



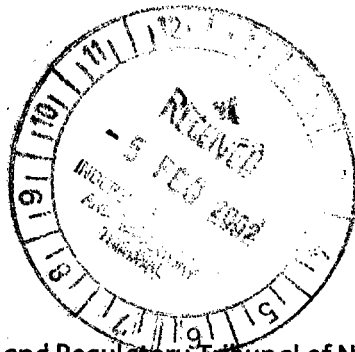
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1 February 2002



Thomas G. Parry  
Chairman

Independent Pricing and Regulatory Tribunal of NSW  
PO Box Q290,  
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SYDNEY NSW 1230

Dear Mr Parry,

Thank you for the opportunity to provide a submission to your review.

I would like to start by bringing to your attention a report published by the Department of Communications, Information and the Arts (DoCITA) in November 1998 entitled "putting Cables Underground" ("the Report"). While Telstra does not endorse all of the recommendations contained in the Report, the subject matter of the Report is comprehensive and may provide valuable input into the IPART review. I have included a copy of the Report, which includes a CD containing supplementary information.

I set out below some of the key considerations Telstra would like IPART to take into account from a telecommunications carrier's perspective when reviewing the aspects, costs, benefits and difficulties in relocating existing cables underground.

#### **1. Telstra's General Position in Relation to Relocating Existing Cables Underground**

As you will be aware, it is the electricity authorities/companies that have primary stakeholder responsibility in the removal of aerial cabling because the prevalence of overhead electricity facilities outweighs that of telecommunications carriers or any other utilities.

As relatively minor owner of aerial lines when compared with electricity authorities/companies (both nationally and regionally), Telstra's position on infrastructure undergrounding programs has always been to consult and cooperate to reach agreement with all relevant parties as is appropriate in the circumstances.

In principle, Telstra generally supports putting cable infrastructure underground where feasible. In fact new cable is installed underground in new estates. However, in established areas it is not always possible to re locate existing cable infrastructure underground without considerable cost and resources.

## **2. Co-Location and Coordination Issues**

When electricity cables are re located underground it is extremely important that Telstra is notified in the “concept and planning” stages of the relocation and not when the cables have been installed underground. In Telstra’s view there needs to be an agreed and common process that maximises any possibility of co-location.

However, having said this, it needs to be recognised that the trenching requirements for electricity cables are different to telecommunication cables. Where directional boring is a possible (and lower cost) solution to laying most electricity cables, the opposite is the fact for telecommunication cables. Telecommunications cables require larger ducts and normally accommodate more than one cable and, consequently utilise open trenching.

In summary, Telstra would require the following criteria to be met for any activity that places existing cables underground:

- The electricity authorities/companies or the instigator (eg State or Local Government) of the underground cabling works must provide notification of the proposal to underground at the earliest opportunity.
- Ensure Telstra planners and other infrastructure providers are involved at the initial design proposal stage to determine and mutually select trenching alignments that benefit all parties’ requirements.
- Utilisation of shared trenches on both public and private properties. Where possible and by maintaining agreed physical clearances, co-locate street distribution points, ie. power pits/pedestals and Telstra pits, adjacent to the same alternative property boundaries to reduce unnecessary excavations and/or wide offset deviations from common trench alignments. Property and building entry points should be common to both LV power and Telstra services.
- Encouragement of the use of a single contractor to project manage all civil work activities. For example, the provisioning of all trenches, placement of all pipes pits and the re-instatement of all openings, for all parties involved.
- The electricity authorities/companies (ie generally the principle instigator), should be required to manage all notification requirements from the commencement to the completion of the project. This includes notification to residents of the proposed work activities, dates/times of proposed interruption to driveway and/or roadway access and updates on progress and/or deferments.

### 3. Cost and Financing

Cost and resources to reallocate any existing overhead cables underground will be considerable. Telstra considers the beneficiaries, and not Telstra should carry those costs. Any finance options to fund the relocation of electricity cables underground should also include the relocation costs of telecommunication cables and reimbursement of those costs.

The cost of re-locating existing aerial PSTN (Public Switched Telecommunication Network) and CATV (Cable TV) cabling underground is very much higher than the costs associated in providing new underground networks in green fields (new estate) type environments. This is due to a range of factors including :-

- Having to generally provide network on both sides of the street.
- Establishment of large trees and/or other utility structures on nature strips etc which often require alignment deviations and/or expensive hand digging of trenches.
- Established paved surfaces that need to be re-instated, grassed nature strips that require landscaping/re-seeding and sprinkler systems that may be damaged requiring repair.
- Lead-in costs are higher due to established gardens and paved surfaces.
- The new underground cable building entry point may be on the opposite side of the building to the existing aerial lead-in cable. This may require extensive re-wiring of the internal cabling.
- Cutover to underground cables while maintaining services
- "Write off cost for aerial infrastructure as it can not be re-used.

Please do not hesitate to contact myself or Lawrie Clarke on (03) 9634 8739 for any further views for Telstra.

Yours sincerely



Paul Paterson  
Director Regulatory

Encl.

# Cables

## *putting* CABLES UNDERGROUND

Report of the review of options for placing facilities  
underground, as required under Clause 49 of Schedule 3  
of the *Telecommunications Act 1997*

**This report can be downloaded  
from the following website  
[www.dcita.gov.au/cables](http://www.dcita.gov.au/cables)**