



22 January 2009

Mr Michael Cosgrave
General Manager Telecommunications
Australian Competition & Consumer Commission
Level 35, The Tower
360 Elizabeth Street
MELBOURNE VIC 3000

By hand to: Level 7, Angel Place, 123 Pitt St, Sydney,
NSW 2000

By email: Michael.Cosgrave@accc.gov.au

Public Policy and Communications

Executive Director Regulatory Affairs
Unit 11, Level 2
11 National Circuit
BARTON ACT 2600 Australia
Postal Address:
Locked Bag 6704
SYDNEY NSW 2001

Telephone 02 9578 5553

Facsimile 02 9218 3836

Copy:

Mr Robert Wright
General Manager
Compliance and Regulatory Operations
Australian Competition & Consumer Commission
Level 35, The Tower
360 Elizabeth Street
MELBOURNE VIC 3000

By hand to: Level 7, Angel Place, 123 Pitt St, Sydney,
NSW 2000

By email: Robert.Wright@accc.gov.au

Dear Michael

Telstra's ULLS Undertaking and Telstra Efficient Access (TEA) Model

We refer to Telstra's ULLS Undertaking and the ACCC's consideration of the same, including the ACCC's letter dated 16 January 2009.

Attached to this correspondence, please find a CD (both emailed and delivered by hand the to ACCC's Sydney office together with a copy of this correspondence) containing confidential updated files required to run version 1.3 of the TEA Model and a set of instructions entitled '*How to Update to TEA Version 1.3*'.

The confidential updated files are:

- *TelstraCostModel.exe.config*;
- *Default_CapCost.xml*; and
- *Calc-Engine-v1.3.xls*,

(together '**the TEA Model v1.3 Files**').

This update to the TEA Model is limited to changes to Telstra's default inputs; the TEA Model is unchanged in all other respects. Telstra's default inputs have been modified to incorporate a revised WACC and the factor changes highlighted in Telstra's submissions in response to the ACCC's Draft Decision.

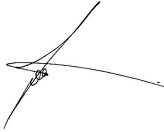
As per previous versions of the TEA Model, the TEA Model v1.3 Files are confidential and may not be made public by the ACCC.

The TEA Model v1.3 Files are provided to the ACCC on the same basis as versions 1.0, 1.1 and 1.2 of the TEA Model as set out in Telstra's letter dated 3 March 2008.

Telstra will ensure copies of the TEA Model v1.3 Files and instructions are provided to those people who have confidentiality arrangements in place for v1.0/1.1/1.2 of the TEA Model. Telstra will also provide appropriately updated files and instructions required to run version 1.3.1 of the TEA Model to those people who currently have confidentiality arrangements in place for v1.0.1/1.1.1/1.2.1 of the TEA Model as soon as possible.

Finally, I confirm this letter and the instructions entitled '*How to Update to TEA Version 1.3*' may be made public by the ACCC.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'Tony Warren', written in a cursive style.

Tony Warren
Executive Director Regulatory Affairs
Public Policy and Communications