

WISPA NZ Submission on

Enhancing telecommunications regulatory and funding frameworks

Submission on discussion document: *Enhancing telecommunications regulatory and funding framework*

Your name and organisation

Name	Mike Smith
Organisation	WISPA NZ

Responses to discussion document questions

Introduction

1	Do you have any feedback about the proposed criteria to assess the options in the next phase of this work? Are there other criteria that we should consider?
	WISPA NZ views the proposed criteria as reasonable, however our view is it encourages and incentivises investment, invocation and competition in Telecommunications in New Zealand by both network infrastructure providers and RSP's.

Section 1: Consumer access to dispute resolution

2	Do you consider that the lack of a mandatory requirement for telecommunications service providers to belong to an industry dispute resolution scheme is a problem that needs to be addressed?
	No
3	For telecommunications service providers who are not members of the Telecommunications Dispute Resolution scheme, why have you chosen not to be a member? Are you a member of another scheme, why or why not?
	Many WISPA members are members of the TDR however is the view anecdotally of those who have opted out, that this has limited at best benefit to both provider and consumer and there is a view the funding this is money spent on nothing. It is our view that consumers do not choose their provider based on membership of such an entity.

IN CONFIDENCE

4	For consumers who have had issues with their telecommunications service providers, what were your options for dispute resolution, and what was your experience?
	N/A
5	What are your views on the options we have identified? Do you have a preference, if so, why? Are there any options we have not identified?
	<p>Option 1 is our preferred option.</p> <p>Option 2 would only be acceptable if the TDR was a user pays scenario, members would struggle to see benefit in paying for the system and the odds of it being used being very low.</p>

Section 2: Accessing shared property for fibre installations

Issue 1: Expiry of statutory rights for fibre installations

6	What are your views on the options we have identified? Do you have a preference, if so, why? Are there any options we have not identified?
	WISPA NZ supports option 2. as this will aid further investment into fibre infrastructure at all levels.
7	If you are a fibre provider who uses these rights, what are the implications of these options on your business? Please provide data and evidence to support your submission where possible.
	<p>Option 1 would inhibit investment, potentially increase the cost of deployment and slow uptake. WISPA NZ members are developing regional fibre infrastructure where feasible and where economically viable. Removing these rights would inevitably reduce the viability of fibre deployments especially in a macro investment or regional operator roll outs.</p> <p>“Other options” naturally increase administration, planning and consultation costs, this at a macro / regional level will reduce fibre footprint expansion.</p> <p>Where a fibre corridor or a fibre island was feasible for a WISP / FISP (fibre internet service provider) to deploy, this may deter investment.</p>
8	If the statutory rights were reinstated, what do you think is an appropriate expiry date (if any)?
	There is no benefit in a specified time frame, if the goal is to increase fibre uptake, investment into fibre and the footprint expansion especially into regional/rural areas, these rights should remain permanent however a review every 10 years may be of benefit.

IN CONFIDENCE

Issue 2: Invoking statutory rights for high impact installations

- 9 What are your views on the options we have identified? Do you have a preference, if so, why?

WISPA NZ's view is that expanding the scope rights would have a benefit to increasing uptake and reducing "unconnectable" address points due to consent issues from unwilling property owners. MDU and shared access challenges are commonplace and unfortunately due to paving and other on property obstacles many homes and businesses miss out on fibre connectivity.

- 1 If the statutory rights were expanded to cover some high impact installs, what type of 'high impact' installs should be permitted? If you are a fibre provider, please provide examples of what changes to the rights would make a significant difference to enabling more fibre connections.

We believe expanding to an industry lead "high impact" level is advisable, i.e. key LFC, and regional and private fibre network operators can provide an acceptable guide to this to ensure it is fit for purpose.

This would require some engagement however updating the statutory rights to reduce the impacts of failed fibre enquiries will be a net gain.

Our recommendation is key organisations such as the TCF, WISPA etc. can bring participating member organisations together to provide a technical industry lead set of expanded high level installation guidelines.

Issue 3: Invoking the statutory rights without a retail connection order from an internet service provider

- 1 What are your views on the options we have identified? Do you have a preference, if so, why? Please provide data and evidence to support your submission where possible.

WISPA NZ supports option 2 invoking the statutory rights without an order to enable fibre ready homes and businesses.

Section 3: Telecommunications levy settings

Issue 1: Identifying liable persons

- 1 Do you agree that our levy liability settings need to be adjusted to ensure all satellite broadband providers providing services to New Zealanders are captured (where they meet the revenue threshold)?

Yes, 100% WISPA NZ believes that in order for a fair and equitable market in New Zealand, Satellite operators who reach the revenue threshold must contribute to the levy.

IN CONFIDENCE

There are significant cost advantage that satellite operators can utilize including spectrum usage, and without limited common good for consumers, all telecommunications providers should be playing with the same goal posts.

- 1 Do you agree adjustments to our levy liability settings are required to ensure our levy regime is flexible enough to respond to market changes (such as new market entrants)? If so, what changes do you consider would be appropriate in this regard?

Yes and we would welcome the opportunity to speak to any proposals you may have.

- 1 Do you support MBIE's preferred option (option 2)? Why or why not? Are there any options we have not identified?

Yes we support Option 2, for the reasons presented above.

- 1 What advantages and disadvantages do you consider could arise from introducing flexibility into the way telecommunications operators might become liable for the levy, for example the ability to be made liable through regulation?

Establishing liability through regulation would be more flexible than having liability set by the Act.

Issue 2: Regulatory process to set the total Telecommunications Development Levy amount

- 1 How well do you consider the process for setting the amount of the Telecommunications Development Levy (in the Act) works? What are the implications of having the amount set in the Act, in terms of consultation, timing, and flexibility for changing needs?

Our members have reported no issues with the current process for setting the amount of the TDL.

- 1 Do you agree with MBIE's preferred option (option 2)? Why or why not? Are there any options we have not identified?

WISPA NZ would support option 2 as it would enable adjustments to the levy but with consultation ensuring all operators impacted would have the opportunity to submit their view.

It would enable a faster approach based on the specific needs that the levy is intended on funding.

- 1 What measures would you consider necessary to accompany any new regulation making power under MBIE's preferred option? For example, clarifying when relevant stakeholders should be consulted and what considerations should be taken into account.

As above, the need for appropriate consultation is critical, having a set expected time frame and process would ensure the industry voice from all levels can be heard and taken into account.

IN CONFIDENCE

Section 4: Identifying participants in the market

- 1 Do you consider there is a need for a registration requirement for telecommunications providers operating in New Zealand (when entering the market, as well as updating contact and other business details over time)? Why or why not?

WISPA NZ could support registration under limited circumstances where such registration would have a net benefit on the Telecommunications landscape in NZ and this would require consultation and a full understanding on the benefits to consumers and operators.

There are some registration requirements for operators already. There are advantages in having operators known especially when funded over build can occur. However, clarity on the reasoning for such a registration would be critical.

This registration if implemented would need to be at no cost, compliance costs already impact the bottom line of our members businesses, increased compliance costs and red tape will not aid nor encourage investment.

- 2 What are your views on the options we have identified? Do you have a preference, if so, why? Are there any options we have not identified?

Option 1 would be our preferred option

- 2 What would be the implications of a registration requirement for your business?

There would likely be increase compliance costs if this was introduced. This may also be a stumbling block for members growing their businesses.

Many smaller WISPS operate their businesses often in service of their community, there is potential that the need register and report may force these smaller businesses to exit the market.

- 2 Do you see any benefits or problems with information provided for registration being released/disclosed publicly? If so, what types of information should or should not be disclosed?

Privacy and security of information. There is general distrust in the handling of this information. If a register was to be created, there would need to be strict guidelines and serious consultation to ensure data is not made public which may have a negative impact on smaller WISP businesses.

IN CONFIDENCE

Section 5: Enhancing information flow to the Emergency Location Information System

- 2 Do you agree with the potential risks relating to the provision of information into the Emergency Location Information System that we have identified? Why or why not?

WISPA NZ supports any improvements that could be made to protect individuals from harm and to locate them quickly if they are at risk.

- 2 Do you agree with MBIE's preferred option (option 2), to regulate the provision of emergency location information? Why or why not?

Yes. WISPA NZ is opposed to increased regulation, however we support any improvements that could be made to protect individuals from harm and to locate them quickly if they are at risk.

- 2 If option 2 were progressed, which types of entities (eg mobile network operators, or other providers that hold information derived from mobile devices) should be captured by new regulatory requirements?

All relevant entities

- 2 What is your view on the potential impacts of progressing option 2, including on providers that would be in scope, and on the system as a whole?

No comment

IN CONFIDENCE

Section 6: Governance settings in 'other' local fibre company constitutions

Issue 1: Governance of permitted business activities

- 2 Do you agree that it is appropriate to consider changes to the constitutional settings that govern the other LFCs? Why or why not?

WISPA NZ questions the need for expansion into other markets at this point when there is plenty expansion capability in the fibre space.

As our members operate both fibre and wireless networks, there is concern that by reducing the restrictions, the economic advantages that LFC's and Chorus have could be used to expand wireless services using fibre infrastructure that regional operators currently struggle to access either due to unviable economics or unwillingness from the LFC/Chorus to make available at fair pricing as they sit outside of regulated pricing areas.

- 2 Do you agree with MBIE's preferred option (option 2), which would allow the other LFCs to operate in any market, with a restriction on supplying telecommunications services to end users? Why or why not?

As above, under all circumstances, LFC's should be restricted to open access services and non end user supply only.

The markets that LFC's want to explore need to be clearly defined and established. Transparency of intent should be provided for any restrictions to be removed.

There is scope for LFC's / Chorus to work in partnership with wireless operators and MNO's for example to increase both the fibre foot print and FWA and wireless service enabling expanded open access services on fibre and wireless.

- 2 What impact would there be on competition in other markets if the other LFCs were able to operate in those markets? Do you consider that this needs to be mitigated in some way?

See above. Any proposals to implement the changes outlined should be consulted on widely and with more detail on what would be proposed.

Issue 2: Process to seek agreement to operate at layer 3 or 4

- 3 If you are one of the three 'other' local fibre companies, do you have any feedback about the current process? How does the process impact your decisions to seek consent (or not) to operate at layer 3 or 4?

N/A

- 3 Do you support any of the options described above? Why or why not? Are there any other options that we should consider?

WISPA NZ supports option 1

IN CONFIDENCE

Section 7: Other matters

Issue 1: Considering non-regulated fibre networks in specified fibre areas

- 3 Can you provide examples of where non-regulated fibre service providers are deploying fibre, and what type of specifications this fibre is being built to (ie is it openly available or built for private use, is it wholesale, or sold directly to consumers)?

WISPA NZ has a significant portion of its membership deploying fibre either self funded or via some grant funding under previous rural broadband initiatives. As of May 2024 the vast majority of WISPA members are considering fibre implementations in the next 2 years,

Whilst we have no documentation on the actual implementation of individual networks, our members build their networks to carrier grade standard and implement UFB level services to end users.

WISPA NZ members in the most part operate “fibre islands” which do restrict open access in most cases, other than negotiated wholesale agreements with other WISPS or ISPs. Members generally offer services directly to customers.

The challenge WISPS operating both wireless and fibre networks is open access requires scale before any major telco will take an interest, OSS/BSS is the major challenge and interconnecting.

- 3 What are your views on the options we have identified? Do you have a preference, if so, why? Are there any options we have not identified?

For the Commerce Commission to make a determination about a specified fibre area, the fibre providers affected should only be those that have received government funding.

WISPA NZ supports Option 1

- 3 What provisions or minimum standards would need to be in place if fibre built by non-regulated fibre service providers were considered as part of the specified fibre area assessment?

Fibre built by non-regulated fibre service providers should not be considered as part of a specified fibre area assessment.