Network Reliability Framework

What is the Network Reliability Framework?
The Network Reliability Framework (NRF) is a three-tiered compliance and reporting framework that aims to improve the reliability of Telstra telephone services. The NRF forms part of a range of consumer safeguards such as the universal service obligation and the Customer Service Guarantee.

The framework looks at the number of faults occurring in Telstra's network, and is primarily focused on customers experiencing ongoing problems with service reliability. The NRF commenced on 1 January 2003, supported by new licence conditions placed on Telstra in December 2002 by the Commonwealth Government.

Under the framework, Telstra is required to take action before a customer's fault levels exceed specified thresholds as well as to give consumers access to information about service reliability in geographical areas of Australia.

The NRF is a safeguard for Telstra's 6.3 million residential and small business customers who have five lines or less. The framework complements the Customer Service Guarantee which continues to ensure that faults are repaired within reasonable timeframes.

ACMA monitors and enforces compliance by Telstra with the NRF. Penalties of up to $10 million can be imposed by the courts if Telstra does not meet its obligations under the NRF.

What are the main elements of the NRF?
The NRF operates at three levels of aggregation in Telstra's network: the individual service level, the local exchange service area level and the larger geographical area level. The intention of the first two levels is to improve the operation of poorly performing individual services or parts of the Telstra network, while the intention of the last level is to improve consumer awareness of overall service reliability.

Reliability of individual services
Under the NRF, Telstra is required to prevent telephone services from experiencing a prescribed number of faults within set periods of time. If an individual service experiences four or more faults in a rolling 60-day period or five or more faults in a rolling 12-month period, Telstra is required to investigate and take remedial action as is necessary.

Telstra is required to report each occasion on which the threshold is exceeded to ACMA within 15 working days. Individual services for which remedial action has been required are subject to follow-up monitoring by ACMA for up to two years.

Reliability at the local exchange level
The NRF also targets poorly performing Telstra local exchange service areas, that is, areas served by a specific telephone exchange. These areas are the basic building blocks of the Telstra network and there are more than 5,000 in Australia.

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<tr>
<th>Exchange Service Area Has</th>
<th>Telstra Must Report If</th>
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<tbody>
<tr>
<td>1 to 100 CSG Services</td>
<td>Two or more services each had at least one fault in each of the preceding months</td>
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<tr>
<td>101 to 1,000 CSG Services</td>
<td>Three or more services each had at least one fault in each of the preceding months</td>
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<tr>
<td>1,001 to 10,000 CSG Services</td>
<td>Four or more services each had at least one fault in each of the preceding months</td>
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<td>10,001 or more CSG Services</td>
<td>Five or more services each had at least one fault in each of the preceding months</td>
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Under the NRF, Telstra is required to report to ACMA each month about any exchange service areas where a specified number of services each had at least one fault per month for two consecutive months. The number of services varies between two and five according to the total number of services in the exchange service area.

Telstra must provide ACMA with details of any remedial action it has taken or proposes to take to
improve service reliability in those exchange service areas.

However, ACMA may still request further action, or a particular type of action, to be taken. ACMA will monitor any exchange service areas where remedial action is required.

**Reliability at the geographical area level**

To improve consumer awareness of overall service reliability, the NRF requires Telstra to publish recent information about the reliability of telephone services nationally and in 44 nominated geographical areas. These areas, which cover all of Australia, include areas such as Sydney North, the Gold Coast and Central Australia.

Performance information to be published by Telstra includes:

- the percentage of services free from faults or service difficulties nationally and in each geographical area; and
- the average availability (in terms of time) of services nationally and in each geographic area.

This information is available on Telstra's website at www.telstra.com.au/servicereports/. ACMA will independently publish analysis of Telstra’s performance against NRF requirements on a quarterly basis.

**More information**

The NRF is set out in the *Carrier Licence Conditions (Telstra Corporation Limited) Declaration 1997 (Amendment No. 4 of 2002)*. A copy of the licence conditions is available from SCALEplus at http://scaleplus.law.gov.au/html/instrumentsh/0/30/0/2003100108.htm

Information on Telstra's obligations under the NRF is available from ACMA's Industry Monitoring Section on (03) 9963 6800 or by email to industry.monitoring@acma.gov.au.

Please note: this document is intended as a guide only and should not be relied on as legal advice or regarded as a substitute for legal advice in individual cases.

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