

**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 25 August 2006, I, [c-i-c] of [c-i-c], Melbourne in the State of Victoria, Manager, state as follows:

1 [deleted]

Background

2 I am the [c-i-c] of the Information Technology Services ("ITS") Finance department at Telstra. I have been in this role since [c-i-c].

3 In my current role I am responsible for managing the ITS budget for Telstra at a national level. As such, I have familiarity with the different categories of costs associated with numerous IT systems.

4 Prior to joining Telstra I held the position of Solution Delivery Finance Manager for IBM Global Services. Further details regarding my career history are contained in my curriculum vitae at annexure A to this statement.

Maintenance costs associated with IT systems

5 I have been asked to estimate the costs of maintaining an IT system.

6 Based on my experience, I estimate that the maintenance costs of an IT system constitute, on a per annum basis, [c-i-c]% of the initial capital outlay for that system ("**the standard annual maintenance costs**").

7 The standard annual maintenance costs are typically the costs associated with maintaining, but not improving or developing, an application to ensure that the system works as it was designed to do. Maintenance costs could include, but are not limited to,

software updates consequent upon IT operating system changes. Maintenance costs will also include user support costs for a range of issues, from user generated issues to system related issues.

Dated: 25 August 2006

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[c-i-c]

Annexure A to the statement of [c-i-c]

[c-i-c]

