

# SENATE ENVIRONMENT AND COMMUNICATIONS LEGISLATION COMMITTEE

## INQUIRY INTO TELECOMMUNICATIONS LEGISLATION AMENDMENT (DEREGULATION) BILL 2014 – FURTHER REFERRAL

### ANSWERS TO QUESTIONS TAKEN ON NOTICE

Please find below the answers from the Department of Communications to the two Questions on Notice from the E&C committee public hearing held Tuesday 10 March in Melbourne.

**1. Provide more details on the operational amendments made to the TUSMA Agreement to reflect the changes to the Definitive Agreements.**

**Answer:** The operational amendments made to the TUSMA Agreement to reflect changes to the Definitive Agreements are as follows:

- Changes were made to provide for the TUSMA Agreement to be technology neutral, that is, to recognise that the NBN fixed line network will not be a full fibre network, but will be a combination of fibre-to-the-premises (FTTP), fibre-to-the-node (FTTN), fibre-to-the-basement and HFC technologies.
- An additional exclusion to the ‘copper continuity obligation’ was incorporated in the TUSMA Agreement to reflect the transfer of ownership of copper in FTTN areas from Telstra to NBN Co. The ‘copper continuity obligation’ obliges Telstra to satisfy its standard telephone service universal service obligation (USO) for customers outside the footprint of the NBN fixed line network using its copper network, unless a relevant exemption applies. The new exclusion permits Telstra, in certain circumstances, to satisfy its standard telephone service USO to premises outside the footprint of the NBN fixed line network using a technology other than copper where certain conditions are satisfied, including that the relevant copper has transferred to NBN Co and at that date of transfer the relevant premises did not have a standard telephone service.
- Changes have been made to allow for an extended period during which a soft dial tone is provided to premises in the NBN fixed line network footprint which have a copper connection following the disconnection date for the relevant rollout region, where that premises has not migrated to the NBN.

**2. How will voice services be delivered in the 7% of Australia that is not proposed to be supplied with a fixed line NBN if the copper is degraded?**

**Answer:** Telstra’s regulatory obligations to satisfy the standard telephone service universal service obligation (USO) do not define the type of technology that Telstra must use to supply a standard telephone service. Under the TUSMA Agreement however Telstra has a ‘copper continuity obligation’, as described above. If an exception to the copper continuity obligation applies, the TUSMA Agreement does not specify the technology that Telstra is required to use to provide the standard telephone service.

Telstra currently uses its fixed line copper network, satellite and wireless solutions for the provision of the standard telephone service. The Department expects satellite and wireless technologies will continue to be used, where available, for supply of the standard telephone service in the residual 7% of Australia if the copper serving a premises is too degraded for use.