

28 September 2022

Telstra and TPG arrangement for the sharing of active infrastructure and spectrum in regional Australia

Response to PLUS ES submission

Public version

1 Introduction

1.1 Purpose of submission

1 This submission is provided by TPG in response to PLUS ES's submission dated 26 August 2022 for the purposes of providing information about TPG's approach to shutting down its 3G network.

2 Capitalised terms in this submission have the same meaning as in the Application.

[REDACTED]

3 [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

2 TPG's plans in relation to its 3G network

4 The Proposed Transaction will have no effect on the shutdown of TPG's 3G network. On implementation of the Proposed Transaction, TPG intends to delay the decommissioning of those sites in the 17% Regional Coverage Zone which are currently used to supply 3G services until 15 December 2023 at which point TPG will be switching off its 3G network across Australia.

5 As the ACCC is aware, the shutdown of 3G networks is an inevitable result of 3G spectrum being unavailable or re-farmed to newer generations (i.e. to 4G and 5G).

6 TPG will be unable to offer any 3G services after 1 July 2024 when TPG's 900MHz licence (which TPG uses to supply 3G services) expires.¹

7 On 27 September 2022, TPG announced that it will continue to offer its current 3G services until 15 December 2023 including in the 17% Regional Coverage Zone. From after that date TPG plans to progressively shutdown the network across Australia in a controlled manner.

8 [REDACTED]
[REDACTED]

9 TPG's aim is to make the transition away from 3G as simple and smooth as possible for its customers. Over the next 15 months TPG intends to contact those customers to encourage them to enable 4G services on their 4G compatible device or transition from a 3G device to a 4G/5G device.

10 Currently, TPG's 3G network carries very little data traffic and the traffic volumes continue to reduce as customers upgrade to newer 4G/5G handsets.

¹ See <https://www.acma.gov.au/spectrum-allocation-and-auction-summary-850900-mhz-band-2021>.

The current voice and data traffic carried across TPG's 3G, 4G and 5G networks is shown in the table below.

Mobile technology	% total mobile data traffic	% total mobile voice traffic
3G		
4G		
5G		
Wi-Fi calling		

11 Upon switching off the 3G network, 3G data and messaging traffic will automatically move onto TPG's 4G and 5G networks, and voice calls will automatically be carried over the 4G network or using Wi-Fi calling (i.e. across a connected WiFi network) for customers with that capability enabled on their handset (noting that 5G technology does not currently carry voice calls).

12 The implementation of the Proposed Transaction is critically important to ensure that TPG is able to provide service continuity to TPG's customers in regional Australia beyond its current 4G population footprint of [REDACTED]

[REDACTED]

3 PLUS ES arrangements

13 [REDACTED]

14 [REDACTED]

15 [REDACTED]

16 [REDACTED] This means that Plus ES should have service continuity until 15 December 2023 enabling it to continue to meet its regulatory requirements for metering services [REDACTED]