



10 June 2008

Mr Robert Wright
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Public version

Dear Mr Wright

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

Further to my letter of 2 June 2008, attaching a letter from Market Clarity which Market Clarity stipulated may only be provided to the ACCC due to the commercial value of the information it contained, we attach a version of the Market Clarity report (dated 3 June 2008) that Market Clarity permits Telstra to provide to interested parties who have signed confidentiality undertakings.

Market Clarity confirms that each of the competing fibre infrastructure owners identified in this report passes within both:

- (a) a distance from the relevant regional location equal to 5% of the distance of the capital-regional route to that regional location; and
- (b) a distance of 5 km from the relevant regional location.

This information should fully address the ACCC's previously not addressed concerns around not knowing the identity of the optical fibre competitors.

The level of information the ACCC now has in relation to the 18 capital-regional routes is the same as (and in fact, given the recent infrastructure RKR, greater than) the level of information that ACCC had in relation to the 14 capital-regional routes that the ACCC decided to exclude from re-declaration in April 2004.

Yours sincerely

A handwritten signature in black ink, appearing to be "Tony Warren", written over a thin horizontal line.

Tony Warren
Executive Director Regulatory Affairs
Public Policy and Communications

Appendix 1 - Market Clarity supplementary report dated 3 June 2008 (Confidential)