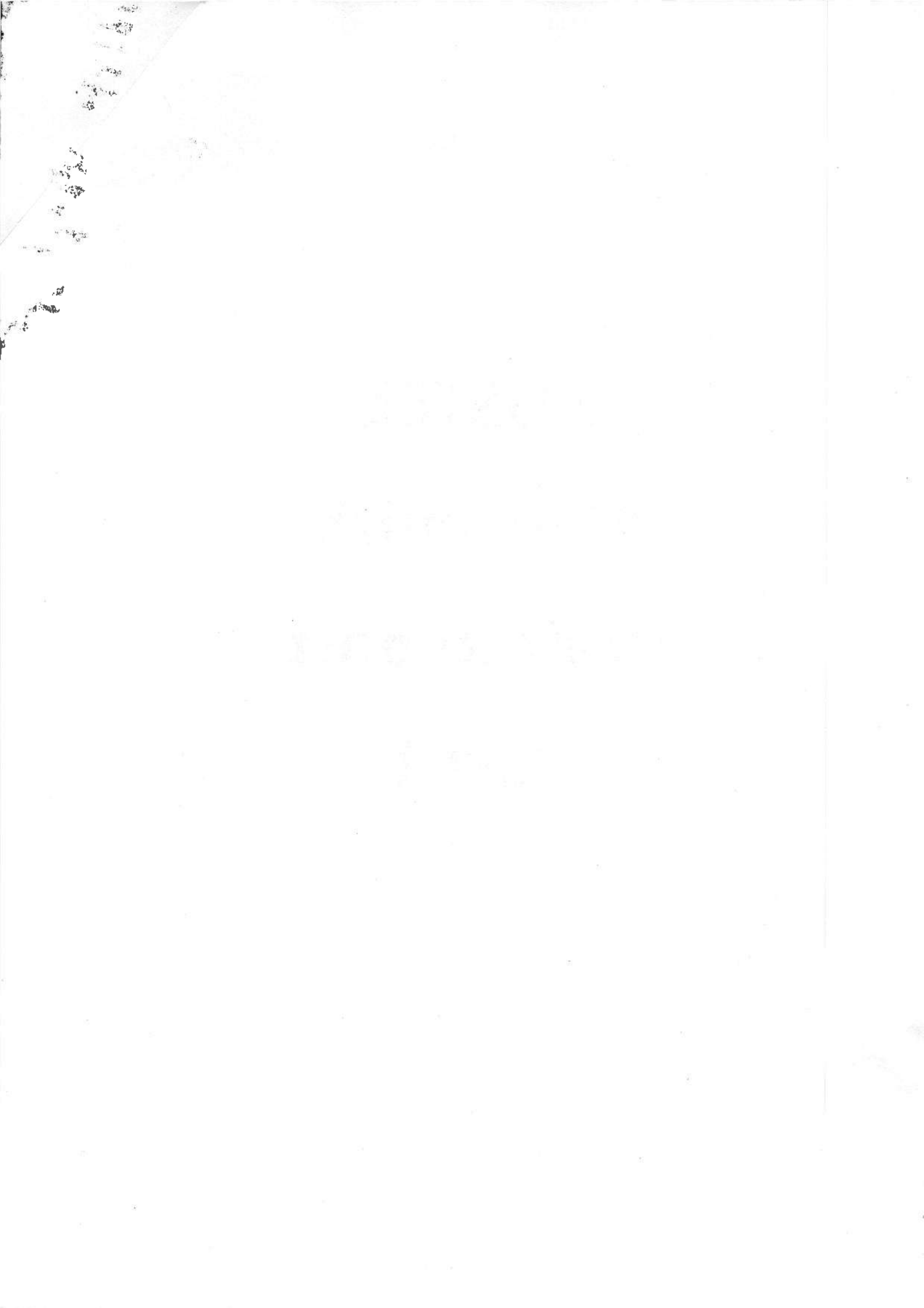


AUSTEL
Alan Smith
Draft Report
Part 1



Our ref:

AD2007/344

19 November 2007

Mr Alan Smith
Seal Cove Guest House
1703 Blowholes Road
Cape Bridgewater
PORTLAND VIC 3305

Dear Mr Smith

Your request under the *Freedom of Information Act 1982*

I enclose a copy of the decision on your request for access to documents (your request) under the *Freedom of Information Act 1982* (the Act) dated 17 September 2007.

Please contact me on 03 9963 6728 or via email at melissa.siah@acma.gov.au if you have any questions in this regard.

Yours sincerely

M Siah

Melissa Siah
Lawyer

Encls.

Australian Communications
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NOTICE OF DECISION
FREEDOM OF INFORMATION ACT 1982

Applicant: Alan Smith

File reference: AD2007/344

Decision-maker: Paul White
Executive Manager, Industry Performance Branch

Type of request: Request for access to documents

Decision: Release in full copies of documents 1-35 in the attached Schedule.
Refuse access to all documents in the file Y2001/981 under section 24A.

487

Covering notes for Smith appendix draft

105

- 1 Draft contains footnotes
- 2 Copy of Word file entitled "Smith Draft as of 3/3/94" has been placed in my COT folder on the Consumer Affairs Server - please use this for updates
- 3 75% of draft is my work - 25% Jack and Robyn's (mainly chronology and pages 60 to 69)
- 4 Draft needs to be read by technical person.
- 5 I have deliberately stopped short of making conclusions in many sections, and have hopefully left the text to speak for itself
- 6 Due to time constraints this draft probably does not adequately convey the amount of time and effort invested by Telecom in attending to Smith's problems.
- 7 Draft does not include many details on testimonials by people trying to contact Cape Bridgewater.
- 8 I have not had the opportunity to view all the Smith documentation. Not all of Smith's documentation was photocopied by others working on his case, and when I went visited Telecom to view Smith's documentation it was disordered as a result of Telecom's handling of FOI. I copied all the relevant documents that were then provided to me. It has subsequently become clear to me that at least a few important documents are missing from the Commercial Vic/Tas file - whether by chance or deliberate removal I cannot be certain.
- 9 Even at this late stage I still think a survey of some Cape Bridgewater residents of past problems they have experienced would be a worthwhile exercise if time was available.

| | |
|--|----------|
| MR ALAN SMITH - Cape Bridgewater Holiday Camp..... | 1 |
| General Outline..... | 1 |
| Complaint of Service..... | 1 |
| Service Technology Characteristics..... | 2 |
| Comparative Uniqueness of Cape Bridgewater Holiday Camp Service..... | 3 |
| Chronology of Significant Events..... | 4 |
| Telecom's response to Mr Smith's complaints..... | 11 |
| General Comment..... | 11 |
| Lack of co-ordination in responding to complaints..... | 12 |
| Adequacy of Response..... | 14 |
| Allegation (i) Failure to Honour Settlement..... | 16 |
| Telecom's Approach to reaching Settlement..... | 16 |
| Assurances provided by Telecom regarding the Integrity of the Cape Bridgewater Holiday Camp Service..... | 17 |
| Major Fault Analysis performed on Cape Bridgewater Holiday Camp prior to Settlement..... | 18 |
| Reports of faults from other Cape Bridgewater Subscribers..... | 18 |
| Conclusion..... | 21 |
| Allegation (ii) Failure to keep clients advised..... | 22 |
| Introductory Comment..... | 22 |
| Congestion problem on Cape Bridgewater Holiday Camp service prior to commission of RCM on 21 August 1991..... | 23 |
| Failure to advise of other subscribers experiencing NRR in Cape Bridgewater area..... | 26 |
| Failure to advise of PCM problem at Cape Bridgewater..... | 31 |
| Failure to advise on issues relating to RVA's on Cape Bridgewater Holiday Camp service..... | 31 |
| Introductory Comment..... | 31 |
| Significance of RVA problem..... | 32 |
| Range of possible causes of RVA's on the Cape Bridgewater Holiday Camp service..... | 33 |
| Incorrect Dialling of Cape Bridgewater Number..... | 34 |
| RVA's originating from Portland region due to 'intermittent digit storage problem' at Portland exchange..... | 34 |
| Incorrect programming of Cape Bridgewater number code at Windsor Digital Trunk Exchange (MELU)..... | 36 |

| | |
|---|-----|
| RVA Problem for calls made from Public | 107 |
| Payphones..... | 39 |
| Local technician's perception of existence of | |
| RVA problem..... | 40 |
| Other Data Coding Problems | 41 |
| Summary..... | 42 |
| Failure to advise of consequences of testing program..... | 43 |
| Failure to advise of Answer No Voice problem affecting Cape | |
| Bridgewater Holiday Camp Service | 44 |
| Allegation (iii) Denial of existence of problem or its underestimation..... | 46 |
| RCM Faults on the Cape Bridgewater Holiday Camp Service..... | 47 |
| Background to identification of RCM fault..... | 47 |
| Fault Reports from Cape Bridgewater from late 1992 to | |
| early 1993 indicating possible problems with the | |
| Cape Bridgewater RCM | 51 |
| Information provided to Mr Smith concerning problems | |
| with the RCM | 55 |
| Allegation (iv) That Telecom employees suggested problem could | |
| be overcome by purchase of new customer equipment when it | |
| knew that this was not the problem..... | 56 |
| Allegation (v) Representation of problem as unique to the | |
| complainant..... | 56 |
| Allegation (vi) Withholding of information | 57 |
| Allegation (vii) Arrogant and bullying behaviour (i.e. unjustifiably | |
| long period of disputation over faults, unjustifiably long period | |
| taken to reach settlement, harsh conditions of secrecy)..... | 57 |
| False claims of statutory immunity from suit | 58 |
| Reliance on Testing Regime..... | 60 |
| Failure to honour settlement conditions..... | 61 |
| Allegation (viii) Misleading briefings to review agencies and | |
| politicians..... | 65 |

MR ALAN SMITH - Cape Bridgewater Holiday Camp**General Outline**

Mr Alan Smith is the owner of the Cape Bridgewater Holiday Camp. His business is a holiday camp and convention centre. The camp is located on the Victorian coast about 18 kilometres west of Portland, 1 kilometre west of Melbourne.

Complaint of Service

- 2 Mr Smith acquired the camp in February 1988 and claims to have had very significant telephone problems commencing from that time. They have varied in incidence and although the current level of service is said to be much improved, Mr Smith maintains that problems continue to exist.
- 3 The range of problems reported by Mr Smith relate to incoming calls and can be summarised as follows -
 - Not Receiving Ring
 - Recorded Voice Announcement
 - Call Drop Out
 - Busy When Not
 - Single Bursts of Ring (Facsimile Noise)
- 4 The phone problems are claimed to have had a major impact upon the financial viability of the camp because -
 - callers have not been able to make contact with the camp, sometimes for days at a time, because of the Not Receiving Ring problem and accordingly have ceased to attempt to contact the camp: the nature of the business results in callers often making a booking on behalf of 20-30 persons

¹check distance - in Smith advertis

- the Recorded Voice Announcement advising the number is no longer connected obviously gives the impression that the camp has ceased to function
- inability to contact the camp is of particular importance because the bulk of its business has involved repeat bookings and thus unless the party makes the booking and gets to the camp, business for future periods is also forfeited
- a proportion of business has involved schools, special educational facilities and hospital patients who had become wary of using the camp because of the difficulty they had experienced in contacting it and because of the necessity to be contactable themselves when at the camp

5 The camp currently has the following telephone services -

- 055 267267 - for incoming calls
- 055 267230 - used for outgoing calls and facsimile
- 055 267260 - Goldphone, for use by camp visitors
- 008 number (008 816522) which translates to the 055 267267 number

Service Technology Characteristics

6 A Telecom Minute from a regional Manager dated 5 October 1992 provides background to the service changes which have occurred at Cape Bridgewater Holiday Camp:

Mr Smith has had an ongoing complaint about his level of service for some time.....Customer was originally connected to an old RAX exchange, which had limited junctions between Portland and Cape Bridgewater. Thus congestion was a problem for all customers on the Cape B'water exchange. The exchange was upgraded to an RCM and parented back to the Portland AXE 104.²

² 581 - Mark Ross to Corporate Secretary

- 7 In effect, prior to the upgrade to the RCM (digital remote customer multiplexer), there were only 5 lines from Portland to the Cape Bridgewater area. Thus if all 5 lines were busy callers received congestion tone. The RCM had the effect of increasing the line capacity in the Cape Bridgewater area so that a line was available to each service. Despite the relocation to new digital technology Mr Smith continued to complain of and report problems. This does appear to raise the question of whether new technology was introduced prior to the proper preparation of local staff to support it.
- 8 Telecom's attempts to resolve Mr Smith's problems included the following activities:
- replacement of his customer equipment on a number of occasions
 - rewiring of parts of his premises
 - fitting of an alarm bell on more than one occasion
 - generation of thousands of test calls from various locations to his premises or to his local RCM exchange
 - examination of a range of exchange components involved in providing a service to the Cape Bridgewater Holiday Camp
 - line testing
- 9 During the past five years Mr Smith has received many testimonials from other network users such as community groups, health and welfare agencies, schools and individuals which have advised of continuing difficulties in contacting the camp. These statements support Mr Smith's claims of service problems of Mr Smith.

Comparative Uniqueness of Cape Bridgewater Holiday Camp Service

- 10 An important point in relation to Mr Smith's service is that he is operating a business service in an area which is predominantly that of

a residential and/or farming community. Therefore both the nature, volume and origin of calls received by Mr Smith in comparison with those of his neighbours would be markedly different. Mr Smith would receive significantly more calls than his neighbours, with a higher percentage of these being STD calls from a wide range of origins and the majority of his calls would be business inquiries concerning the Cape Bridgewater Holiday Camp.

- 11 Often calls to the Cape-Bridgewater Holiday Camp would be from people previously unknown to Mr Smith, who in comparison to other callers to Cape Bridgewater would be less likely to initiate further contact should they have difficulty in contacting the Camp. In addition, a number of services in the area are provided to holiday homes from which few complaints would be expected to originate. Mr Smith maintains that approximately one third of houses in the area are holiday houses.
- 12 Another factor which distinguishes the Cape Bridgewater Holiday Camp service from other Cape Bridgewater services is that Mr Smith receives a significant number of calls during business hours. Mr Smith maintains that there are only two people in the area who are normally home during the day. It should be noted that service problems may manifest differently during different periods of the day.
- 13 If problems were found with calls made to the Cape Bridgewater area, it is logical that Mr Smith would be the most likely subscriber to experience and report these. Furthermore, if there was a problem in providing calls from the wider network to the Cape Bridgewater region it is possible that Mr Smith may be the only subscriber in the area experiencing significant problems. Any meaningful assessment of Mr Smith's problems and fault statistics from Cape Bridgewater subscribers was required to take these factors into account.

Chronology of Significant Events

April 1988

Alan Smith purchases the Cape Bridgewater
Holiday Camp

- 5 March 1991 As a consequence of complaints of NRR from Mr Smith, Telecom surveys customers in Cape Bridgewater area to see if they are also experiencing the NRR problem. Of the 9 people who respond to the survey 4 say they have experienced the problem - one of those surveyed identifies 2 additional subscribers in the Cape Bridgewater area experiencing NRR.
- May 1991
(approx) New wiring installed inside and outside office and main kitchen at Cape Bridgewater Holiday Camp. Rented telephone equipment replaced.³
- 27 June 1991 Telecom LEOPARD record of complaint from Cape Bridgewater - Intermittently No Progress. Mr Smith is subsequently informed that no LEOPARD fault reports remain in existence prior to this data due to a failure by Telecom to retain these records.
- 28 June 1991 Telecom LEOPARD record of complaint from Cape Bridgewater - No Dial Tone. Fault is "found in old exchange."
- 18 July 1991 Telecom LEOPARD record of complaint from Cape Bridgewater - Not Receiving Ring and no Dial Tone - Repair Details - "Customer phone replaced."⁴
- 5 August 1991 Telecom LEOPARD record of complaint from Cape Bridgewater - Not Receiving Ring - Repair Details - "Right when tested - No fault evident."

³ Why was this done if congestion was known to be a problem in the area and other people were known to be experiencing NRR?

⁴ Again why was this done if NRR was known to be a problem in the area.

- 15 August 1991 Telecom file note. Discusses Mr Smith's complaints of False Busy - the author tells Mr Smith that the problem is probably in the old exchange and that the upcoming service upgrade to an RCM (digital remote customer multiplexer) will solve this problem. The author notes that analysis on 14 August 91 has indicated congestion on Cape Bridgewater lines. "RCM will fix this problem."⁵
- 21 August 1991 Telephone service connected to AXE technology. Connected to RCM off the Portland AXE 104. At time of changeover a faulty final selector was detected in the previous (RAX) exchange.
- 9 October 1991 Telecom LEOPARD record of complaint from Cape Bridgewater - Not Receiving Ring - Repair Details "No fault found in customer equipment."⁶

⁵ Excessive faith was held in the capacity of the RCM to solve Mr Smith's problems - which is an indication that the knowledge that congestion to this area was well known.

⁶ So RCM apparently did not solve NRR problem - numerous LEOPARD reports after this date.

19 March 1992

Following reports of the following RVA "This number is disconnected" from other network users, a fault was identified in the Windsor Digital Trunk Terminal. Telecom documents indicate it was considered the RVA fault was cleared at this time. The fault was that the customer's number was not included in the data base.⁷ Telecom documents reveal that this problem would have resulted in the RVA. This fault would have affected approximately 50% of incoming STD calls from Melbourne to Cape Bridgewater.⁸

Telecom maintain that this RVA problem has existed for three weeks prior to this date, however Mr Smith claims that the camp has experienced the RVA for the preceding nine months. Testimonials from other network users support Mr Smith's claim that the camp experienced the RVA problem for a number of months prior to March 1993.⁹

25 March 1992

Caller from Greyhound Terminal at Franklin St Melbourne reports getting RVA 3 out of 4 calls when calling Cape Bridgewater.

2 July 1992

Internal Telecom Minute reveals that local technicians believe that Mr Smith is correct in raising complaints about incoming callers to his number receiving a RVA and believe it is a problem that is occurring in with numbers as more and more customers are connected to AXE.¹⁰

⁷ Or correctly programmed in the database - need clarification of this.

⁸ 50% of all calls via STD? - 50% of all calls via Melb? - need clarification

⁹ need to identify these testimonials before this goes out.

- 4 August 1992 Telecom testing of 31 July 1992 resulted in 1153 congested calls out of a total of 8450 calls. Telecom technicians did not determine the cause at this time but subsequently decided that both routes between Hamilton and Portland became auto blocked during the test calls.
- 21 August 1992 Telecom report from National Network Investigations and Support confirm fault found on 19 March 1992 and advises that origins of RVA complaints since March 1992 have been Sydney, Alice Springs, Melbourne, Hartwell, Violet Town, Portland, Narre Warren and Hallam. The RVA from Melbourne was tested, no fault found, but there has been no indication of results of testing from the other origins
- 1 September 1992 Telecom letter to Mr Smith advising that recent tests indicate that the Cape Bridgewater Holiday Camp service is now functioning to normal network standards. A further detailed study of all elements of the service is to be initiated
- 14 September 1992 Internal Telecom Minute reveals that on 16 April 1992, 30 June 1992 and 22 July 1992 other network users had reported receiving RVA messages and that the Telecom GAPS data base also indicates reports of RVA on 22 July 1992. National Network Investigations and Support would investigate these complaints
- 7 October 1992 Following faults reported by Smith and other local customers of wrong numbers and of RVA Telecom identified and repaired an intermittent fault with an exchange register in the Portland Exchange

- 14 October
1992 Telecom letter to COTs addressing that Telecom cannot commence any discussions on whether or not damages have been sustained until the problems being reported are identified and necessary improvements effected
- 19 October
1992 Telecom Minute reveals that other customers in the area were experiencing wrong numbers and RVA's. Subsequent testing indicates an intermittent digit storage problem at the Portland exchange.
- 23 November
1992 Telecom letter to Smith following request for network fault information. Outlines faults found in Windsor and Portland exchanges which were fixed on 19 March 1992 and 7 October 1992. States that repairs, plus rewiring done 18 months previously, installation of loud sounding alarm November 1992 will contribute to greater reliability of his service
- 20 December
1992 008 number begins operation on Cape Bridgewater Holiday Camp.
- 2 February 1993 Smith reporting and persisting with complaints in regard to making contact with Ballarat. Telecom subsequently confirmed problems between Warrambool and Ballarat, and that only one quarter of calls were getting through.¹¹
- 3 February 1993 Telecom advised that the above problem was in the switching system and was an exchange problem
- 4 February 1993 Telecom fault report addresses the following - Re: burst of ring problem reported by Smith. The problem occurs intermittently throughout the network and though it is recognised as a problem there appears to be no one person/group involved in resolving it.

¹¹ Where is documentation to support this ??

March 1993

Investigation conducted by National Network Investigation and Support in response to customer complaints revealed the following problems with the RCM system -

- presence of 500Hz noise on all customer lines
- cable ducts into the cross cabinets and cable hut were not sealed allowing ingress of moisture
- alarm system on all three RCM systems had not been programmed. This would have prevented any local alarms being extended back to Portland
- problems with installation of enhanced lightning protection modules

The investigation revealed that 45999 degraded minutes had accumulated since the installation of the system in August 1991.

Whilst Network Investigation and Support advised that all faults were rectified, the above faults and record of degraded service minutes indicate a significant network problem from August 1991 to March 1993.

6 March 1993

Letter from Smith to Telecom advising that his acceptance of settlement offer of 11 December 1992 was based on the representation of 18 September 1992 by Telecom that the telephone service could be guaranteed.

Smith further advised that the Telecom guarantee did not result in an acceptable telephone service. In view of this, the representation was false and he felt that Telecom had misled him at time of signing the settlement agreement

27 April 1993

Letter from Smith to Telecom advised that the Goldphone fixed that day. Fault reported on 16 April 1993. Non functioning of Goldphone created problems with visitors from Prahran Secondary College and their teachers and parents

- 1 May 1993 Letter from Smith to Telecom advising of problems with telephone service in general and with the Goldphone in particular. Whilst accommodating children from the Royal Childrens Hospital, the camp experienced major problems with incoming and outgoing calls causing stress to parents, children and the hospital. During one medical emergency had to contact Portland Base Hospital via Smith's Facsimile line
- 5 May 1993 Confirmation from Prahran Secondary College of problems experienced on 27 April 1993
- 12 July 1993 Meeting between AUSTEL, Telecom and Smith. Telecom advised that other customers in the area were not complaining of either the range or volume of problems reported by Smith. Also other people in the area were not reporting NRR. Telecom would soon be in a position to write to Smith and advise that he was receiving service that conformed to network service standards.
- 10 August 1993 Smith reported to Telecom of problems in his customers' receiving "false busy" on previous evening. Telecom fault report confirms problem reported and indicates possibility of problem being due to a software block where calls originate from a step by step origin

Telecom's response to Mr Smith's complaints

General Comment

- 14 Since commencing operations at the Cape Bridgewater Holiday Camp Mr Smith has made numerous complaints to Telecom of service difficulties and perceived call data discrepancies. AUSTEL has received a number of complaints from Mr Smith of Telecom's handling of these matters during our period of involvement with the COT group.

- 15 Examination of Telecom's file documentation concerning Mr Smith clearly demonstrates that Telecom has invested considerable resources in attending to the various issues raised by him. A number of areas in Telecom have had involvement in addressing these issues. At a meeting held between Telecom and AUSTEL in July 1993 senior Telecom Managers commented to AUSTEL of the onerous resource demands of programs such as the monitoring of calls on the Cape Bridgewater Holiday Camp service and conducting test call programs from a number of locations.¹² This comment was made in the context that these activities had uncovered no problems of significance on the Camp service. AUSTEL also notes that some of the specific complaints raised by Mr. Smith have been disproved.
- 16 Telecom's handling of Mr Smith's complaints demonstrate, however, that the expenditure of resources alone is not necessarily sufficient to uncover a problem. A co-ordinated and comprehensive approach is required. A lack of co-ordination and sufficient scope hampered resolution of Mr Smith's complaint of poor service, despite the resources directed at Mr Smith's complaints.
- 17 A consequence of Telecom's deficient approach was that personnel in the areas performing the same or similar tests on the Cape Bridgewater Holiday Camp service inevitably became less sympathetic to Mr Smith's complaints. In turn, Mr Smith became increasingly frustrated with the inability of Telecom to resolve his complaints and pursued other avenues within Telecom or external to Telecom to have his complaints addressed.

Lack of co-ordination in responding to complaints

- 18 A continuing theme in Telecom's handling of Mr Smith's complaints is the inability of Telecom to effectively co-ordinate a response to his complaints. Different areas of Telecom were not cognisant of the activities of other areas, and it was unclear at times who had "ownership" of his problems. As noted in other areas of this report,

¹²Meeting - 12 July 1993

Telecom procedures in handling ongoing complaints of this nature were deficient.

- 19 A summary of the problems of lack of co-ordination from the Telecom perspective in relation to Mr Smith is provided in the following quote from a Minute dated 9 February 1993 from the Manager, National Network Investigations - Melbourne to his state counterparts and some other Managers, including the General Manager, Telecom Commercial Vic/Tas: --

The only conclusion to be drawn from this investigation is that the number of customer contacts in such investigations should be kept to an absolute minimum to avoid double handling, response time delay and confusion. It is costly, inefficient and unprofessional. As a result it is recommended that NNI staff establish themselves as the primary contact point for all investigations in future so that this situation is not repeated.¹³

- 20 This same Minute noted:

The customers service does not appear to be experiencing any Network problems, nor does the customers terminal equipment appear to be causing technical problems. The customer has not lodged a complaint with any of the contact points nor reported a fault to Telecom service difficulties operators for some time. As a result of this, and given that the extensive testing undertaken failed to indicate a fault condition, this investigation will now be closed.

- 21 A reply to this Minute was provided by the General Manager, Telecom Commercial Vic/Tas on 15 February 1993. Ironically, the response provided exemplified the very problems with lack of co-ordination stated by the Manager, National Network Investigations - Melbourne. The 15 February Minute stated:

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