Additional questions

1. Given that Telstra have so far refused to purchase wholesale bandwidth to resell their retail services on any other carrier's network, what assurances can Telstra give that they will resell their retail services on the NBN if they are not the successful bidder?

Telstra can give no assurances that it will resell retail services on the NBN if Telstra is not the successful bidder.

2. Are Telstra still installing RIMs?

If so, in which exchanges have they been installed over the last three years, and what areas do those exchanges service?

Telstra ceased purchase and general deployment of RIMs in 2002. There has been a small number of installations over the last three years for specific technical reasons. The areas concerned are listed below.

| | Exchange Area | State | ADSL Capable ? |
|----|----------------|-------|-------------------|
| 1 | ADAMINABY | NSW | |
| 2 | BAFFLE CREEK | QLD | Yes |
| 3 | BENNETT | QLD | |
| 4 | GULLIVER | QLD | Yes |
| 5 | JANDAKOT | WA | Yes |
| 6 | KALBARRI | WA | Yes |
| 7 | LAKE CLIFTON | WA | |
| 8 | LONGREACH | QLD | Yes |
| 9 | MEADOW SPRINGS | WA | Yes |
| 10 | WHALEBACK | WA | |
| 11 | WHALEBACK | WA | |
| 12 | TOORLOO ARM | VIC | Yes |
| 13 | WICKHAM | WA | Yes |
| 14 | YANDARAN | QLD | |
| 15 | YUNDERUP | WA | Yes |

3. Why haven't Telstra enabled all 5000+ exchanges to support ADSL2+ to date?

On what basis is the decision made to upgrade an exchange?

The decision to upgrade an exchange to provide ADSL 2+ is based on whether it is commercial or not. Factors that influence the decision include population, estimated demand, cost of the upgrade and the existing infrastructure.

It is not commercial to enable all exchanges with ADSL 2+.

Questions on notice

Could you provide the committee with a list of the capped exchanges?

The list of capped exchanges is provided at the following website: http://telstrawholesale.com//products/facilities/teba-technical.htm

The list is provided below.

Telstra would like to draw to the Committee's attention that there were 48 capped exchanges on the list as at 3 November 2008. In the evidence given by Dr Warren to the Committee on 11 November 2008 (page NBN 8 of the Hansard transcript) Dr Warren stated that there were "something like 15 to 18" capped exchanges, although Dr Warren made it clear he did not have exact numbers of exchanges in front of him. Telstra wishes to correct the record on this point.

The following list of TEBA sites shows the sites that have been capped and currently have no floor space and/or MDF space available for TEBA.

This is a dynamic list which is updated approximately monthly. Sites currently listed below may be removed from the list if space becomes available in the future (for example, because of completion of capital works or changes in requirements).

"Racks & MDF capped" means that there is neither rack space nor space available on the main distribution frame.

"Racks Capped" means that there is still space available on the MDF, and customers may be able to house their DSLAMs external to the Telstra exchange and apply for an External Interconnection Cable to connect to the exchange MDF. "Potential" means room may be available after a full consultation with the Area Planner to determine the scope of works required to establish the TEBA area. Scope of works for "Potential" sites may include, but is not limited to, works such as converting Non-equipment rooms into Equipment rooms, removing decommissioned equipment or upgrading major building facilities (e.g. AC Switch boards, EPP, and Central air conditioning plant.).

As at: 03 November 2008

| TEBA Site | Exchange | State | TEBA Space Status |
|-----------------|----------|-------|-------------------|
| AIRLIE BEACH | AIRL | QLD | Rack & MDF Capped |
| ALEXANDRA HILLS | ALXH | QLD | Potential |
| BALLAJURA | BLJA | WA | Potential |
| BERWICK SOUTH | BWKS | VIC | Racks Capped |
| BOX HILL | BOXL | VIC | Potential |
| BROOKFIELD | BKID | QLD | Racks Capped |
| BULIMBA | BMBA | QLD | Potential |
| CROYDON | CROH | VIC | Potential |
| DANDENONG SOUTH | DNDS | VIC | Racks Capped |
| EDMONTON | EDMO | QLD | Racks Capped |
| EPSOM | EPSO | VIC | Racks Capped |

| FRANKSTON | FRTN | VIC | Potential |
|----------------|------|-----|-------------------|
| FRESHWATER | FRES | QLD | Racks Capped |
| GARDENVALE | GALE | VIC | Racks Capped |
| GLEN FORREST | GFOR | WA | Racks Capped |
| GLEN IRIS | GLIS | VIC | Potential |
| GREENVALE | GRLE | VIC | Racks Capped |
| GREENWITH | GWTH | SA | Potential |
| HOPE ISLAND | HOID | QLD | Racks Capped |
| IVANHOE | IVAN | VIC | Potential |
| KELSO | KELO | QLD | Racks Capped |
| LONSDALE | LSDE | SA | Potential |
| LYSTERFIELD | LYFD | VIC | Racks Capped |
| MUNSTER | MUNS | WA | Racks Capped |
| NERANG | NERG | QLD | Potential |
| OAKEY FLATS | OKFL | QLD | Potential |
| OCEAN REEF | OCRF | WA | Rack & MDF Capped |
| OXENFORD | OXEN | QLD | Racks Capped |
| PITT | PITT | NSW | Rack & MDF Capped |
| POINT COOK | PCOK | VIC | Racks Capped |
| PORTSMITH | PTSM | QLD | Potential |
| QUINNS ROCKS | QINS | WA | Potential |
| REDLAND BAY | REDL | QLD | Racks Capped |
| ROBINA | RBNA | QLD | Racks Capped |
| ROCKINGHAM | RKHM | WA | Potential |
| ROMA ST | RASH | QLD | Rack & MDF Capped |
| ROWVILLE | ROWV | VIC | Racks Capped |
| RYE | RYEE | VIC | Potential |
| SAMFORD | SAOD | QLD | Potential |
| SOMERTON | SRTN | VIC | MDF Capped |
| SYDENHAM | SHAM | VIC | Racks Capped |
| TAYLORS LAKES | TALX | VIC | Racks Capped |
| THORNLANDS | THOR | QLD | Racks Capped |
| TRINITY | TRIN | QLD | Racks Capped |
| VICTORIA POINT | VAPT | QLD | Racks Capped |
| WANNEROO | WANO | WA | Potential |
| WARNER | WRNE | QLD | Potential |
| WARRANDYTE | WDTE | VIC | Potential |

Also you are able to transpose small pair gain systems, the single pairs or two by fours, on request. I wanted to ask you specifically what a customer has to do to request what is called a transposition to have a small pair gain system removed from either the pillar or their home in order to facilitate an ADSL connection, and what Telstra's policy is to make that decision to spend the money to transpose their line to facilitate an ADSL connection?

If an end-customer has their telephone service delivered by the use of a small pair gain system, and if a firm order is received for an ADSL service, then Telstra will transpose that service onto a copper pair if one is available. This will occur without any request to do so by the end-customer. This assumes that the end-customer does not have any other telephone service at their address that is ADSL capable without transposition.

If no alternate path is available, Telstra will remove the small pair gain system where the customer is the legal entity of all services on the small pair gain system and the customer is prepared to disconnect one (or more) service(s) in order for the small pair gain system to be removed. Again, this occurs without any request for the transposition by the end-customer, although Telstra will work with the end-customer in relation to the disconnection of the relevant service(s).

Can you also tell me what your policy is for transposing lines at the request of another carrier that comes to Telstra, so essentially a request to transpose a line through wholesale?

The process described above for transposition of a service onto a copper pair applies equally to ADSL orders received through Telstra Wholesale.

You mentioned 5,000 exchanges. That is 5,000 plus. Can you tell the committee how many of those exchanges are in fact ADSL enabled and how many are ADSL2+ enabled?

Telstra has ADSL enabled 2,750 exchanges. Of these, 1,403 are ADSL 2 + enabled.

I am glad you expressed it like that because most people express it as 92 per cent and 70 per cent are ADSL enabled, which is not the case. What percentage of customers, on average, running off an ADSL enabled exchange are actually connected to ADSL?

Telstra is unable to provide the figure of customers currently connected to ADSL as it is not the only provider of ADSL services.

Telstra estimates that 92% of the population can currently access ADSL and 81% of the population can currently access ADSL 2+ via Telstra. These figures take into account the impact of ADSL blockers and distance limitations.

Telstra estimates 4% of households within ADSL enabled exchange areas are currently served by ADSL limiting pair gains systems.