



Our Ref: Your Ref:

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3 April 2007

Mr Paul Fletcher Director, Corporate & Regulatory Affairs SingTel Optus Limited 101 Miller Street NORTH SYDNEY NSW GPO Box 3684 Sydney NSW 2001

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Dear Mr Fletcher

MOBILE TERMINATION COST MODEL: BUSY HOUR STATISTICS

In its recent submission on the WIK Cost Model, Optus indicated that the busy hour (BH) traffic percentage is a critical parameter in network dimensioning such that 'the cost of the mobile network is highly sensitive to this BH definition'. The Australian Competition and Consumer Commission (ACCC) also considers that this is an important parameter. It also understands that it can be both country-specific and peculiar to a mobile network, points which Optus has raised in its submission.

Given that Optus, among other MNOs, has raised this as an issue, the ACCC is endeavouring to accurately reflect any country-specific characteristics of the BH in Australia. However it can only do so with assistance from the MNOs operating in Australia. As a result the ACCC is seeking Optus's cooperation in providing key BH statistics that inform the BH parameter in the WIK Cost Model, namely, the:

- average measured proportion of daily traffic in the BH (per cent)
- average number of days per year on which the typical BH is relevant (number of days)
- average traffic per customer during the BH (milli Erlang)

¹ Optus, Optus submission to the Australian Competition and Consumer Commission on the WIK Mobile Network and Cost Model for Australia, March 2007, p.27.

These data can be presented in a table that clearly identifies which of these data are commercial-in-confidence (c-i-c) to Optus.

At this stage, these data will be used for internal (ACCC) purposes to identify any significant and country-specific trends that may need to be taken into consideration when parameterising the WIK Model. The ACCC may need to use these data for other purposes in the future.

This request is being made to the four mobile network owners and operators in Australia, and we would appreciate Optus's cooperation in this regard.

The ACCC understands that these data should be readily available and asks that Optus provide these data by no later than close of business on 13 April 2007. If Optus is not able to provide these data by this date, the ACCC would appreciate a short letter or email stating the reasons why these data are not available.

This letter, along with any responses from Optus in relation to this matter (excised of any c-i-c information as identified by Optus), will be placed on the ACCC's website.

If you have any queries in relation to this request please feel free to call Gwenda Gleeson on (02) 9230 9188.

Yours sincerely

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