

**IN THE MATTER OF UNDERTAKINGS  
DATED 23 DECEMBER 2005  
LODGED BY TELSTRA CORPORATION  
LIMITED WITH THE AUSTRALIAN  
COMPETITION AND CONSUMER  
COMMISSION IN RESPECT OF  
UNCONDITIONED LOCAL LOOP SERVICE  
("the Access Undertakings")**

**STATEMENT OF [c-i-c]**

On 21 July 2006, I, [c-i-c] of Level 26, 300 Latrobe Street, Melbourne, in the State of Victoria, [c-i-c], state as follows:

1. [removed]

**Experience**

2. I am the [c-i-c] for Telstra. In this role, [c-i-c] twenty business operation managers ("BOMs") nationally.
3. The principal role of the BOMs is to manage the operational aspects of customer relationships. The BOMs are responsible for the following:
  - (a) building a high level of trust and commitment with key decision-makers in the customer's organisation;
  - (b) ensuring that operational support is in place to support customer agreements/deals;
  - (c) ensuring that both Telstra's and the customer's operational processes are aligned as much as possible to maximise efficiencies;
  - (d) organising automation or upgrades of the provisioning, service assurance and billing interfaces;
  - (e) managing and facilitating regular service reviews with customers and addressing any systemic issues that arise;
  - (f) providing a formal point of escalation for operational issues;

- (g) identifying opportunities for progressing information technology developments that may improve customers' productivity and/or reduce their costs;
  - (h) managing customer feedback in relation to operational issues; and
  - (i) ensuring that the services provided by Telstra's operations team are in line with the customer's requirements.
4. Each BOM is allocated a customer base and is aligned with an account manager for those customers. The BOM and account manager then work together as an account team for their designated customers. The account managers are responsible for all commercial, legal and product issues associated with particular products.

#### **ULLS Related Activities of the BOMs**

5. Of the twenty BOMs employed by Telstra, [c-i-c] are assigned to customers that currently acquire the unconditioned local loop service ("ULLS"). I have made enquiries of the BOMs as to the types of ULLS related activities they perform and the percentage of their time spent on such activities.
6. The ULLS related activities undertaken by the BOMs include the following:
- (a) Once an agreement is made between Telstra and a customer, the BOMs are responsible for facilitating negotiations between the customer's operational staff and the relevant Telstra Wholesale product and operational managers for some non-price terms and conditions. The relevant non-price terms include matters such as the method of communication between Telstra and the customer's organisation in relation to ordering and provisioning, service assurance and billing.
  - (b) The BOMs are responsible for establishing on-line interfaces to allow orders to be placed by customers using Telstra's ordering and provisioning system. This may involve setting up an entirely new process for customers, or may involve making changes to the customer's existing processes and ordering mechanisms to include the ordering of ULLS. The BOMs also work with customers to establish the required billing

interfaces that are compatible with the billing product used by the customers, such as eBill, BillView or OBS.

- (c) The BOMs undertake monthly service reviews with each customer that acquires ULLS. The monthly service reviews are usually undertaken at face-to-face meetings between the BOMs and the relevant customer representatives. Standard minutes are completed by the BOMs during the course of the monthly service review. The minutes contain an agenda of items for discussion, a list of action points from the previous monthly service review and a summary of action items agreed at the meeting. Therefore, the monthly service review serves as a “health check” on the current performance of the overall operational relationship between Telstra Wholesale and the customer. Examples of matters discussed include:
  - (i) whether orders are being placed by the customers in the correct timeframes, formats and to the correct areas;
  - (ii) whether orders are being processed within contracted timeframes as set out in the relevant agreement;
  - (iii) whether there have been any difficulties encountered by the customer, and if so, what steps are being undertaken by Telstra to rectify them; and
  - (iv) whether any improvements can be made in the way that the operational relationship is performing.
- (d) An escalation matrix is provided to each customer at the commencement of a new agreement. The escalation matrix sets out the procedure that is to be followed in the event that a customer raises any issues/complaints about ULLS. The process commences with any issues/complaints being handled by Telstra’s front of house representatives. Thereafter, if the issues/complaints cannot be resolved to the customer’s satisfaction, they are escalated to a Telstra team leader, and then to the relevant Telstra Regional Manager, and finally to Telstra’s National Manager. If the issues/complaints have been through the escalation matrix but have not

been resolved, the BOMs become involved if those issues are of an operational nature. The types of issues/complaints that may arise and in which the BOMs may become involved include the following:

- (i) rejections of orders being received by the customer via the ordering system;
- (ii) inadequate timeframes being set by the customer for urgent orders;
- (iii) dissatisfaction with staff interactions; and
- (iv) any other issues that may be encountered by the customer where the customer perceives that it is not being given the level of support required by them.

The BOMs attempt to resolve the issues raised with the relevant Telstra and customer escalation points.

#### **Time spent by BOMs on ULLS**

7. I have asked each of the [c-i-c] BOMs to provide me with an estimate of the time that they each spend on ULLS related activities. Upon receipt of that information, I then calculated that, on average, the BOMs spend [c-i-c]% of their time on ULLS related activities. In terms of manpower, this is equivalent to approximately 1.1 full time BOMs that are employed on ULLS related activities.

**DATED:** 21 July 2006

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[c-i-c]