

[DRAFT] Standard Terms Determination for Chorus' Unbundled Copper Low Frequency Service

Proposed amendments for consultation under s 30R of the Telecommunications Act 2001

Schedule 2: UCLF Price List

Date of determination: 24 November 2011

Updated to incorporate Commerce Commission decisions, amendments, and clarifications through to 15 December 2019

Commented [A1]: The reasons for updating this document are described in "Section 30R reviews of five regulated telecommunications services' standard terms determinations - Explanatory paper". For each meaningful change we have identified the relevant paragraphs in the explanatory paper using square brackets

Commented [A2]: Proposed effective date of reviews [17, 18, 24, 25]

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1. Introduction

- 1.1 This schedule sets out the Charges¹ for the UCLF Service and provides a mechanism to make adjustments to the Charges for Service Components.²
- 1.2 References to clauses or sections are references to clauses or sections in this UCLF Price List unless expressly provided otherwise. The definitions set out in the UCLF General Terms and the UCLF Operations Manual apply to the extent that they are not expressly modified by, or inconsistent with, the context of this UCLF Price List.

2. Charges

- 2.1 All Prices³ are listed under the “Charge” column for each Service Component.
- 2.2 Charges for UCLF Service Components are described as being either a Core ('C') or Sundry ('S') Charge.
- 2.3 Core Charges are for the core components of the UCLF Service.
- 2.4 Sundry Charges are for other components of the UCLF Service.
- 2.5 Prices for Service Components are either:
 - 2.5.1 fixed; or
 - 2.5.2 calculated; or
 - 2.5.3 expressed as "Price on application" (POA). Prices that are POA must reflect the underlying cost of providing the resources and project management skills required to provide the Service Component.
- 2.6 For all Service Components that are POA, Chorus must, if requested by the Access Seeker, use all reasonable endeavours to provide the Access Seeker with two or more competitive quotes.
- 2.7 Charges will become due and payable and will be invoiced in the manner described in the “Charge invoiced” column for each Service Component.
- 2.8 The provisions in the UCLF General Terms relating to invoicing and payment of Charges apply.

¹ **Charge** is defined in the UCLF General Terms as “all or (as the context requires) any amounts payable by the Access Seeker under the UCLF Terms.” Charges in this schedule exclude GST.

² **Service Component** means a component of the UCLF Service, described in the rows of tables 1-3 below. Each Service Component has a description of the service, a Price Change Mechanism, invoicing detail and a Charge, which is identified as either Core or Sundry. Individual Service Components are referred to by the numerical reference number at the start of the row in which the Service Component is described.

³ **Price** in this document means the dollar amount(s) attributed to a Service Component. A Price becomes a Charge when the Access Seeker requests/receives the Service. Prices in this schedule exclude GST.

2.9 All adjustments to Prices must be done in accordance with the relevant Price Change Mechanism listed in the "Price Change Mechanism" column for each Service Component.

2.10 Service Components in Table 2: UCLF MPF Service Recurring Charges have Prices set for each of the five years of the FPP regulatory period.⁴ These are listed in the "Charge" column that relates to each Service Component.

Commented [A3]: Prices that apply from 16 December 2019 are the year 5 prices [31]

~~2.11~~ 2.10 Any adjustments to Charges for Service Components must be approved by the Commission.

3. Adjustment to Charges

3.1 Chorus must, subject to the approval of the Commission, ~~pass through changes in costs by increasing or decreasing~~ Prices as follows:

3.1.1 Each year, on or before 1 November, Chorus must calculate adjustments to the ~~p~~Prices relating to those Service Components where this clause is the prescribed Price Change Mechanism below. Those adjustments must be by an amount equivalent to the percentage change (up or down) for the previous year in the ~~Labour Cost Consumers Price Index (All gGroups sectors, Salary and Ordinary Time Wage Rates, All industries combined)~~ Series Reference ~~CPIQ.SE9A.LCIQ.SG51Z9~~ as published by Statistics New Zealand,⁵ ~~or such successor index as may be designated by Statistics New Zealand from time to time.~~

For the purpose of this clause 3.1.1 the annual percentage change between the previous year's ~~June-September~~ index number and the current year's ~~June-September~~ index number must be used.⁶

3.1.2 When adjusting Prices under clause 3.1.1, Chorus must review all Service Components which are POA and calculate a fixed Price where this is practicable.

3.2 Once an adjustment or new fixed Price has been calculated under clause 3.1, Chorus must give notice to the Commission of the adjustment. The notice must include:

⁴ The UCLL FPP decision set a 5-year regulatory period as follows:
~~Year 1: 16 December 2015 to 15 December 2016;~~
~~Year 2: 16 December 2016 to 15 December 2017;~~
~~Year 3: 16 December 2017 to 15 December 2018;~~
~~Year 4: 16 December 2018 to 15 December 2019; and~~
~~Year 5: 16 December 2019 to 15 December 2020.~~

⁵ As required by s 69AG of the Telecommunications Act 2001. This requirement was inserted in the Telecommunications (New Regulatory Framework) Amendment Act 2018.

⁶ Under the Act, an **annual CPI adjustment** means, in relation to a price, an annual adjustment to the price that is equal to any percentage movement in the CPI as measured between– (a) the CPI for the quarter that ended most recently before the price adjustment; and (b) the CPI for the equivalent quarter in the preceding year.

- 3.2.1 the figures used in the calculation for the adjustment; and
- 3.2.2 the calculations undertaken for the adjustment.
- ~~3.2.3 a description of the adjustment made;~~
- ~~3.2.4 the reasons for the increase or decrease; and~~
- ~~3.2.5 a proposed Implementation Date.⁷~~
- ~~3.2.6 If the proposed Implementation Date is different from the previous year's Implementation Date, Chorus must also include reasons for the change in date with the notice.~~
- 3.3 The Commission must approve or decline a proposed adjustment and proposed Implementation Date notified by Chorus under clause 3.2 within 20 Working Days.
- 3.4 After an adjustment and Implementation Date has been approved by the Commission, Chorus must:
 - 3.4.1 notify Access Seekers of the adjustment; then
 - 3.4.2 activate the new Charge arising from the adjustment in its billing systems on the Implementation Date as at 16 December of the applicable year.

Commented [A4]: Updating the existing price change mechanisms to reflect the use of CPI [33]

⁷ ~~Implementation Date is the date on which any new Charges arising from an adjustment are to be activated in Chorus' systems, subject to approval by the Commission.~~

Tables of UCLF Charges

1. UCLF MPF Service Transaction Charges

Service Component	Description	Core or Sundry	Charge invoiced	Price Change Mechanism	Charge (excl. GST)
1.1 MPF New Connection	The establishment of a new service instance of the MPF Service (ie, there is no MPF Transfer). The service is established from spares or intact circuits with an existing service lead into the building. That is, it utilises an existing MPF that is not currently used for the provision of telecommunications services	C	Following notification by Chorus of completion of Order	Clause 3.1.1	\$138.13 (individual new connection where site visit required) \$47.72 (individual new connection where no site visit required) \$32.85(bulk rate for 20 or more simultaneous new connections at the same exchange where no site visit required)
	Establishment of a new service instance of the MPF Service on to an existing instance of the UBA Service. The service is established from spare or intact circuits with an existing service lead into the building. That is, it utilises an existing MPF that is not currently used for the provision of telecommunications services	C	Following notification by Chorus of completion of Order	Clause 3.1.1	\$47.72 (individual new connection) \$32.85 (bulk rate for 20 or more new connections at the same exchange and cabinet)
1.2 MPF Transfer	The transfer of the MPF Service connected to an End User's premises from one Access Seeker to another, as authorised by the End User	C	Following notification by Chorus of completion of Order	Clause 3.1.1	\$57.48 (individual transfer) \$32.85 (bulk rate for 20 or more simultaneous transfers at the same exchange)
	The transfer of the MPF Service connected to the UBA Service without the contemporaneous transfer of the UBA Service from one Access Seeker to another, as authorised by the End User	C	Following notification by Chorus of completion of Order	Clause 3.1.1	\$57.48 (individual transfer) \$32.85 (bulk rate for 20 or more transfers at the same exchange and cabinet)

Commented [A5]: Prices in the final STD will reflect the 2019 annual price adjustments [32.1]

Service Component	Description	Core or Sundry	Charge invoiced	Price Change Mechanism	Charge (excl. GST)
1.3 Other Service to MPF Transfer	The transfer of an End User from services (other than the MPF Service) provided over Chorus' Local Loop Network to an MPF Service, as authorised by the End User	C	Following notification by Chorus of completion of Order	Clause 3.1.1	\$57.48 (individual transfer) \$32.85 (bulk rate for 20 or more simultaneous transfers at the same exchange)
1.4 Cabinetisation related transfers	The migration of an End User from a UCLF Service to the MPF Service contemporaneously with the installation of a new cabinet or cabinet based equipment, as authorised by the Access Seeker	C	Following notification by Chorus of completion of Order	None	\$0.00 where Chorus or another Access Seeker initiates cabinetisation Price on Application (POA) where the Access Seeker initiates cabinetisation (Note that the Access Seeker that initiates cabinetisation will be responsible for all of the costs of transfers associated with cabinetisation ie all lines being transferred for all affected Access Seekers)

Commented [A5]: Prices in the final STD will reflect the 2019 annual price adjustments [32.1]

Service Component	Description	Core or Sundry	Charge invoiced	Price Change Mechanism	Charge (excl. GST)
	The migration of an End User from a UCLF Service to the MPF Service connected to the UBA Service contemporaneously with the installation of a new cabinet or cabinet based equipment, as authorised by the Access Seeker	C	Following notification by Chorus of completion of Order	None	\$0.00 where Chorus or another Access Seeker initiates cabinetisation Price on Application (POA) where the Access Seeker initiates cabinetisation (Note that the Access Seeker that initiates cabinetisation will be responsible for all of the costs of transfers associated with cabinetisation ie all lines being transferred for all affected Access Seekers)
1.5 Bulk Transfer	Project management and additional transaction resources for coordination of multiple MPF related transfers (see full requirements in UCLF Operations Manual) at the same exchange	S	Following notification by Chorus of completion of Order	None	Price on Application (POA) Pricing to reflect underlying costs in additional resources and project management taking into account charges for each individual transfer
1.6 Exception to BAU Support	Project management and additional transaction resources for coordination of new connection and/or transfers of MPF Service submitted for a one-off market event (see full requirements in UCLF Operations Manual)	S	Following notification by Chorus of completion of Order	None	Price on Application (POA) Pricing to reflect underlying costs in additional resources and project management taking into account charges for each individual transfer

Commented [A5]: Prices in the final STD will reflect the 2019 annual price adjustments [32.1]

Service Component	Description	Core or Sundry	Charge invoiced	Price Change Mechanism	Charge (excl. GST)
1.7 Bulk line transfer for a single End User support	Project management and additional transaction resources for coordination of transfers of 10 or more MPFs for single End User (see full requirements in UCLF Operations Manual.	S	Following notification by Chorus of completion of Order	None	Price on Application (POA) Pricing to reflect underlying costs in additional resources and project management taking into account charges for each individual transfer
1.8 MPF Relinquishment	Where the Access Seeker terminates supply of the MPF Service in respect of a particular Access Seeker's End User. This entails Chorus updating its records and billing. Chorus may either physically disconnect the MPF at any point between the exchange and the End User's premises or leave the MPF circuit intact	C	Following notification by Chorus of completion of Order	None	\$0.00
1.9 MPF Move Address	Project management of the coordinated MPF Relinquishment and MPF New Connection. The cost of the MPF Relinquishment and MPF New Connection are charged separately as outlined in Service Components 1.1 and 1.7	S	Following notification by Chorus of completion of Order	Clause 3.1.1	\$8.64
1.10 Remote Tie Cable Service installation	Charge for Chorus installing the copper tie cable pairs used to connect the HDP on Chorus's MDF and the network cable to remotely located Access Seeker Equipment. (See full requirements in UCLF Operations Manual.)	S	Following notification by Chorus of completion of Order	None	Price on Application (POA) Based on cost of time and materials (including a 10% contribution towards common costs, unless already recovered)

Commented [A5]: Prices in the final STD will reflect the 2019 annual price adjustments [32.1]

2. UCLF MPF Service Recurring Charges

Service Component	Description	Core or Sundry	Charge invoiced	Price Change Mechanism	Charge (excl. GST)
2.1 MPF Service Monthly	Standard Monthly rental	C	Monthly in advance	Clause 3.1.1 None	Year 1: \$29.75 Year 2: \$30.22 Year 3: \$30.70 Year 4: \$31.19 Year 5: \$31.68 Or Where the same Access Seeker is purchasing the UBA Service with the UCLF Service, the monthly charge for the UCLF Service is \$0.00.
2.2 Remote Tie Cable Service space rental	Monthly space rental per cable for copper tie cable pairs used to connect the HDP on Chorus' MDF and the network cable to remotely located Access Seeker Equipment	C	Monthly in advance	Clause 3.1.1 None	Year 1: \$11.06 Year 2: \$11.37 Year 3: \$11.69 Year 4: \$12.01 Year 5: \$12.35

Commented [A6]: Prices in the final STD will reflect the 2019 annual price adjustments [32.1]

Commented [A7]: Updating the existing price change mechanisms to reflect the use of CPI [33]

Commented [A8]: Prices that apply from 16 December 2019 are the year 5 prices [31]

3. UCLF Ancillary Services

Service Component	Description	Core or Sundry	Charge invoiced	Price Change Mechanism	Charge (excl. GST)
3.1 Unauthorised Automatic Address Pre-qualification Order	Order by an Access Seeker for the automatic provision of information relating to an End User's existing service address when the Access Seeker does not have End User authorisation to supply services to the End User's service address	S	Following provision of information	None	\$0.00
3.2 Authorised Automatic Address Pre-qualification Order	Order by an Access Seeker for the automatic provision of information relating to an End User's existing service address where the Access Seeker has obtained End User authorisation to supply services to the End User's service address	S	Following provision of information	None	\$0.00
3.3 Special Manual Pre-qualification Investigation Order	Order by an Access Seeker for information relating to an End User's new service address where the Access Seeker has obtained End User authorisation to supply services to the End User's service address	S	Following provision of information	Clause 3.1.1	\$123.75 per hour
3.4 Manual line testing	Measurements performed by a specialist group of service company staff to ascertain actual rather than theoretical estimated MPF electrical characteristics, such as might be required when an estimated result has returned a value that is marginal for an intended service	S	Following completion of special investigation	Clause 3.1.1	\$123.75 per hour
3.5 MPF Tie Pair Change or Re-termination	An MPF pair change or re-termination requiring the changing of jumpers/pair change at the Handoff Distribution Point (HDP) to effect a port change	S	Following completion of re-termination	Clause 3.1.1	\$47.72
3.6 No fault found	Fault call that is closed no Chorus fault found	S	Following completion of fault investigation	Clause 3.1.1	\$92.96

Commented [A9]: Prices in the final STD will reflect the 2019 annual price adjustments [32.1]

Service Component	Description	Core or Sundry	Charge invoiced	Price Change Mechanism	Charge (excl. GST)
3.7 Third Party Interference Investigation	Detailed investigation where Access Seeker believes its utilisation of an MPF Service is being impaired by third party breach of Interference Management Plan. If the third party in breach is another Access Seeker, the Charge will be paid by that Access Seeker. Otherwise Charge paid by the Access Seeker requesting the service	S	Following completion of investigation	None	Price on Application (POA) Basis for determining the charge is based on recovery of costs incurred (including 10% contribution towards common costs, unless already recovered)
3.8 Abortive End User site visit	Abortive End User site visit required for MPF Service where, for a reason not caused by Chorus, visit doesn't proceed	S	Following site visit cancellation	Clause 3.1.1	\$33.68
3.9 Cancellation of Bulk Transfer Service request	Cancelled Bulk Transfer Service order	S	Following cancellation of Bulk Transfer Service request	None	Price on Application (POA) Actual project costs incurred
3.10 Additional OO&T Training	Access Seeker staff training (at Access Seeker's site) on the operation and use of OO&T. Maximum of 10 persons per course	S	Following completion of training	Clause 3.1.1	\$61.77 per hour plus actual travel costs (as applicable the costs of airplane flights, public transport fares, taxi fares and standard mileage rates for motor vehicles as published by Inland Revenue) to Access Seeker's site. Hourly rate reflects fully loaded cost of skilled employee to run training.

Commented [A9]: Prices in the final STD will reflect the 2019 annual price adjustments [32.1]

Service Component	Description	Core or Sundry	Charge invoiced	Price Change Mechanism	Charge (excl. GST)
3.11 Additional OFM Training	Access Seeker staff training (at Access Seeker's site) on the operation and use of OFM. Maximum of 10 persons per course	S	Following completion of training	Clause 3.1.1	\$61.77 per hour plus actual travel costs (as applicable the costs of airplane flights, public transport fares, taxi fares and standard mileage rates for motor vehicles as published by Inland Revenue) to Access Seeker's site. Hourly rate reflects fully loaded cost of skilled employee to run training.
3.12 OO&T License Fee	Monthly software license fee for OO&T	S	Monthly in advance	None	\$0.00
3.13 OFM License Fee	Monthly software license fee for OFM	S	Monthly in advance	None	\$0.00
3.14 Additional copies of invoice	Additional hardcopies of invoices as requested by Access Seeker	S	Following provision of additional copies of invoice	None	\$0.00
3.15 Additional billing information	Providing any additional billing information requested by the Access Seeker over and above that reasonably required to enable the Access Seeker to check the accuracy of invoices	S	On provision of the additional billing information	None	Price on Application (POA) Based on time and material of analyst to prepare and deliver information
3.16 Tie Cable Maintenance	Maintenance of the tie cable	S	Following completion of work	None	Price on Application (POA) Based on cost of time and materials (including a 10% contribution towards common costs, unless already recovered)

Commented [A9]: Prices in the final STD will reflect the 2019 annual price adjustments [32.1]

Service Component	Description	Core or Sundry	Charge invoiced	Price Change Mechanism	Charge (excl. GST)
3.17 Fixing fault which Access Seeker no right of access	Fixing of fault by Chorus, at Access Seeker's request, where Access Seeker is responsible for the fault, but has no right of access	S	On completion of fault rectification	None	Price on Application (POA) Based on cost of time and materials (including a 10% contribution towards common costs, unless already recovered)

Commented [A9]: Prices in the final STD will reflect the 2019 annual price adjustments [32.1]