

TELSTRA CORPORATION LIMITED

Replacement Required Measures 5(A) and 5(C)-5(E): Disconnection process for Special Services and Special Service Inputs for the:

5(A)	SS Classes Ethernet Lite BDSL and Wholesale Business DSL – for FTTP, FTTN and FTTB
5(C)	SS Classes Wholesale ATM (over copper), ATM (Rebill) (over copper) and ATM (over copper) – for FTTP, FTTN and FTTB
5(D)	Access Service Families DDS Fastway, Data Access Radial, Megalink, Frame Relay, ISDN 2 and ISDN 10/20/30 – for FTTP, FTTN and FTTB
5(E)	Access Service Family Wholesale Transmission – CRA – Telstra domestic tail transmission capacity service – for FTTP, FTTN and FTTB

Consultation with Wholesale Customers, the ACCC and NBN Co on proposed network agnostic in-train order arrangements for Special Services

13 September 2018



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01 EXECUTIVE SUMMARY

Background and purpose of this Consultation

Telstra's Migration Plan requires Telstra to disconnect "Special Services" from its legacy network. Special Services are business-grade copper services used mainly by business and government customers for critical purposes other than standard landline phone or internet services. Special Services include products such as Ethernet Lite BDSL, Wholesale Business DSL, Frame Relay, Megalink, DDS Fastway, ISDN and CustomNet Spectrum.

Telstra hasn't yet commenced the mandatory disconnection of any Special Services under its Migration Plan. However, under the current arrangements, the first such mandatory disconnection date is rapidly approaching. This will occur on 12 November 2018, and will cover Ethernet Lite and Wholesale Business DSL supplied to premises located in nbn rollout regions which have already passed their Rollout Region Disconnection Date. The current disconnection arrangements for the 12 November 2018 Special Services Disconnection Date are network agnostic – regardless of which competing network an end-user migrates to, the managed disconnection process will apply equivalently.

On 10 September 2018 Telstra submitted a proposed variation to its Migration Plan for the ACCC's approval (the **September 2018 Plan Variation Proposal**). The proposed variations cover a number of matters, including some important changes to Telstra's current disconnection obligations for Special Services. In particular, these changes will:

- Defer the commencement of any managed disconnection activities following the passing of the Special Services Disconnection Date on 12 November 2018 covering Ethernet Lite and Wholesale Business DSL services, until 29 January 2019; and
- Extend the timeframe for disconnecting Special Services beyond the initial mandatory Special Services Disconnection Date, but only where the customer has an In-Train Order in place to migrate the Special Service to the nbn.

We expect the ACCC will shortly commence a public consultation regarding the changes contained in the September 2018 Plan Variation Proposal, and we will respond to any feedback you may provide to the ACCC in the usual course.

This Consultation serves a different purpose to the ACCC's consultation. In this Consultation, we are seeking feedback from our Wholesale Customers, the ACCC and NBN Co on some **additional** changes to the arrangements for disconnecting Special Services we would like to make, which are **NOT** included in the September 2018 Plan Variation Proposal. Specifically, this proposal would vary the terms of RMs 5(A) and 5(C)-(E) to:

- Establish an ITO period to extend disconnection beyond the SSDD for orders for a network other than the nbn, in a way that is equivalent to the proposed ITO arrangements that would apply to nbn network orders; and
- Enhance the ITO disconnection extension arrangements which will apply to both standard services and TSS where the Rollout Region Disconnection Date (RRDD) occurs after the SSDD, so that Premises with orders for Special Services on a network other than the nbn will also be protected.



These changes, along with the changes in the September 2018 Plan Variation Proposal, would ensure that the disconnection arrangements for Special Services remain network agnostic. These changes go beyond what has been commercially agreed with NBN Co and submitted to the ACCC for approval for the September 2018 Plan Variation Proposal. In order to implement the network agnostic SS ITO arrangements in a timely fashion, it would be helpful if either, NBN Co and Telstra can commercially agree to incorporate such a change within the Definitive Agreements, or for the ACCC to otherwise accommodate Telstra's implementation of these arrangements despite them not being reflected in the commercial agreement between the parties.

If you support the changes that Telstra is proposing as set out in this Consultation, we recommend that you express your support to both NBN Co and the ACCC, to encourage them to support Telstra giving effect to these changes in its Migration Plan.

Why do we think this change is important?

In order to comply with its commitments to the ACCC to structurally separate, Telstra needs to progressively disconnect Special Services or Special Services Inputs (collectively, "TSS") from its legacy network. However, despite NBN Co and RSP efforts to encourage end users to migrate onto alternative networks, the volumes of active TSS on Telstra's legacy network are only slowly reducing and remain generally quite high. For example, despite the SSDD for Ethernet Lite BDSL and Wholesale Business DSL services fast approaching on 12 November 2018, the volume of eligible active services remaining on Telstra's legacy copper network subject to the SSDD has only decreased by approximately 14% in a 12 month period between May 2017 and May 2018¹. This presents a risk that end-users of these TSS will not have time to complete their migration to substitute services before they are due for disconnection.

Further, under the current terms of Telstra's Migration Plan, there is no ability for Telstra to defer disconnection for TSS beyond the Special Services Disconnection Date (**SSDD**)² based upon those TSS being subject to an In-Train Order (**ITO**).

Telstra's September 2018 Plan Variation Proposal recognises the material risk that customers using TSS will be mandatorily disconnected shortly after the SSDD without having a working substitute service connected and activated. End-users of TSS include enterprise and government customers such as emergency services organisations, public institutions, charities, financial institutions and religious organisations who rely on these services to support critical operations for their organisations. Disruption of their services would have broad economic consequences that Telstra is trying to avoid.

The ITO arrangements for TSS included in the September 2018 Plan Variation Proposal help to address this risk, however, they will **only** apply to those TSS where a valid order is in place to migrate the TSS to the nbn. They do **not** cover any TSS which are being migrated to a non-nbn network. Telstra is hopeful that commercial agreement can be reached with NBN Co to extend the TSS ITO arrangements to also apply on a network agnostic basis.

¹ This percentage change has been calculated net of both disconnections and additions of applicable services on Telstra's legacy copper network (i.e. cease sale had not commenced). For clarification, disconnections during this period have been performed at the discretion of Wholesale and Retail customers for reasons including migrating to the nbn or an alternative network, or where the service is no longer required.

² For your reference, Appendix 1 contains a table setting out the Special Services associated with each RM 5, together with the associated SSDD.



The proposals covered by this Consultation seek to bridge that gap.

For clarification, no changes have been proposed to the disconnection processes contained in RM 5(B) relating to CustomNet Spectrum services either within the September 2018 Plan Variation Proposal or this Consultation. Due to the differing disconnection arrangements that apply to RM 5(B) CustomNet Spectrum as a result of Telstra announcing a full national product exit, Telstra will, subsequent to this Plan Variation, separately be proposing a variation to these disconnection arrangements. That variation will include proposed changes to reflect the agreement reached with NBN Co.

Benefits of this Consultation proposal for customers and industry

Telstra recognises that there is competitive infrastructure that can be used to supply TSS substitutes, which underlies the competitiveness of the business market more generally. Further, in some cases, end-users with TSS will prefer to migrate to infrastructure not provided by nbn and there may be circumstances where an equivalent extension is required to avoid mandatory disconnection before those end-users have completed migration activities.

Whilst the nbn is the main network replacing Telstra's legacy network for the supply of standard copper and HFC services, when it comes to TSS, multiple infrastructure networks also offer alternative solutions. Retail and Wholesale customers make conscious choices as to the solutions that they use, including where they have specific technical requirements which are not adequately served by either the current TC-2 product offered by NBN Co, or the future planned nbn Enterprise Ethernet product. By way of just three examples, Telstra is aware that:

- Some customers anticipate future bandwidth requirements that will not be able to be adequately served by either the nbn TC-2 product or the future planned nbn Enterprise Ethernet product, such as in FTTN areas where the maximum available bandwidth is limited. In these cases, a fibre solution from a non-nbn provider may represent a more suitable option, offering higher bandwidth scalability.
- Some customers have specific network protection and redundancy requirements that are available on legacy TSS and non-nbn fibre based networks, but not on the nbn products. These may include the requirement for diverse access paths between the network provider's equipment and the customer Premises.
- RSPs and business customers may prefer to deal with a single supplier who can define and manage service levels on an end to end basis, rather than a supplier who is reliant on 3rd parties and back to back commercial Service Level Agreements.

Telstra does not believe that end-users with a desire to migrate their TSS to non-nbn networks should be disadvantaged in terms of migration timeframes, nor that they should have their competitive migration choices limited by a discriminatory migration framework. We have therefore proposed the changes set out in this Consultation to promote the best interests of these end-users.

What needs to happen to enable this proposal?

Telstra is seeking industry support of the proposed changes contained in this Consultation, including recognition from Wholesale Customers that as gaining RSPs seeking to obtain the benefit of the ITO Period for orders migrating existing Special Services to non-nbn network solutions, they will need to provide Telstra with end-customer location information (noting that the information will only be used to protect the TSS from disconnection at the RRDD).



At the conclusion of this Consultation, Telstra will provide the ACCC, NBN Co and Wholesale Customers with notice whether we intend to proceed with publishing the replacement RMs 5(A) and 5(C)-5(E). At the same time, Telstra will also update the ACCC as to the outcome of our Consultation with NBN Co and Wholesale Customers.

Further, the Definitive Agreements do not currently provide for an ITO period in respect of orders to migrate TSS to a network other than the nbn. In order to implement the network agnostic SS ITO arrangements in a timely fashion, it would be helpful if either, NBN Co and Telstra can commercially agree to incorporate such a change within the Definitive Agreements, or for the ACCC to otherwise accommodate Telstra's implementation of these arrangements despite them not being reflected in the commercial agreement between the parties.

Submitting feedback

We welcome your views on this proposal. In particular, we would be interested to hear your views on the likely importance to customer experience and competition of a non-discriminatory, network-agnostic ITO Period for TSS (as between orders migrating to the nbn and other networks). This might include competition between nbn and network alternatives, as well as in the downstream market for relevant TSS substitutes. It will be important that you draw to our attention customers that prefer services using competitive infrastructure over nbn's, and would face an unacceptable risk of being disrupted if they are subject to mandatory disconnection before the proposed ITO timeframes.

Responses to this Consultation from industry will be published on telstrawholesale.com (unless otherwise agreed) and will help inform Telstra, NBN Co and the ACCC as to the level of support for the additional enhancements proposed by Telstra. Telstra remains hopeful that commercial resolution to adopt a network agnostic approach to the new TSS ITO arrangements can occur.

Telstra requests that you please submit your views on this alternative network agnostic RM variation proposal by Tuesday **16 October 2018** [via this link](#)

If you have concerns about the confidentiality of your submission, please clearly indicate which aspects of your submission you consider confidential when submitting your response and also provide a public version which may be published, if possible.



02 SUMMARY OF PROPOSED RM VARIATION

Our detailed proposed drafting changes to RMs 5(A) and 5(C)-5(E) are separately provided in mark-up in the Telstra Wholesale Customer Portal under the heading Documents and Reports > NBN > Legal and Regulatory. In summary form, these amendments will establish network agnostic disconnection protection mechanism for TSS subject to an ITO for migration either to the nbn, or to an alternative network. The variation achieves this outcome by:

Maintaining those initiatives contained within the September 2018 Plan Variation Proposal introducing an ITO period for TSS migrating to the nbn (which have been agreed with NBN Co).

The amendments described in this section 2.1 are already contained with Telstra's September 2018 Plan Variation Proposal and we expect that the ACCC will shortly commence a public consultation. These changes are shown for the purpose of providing background information and are not the focus of this separate Telstra Consultation. For ease of review, these particular changes and the other amendments (which are replicated in Telstra's September 2018 Plan Variation Proposal) are highlighted in **yellow** within the 'mark-up' versions of the RMs 5(A) and 5(C)-5(E).

These are:

- Granting a 170 Business Day (**BD**) ITO Period from the SSDD for all TSS at eligible Premises in RM5(A) and 5(C)-5(E), where it is established that the service is being migrated to the nbn and has a valid in-train migration order (including attempted connection orders that meet the relevant criteria) recognised by NBN Co up to SSDD;
- NBN Co will notify Telstra of SS In-Train Order Premises within 10BDs of the date that is 2 months before the relevant SSDD and again 5 BDs after the applicable SSDD. SS In-Train Order Premises will be recognised by NBN Co as at the date that is 2 months before the relevant SSDD or at the SSDD itself, where:
 - a. an eligible nbn connection order for the provision of a nbn service to the Premises is received by NBN Co and no nbn service has been supplied by NBN Co; or
 - b. an attempted nbn connection order (that meets the relevant criteria) for the provision of a nbn service to the Premises has been made (and NBN Co has been notified), and no nbn service has been supplied by NBN Co; or
 - c. a TSS to a Premises is to be replaced by an nbn service subject to an eligible nbn connection order to a second Premises that is located within the same MDU as, or is otherwise adjacent to or nearby, the first Premises and no nbn service has been supplied by NBN Co to that second Premises; or
 - d. an eligible commercial wholesale nbn service has commenced at the Premises in the 4 months leading up to the SSDD.
- In order to provide clarity of the disconnection process, Telstra will produce the following reports and notify to Wholesale Customers of:
 - a. SS In-Train Order Premises (that have been recognised by NBN Co as at the date that is 2 months before the relevant SSDD) as soon as reasonably practicable after the date that is 15 BDs after the milestone that is 2 months before the SSDD;
 - b. the SS Final Disconnection List as soon as reasonably practicable after the date that is 1 month before the SSDD (prior to the removal of SS In-Train Order Premises); and



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- c. the SS Updated Final Disconnection List as soon as reasonably practicable after the date that is 10BD after the SSDD (where SS In-Train Order Premises will have been removed).
 - Deferring standard disconnection activity following SSDD for all TSS subject to the:
 - RM 5(A) until 29 January 2019 following the SSDD on 12 November 2018, to avoid any clash with the Christmas, New Year and Australia Day holiday period
 - RM 5(C), (D) and (E) to account for the receipt of the SS ITO Premises List from NBN Co and its notification to Wholesale Customers (on an equivalent basis with the Telstra Retail Business Unit).

As described above, Wholesale Customers will have the opportunity to provide feedback on these particular proposals via the ACCC's separate public consultation on the September 2018 Plan Variation Proposal. For this reason, Telstra advises that these particular amendments are not the focus of this Telstra Consultation.

For your reference, Appendix 1 to this Consultation contains a table setting out the TSS associated with each RM 5, together with the associated SSDD.

Extending the September 2018 Plan Variation Proposal changes and existing Plan arrangements to apply to TSS migrating to non-nbn based networks on equivalent timeframes (not agreed with NBN Co).

We welcome your views on the proposals described in this section 2.2. For ease of review, these particular changes are highlighted in 'grey' within the 'mark-up' versions of the RMs 5(A) and 5(C)-5(E) to assist readers to identify the proposed amendments, in order that you can provide feedback on the network agnostic RM variation proposal which is the subject of this Consultation.

In summary, these additional changes involve:

- Extending the coverage of the proposed 170 BD SS ITO Period from the SSDD for all TSS at eligible Premises (referred to as **Non-NBN SSDD SS In-Train Order Premises**) in RMs 5(A) and 5(C)-5(E), where a Wholesale Customer notifies Telstra (or Telstra Retail notifies Telstra Operations) that:
 - on or before 5 BDs after the SSDD, an end-user has placed an order for a carriage service to migrate an existing TSS to a non-nbn based network and the end user has notified the RSP that the customer reasonably intends for the carriage service to replace a TSS in the Covered SS Class; and
 - the supply of the carriage service to the Premises which is the subject of the order has not commenced as at the SSDD (and that order has not been cancelled or revoked) for that Covered SS Class.
- Extending the coverage of the existing 150 BD ITO Period from the RRDD (where RRDD occurs after the SSDD) for eligible TSS Premises (referred to as **Non-NBN RRDD SS In-Train Order Premises**) in RMs 5(A) and 5(C)-5(E), where a Wholesale Customer notifies Telstra (or Telstra Retail notifies Telstra Operations) that:



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- on or before RRDD or the date which is 26 BDs after the RRDD, an end-user has placed an order for a carriage service to migrate an existing TSS to a non-nbn based network and the end user has notified the RSP that the customer reasonably intends for the carriage service to replace a TSS in a Covered SS Class; and
 - the supply of the carriage service to the Premises which is the subject of the order has not commenced as at 1 BD before RRDD or 25 BDs after the RRDD (and that order has not been cancelled or revoked) for that Covered SS Class; and
 - Telstra has been able to match the Premises in its systems and verify that the only legacy copper or HFC services supplied to that Premises are TSS and at least one of the TSS is in a Covered SS Class³.
- TSS migrating to non-nbn based networks are to be notified to Telstra by Wholesale Customers in writing for treatment as a Non-NBN SSDD SS In-Train Order Premises in association with SSDD and Non-NBN RRDD SS In-Train Order Premises in association with RRDD;
 - Wholesale Customers will then see these Non-NBN SSDD SS In-Train Order Premises and Non-NBN RRDD SS In-Train Order Premises have not been included in the relevant SS Updated Final Disconnection List or Updated Final Disconnection List, as applicable.

In parallel with these proposed changes to RMs 5(A) and 5(C)-5(E), Telstra will put in place arrangements to protect the confidentiality of all information provided to it by Wholesale Customers in relation to Non-NBN SS ITO Premises and, to ensure that information is only utilised for the purpose of ensuring that the relevant TSS are not disconnected and is not used or disclosed to gain or exploit an unfair commercial advantage over Telstra's Wholesale Customers. There are additional restrictions on disclosure to NBN Co and Telstra Retail and the purposes for which such information can be used.

As described above, Telstra is requesting feedback on the amendments described in this section 2.2.

03 BENEFITS OF OUR CONSULTATION PROPOSAL

Benefits of the September 2018 Plan Variation Proposal

The positive changes to RMs 5(A) and 5(C)-5(E) already included in the September 2018 Plan Variation Proposal will amend the disconnection processes for TSS in the interests of end-user service continuity. These changes, which will be the subject of an ACCC consultation on the September 2018 Plan Variation Proposal will, amongst other matters:

- Defer the requirement to commence mandatory disconnection of all TSS impacted by the 12 November 2018 SSDD in RMs 5(A) until 29 January 2019, to avoid any clash with the Christmas, New Year and Australia Day holiday period; and
- Establish an ITO safety-net following the SSDD specified in each of RMs 5(A) and RM 5(B)-5(E) for those end-users with nbn-only orders in place as at SSDD, to allow additional time of

³ Per existing ITO arrangements already enshrined in the Migration Plan, where a standard voice or broadband service is being supplied to a Premise on Telstra's legacy network and an order to migrate to the nbn has been registered by NBN Co within the ITO qualification period for the applicable RRDD, all services at the Premise (including any TSS) will receive the benefit of the ITO Period.



up to 170 BDs following SSDD to successfully migrate their TSS across to nbn-based solutions before mandatory disconnection is enforced.

The rationale for Telstra and NBN Co having agreed the above amendments as contained in Telstra's September 2018 Plan Variation Proposal includes:

- To address concerns raised by Wholesale customers about the state of preparedness for finalising the transition of TSS subject to the first SSDD for RM 5(A) products and that proceeding with the existing disconnection requirements immediately following SSDD, could have materially disruptive impact to the operations of end-users who have not yet migrated
- ITO arrangements already in place for the disconnection of standard voice and broadband services subject to RRDD have worked well in providing an incentive for end-users to raise migration orders and also serve as a safety-net for service continuity
- Large numbers of active TSS in-scope across RMs 5(A) and 5(C)-5(E) remain on Telstra's legacy copper network indicate that greater incentive is required to encourage RSPs and their end-users to take action to migrate these services ahead of mandatory disconnection being enforced.

Benefits of proposed extended network agnostic TSS ITO arrangements

The rationale for extending the TSS ITO arrangements contained in the September 2018 Plan Variation Proposal to cover services migrating to non-NBN networks as well as to the nbn as set out in this Consultation proposal includes:

- Broadening the scope of the TSS ITO safety-net to include non-NBN networks in association with both SSDD and RRDD, on an equivalent basis to services migrating to the nbn, will assist in reducing the risk of end-user legacy copper services being mandatorily disconnected before the successful migration to an alternative solution, in support of the service continuity objective.
- The nbn solution available to end-users with TSS may not adequately meet the needs of end-users in all cases and there are circumstances where alternative network providers could reasonably make available product offerings that provide superior services based on speeds or pricing or a range of other factors that influence end-user decision making including service level agreements, bandwidth, interface, operational foot print etc.
- In a competitive market, end-user choice of a migration solution should not be constrained by the choice of technology they decide to pursue, and one particular technology should not be advantaged over another by allowing only one solution additional time before disconnection is enforced;
- Disconnections arrangements for TSS following SSDD (within RMs 5(A) and 5(C)-5(E)) were originally developed so as to not provide any extension to any particular migration solution technology, which enabled network providers to compete on equal terms. A network-agnostic ITO extension applicable as from the SSDD maintains this level playing field;



- Disconnections arrangements for TSS following RRDD within the Plan, where RRDD occurs after SSDD, already allow the benefit of an ITO extension for services migrating to the nbn. A network-agnostic ITO extension via RMs 5(A) and 5(C)-5(E) will introduce a level playing field for TSS where RRDD occurs after SSDD.

Consistency of proposed variation with the MPPs

Clause 5.2(g) of the Plan provides that the ACCC may object to a variation to the Schedules of the Plan (such as the variations to RMs 5(A) and 5(C)-5(E) that Telstra is proposing), if the variation is not compliant with the Telecommunications (Migration Plan Principles) Determination 2015 (**MPPs**).

Telstra considers that this proposed variation, to introduce a network agnostic ITO arrangement for TSS, is consistent with the MPPs. In particular, Telstra considers that the variation is consistent with the following principles in the MPPs:

- Specific principle 18, requiring Telstra to disconnect TSS in accordance with general principle 10 to ensure disconnection occurs in way that minimises disruption to the supply of fixed-line carriage services; and
- Specific principle 28 for Required Measures and replacement schedules setting out a process, and associated timetable, under which Telstra will provide the ACCC with prior written notice of, and an opportunity for the ACCC to disallow, a replacement schedule to incorporate processes associated with the disconnection of special services, developed in accordance with specific principle 18.

04 OVERVIEW OF SEPTEMBER 2018 PLAN VARIATION PROPOSAL CLAUSES

We set out below a summary of some of the key amendments (amongst a number of other amendments) to the RMs 5(A) and 5(C)-5(E) that were included in the September 2018 Plan Variation Proposal submitted to the ACCC to introduce an ITO period for TSS migrating to the nbn. Telstra is maintaining these amendments within its Consultation proposal. Telstra expects the ACCC will shortly commence its own public consultation process over the proposed variation to the Plan and for this reason we are not requesting feedback over these amendments as part of the Telstra Consultation proposal.

Relevant Section of RM:	Proposed amendment:
RM 5(A), 5(C), 5(D) and 5(E) – Clause 7A.1 Application of Clause 7A	New clause to clarify that application of clause 7A is limited to Premises with TSS in a Covered SS Class, where the SSDD for that SS Class is after the RRDD in which the Premises is located
RM 5(A), 5(C), 5(D) and 5(E) – Clause 7A.2 Categories of SS In-Train Order Premises	New clause to set out the basis for the recognition of an order as a SS In-Train Order and for Premises to be recognised as SS In-Train Order Premises by NBN Co as at 2 months prior to the SSDD and again at the SSDD. These are set out in the varied Plan as: (1) receipt of an eligible nbn connection order (2) an attempted nbn connection order (that meets the relevant criteria) (3) an order at a Premises meeting the relevant location



Relevant Section of RM:	Proposed amendment:
	requirements where the replacement nbn service is being provided to a different Premises than the Premises with the TSS (4) an eligible commercial wholesale nbn service has commenced at the Premises in the 4 months leading up to the SSDD
RM 5(A), 5(C), 5(D) and 5(E) – Clause 7A.3 Disconnection of SS In-Train Order Premises and Deemed SS ITOPs following Special Services Disconnection Date	New clause to clarify that each Covered Special Service supplied to an SS In-Train Order Premises and Deemed SS ITOPs for a Covered SS Class as at the SSDD can continue to be supplied up until they are required to be disconnected, and that disconnection will commence from 170 BDs after the SSDD
RM 5(A) and 5(C) Clause 8.1 Managed Disconnection RM 5(D) and (E) – Clause 9.1 Managed Disconnection	Amendment to the SS Principal Disconnection Window to now commence from 52 BDs after SSDD and to complete by 87 BDs after SSDD. Amendment to the SS Principal Disconnection Window to now commence at 15 BDs after the SSDD and complete by 55 BDs after the SSDD. Activities, including the permanent disconnection step, will now be performed based upon the SS Updated Final Disconnection List. Additional clarification has also been inserted to confirm that any Covered Special Service supplied to a Deemed SS ITOP will be treated in accordance with cl.7A.3 above.
RM 5(A) and 5(C) Clause 8.2 – Service Disconnection RM 5(D) and (E) – Clause 9.2 Service Disconnection	Amendment to the SS Disconnection Phase to now commence from 52 BDs after SSDD and to complete by 61 BDs after SSDD. Amendment to the SS Service Disconnection Phase to now commence at 15 BDs after the SSDD and complete by 25 BDs after the SSDD. Activities will be performed based upon the SS Updated Final Disconnection List
RM 5(A) and 5(C) – Clause 8.4 Permanent Disconnection RM 5(D) and (E) – Clause 9.4 Permanent Disconnection	Activities will be performed based upon the SS Updated Final Disconnection List
RM 5(A) and 5(C) – Clause 9.1 Disconnection of Direct Special Services and Special Service Inputs in a Covered SS Class where the Rollout Region Disconnection Date is after the Special Services Disconnection Date	Amendment of the existing clause to add sub-clause cl.9.1(b) to clarify that the standard ITO arrangements per cl.15.1A will apply for TSS that are ITO Premises required to be disconnected in accordance with the RRDD (where the RRDD occurs after SSDD)



Relevant Section of RM:	Proposed amendment:
RM 5(D) and 5(E) – Clause 10.1 Disconnection of Direct Special Services and Special Service Inputs in a Covered SS Class after the relevant Special Services Disconnection Date and before a Final Sunset Exit	

As advised in section 2.1 above, these particular changes together with all the changes associated with the introduction of an ITO period for TSS migrating to the nbn (which are replicated in Telstra’s September 2018 Plan Variation Proposal), are highlighted in ‘yellow’ within the ‘mark-up’ versions of the attached RMs 5(A) and 5(C)-5(E). For completeness, further changes that were included in Telstra’s September 2018 Plan Variation Proposal that are not specially related to the introduction of an ITO period for TSS are also highlighted in ‘yellow’ within the ‘mark-up’ versions of the attached RMs 5(A) and 5(C)-5(E).

05 OVERVIEW OF PROPOSED ADDITIONAL VARIED CLAUSES

In addition to the amendments included in the September 2018 Plan Variation Proposal, Telstra is proposing the following amendments to RMs 5(A) and 5(C)–5(E) set out below. The effect of these variations will be to establish a network agnostic ITO based ‘safety-net’ in relation to disconnection of TSS subject to an ITO to either the nbn or an alternative network as at the SSDD. Telstra is requesting feedback over these amendments as part of its Consultation proposal.

Relevant Section of RM:	Proposed amendment:
RM 5(A), 5(C), 5(D) and 5(E) – Clause 3.1 Disconnection Date for each Covered SS Class of Direct Special Service	Consequential amendment to cl.3.1(b) to clarify where RRDD occurs after SSDD, the standard rules for disconnecting TSS at a Premises that is an Non-NBN RRDD SS In-Train Order Premise do not apply, and disconnection will instead be performed in accordance with the arrangements for cl.7B of this RM 5.
RM 5(A) and RM 5(C) – Clause 5.1 Commencement of the SS Order Stability Period Schedule 7 RM 5(D) and 5(E) – Clause 5.1 No moves or changes for Covered Special Services	Consequential amendments to sub-clause 5.1(a) and insertion of sub-clause 5.1(d) to clarify application of the SS Order Stability Period to Non-NBN SSDD SS In-Train Order Premises so this will apply until Telstra is required to permanently disconnect the relevant TSS.
RM 5(A), 5(C), 5(D) and 5(E) – Clause 7.1 SS Final Disconnection List	Consequential amendments to sub-clause 7.1(b) and (f) to clarify that Telstra will update its systems upon notification of relevant details by Wholesale and Retail Customers and also clarify that Non-NBN SSDD SS In-Train Order Premises will remain on the SS Final Disconnection List due to the time at which the SS Final Disconnection List will be produced (at which point Telstra will not necessarily know all of these orders).
RM 5(A), 5(C), 5(D) and 5(E) – Clause 7.2 Final Notification for Wholesale	Consequential amendments to sub-clause 7.2(b) of RM 5(A) and 5(C) / cl.7.2(a) of RM 5(D) and 5(E) to clarify that



Relevant Section of RM:	Proposed amendment:
Customers before the Disconnection Date	any Non-NBN SSDD SS In-Train Order Premises will still be included on the SS Final Disconnection List
RM 5(A) – Clause 7.3 Final Notification for Wholesale Customers after the Disconnection Date	<p>Consequential amendments to cl.7.3(a)(ii) and insertion of sub-clause 7.3(iv) to clarify that Non-NBN SSDD SS In-Train Order Premises will be removed from the SS Updated Final Disconnection List and instead notified to Telstra under cl.7A.4(A) per applicable RM 5.</p> <p>Consequential amendment to insert sub-clause 7.3(c) to clarify that Non-NBN RRDD SS In-Train Premises will not be included on the Updated Final Disconnection List (contemplated by RM 2)</p>
RM 5(A), 5(C), 5(D) and 5(E) - Clause 7A.4 Categories of Non-NBN SSDD SS In-Train Order Premises	<p>Connection orders for the provision of carriage services that are intended to replace a TSS within the Covered SS Class and notified to / received by Telstra up to 5 BDs after SSDD, will be recognised as Wholesale Non-NBN Initial Connection Orders or Retail Non-NBN Initial Connection Orders respectively.</p> <p>These orders will collectively be recognised as Non-NBN SSDD SS In-Train Orders and associated Premises as Non-NBN SSDD SS In-Train Order Premises, where the supply of the carriage service to the Premises which is the subject of the order has not commenced (and that order has not been cancelled or revoked) as at the SSDD for that Covered SS Class.</p>
RM 5(A), 5(C), 5(D) and 5(E) – Clause 7A.5 Disconnection of Covered Special Services at Non-NBN SSDD SS In-Train Order Premises following the Special Services Disconnection Date	Clarifies that Non-NBN SS ITO Premises for a Covered SS Class as at the SSDD can continue to be supplied up until they are required to be disconnected, which will commence from 170 BDs after the SSDD
RM 5(A), 5(C), 5(D) and 5(E) – Clause 7B.1 Application of Clause 7B	New clause to clarify that cl.7B arrangements only apply to a Premises in respect of TSS in a Covered SS Class where RRDD occurs after SSDD and the Premises are not In-Train Order Premises for the purposes of cl. 15.1A or 15.1 of the Plan
RM 5(A), 5(C), 5(D) and 5(E) – Clause 7B.2 Non-NBN RRDD SS In-Train Order Premises	<p>Connection orders for the provision of carriage services that are intended to replace a TSS within the Covered SS Class and notified to / received by Telstra up to RRDD or the date that is 26 BDs after the RRDD, will be recognised as Wholesale Non-NBN Initial Connection Orders or Retail Non-NBN Initial Connection Orders respectively.</p> <p>These orders will collectively be recognised as Non-NBN RRDD SS ITOs and associated Premises as Non-NBN RRDD SS ITO Premises, where the supply of the carriage service to the Premises which is the subject of the order has not commenced (and that order has not been</p>



Relevant Section of RM:	Proposed amendment:
	cancelled or revoked) as at 1 BD before the RRDD or 25 BDs after the RRDD for that Covered SS Class, and Telstra verifies that no legacy copper or HFC services are supplied to that Premises other than TSS and at least one of those TSS is within a Covered SS Class.
RM 5(A), 5(C), 5(D) and 5(E) – Clause 7B.3 Disconnection of Special Services and Special Service Inputs in a Covered SS Class at a Non-NBN RRDD SS In-Train Order Premises after the Disconnection Date for the Rollout Region	Clarifies that Non-NBN RRDD SS In-Train Order Premises for a Covered SS Class as at the SSDD can continue to be supplied up until they are required to be disconnected, which will commence from 150 BDs after the RRDD
RM 5(A), 5(C), 5(D) and 5(E) – Clause 7C Notification process for Non-NBN SSDD SS In-Train Order Premises and Non-NBN RRDD SS In-Train Order Premises	cl.7C.1 and 7C.2 clarify the process Telstra will use to obtain notification from Wholesale and Retail Customers to be able to register Non-NBN SSDD SS In-Train Orders and Non-NBN RRDD SS In-Train Orders that have been placed with that Wholesale Customer or Telstra Retail at applicable Premises. cl.7C clarifies the confidentiality protections that Telstra will implement in relation to that information.
RM 5(D) and 5(E) – Clause 8.1 Disconnection Arrangements	Consequential amendment to sub-clause 8.1(b) to clarify that cl.7B of this RM 5 sets out the disconnection arrangements that will apply for Non-NBN RRDD SS In-Train Order Premises following the Rollout Region Disconnection Date.
RM 5(A) and 5(C) – Clause 8.1 Managed Disconnection RM 5(D) and 5(E) – Clause 9.1 Managed Disconnection	Consequential amendment to applicable sub-clause to clarify that cl.7B of this RM 5 sets out the disconnection arrangements that will apply for Non-NBN RRDD SS In-Train Order Premises following the Rollout Region Disconnection Date.
RM 5(A) and 5(C) – Clause 9.1 Disconnection of Direct Special Services and Special Service Inputs in a Covered SS Class where the Rollout Region Disconnection Date is after the Special Services Disconnection Date RM 5(A) and 5(C) – Clause 10.1 Disconnection of Direct Special Services and Special Service Inputs in a Covered SS Class after the relevant Special Services Disconnection Date and before a Final Sunset Exit	Consequential amendment to applicable sub-clause to clarify that cl.7B of this RM 5, relating to Non-NBN RRDD SS In-Train Order Premises following the Rollout Region Disconnection Date, is an exception to the obligation.

As advised in section 2.2, these particular changes are highlighted in 'grey' within the 'mark-up' versions of the attached RMs 5(A)-5(E).



06 NEXT STEPS

RMs 5(A) and 5(C)-5(E) form part of Schedule 7 to the Plan. Telstra is entitled to amend RMs 5(A) and 5(C)-5(E) in accordance with clause 5.3 of the Plan.

Telstra believes that the variations to RMs 5(A) and 5(C)-5(E) it is proposing, to introduce a network-agnostic ITO period for TSS at the SSDD, will not have an adverse commercial effect on its Wholesale Customers. Nevertheless, in accordance with clauses 5.3(a)(i) and 5.2(c) of the Plan, Telstra is consulting on these changes with its Wholesale Customers, the ACCC and NBN Co for a period of not less than 20 BDs. This Consultation period will end on Tuesday **16 October 2018**.

In accordance with clause 5.2(g) of the Plan, the ACCC:

- a) may object to the proposed variations if they are not compliant with the MPPs;
- b) may not object to a replacement Schedule if it is required by and consistent with a Standard Industry Process or applicable generally accepted industry arrangement.

For the reasons set out above in section 3 above, Telstra believes that the variations it is proposing to RMs 5(A) and 5(C)-5(E) are consistent with the MPPs.

Lastly, in order to implement the network agnostic SS ITO arrangements in a timely fashion, it would be helpful if either, NBN Co and Telstra can commercially agree to incorporate such a change within the Definitive Agreements, or for the ACCC to otherwise accommodate Telstra's implementation of these arrangements despite them not being reflected in the commercial agreement between the parties.



APPENDIX 1

RM	Product	Special Service Disconnection Date (SSDD)
5(A) *	Business Data Access Service (BDAS) Ethernet Access (Copper) WBDSL	12/11/2018
5(B)	CustomNet Spectrum	15/04/2019
5(C)*	Wholesale ATM ATM (rebill)	29/04/2019
5(D)*	Megalink DDS DAR	31/05/2019
5(D)*	ISDN2, ISDN 10 /20 /30 Frame Relay	30/09/2019
5(E)*	CRA 163 (copper tails) Managed Lease Line (copper tails) Data Carriage Service (copper tails)	31/05/2019

Note :

* FTTP, FTTB, FTTN Premises only

Includes ULL SSI equivalent services