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Declaration of anchor and direct fibre access services

Exposure draft of regulations to be made under sections 227 and 228 of the Telecommunications Act 2001

May 2021

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ISBN 978-1-99-100822-0

How to have your say

Consultation process

The Ministry of Business, Innovation and Employment (MBIE) is inviting your feedback on the exposure draft of the regulations under sections 227 and 228 of the Telecommunications Act 2001. We welcome submissions by 5 PM on Tuesday 22 June 2021. Please include your name and organisation in your submission.

Please make your submission via email or mail:

* By sending your submission as a Microsoft Word document to

CommunicationsPolicy@mbie.govt.nz

* By mailing your submission to:

Communications Policy Team
Ministry of Business, Innovation & Employment
PO Box 1473

Wellington 6140

Please direct any questions that you have in relation to the submissions process to

CommunicationsPolicy@mbie.govt.nz

Use of information

The information provided in submissions will be used to inform MBIE’s policy development process and will inform advice to Ministers on the regulation applying to each regulated fibre service provider as well as the description of the Fibre Fixed Line Services subject to regulation.

Release of information

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# List of acronyms and abbreviations

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|  |  |
| --- | --- |
| CIP | Crown Infrastructure Partners |
| CPI | Consumer Price Index |
| DFAS | Direct fibre access service |
| Draft Regulations | The proposed regulations set out in Annex A |
| LFC | Local Fibre Company |
| MBIE | Ministry of Business, Innovation and Employment |
| Mbps | Megabits per second |
| NIPA | Network Infrastructure Project Agreement  |
| NIPA 1 | relates to the Government’s initial investment in UFB infrastructure |
| NIPA 2 | relates to further Government investment |
| Principal Regulations | Telecommunications (Regulated Fibre Service Providers) Amendment Regulations 2019 |
| The Act | The Telecommunications Act 2001 |
| UFB | Ultra-Fast Broadband |
| WSA | Wholesale Service Agreement |

# 1 Introduction

## 1.1 Purpose of this discussion paper

1. This paper seeks your views on an exposure draft of regulations that will:
	1. declare, under sections 227 and 228 of the Telecommunications Act 2001, two fibre fixed line access services to be anchor services, and one fibre fixed line service to be a direct fibre access service, with the result that Chorus will be obliged to provide them on prescribed terms (under sections 198 and 199 of the Act);
	2. set out the prescribed terms; and
	3. make a minor amendment to the Telecommunications (Regulated Fibre Service Providers) Regulations 2019.
2. The submissions received in response to this paper will help improve the draft regulations so that, when they enter into effect, they fully meet the requirements and best promote the purposes of the Act.

## 1.2 Structure of this discussion paper

1. The key parts of this paper are as follows:
* **Section 2**: **‘Context for this discussion document’** describes the Ultrafast Broadband Initiative and the regulation of ‘local fibre companies’ that it entails, in particular the price-quality obligations that Chorus will have to comply with from 1 January 2022. Those obligations depend to some extent on the declaration of certain services as ‘anchor services’ or ‘direct fibre access services’.
* **Section 3: ‘Legal framework for declaration of anchor services and direct fibre access services’** sets out the requirements the Minister for the Digital Economy and Communications must meet in recommending the making of regulations that declare services to be ‘anchor services’ or ‘direct fibre access services’.
* **Section 4: ‘The draft regulations’** describes the service descriptions and the maximum service price.
* **Section 5: ‘List of proposed new regulations and schedules’** sets out in table format the new regulations and schedules proposed.
* **Section 6: ‘Recap of questions’** sets out in one place all the questions posed in this discussion document.
1. There are questions throughout this paper to guide your submission. We welcome other relevant comments.

## 1.3 Process and timeline

1. We invite submissions on the questions set out in this paper by 5 PM on Tuesday 22 June 2021. We will then analyse your submissions and provide recommendations to the Minister for the Digital Economy and Communications about any changes to the draft regulations.
2. Once approved by Cabinet, the regulations will be made by Order in Council. The final regulations will be notified in the New Zealand Gazette. The regulations will come into force on 31 December 2021.

# 2 Context for this discussion document

## 2.1 The Ultra-Fast Broadband Initiative

1. Since 2009, the New Zealand government has pursued a policy of subsidising the roll-out, in cities and towns nationwide, of a telecommunications access network based on fibre optic technology. This ‘fibre-to-the-home’ policy is known as the ‘Ultra-Fast Broadband’ (or UFB) Initiative. Implemented by five ‘local fibre companies’ (LFCs) each in its own geographic zone, the various iterations of the UFB Initiative (UFB1, UFB2 and UFB2+) have seen roll-out targets of 75%, 80% and 87% of the population respectively.
2. The four local fibre companies are Chorus Limited, Enable Networks Limited, Northpower Fibre Limited and UltraFast Fibre Limited.

## 2.2 Regulation of local fibre companies

### 2.2.1 Information disclosure regulation

1. Currently, under subpart 3 of Part 4AA of the Telecommunications Act 2001 (the Act), all local fibre companies are subject to ‘information disclosure’ rules. The purpose of subpart 3 is to:

“promote competition in telecommunications markets for the long-term benefit of end-users of telecommunications services in New Zealand by requiring LFCs who have given undertakings in relation to certain services to provide reliable and timely information to the Commission to enable it to record over time the costs and characteristics of LFC fibre networks to inform the Commission’s statutory processes and determinations.”[[1]](#footnote-1)

1. From 1 January 2022, subpart 3 of Part 4AA will be repealed,[[2]](#footnote-2) and a new information disclosure regime will come into force under subpart 4 of Part 6 of the Telecommunications Act. The purpose of subpart 4 Part 6 is “to ensure that sufficient information is readily available to interested persons to assess whether the purpose of this Part is being met”.[[3]](#footnote-3) The Telecommunications (Regulated Fibre Service Providers) Regulations 2019 prescribed all five local fibre companies as being subject to the forthcoming information disclosure regime, when providing any ‘fibre fixed line access service’.

### 2.2.2 Price-quality regulation

1. All local fibre companies currently face controls on the pricing of the fibre-based services they provide to customers, who are mostly retail service providers. Those controls have been set in the contracts signed by the local fibre companies with the Crown, but those contracts are set to expire on 31 December 2021. It is in this context that the Telecommunications (Regulated Fibre Service Providers) Regulations 2019, made under section 226 of the Telecommunications Act, prescribed Chorus Limited (but not the other local fibre companies) as being subject (from 31 December 2021) to ‘price-quality regulation’.
2. As its name suggests, price-quality regulation is designed “to regulate the price and quality of fibre fixed line access services.”[[4]](#footnote-4) Fibre fixed line access services are telecommunications services that enable access to, and interconnection with, a regulated fibre service provider’s fibre network.[[5]](#footnote-5) In practical terms this might be a bitstream service, a co-location service, and so on.

## 2.3 Chorus’ price-quality obligations

### 2.3.1 Introduction

1. Under section 193(1) of the Telecommunications Act, Chorus will have two main price-quality-related obligations.
2. First, Chorus must, in respect of the fibre fixed line access services it provides, apply the price-quality paths set by the Commerce Commission in any future [section 170](https://www.legislation.govt.nz/act/public/2001/0103/latest/whole.html#LMS131959) determination.[[6]](#footnote-6) This obligation does not apply, however, if Chorus is providing the service “in a geographical area where a regulated fibre service provider (other than Chorus Limited) has installed a fibre network as part of the UFB initiative”.[[7]](#footnote-7)
3. Second, Chorus must also comply with [sections 198 to 201](https://www.legislation.govt.nz/act/public/2001/0103/latest/whole.html#LMS132005) of the Act. It is this second obligation with which this discussion document is concerned. More precisely, the discussion document focuses on the obligations Chorus will have under sections 198 (relating to anchor services) and 199 (relating to direct fibre access service).

### 2.3.2 Obligations relating to anchor services

1. Under section 198(1) of the Telecommunications Act, a regulated fibre service provider who is subject to price-quality regulation (i.e. Chorus) must provide an anchor service if an anchor service has been declared.
2. An anchor service is any fibre fixed line access service that has been declared to be an anchor service in regulations made under section 227 of the Telecommunications Act.[[8]](#footnote-8) Anchor services have been described as “wholesale fibre services with price caps based on existing UFB prices”.[[9]](#footnote-9) Their purpose is twofold: [[10]](#footnote-10)
	1. to ensure that baseband equivalent voice and basic broadband services are available to end-users at reasonable prices; and
	2. to act as an appropriate constraint [or ‘anchor’] on the price and quality of other fibre fixed line access services.
3. Section 4 of this discussion document seeks feedback on Draft Regulations declaring certain fibre fixed line access services to be anchor services.

### 2.3.3 Obligations relating to direct fibre access services (DFAS)

1. Under section 199(1) of the Act, a regulated fibre service provider who is subject to price-quality regulation (i.e. Chorus) must provide a direct fibre access service if a direct fibre access service has been declared.
2. A direct fibre access service is any fibre fixed line access service that has been declared to be a direct fibre access service in regulations made under section 228 of the Telecommunications Act.[[11]](#footnote-11) Direct fibre access services (DFAS) have been described as “business-grade fibre services that connect large commercial users [including fixed wireless and mobile cellular retail service providers] to the fibre network”.[[12]](#footnote-12) One of the purposes of regulating this type of service is “to reduce the opportunity for Chorus to arbitrarily increase the costs of this key input to the services of fixed wireless competitors”.[[13]](#footnote-13)
3. Section 4 of this discussion document seeks feedback on Draft Regulations declaring certain fibre fixed line access services to be direct fibre access services.

# 3 Legal framework for declaration of anchor services and DFAS

## 3.1 Introduction

1. The Governor General may, by Order in Council made on the recommendation of the Minister, make regulations declaring a fibre fixed line access service to be an anchor service[[14]](#footnote-14) or a DFAS.[[15]](#footnote-15)
2. Under sections 227(4) and 228(4) of the Act, the Minister must not recommend that such regulations be made unless the Commerce Commission has undertaken a review under section 208 (for anchor services) or section 209 (for DFAS) and subsequently recommended (to the Minister) that the regulations be made. However there is an exception for initial regulations.[[16]](#footnote-16) As such, because this will be the first time regulations are made, the Minister is able to make a recommendation to the Governor General without the Commerce Commission having done so. This is what the Minister intends to do.

## 3.2 The Minister’s ability to recommend first regulations

### 3.2.1 Requirements the Minister must meet

1. Regulations declaring a fibre fixed line access service to be an anchor service or a DFAS may prescribe all or any of the following: (a) a description of the service; (b) any ‘conditions’ of the service (effectively, the non-price terms on which it must be supplied or accessed); (c) the period during which the service must be supplied; and (d) the maximum price that can be charged for the service.[[17]](#footnote-17)
2. However, in the case of both anchor services and DFAS, when recommending that the first regulations be made, the Minister must not: [[18]](#footnote-18)
	1. recommend regulations prescribing a *description* of the service that is “materially different from the terms set out in a UFB contract”; or
	2. recommend regulations prescribing *conditions* of the service that are “materially different from the terms set out in a UFB contract”.
3. In addition, the Minister must not recommend the making of first regulations that prescribe a maximum price of the service unless the Minister is satisfied that the regulations will prescribe a maximum price that is based on the maximum price that may be charged for providing the service under a UFB contract (or the price immediately before the implementation of the regulations in the case of the DFAS), with an annual CPI adjustment mechanism.[[19]](#footnote-19)
4. The intention of these requirements is to minimise transitional disruption during the first regulatory period.[[20]](#footnote-20) For future regulatory periods, recommendations for changes can be considered following a review by the Commerce Commission.

# 4 The Draft Regulations

## 4.1 Introduction

1. As noted in the above section, regulations declaring a fibre fixed line access service to be an anchor service or a DFAS may prescribe all or any of the following: (a) a description of the service; (b) any ‘conditions’ of the service; (c) the period during which the service must be supplied; and (d) the maximum price that can be charged for the service.[[21]](#footnote-21)
2. Section 4 of this discussion document explains the way in which MBIE proposes to achieve this. In the course of doing so, the section makes reference to draft regulations (in Annex A): the Telecommunications (Regulated Fibre Services) Regulations 2021 (the ‘Draft Regulations’).
3. The Draft Regulations incorporate by reference the Bitstream 2 Accelerate Reference Offer (as the Broadband Anchor Service description), the Baseband Reference Offer (as the Voice Anchor Service description), and the DFAS Reference Offer (as the large user direct fibre access service description), subject to the modifications listed in Schedule 2 of the Draft Regulations.
4. The Draft Regulations also incorporate by reference, to the extent they are relevant to the provision of the anchor and DFAS services, a number of other documents including service level terms, operations manuals, general terms, and technical standards.

## 4.2 Description of the services

### 4.2.1 Broadband anchor service

#### 4.2.1.1 Bitstream 2 Accelerate Reference Offer

1. In the Draft Regulations, the service description for the ‘broadband anchor service’ is based on “the Chorus UFB Services Agreement (Service Description for Bitstream 2 Accelerate) Reference Offer dated June 2017”.[[22]](#footnote-22) The ‘Bitstream 2 Accelerate’ service is a bitstream service suitable for accessing a wide range of internet and bespoke applications and content delivered over a point-to-multipoint fibre access.
2. Broadly speaking, the service description is the text in clauses 7 to 8, Appendix A, and (in terms of technical specifications) Appendix B of the Bitstream 2 Accelerate Reference Offer.[[23]](#footnote-23)
3. However, a number of modifications have been made to the Bitstream 2 Accelerate Reference Offer text in Schedule 2 of the Draft Regulations.
4. We are proposing modifications to the original text for the following reasons:
	1. the broadband anchor service is not a multiclass service;
	2. new service templates are not part of the anchor service;
	3. the anchor service is a residential service;
	4. the traffic Class bandwidths need to correspond to a 100/20 Mbps service; and
	5. some terminology needs to be updated to reflect the language currently in use by the industry.

#### Questions for stakeholders

|  |  |
| --- | --- |
|  | Do you have any comments about basing the service description for the 100/20Mbps broadband anchor service on Chorus’ Service Description for Bitstream 2 Accelerate service (June 2017)? Are you comfortable with the proposed changes? Do you think that additional changes should be made? Please explain why. |

#### 4.2.1.2 Other relevant documents

1. Regulation 9 of the Draft Regulations sets out additional documents relevant to the service description of the 100/20 Mbps UFB broadband anchor service, notably Chorus’ UFB General Terms, Chorus’ Bitstream Services Operations Manual and Chorus’ Bitstream Service Level Terms, to the extent they are relevant to the service description.
2. This regulation also defines the additional technical documents that we are incorporating by reference as those listed in Part 1, Schedule 3 of the Draft Regulations. We consider that the incorporation by reference of these documents provides clarity and transparency around the technical standards and specifications used for providing the broadband anchor service.

#### Questions for stakeholders

|  |  |
| --- | --- |
|  | Do you agree that Chorus’ UFB General Terms (December 2012), Operations Manual for Bitstream Services (October 2020), Service Level Terms for Bitstream Service (October 2020), the notice points of interconnection (December 2019), the TCF UFB Ethernet Access Service Description (May 2017) and the technical standards listed in Part 1 of Schedule 3, should be referenced as additional service description for the 100/20 Mbps broadband anchor service? If not, please explain why. |

### 4.2.2 Voice anchor service

#### 4.2.2.1 Baseband Reference Offer

1. In the Draft Regulations, the service description for the ‘voice anchor service’ is based on “the Chorus UFB Services Agreement (Service Description for Baseband) Reference Offer dated June 2017”.[[24]](#footnote-24) The ‘Baseband’ service enables the delivery of PSTN-grade analogue phone and telephony services over a GPON point-to-multipoint fibre access.
2. However, a number of modifications have been made to the Baseband Reference Offer text in Schedule 2 of the Draft Regulations.
3. We are proposing changes to the original text for the following reasons:
	1. The voice anchor service is either a voice-only service or a voice service that can be combined with the 100/20 Mbps broadband anchor service;
	2. This description of the service also defines the Analogue Telephone Adaptor (ATA) and the residential gateway voice services; and
	3. Some terminology needs to be updated to reflect the language currently in use by the industry.

#### Questions for stakeholders

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| --- | --- |
|  | Do you have any comments about basing the service description for the voice anchor service on Chorus’ Service Description for baseband service (June 2017)? Are you comfortable with the proposed changes? Do you think that additional changes should be made? Please explain why. |

#### 4.2.2.2 Other relevant documents

1. Regulation 12 of the Draft Regulations sets out additional documents relevant to the service description of the voice anchor service, notably Chorus’ UFB General Terms, Chorus’ Bitstream Services Operations Manual and Chorus’ Bitstream Service Level Terms, to the extent that they are relevant to the service description.
2. This regulation also defines the additional technical documents that we are incorporating by reference as those listed in Part 2, Schedule 3 of the Draft Regulations. We consider that the incorporation by reference of these documents provides clarity and transparency around the technical standards and specifications used for providing the voice anchor service.

#### Questions for stakeholders

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|  | Do you think Chorus’ UFB General Terms (December 2012), Operations Manual for Bitstream Services (October 2020), Service Level Terms for Bitstream Service (October 2020), the notice points of interconnection (December 2019), and the technical standards listed in Part 2 of Schedule 3, should be referenced as additional service description for the voice anchor service? |

### 4.2.3 Large-user DFAS

#### 4.2.3.1 DFAS Reference Offer

1. In the Draft Regulations, the service description for the ‘large-user’ DFAS is based on “the Chorus UFB Services Agreement Direct Fibre Access Services (Service Description for Direct Fibre Access Service) Reference Offer dated April 2021”.[[25]](#footnote-25) The ‘Direct Fibre Access Service’ is a dark fibre service suitable for the delivery of complex business-grade applications requiring point-to-point fibre access. It enables access to, and interconnection with Chorus’ network.
2. However, a number of modifications have been made to the Direct Fibre Access Service Reference Offer text in Schedule 2 of the Draft Regulations.
3. We are proposing changes to the original text for the following reasons:
	1. Fibre diversity will be a commercial service;
	2. The technical specifications for fibre testing and optical path performance needed to be updated to reflect the specifications in use by the industry.

#### Questions for stakeholders

|  |  |
| --- | --- |
|  | Do you have any comments about basing the service description for the large-user direct fibre access service on Chorus’ Service Description for direct fibre access services (June 2017)? Are you comfortable with the proposed changes? Do you think that additional changes should be made? Please explain why.  |

#### 4.2.3.2 Other relevant documents

1. Regulation 16 of the Draft Regulations sets out additional documents relevant to the service description of the DFAS, notably Chorus’ UFB General Terms, Chorus’ Bitstream Services Operations Manual and Chorus’ Bitstream Service Level Terms, subject to any changes to those texts included in Schedule 2.
2. This regulation also defines the additional technical documents that we are incorporating by reference as those listed in Part 3, Schedule 3 of the Draft Regulations. We consider that the incorporation by reference of these documents provides clarity and transparency around the technical standards and specifications used for providing the DFAS.

#### Questions for stakeholders

|  |  |
| --- | --- |
|  | Do you agree Chorus’ UFB General Terms (December 2012), Operations Manual for DFAS (October 2020), Service Level Terms for DFAS (October 2020) and the technical standards listed in Part 3 of Schedule 3 should be referenced as additional service description for the DFAS? |
|  | Do you think that the documents and standards incorporated by reference in the Draft Regulations sufficiently define the regulated services? |

## 4.3 Period of service provision

1. Under proposed regulation 2, the Draft Regulations, if made, will come into force on 31 December 2021. In this sense, the period of service provision begins at that time.
2. Beyond this, however, MBIE proposes that the Draft Regulations not prescribe a precise period during which services must continue to be provided. Rather, the period will remain open-ended, unless and until the Regulations are amended following an anchor services or price-quality review under Subpart 7 of Part 6 of the Telecommunications Act. However, the Principal Regulations may still be subject to amendments of minor and technical changes under sections 227(5) and 228(5).
3. This is consistent with the intention set out in the Cabinet paper entitled: *Fibre regulations under the Telecommunications Act 2001*, which notes that the regulations will continue in force, from implementation on 1 January 2022, unless the Commerce Commission after a review recommends any changes.[[26]](#footnote-26)

#### Questions for stakeholders

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| --- | --- |
|  | Do you agree that the period during which Chorus must provide the regulated services should be open-ended? Please justify your position. |

## 4.4 Maximum service price

### 4.4.1 Broadband anchor service

1. Under proposed regulation 8(3), the maximum price that Chorus will be able to charge per residential connection for the broadband anchor service is $47.15 per month.[[27]](#footnote-27) This includes 2.5 Mbps symmetric high priority CIR[[28]](#footnote-28) with ATA[[29]](#footnote-29) port service.
2. As required by clause 14(4) of Schedule 1AA of the Telecommunications Act, the maximum service price for the broadband anchor service we are proposing is based on the maximum price that may be charged for providing the service under a UFB contract (the Chorus price list of October 2020), with an annual CPI adjustment mechanism.

### 4.4.2 Voice anchor service

1. Under proposed regulation 11(2), the maximum price that Chorus will be able to charge per (residential or non-residential) connection for the provision of the voice anchor service is $25.63 per month.[[30]](#footnote-30)
2. As required by clause 14(4) of Schedule 1AA of the Telecommunications Act, the maximum service price for the voice anchor service we are proposing is based on the maximum price that may be charged for providing the service under a UFB contract (the Chorus price list of October 2020), with an annual CPI adjustment mechanism.

### 4.4.3 Large-user DFAS

1. Under proposed regulation 15(2), the maximum price that Chorus will be able to charge per connection for the large-user DFAS is $363.88 per month.[[31]](#footnote-31)

#### Questions for stakeholders

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| --- | --- |
|  | Do you do you have any concerns with the approach taken to setting the maximum price for the regulated services? |

# 5 List of proposed new regulations and schedules

1. To assist submitters in reading this discussion document and the Draft Regulations, this section sets out in table format the new regulations proposed, their title, and the sections of the discussion document which discuss them.

**Proposed new regulations**

|  |  |  |
| --- | --- | --- |
| New regulation number | Title | Main relevant section of this discussion document |
| 6 | Anchor services | 2.3.2 |
| 7-8 | Broadband anchor service | 4.2.14.4.1 |
| 9 | Additional document references for broadband anchor service | 4.2.1.2 |
| 10-11 | Voice anchor service | 4.2.24.4.2 |
| 12 | Additional document references for voice anchor service | 4.2.2.2 |
| 13 | Direct fibre access services | 2.3.3 |
| 14-15 | Large-user DFAS | 4.2.34.4.3 |
| 16 | Additional document references for large-user DFAS | 4.2.3.2 |
| Sch 2 | Modifications to Broadband Anchor Service Description, Voice Anchor Service Description, and Direct Fibre Access Services Description | 4.2.1.14.2.2.14.2.3.1 |

# 6 Recap of questions

1. To facilitate submissions, this section sets out in one place all the questions posed in sections 3 and 4 of this discussion document.

|  |  |
| --- | --- |
| 1 | Do you have any comments about basing the service description for the 100/20Mbps broadband anchor service on Chorus’ Service Description for Bitstream 2 Accelerate service (June 2017)? Are you comfortable with the proposed changes? Do you think that additional changes should be made? Please explain why. |

|  |  |
| --- | --- |
| 2 | Do you agree that Chorus’ UFB General Terms (December 2012), Operations Manual for Bitstream Services (October 2020), Service Level Terms for Bitstream Service (October 2020), the notice points of interconnection (December 2019), the TCF UFB Ethernet Access Service Description (May 2017) and the technical standards listed in Part 1 of Schedule 3, should be referenced as additional service description for the 100/20 Mbps broadband anchor service? If not, please explain why. |

|  |  |
| --- | --- |
| 3 | Do you have any comments about basing the service description for the voice anchor service on Chorus’ Service Description for baseband service (June 2017)? Are you comfortable with the proposed changes? Do you think that additional changes should be made? Please explain why. |

|  |  |
| --- | --- |
| 4 | Do you think Chorus’ UFB General Terms (December 2012), Operations Manual for Bitstream Services (October 2020), Service Level Terms for Bitstream Service (October 2020), the notice points of interconnection (December 2019), and the technical standards listed in Part 2 of Schedule 3, should be referenced as additional service description for the voice anchor service? |

|  |  |
| --- | --- |
| 5 | Do you have any comments about basing the service description for the large-user direct fibre access service on Chorus’ Service Description for direct fibre access services (June 2017)? Are you comfortable with the proposed changes? Do you think that additional changes should be made? Please explain why. |

|  |  |
| --- | --- |
| 6 | Do you agree Chorus’ UFB General Terms (December 2012), Operations Manual for DFAS (October 2020), Service Level Terms for DFAS (October 2020) and the technical standards listed in Part 3 of Schedule 3 should be referenced as additional service description for the DFAS? |

|  |  |
| --- | --- |
| 7 | Do you think that the documents and standards incorporated by reference in the Draft Regulations sufficiently define the regulated services? |

|  |  |
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| 8 | Do you agree that the period during which Chorus must provide the regulated services should be open-ended? Please justify your position. |

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| 9 | Do you do you have any concerns with the approach taken to setting the maximum price for the regulated services? |

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| 10 | Do you have any other comments on the Draft Regulations? |

# Annex A: Draft Regulations

1. Section 156AT of the Telecommunications Act 2001. [↑](#footnote-ref-1)
2. See section 2(2) and Schedule 5 of the Telecommunications (New Regulatory Framework) Amendment Act 2018. [↑](#footnote-ref-2)
3. Section 186 of the Telecommunications Act 2001. [↑](#footnote-ref-3)
4. Section 192 of the Telecommunications Act 2001. [↑](#footnote-ref-4)
5. See section 5 of the Telecommunications Act 2001. [↑](#footnote-ref-5)
6. A section 170 determination on price-quality regulation must specify the requirements, timeframes and input methodologies that apply to the relevant regulated fibre service provider (in this case, Chorus). [↑](#footnote-ref-6)
7. See regulation 6 of the Telecommunications (Regulated Fibre Service Providers) Regulations 2019. [↑](#footnote-ref-7)
8. See section 164(1) of the Telecommunications Act 2001. [↑](#footnote-ref-8)
9. MBIE, ‘Initial Briefing to the Economic Development, Science and Innovation Select Committee’, 27 March 2018, paras 21 and 22. [↑](#footnote-ref-9)
10. Section 208(7) of the Telecommunications Act. [↑](#footnote-ref-10)
11. Section 164(1) of the Telecommunications Act 2001. [↑](#footnote-ref-11)
12. MBIE, ‘Initial Briefing to the Economic Development, Science and Innovation Select Committee’, 27 March 2018, para 24. [↑](#footnote-ref-12)
13. MBIE, ‘Initial Briefing to the Economic Development, Science and Innovation Select Committee’, 27 March 2018, para 24. [↑](#footnote-ref-13)
14. See section 227 of the Telecommunications Act 2001. [↑](#footnote-ref-14)
15. See section 228 of the Telecommunications Act 2001. [↑](#footnote-ref-15)
16. See schedule 1AA, clauses 14(1) and 14(2) of the Telecommunications Act 2001 (for anchor services) and Schedule 1AA, clauses 15(1) and 15(2) of the Telecommunications Act 2001 (for DFAS) [↑](#footnote-ref-16)
17. See section 227(2) of the Telecommunications Act 2001 (for anchor services) and section 228(2) of the Telecommunications Act 2001 (for DFAS). [↑](#footnote-ref-17)
18. See schedule 1AA, clause 14(3) of the Telecommunications Act 2001 (for anchor services) and Schedule 1AA, clause 15(3) of the Telecommunications Act 2001 (for DFAS). [↑](#footnote-ref-18)
19. See schedule 1AA, clause 14(4) of the Telecommunications Act 2001 and section 228(6) of the Telecommunications Act 2001. [↑](#footnote-ref-19)
20. See Cabinet paper entitled ‘Fibre Regulations under the Telecommunications Act 2001’, paras 28 and 32: available at [Fibre regulations under the Telecommunications Act 2001 (mbie.govt.nz)](https://www.mbie.govt.nz/dmsdocument/5719-fibre-regulations-under-the-telecommunications-act-2001-proactiverelease-pdf). [↑](#footnote-ref-20)
21. See section 227(2) of the Telecommunications Act 2001 (for anchor services) and section 228(2) of the Telecommunications Act 2001 (for DFAS). [↑](#footnote-ref-21)
22. See proposed regulations 3 and 7(2). A copy of this Reference Offer is available at [Chorus UFB Services Agreement Bitstream 2 Accelerate Service Description - June 2017.pdf](https://company.chorus.co.nz/sites/default/files/downloads/Chorus%20UFB%20Services%20Agreement%20Bitstream%202%20Accelerate%20Service%20Description%20-%20June%202017.pdf). [↑](#footnote-ref-22)
23. [↑](#footnote-ref-23)
24. See proposed regulations 3 and 9(2). A copy of this Reference Offer is available at [Chorus UFB Services Agreement Baseband Service Description - June 2017.pdf](https://company.chorus.co.nz/sites/default/files/downloads/Chorus%20UFB%20Services%20Agreement%20Baseband%20Service%20Description%20-%20June%202017.pdf). [↑](#footnote-ref-24)
25. See proposed regulations 3 and 12(2). A copy of this Reference Offer is available at [chorus-direct-fibre-access-services-service-description-2021-04-28.pdf](https://sp.chorus.co.nz/system/files/resources_files/chorus-direct-fibre-access-services-service-description-2021-04-28.pdf?_ga=2.168974881.1257467418.1621203813-719132332.1614025800). [↑](#footnote-ref-25)
26. Cabinet paper available at: [Fibre regulations under the Telecommunications Act 2001 (mbie.govt.nz)](https://www.mbie.govt.nz/dmsdocument/5719-fibre-regulations-under-the-telecommunications-act-2001-proactiverelease-pdf) Refer paragraph 16. [↑](#footnote-ref-26)
27. See current Chorus price list (October 2020) available at <https://company.chorus.co.nz/sites/default/files/downloads/chorus-ufb-services-agreement-price-list-2020-10.pdf>. [↑](#footnote-ref-27)
28. Committed Information Rate. [↑](#footnote-ref-28)
29. Analogue Telephone Adaptor. [↑](#footnote-ref-29)
30. See current Chorus price list (October 2020) available at <https://company.chorus.co.nz/sites/default/files/downloads/chorus-ufb-services-agreement-price-list-2020-10.pdf>. [↑](#footnote-ref-30)
31. See current Chorus price list (October 2020) available at <https://company.chorus.co.nz/sites/default/files/downloads/chorus-ufb-services-agreement-price-list-2020-10.pdf>. [↑](#footnote-ref-31)