

13 November 2012

Mr Michael Cosgrave
Group General Manager
Communications Group
Australian Competition and Consumer Commission
Level 35, The Tower
360 Elizabeth Street
Melbourne Vic 3000
Email: michael.cosgrave@accg.gov.au

Copy to: Sean Riordan, ACCC,
By Email: sean.riordan@accg.gov.au

Dear Mr Cosgrave

Re: Changes to Wholesale Service Qualification and Associated Systems, to support Telstra's Structural Separation and Migration Plan commitments

I refer to recent telephone conversations between Sean Riordan and Christine Williams of our office regarding the anticipated timing for migrating Wholesale customers onto Managed Service Qualification (MSQ). This letter provides an update on our progress, and sets out our revised timeline for the migration.

Although the preliminary steps of the rollout programme identified in our letter of 18th July have been completed for vendor engagement, vendor design and preliminary notification to Wholesale Customers, and we had anticipated (in our Wholesale customer communication of 31 August) releasing the IT specifications (comprising LOLIG Build Guide, Staging Guide and Staging Environment) on 8 November, the project timeline has now met with a delay of approximately two months. The delay has been caused by complexities associated with integration and delivery of the IT solution. Our current estimated timelines for the development and deployment of MSQ are as follows:

- The provision of LOLIG Build Guide, Staging Guide and Staging Environment to Telstra Wholesale customers is now expected to be delivered to Wholesale customers in January 2013 with supporting training material and release notes for Wholesale customers to be provided in February 2013.
- The deployment of MSQ to Wholesale customers, which was expected to occur from February 2013, has been delayed. It is now expected to occur in early April 2013.
- The result is that the revised window for Wholesale customer cutover and testing is scheduled to occur from the second week in April 2013 to the end of April. This allows approximately three weeks for Wholesale customers to test and switch their IT systems to the new MSQ functionality.

Telstra will keep its Wholesale customers informed of our progress to these timelines. We will work diligently with Wholesale customers from early next year to assist them in implementing the necessary changes to their own IT systems, and in assisting them in the successful deployment and migration to MSQ.

If it is the case that Telstra has further delays in its deployment of MSQ, or if the migration to MSQ otherwise proves difficult for industry, Telstra commits that it will approach the Commission seeking a further delay to the 1 May 2013 commencement date of cease sale, subject to us being able to obtain the necessary third party consents to that request.

Telstra consents to the Commission publishing this letter on its website. Please contact Bill Gallagher or Christine Williams if you have any further queries about any of the above.

Yours sincerely



Jane van Beelen
Executive Director – Regulatory Affairs
Corporate Affairs
jane.vanBeelen@team.telstra.com