



Our Ref:  
Your Ref:  
Contact Officer: Gwenda Gleeson  
Contact Phone: 02 9230-9188

GPO Box 3684  
Sydney NSW 2001

Level 7  
Angel Place  
123 Pitt Street  
Sydney NSW 2000

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ph (02) 9230 9133  
fax (02) 9223 1092

[www.accc.gov.au](http://www.accc.gov.au)

Ms Georgia-Kate Schubert  
General Manager Public Policy  
Vodafone Pty Ltd  
799 Pacific Highway  
Chatswood NSW 2067

Dear Ms Schubert

## **MOBILE TERMINATION COST MODEL: BUSY HOUR STATISTICS**

In its recent submission on the WIK Cost Model, Vodafone indicated that the busy hour (BH) is a critical parameter to ensure that 'the network has adequate assets to deal with spikes in traffic'<sup>1</sup>. 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.

Given that Vodafone, 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 Vodafone'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)

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<sup>1</sup> Vodafone, *Submission to the Australian Competition and Consumer Commission WIK Mobile Network and Cost Model and MTAS Pricing Principles Determination 1 July 2007 to 30 June 2009*, March 2007, p. 14.



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

The ACCC is also specifically interested in Vodafone's views on the merits of a five-day average compared with a different 'day' measure, to support Vodafone's submission that its 'engineers are not aware of any engineering standards that recommend provisioning the network on a five day average'.<sup>1</sup> The ACCC notes that Vodafone has used a different number of days in its submission than the 250 days used in the WIK Model, and it is important for us to verify that this is Vodafone's estimate of the number of business days in the year.<sup>2</sup>

The ACCC recognises that these statistics are c-i-c. 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 Vodafone's cooperation in this regard.

The ACCC understands that these data should be readily available and asks that Vodafone provide these data by no later than close of business on 13 April 2007. If Vodafone 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 Vodafone in relation to this matter (excised of any c-i-c information as identified by Vodafone), 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



Robert Wright  
General Manager  
Compliance and Regulatory Operations  
Communications Group

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<sup>1</sup> *ibid.* p. 15.

<sup>2</sup> *ibid.* p. 16.