



25 November 2005

Osmond Borthwick
Manager
Network Access
Commerce Commission
44-52 The Terrace
Wellington
New Zealand

By EMAIL

Dear Osmond,

TelstraClear Wholesale Bitstream – Implementation Period

1. In Telecom's letter of 7 November 2005, Telecom provided an explanation of Telecom's minimum implementation period of 16 weeks for the Commission's proposed regulated service.
2. Given the current circumstances, TelstraClear's priority is to ensure that, when delivered, the bitstream service is both technically and economically a viable input for downstream broadband competition. TelstraClear does not object to Telecom being granted a 16-week timeframe to implement the bitstream service. However, we consider that the 16-week timeframe should include the ability to migrate customers from other products, such as Jetstream / Wholesale Broadband or commercial UBS. Telecom states at para 20 of its letter that it does not. Migration or switching is a fundamental element of the wholesale bitstream service – it should facilitate competition and this should include an ability for existing broadband customers to change suppliers.
3. Further, TelstraClear is concerned about the risk that Telecom will blow out the 16-week timeframe. The implementation requirements of the Final Determination should be stated with sufficient clarity and certainty to enable TelstraClear to enforce them in the High Court if necessary. Formulations such as "use its reasonable efforts to make the bitstream service available in 16 weeks" will only invite further dispute.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Grant Forsyth', with a horizontal line underneath.

Grant Forsyth
Manager, Industry & Regulatory Affairs

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cc: Bruce Parkes, Telecom