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# OPERATIONAL EQUIVALENCE REPORT FOR THE SEPTEMBER 2014 QUARTER

28 NOVEMBER 2014

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## 1. Executive Summary

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

In total, 35 Metrics are reported upon 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 for Wholesale service delivery only. These Metrics measure Telstra's performance in relation to Wholesale Customers against specified service targets.

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 outcome in the Metric indicates a result that is in favour of Telstra's Wholesale Customers, or that the specified service target has been exceeded. A negative outcome in the Metric indicates a result that is in favour of Telstra's Retail Business Units, or that the specified service target was not met. 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 2014 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	1.47%	0.63%	1.47%	0.63%
2.	BTS Activation – New, no work	2.13%	3.21%	2.36%	3.66%
3.	BTS Activation – New, work	-0.70%	13.49%	0.33%	11.74%
4.	BTS Order Appointment	1.07%	1.42%	1.07%	1.42%
5.	BTS Fault Restoration	2.21%	0.83%	-0.03%	-0.73%

Metric		Applying the Conditions in para 10, Sch 3, SSU		Not applying the Conditions in para 10, Sch 3, SSU	
		Business	Residential	Business	Residential
6.	BTS Fault Appointment	0.02%	-0.10%	0.02%	-0.10%
7.	BTS Non-Recurring Faults	-0.71%	-1.13%	-0.71%	-1.13%
8.	ADSL Services Provisioned	0.06%	-1.24%	0.20%	-1.40%
9.	ADSL Service – Held Orders	6.31%	1.77%	4.92%	1.92%
10.	ADSL Service – Faults Rectified	13.64%	5.50%	18.00%	7.45%
11.	ADSL Service Appointment	0.20%	-0.06%	0.20%	-0.06%
12a.	BigPond ADSL L2 & LSS Completed	-0.58%	-0.05%	-0.74%	-0.20%
12b.	LSS Completed	8.56%	8.48%	8.03%	7.91%
13.	LSS Faults Rectified	4.13%		0.07%	
14.	ULLS Individual Cutovers	4.16%		4.01%	
15.	ULLS Appointments	4.59%		4.59%	
16.	ULLS Faults Rectified	1.47%		-9.80%	
17.	DTCS Orders Provisioned	Telstra has not included any conditions in the DTCS result activation performance		-15.78%	
18.	DTCS Faults Rectified	-1.69%		-2.08%	
19.	Bill Timeliness	0.01%			
20.	Access to Telstra Exchange Building Facilities	100%			
21.	Wholesale System Availability	99.75%			

## 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 compare Telstra's performance in supplying services to Wholesale Customers against specific service targets. 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 IET arrangements in 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** – the approach to calculating the results.
- **Section 3.3** – the methodology used to calculate the Average Performance Results or Average Cycle Times.
- **Section 3.4** – summarises the results for the September 2014 Quarter (**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 <sup>#</sup> (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 <sup>^</sup>
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 <sup>^</sup>
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 <sup>^</sup>
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 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

Metric	Measure	Service Level <sup>#</sup> (where applicable)
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 <sup>^*</sup> Major Rural / Minor Rural – 2 Clear Working Days after the Fault report is logged by Telstra <sup>^*</sup> Remote – 3 Clear Working Days after the Fault report is logged by Telstra <sup>^*</sup>
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

<sup>#</sup> Interim Orders and Withdrawn Orders are excluded.

<sup>^</sup> 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.

<sup>\*</sup> Where CRD or RCRD is longer than the Service Level, then the CRD or RCRD will be the Service Level (or Telstra commitment date).

<sup>+</sup> 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 <sup>#</sup>
9.	The percentage of services provisioned within Service Level – held orders	20 Clear Working Days from date entered into Telstra's provisioning system <sup>#</sup>
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 <sup>^*</sup> Major Rural and Minor Rural – by the end of 2 Clear Working Days after the Fault report is logged by Telstra <sup>^*</sup> Remote – by the end of 3 Clear Working Days after the Fault report is logged by Telstra <sup>^*</sup>
11.	The percentage of appointments kept	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 Appointment window between two particular times greater than a 4 hour period but less than or equal to a 5 hour period

Metric	Measure	Service Level (where applicable)
		<p>- 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 <sup>#^*</sup>
12(b)	The percentage of LSS completed within Service Level	3 Clear Working Days <sup>#^*</sup>
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<sup>+&gt;</sup></p> <p>Major Rural / Minor Rural – by the end of 2 Clear Working Days after the Fault report is logged by Telstra<sup>+&gt;</sup></p> <p>Remote – By the end of 3 Clear Working Days after the Fault report is logged by Telstra<sup>+&gt;</sup></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% <sup>#^</sup>
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	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



Metric	Measure	Service Level (where applicable)
	premises	cutover is received. If the CRD is greater than 3 Clear Working Days, that date becomes the applicable Service Level <sup>^</sup>
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 <sup>+</sup> Band 3 – by the end of 2 Clear Working Days after the Fault report is logged by Telstra <sup>+</sup> Band 4 – by the end of 3 Clear Working Days after the Fault report is logged by Telstra <sup>+</sup>

<sup>#</sup> 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.

<sup>^</sup> Measured based on the CRD recorded in the relevant Telstra systems.

<sup>.</sup> 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.

<sup>+</sup> 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 <sup>#^</sup> Country – 19 Clear Working Days <sup>#^</sup>  Category 2 Order: Metro – 19 Clear Working Days <sup>#^</sup> Country – 39 Clear Working Days <sup>#^</sup>  Category 3 Order: Metro only – 24 Clear Working Days <sup>#^</sup>
18.	The percentage of Faults rectified within Service Level	Urban <sup>+</sup> – 1 Clear Working Day Rural <sup>+</sup> – 2 Clear Working Days Remote <sup>+</sup> – 3 Clear Working Days; of the Fault report being logged by Telstra <sup>.</sup>

<sup>#</sup> 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.

<sup>^</sup> 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).

<sup>.</sup> 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.

<sup>+</sup> 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 on 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 8am 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 on the one hand, 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) on the one hand, to 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](http://www.comlaw.gov.au/Details/F2011C00791/Html/Text#_Toc304293187)

Details on MSDs that are relevant to the September Quarter are provided in the table on the following page. This information has been extracted from the public notices available on Telstra's internet site at <http://www.telstra.com.au/abouttelstra/commitments/mass-service-disruption/>

Table 3.4.1: September Quarter MSDs

Code	Start	End	Location	Disruption	Estimated Impact
20140623-SA-S-C-P-ADELAIDE-AND-GREATER-ADELAIDE	23/06/2014	13/07/2014	Adelaide Metropolitan, Mount Lofty Ranges, Kangaroo Island and parts of the Mid North Districts of South Australia	Extreme Weather Conditions	Approximately 5,200 services
20140623-SA-S-C-P-ADELAIDE-AND-GREATER-ADELAIDE-EXTENSION	23/06/2014	27/07/2014	Adelaide Metropolitan, Mount Lofty Ranges, Kangaroo Island and parts of the Mid North Districts of South Australia	Extreme Weather Conditions	Approximately 3,400 services
20140623-WA-S-C-P-PERTH-AND-SOUTHERN-DISTRICTS	23/06/2014	13/07/2014	Perth, Lower West, South West, Great Southern and parts of the Central Wheat Belt Districts of Western Australia	Extreme Weather Conditions	Approximately 9,300 services
20140623-WA-S-C-P-PERTH-AND-SOUTHERN-DISTRICTS-EXTENSION	23/06/2014	27/07/2014	Perth, Lower West, South West, Great Southern and parts of the Central Wheat Belt Districts of Western Australia	Extreme Weather Conditions	Approximately 5,100 services
20140625-VIC-S-C-P-GREATER-MELBOURNE-AND-REGIONAL-VICTORIA	25/06/2014	13/07/2014	South West, Central and parts of the North Central and Northern Country Districts of Victoria	Extreme Weather Conditions	Approximately 3,500 services
20140730-TAS-S-C-P-TASMANIA	30/07/2014	24/08/2014	State of Tasmania	Extreme Weather Conditions	Approximately 2,200 services
20140801-SA-S-C-P-ADELAIDE-AND-REGIONAL-SA	01/08/2014	24/08/2014	Adelaide Metropolitan, Mount Lofty Ranges, Lower Eyre Peninsula, Eastern Eyre, Flinders, Mid North, Yorke Peninsula, Riverland, Murraylands, Upper and Lower Southeast Districts of South Australia	Extreme Weather Conditions	Approximately 7,300 services
20140801-VIC-S-C-P-CENTRAL-AND-SOUTH-WEST-DISTRICT	01/08/2014	24/08/2014	Central and South West Districts and parts of the Northern Country, North East and North Central Districts of Victoria	Extreme Weather Conditions	Approximately 5,250 services
20140818-NSW-E-C-P-SYDNEY-AND-COASTAL-NSW	18/08/2014	31/08/2014	Sydney Metropolitan, Illawarra and South Coast Districts of New South Wales	Extreme Weather Conditions	Approximately 11,150 services
20140818-NSW-E-C-P-SYDNEY-AND-COASTAL-NSW-EXTENSION	18/08/2014	21/09/2014	Sydney Metropolitan, Illawarra and South Coast Districts of New South Wales	Extreme Weather Conditions	Approximately 15,400 services
20140818-WA-S-C-P-LOWER-WEST-AND-SOUTH-WEST-DISTRICTS-EXTENSION	18/08/2014	29/08/2014	Lower West and South West Districts of Western Australia	Extreme Weather Conditions	Approximately 1,200 services
20140818-WA-S-C-P-LOWER-WEST-AND-SOUTH-WEST-DISTRICTS	18/08/2014	29/08/2014	Lower West and South West Districts of Western Australia	Extreme Weather Conditions	Approximately 1,250 services
20140828-NSW-E-C-P-NORTHERN-TABLELANDS-AND-NORTH-COASTAL-NSW	28/08/2014	14/09/2014	Northern Rivers, Mid North Coast and Northern Tablelands Districts of New South Wales	Extreme Weather Conditions	Approximately 3,650 services
20140829-WA-S-C-P-PERTH-AND-SURROUNDING-DISTRICTS	29/08/2014	28/09/2014	Perth and Greater Perth, Great Southern, Lower West and South West Districts of Western Australia	Extreme Weather Conditions	Approximately 10,250 services
20140829-WA-S-C-P-PERTH-AND-SURROUNDING-DISTRICTS-EXTENSION	29/08/2014	12/10/2014	Perth and Greater Perth, Great Southern, Lower West and South West Districts of Western Australia	Extreme Weather Conditions	Approximately 5,250 services
20140910-VIC-S-C-P-NORTH-AND-EAST-VICTORIA-AND-RIVERINA-NSW	10/09/2014	28/09/2014	Central, North Central, Northern Country, North East, West and South Gippsland and East Gippsland Districts of VIC and parts of the Riverina, Snowy Mountains and South West Slopes Districts of NSW	Extreme Weather Conditions	Approximately 1,450 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	1.47%	0.63%	1.47%	0.63%
2.	BTS Activation – New, no work	2.13%	3.21%	2.36%	3.66%
3.	BTS Activation – New, work	-0.70%	13.49%	0.33%	11.74%
4.	BTS Order Appointment	1.07%	1.42%	1.07%	1.42%
5.	BTS Fault Restoration	2.21%	0.83%	-0.03%	-0.73%
6.	BTS Fault Appointment	0.02%	-0.10%	0.02%	-0.10%
7.	BTS Non-Recurring Faults	-0.71%	-1.13%	-0.71%	-1.13%
8.	ADSL Services Provisioned	0.06%	-1.24%	0.20%	-1.40%
9.	ADSL Service – Held Orders	6.31%	1.77%	4.92%	1.92%
10.	ADSL Service – Faults Rectified	13.64%	5.50%	18.00%	7.45%
11.	ADSL Service Appointment	0.20%	-0.06%	0.20%	-0.06%
12a.	BigPond ADSL L2 & LSS Completed	-0.58%	-0.05%	-0.74%	-0.20%
12b.	LSS Completed	8.56%	8.48%	8.03%	7.91%
13.	LSS Faults Rectified	4.13%		0.07%	
14.	ULLS Individual Cutovers	4.16%		4.01%	
15.	ULLS Appointments	4.59%		4.59%	
16.	ULLS Faults Rectified	1.47%		-9.80%	
17.	DTCS Orders Provisioned	Telstra has not included any conditions in the DTCS result activation performance		-15.78%	
18.	DTCS Faults Rectified	-1.69%		-2.08%	
19.	Bill Timeliness	0.01%			
20.	Access to Telstra Exchange Building Facilities	100%			
21.	Wholesale System Availability	99.75%			

As can be seen from the performance results in the table above, all Metric results for the September Quarter are either in favour of Telstra Wholesale or are within the specified service level, except for Metric 17, which has a Reporting Variance in favour of Retail. This result is primarily driven by the significant volume differential between the number of orders received for Wholesale and Retail for the provisioning of DTCS. The exceptionally low Retail volume creates considerable volatility and renders this Metric/result statistically invalid.

Telstra Wholesale's tickets of work missed their target due to factors including the following:

- Faulty equipment;
- Material, infrastructure, system and construction delays; and
- Resource availability.

Some of these matters 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.

**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	0.45	0.75	0.89	0.78
2.	BTS Activation – New, no work	3.73	3.34	3.34	2.19
3.	BTS Activation – New, work	24.29	21.48	19.74	13.02
4.	BTS Order Appointment	5.29	4.66	4.90	4.15
5.	BTS Fault Restoration	1.01	1.08	0.86	1.04
6.	BTS Fault Appointment	1.18	1.50	1.18	1.63
8.	ADSL Services Provisioned	0.72	1.70	1.02	1.50
9.	ADSL Service – Held Orders	4.14	5.98	6.96	5.81
10.	ADSL Service – Faults Rectified	1.56	0.83	1.34	0.98
11.	ADSL Service Appointment	1.94	1.85	2.01	2.07
17.	DTCS Orders Provisioned	N/A	11.49	N/A	
18.	DTCS Faults Rectified	0.22	0.17	N/A	



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## Glossary and Acronyms

ACCC	Australian Competition and Consumer Commission
ADSL	Asynchronous 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