



19 June 2008

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**Copy to**

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Australian Competition and Consumer Commission  
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**CONFIDENTIAL COMMUNICATION**

Dear Mr Wright

**Telstra's domestic transmission capacity service ("DTCS") exemption application of 24 August 2007**

I refer to your letter of 13 May 2008 regarding the Commission's request for information on 4 January 2008 with respect to Telstra's DTCS exemption application of 24 August 2007 and Telstra's responses of 28 March and 3 June 2008.

Telstra supplements its responses as set out below.

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**3 Total demand for transmission services on each capital-regional route**

Telstra reiterates that it does not have, and is unable to obtain an accurate measure of, the total demand for transmission services, to the extent that 'total demand' means total industry demand. Telstra is not the sole supplier of transmission services and has no information on demand for wholesale transmission services provided by other suppliers.

However Telstra has provided data on the number of wholesale transmission services supplied by Telstra in the years 2004 and 2007 in Table 7 of Telstra's submission of 28 March 2008. Telstra is unable to provide any further information about services sold on a route by route basis for the regional defined routes without potentially breaching contractual obligations to access seekers.

In addition, the Commission now has sufficient information about the identity of the competing infrastructure owners on each of the capital-regional routes for it to be able to make inquiries directly of them regarding the level of demand (to the extent that the information is not already available to the Commission by way of their responses to its recent Infrastructure RKR).

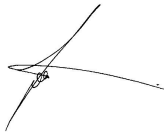
**4 Projected take-up of transmission services in each capital-regional route over the next two years**

Telstra does not forecast take-up of transmission services on a route by route basis, and therefore does not have forecast information available that relates to the next two years.

Telstra trusts that the further information provided in this letter, together with the extensive information already provided to the Commission, is sufficient to satisfy the Commission that it can make the exemption order sought by Telstra. If there are any substantive issues that remain unresolved, we would appreciate an opportunity to discuss those issues with the Commission.

Given the confidential information contained in this letter, Telstra asks that it not be published by the Commission.

Yours sincerely

A handwritten signature in black ink, appearing to be 'Tony Warren', with a stylized flourish extending to the right.

Tony Warren  
Executive Director Regulatory Affairs  
Public Policy and Communications

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