districts of Victoria	Extreme Weather Conditions	Approximately 1,200 services
20160703-QLD-E-C-P-NORTH-EAST-BRISBANE	03/07/2016	17/07/2016	South East Queensland	Extreme Weather Conditions	Approximately 1,050 services
20160624-SA-S-C-P-GREATER-ADELAIDE-EXTENSION	24/06/2016	25/07/2016	Greater Adelaide Metropolitan Region	Extreme Weather Conditions	Approximately 2,870 services
20160624-SA-S-C-P-GREATER-ADELAIDE	24/06/2016	17/07/2016	Greater Adelaide Metropolitan Region	Extreme Weather Conditions	Approximately 5,100 services
20160620-VIC-S-C-P-MILDURA-AND-SURROUNDING-AREA	20/06/2016	10/07/2016	Mildura and part of the surrounding Mallee District	Extreme Weather Conditions	Approximately 200 services
20160620-QLD-E-C-P-BRISBANE	20/06/2016	10/07/2016	Brisbane and Southeast Coast District	Extreme Weather Conditions	Approximately 2,700 services
20160620-VIC-S-C-P-CAULFIELD-AND-SURROUNDING-SUBURBS	20/06/2016	10/07/2016	Part of Southeast Melbourne	Extreme Weather Conditions	Approximately 1,450 services



Code	Start	End	Location	Disruption	Estimated Impact
20160620-VIC-S-C-P-MELTON-AND-SURROUNDING-AREA	20/06/2016	10/07/2016	Part of Northwest Melbourne	Extreme Weather Conditions	Approximately 500 services
20160617-QLD-E-C-P-SOUTHEAST-BRISBANE	17/06/2016	10/07/2016	Parts of the southeast Brisbane area of Queensland	Extreme Weather Conditions	Approximately 650 services
20160613-VIC-S-C-P-HAWTHORN-AND-SURROUNDING-SUBURBS	13/06/2016	03/07/2016	Part of Melbourne	Extreme Weather Conditions	Approximately 550 services
20160613-QLD-E-C-P-NORTHEAST-BRISBANE	13/06/2016	03/07/2016	Part of the Brisbane and Southeast District of Queensland	Extreme Weather Conditions	Approximately 1,500 services
20160608-QLD-E-C-P-EAST-BRISBANE-AND-SURROUNDING-AREA	08/06/2016	03/07/2016	Part of the Brisbane Area of Queensland	Extreme Weather Conditions	Approximately 950 services
20160606-NSW-E-C-P-SOUTH-COAST-AND-SOUTHERN-TABLELANDS	06/06/2016	10/07/2016	Illawarra District and parts of the South Coast and Southern Tablelands and the Australian Capital Territory	Extreme Weather Conditions	Approximately 8,750 services
20160606-NSW-E-C-P-HUNTER-AND-CENTRAL-TABLELANDS-DISTRICTS	06/06/2016	31/07/2016	Hunter and Central Tablelands Districts and part of the Mid North Coast District of New South Wales	Extreme Weather Conditions	Approximately 8,000 services
20160606-NSW-E-C-P-HUNTER-AND-CENTRAL-TABLELANDS	06/06/2016	10/07/2016	Hunter and Central Tablelands Districts and part of the Mid North Coast District of New South Wales	Extreme Weather Conditions	Approximately 8,100 services
20160606-TAS-S-C-P-TASMANIA	06/06/2016	03/07/2016	State of Tasmania	Extreme Weather Conditions	Approximately 2,100 services
20160606-NSW-E-C-P-SYDNEY-AND-GREATER-SYDNEY-EXTENSION-2	06/06/2016	28/08/2016	Sydney and Greater Sydney Metropolitan Area of New South Wales	Extreme Weather Conditions	Approximately 11,000 services
20160606-QLD-E-C-P-SE-QLD-AND-NORTH-COAST-NSW	06/06/2016	03/07/2016	Southeast Coast District of Queensland and the Northern Rivers and Mid North Coast Districts of New South Wales	Extreme Weather Conditions	Approximately 4,800 services
20160606-NSW-E-C-P-SYDNEY-AND-GREATER-SYDNEY	06/06/2016	17/07/2016	Sydney and Greater Sydney Metropolitan Area of New South Wales	Extreme Weather Conditions	Approximately 24,000 services
20160606-NSW-E-C-P-HUNTER-AND-CENTRAL-TABLELANDS-EXTENSION-2	06/06/2016	21/08/2016	Hunter District and parts of the Central Tablelands and Mid North Coast Districts of New South Wales	Extreme Weather Conditions	Approximately 3,900 services
20160606-NSW-E-C-P-SYDNEY-AND-GREATER-SYDNEY-EXTENSION	06/06/2016	07/08/2016	Sydney and Greater Sydney Metropolitan Area of New South Wales	Extreme Weather Conditions	Approximately 12,200 services
20160606-NSW-E-C-P-SOUTH-COAST-AND-SNOWY-MOUNTAINS	06/06/2016	03/07/2016	South Coast and Snowy Mountains Districts of New South Wales	Extreme Weather Conditions	Approximately 400 services
20160606-NSW-E-C-P-SOUTH-COAST-AND-SOUTHERN-TABLELANDS-EXTENSION-2	06/06/2016	21/08/2016	Illawarra District and parts of the South Coast and Southern Tablelands Districts of New South Wales and part of the Australian Capital Territory	Extreme Weather Conditions	Approximately 4,300 services

**Table 3.4.2: September Quarter Results**

Metric		Applying the Conditions in para 10, Sch 3, SSU		Not applying the Conditions in para 10, Sch 3, SSU	
		Business	Residential	Business	Residential
1.	BTS Activation – In Place	-0.78%	-1.01%	-0.78%	-1.01%
2.	BTS Activation – New, no work	-16.45%	-1.73%	-23.59%	-2.89%
3.	BTS Activation – New, work	-10.72%	-8.19%	-16.14%	-12.91%
4.	BTS Order Appointment	1.57%	1.19%	1.57%	1.19%
5.	BTS Fault Restoration	5.28%	0.88%	2.83%	-0.62%
6.	BTS Fault Appointment	-0.64%	0.09%	-0.64%	0.09%
7.	BTS Non-Recurring Faults	-0.49%	-0.42%	-0.49%	-0.42%
8.	ADSL Services Provisioned	1.88%	-0.30%	1.17%	-0.36%
9.	ADSL Service – Held Orders	14.20%	-0.35%	14.20%	-3.81%
10.	ADSL Service – Faults Rectified	11.34%	6.66%	21.38%	10.12%
11.	ADSL Service Appointment	-1.01%	-0.03%	-1.01%	-0.03%
12a.	BigPond ADSL L2 & LSS Completed	2.12%	0.54%	1.52%	0.57%
12b.	LSS Completed	8.93%	9.28%	8.33%	8.87%
13.	LSS Faults Rectified	5.26%		-2.05%	
14.	ULLS Individual Cutovers	-1.35%		-8.26%	
15.	ULLS Appointments	4.45%		4.45%	
16.	ULLS Faults Rectified	1.31%		-21.30%	
17.	DTCS Orders Provisioned	Telstra has not included any conditions in the DTCS result for activation performance		Not applicable. There were no Retail orders and therefore no comparison to be made.	
18.	DTCS Faults Rectified	-2.51%		3.49%	
19.	Bill Timeliness	0.95%			
20.	Access to Telstra Exchange Building Facilities	100%			
21.	Wholesale System Availability	96.57%			

As can be seen from the performance results in the table above, of the 35 Metrics reported on (which covers Business and Residential being reported separately for 16 metrics) for the September Quarter, 5 Metrics exceeded the Reporting Variance in favour of Retail.

The remaining 30 Metric results are either in favour of Wholesale Customers or within the tolerance level of the relevant Metric.

Note: Some of these matters may relate to the Conditions set out in Schedule 3, paragraph 10 of the SSU however Telstra has not excluded these orders from the Metric calculation.



Metric 2 (BTS Activation – Business): The primary performance drivers that impacted the result for this Metric include:

- Availability of Wholesale provisioning platforms as outlined in Metric 21.
- The differences in the types of services between Retail and Wholesale impacted the result.
- Extreme weather in the June and September quarters resulted in a significant number of Mass Service Disruptions (MSDs) across broad areas of the country. While these circumstances (which are outside Telstra's control) impact both Wholesale and Retail, the effect on reported comparative performance can be quite variable and dependent on the locations affected.

Metric 3 (BTS Activation Held Orders – Business & Residential): The primary performance drivers that impacted the result for these Metrics include:

- Availability of Wholesale provisioning platforms as outlined in Metric 21.
- Differences in the complexity of build between individual sites can greatly impact the ability to meet the service level (such as commercial property sites and residential development sites, which can have very different construction requirements).
- Extreme weather in the June and September quarters resulted in a significant number of Mass Service Disruptions (MSDs) across broad areas of the country. While these circumstances (which are outside Telstra's control) impact both Wholesale and Retail, the effect on reported comparative performance can be quite variable and dependent on the locations affected.

Metric 18 - DCTS Faults Rectified: This result is primarily driven by the significant volume differential between the number of faults rectified by Wholesale and Retail for DTCS during the Quarter. The exceptionally low Retail volume creates considerable volatility and renders this Metric/result statistically invalid.

Metric 21 – Wholesale System Availability: Telstra experienced some partial disruptions to our Wholesale provisioning platforms at the end of Quarter 1 and very early in Quarter 2. This issue was one-off in nature and has been addressed.



Table 3.4.3: September Quarter Results for Metrics for the Average Performance Results (Average Cycle Times In Days)

Metric		Business		Residential	
		Retail	Wholesale	Retail	Wholesale
1.	BTS Activation – In Place	0.61	1.52	1.87	2.26
2.	BTS Activation – New, no work	4.96	8.00	3.44	4.28
3.	BTS Activation – New, work	14.66	33.92	14.51	21.42
4.	BTS Order Appointment	7.04	10.77	7.96	10.55
5.	BTS Fault Restoration	1.18	1.27	0.79	1.27
6.	BTS Fault Appointment	1.31	2.16	1.01	2.19
8.	ADSL Services Provisioned	0.54	0.55	0.52	0.48
9.	ADSL Service – Held Orders	3.00	4.74	5.69	5.63
10.	ADSL Service – Faults Rectified	1.88	1.61	2.08	1.63
11.	ADSL Service Appointment	2.41	2.68	2.54	2.50
17.	DTCS Orders Provisioned	-	15.73	N/A	
18.	DTCS Faults Rectified	0.36	0.38	N/A	



Glossary and Acronyms

ACCC	Australian Competition and Consumer Commission
ADSL	Asymmetric Digital Subscriber Line
CRD	Customer Required Date
IET	Interim Equivalence and Transparency
IT	Information Technology
LOLO	LinxOnline Ordering
LSS	Line Sharing Service
NBN	National Broadband Network
RCRD	Revised Customer Required Date
SSU	Structural Separation Undertaking
ULLS	Unconditional Local Loop Service