



Specified points of interconnection: consultation

Submission | Commerce Commission

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## Introduction

1. Thank you for the opportunity to comment on the Commission's proposed specified Points of Interconnection (**specified POIs**) for the purposes of s231 of the Telecommunications Act 2001 (**Act**).
2. We support the Commission's proposed approach. Section 231 provides that the Commission may specify POIs for the purpose of establishing fibre handover points. Fibre handover points define the upstream boundary of the regulated network, with the downstream boundary demarcated by the user network interface. The defined network and assets are subject to Part 6 regulation and are an input to defining specified fibre areas.
3. As noted in the draft reasons paper, POIs can be differentiated from network aggregation points, like central offices, which are connection points within the network, located closer to the end-user premises<sup>1</sup>. Fixed line access services (**FLLAS**) are services that enable access to, and interconnection with, the Fibre Network and will be available at many points on the network. For example, DFAS and ICABs access is provided at local exchanges and we expect that future layer 1 unbundled services will be available from points such as fibre flexibility points in the access network.
4. However, it's unclear whether the s231 specified POIs are intended only to set the boundary of the regulated network (the RAB) or also intended to identify all the locations where UFB Layer 2 interconnect will occur in practice. The Commission noted in the draft reasons paper that regulations declaring anchor, direct fibre and unbundled fibre services may describe the technical specifications of the services and circumstances under which the service must be supplied<sup>2</sup>. The regulations could be expected to provide the technical specification and location of the layer 2 handovers, and the exchange locations where DFAS is available.
5. Accordingly, we have addressed the questions on the basis that the Commission is specifying POIs for the purposes of defining the boundary of the regulated network. However, if the Commission is also setting the wider set of layer-2 handover locations, it should also consider:
  - a. Specifying the minimum technical handover functionality available from specified 2 POIs. For example, that the full range of high capacity handovers are available at specified POIs - this is not always the case; and
  - b. Providing further guidance on the intended process for specifying additional specified POIs. We anticipate requesting additional handover points over time for resiliency and traffic management purposes, i.e. in other locations in the same UFB candidate area, locally in a non-contiguous UFB areas for resilience, or as a failover capability in the same area.

## Questions

### Proposed specified points of interconnection

**Q1. Do you agree that the UFB initiative POIs are those POIs that were implemented to satisfy the single POI per candidate area requirement under the NIPAs?**

**Q2. Do you agree that the UFB initiative POIs are limited to POIs at layer 2 handover points?**

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<sup>1</sup> See para 2.76 the Commission Fibre IMs draft reasons paper. Sections 227–229 of the Act.

<sup>2</sup> See para 3.1472 of draft reasons paper.

6. We support the Commission's proposed approach to specify POIs that best identify the extent of the UFB fibre networks. While there may be multiple POIs within a candidate area, all end users within the area must be accessible by an RSPs at these points. Therefore, as the purpose of the s231 notice is to bound the regulated Fibre Network, current UFB layer 2 handovers likely to approximate the upstream boundary of UFB Fibre Networks. The Commission could specify more POIs per candidate area if this better identifies the extent of the UFB Fibre Network.
7. We further agree that the specified layer 2 POIs should not limit the availability of other FFLAS services such as, for example, DFAS which is provided from the exchange. We currently take regulated DFAS accesses at many exchanges within the UFB candidate area boundaries.

**Q3. Is the list of UFB initiative POIs and their associated details in Attachment A complete and correct?**

8. The Commission may wish to reference the UFB POIs that exist as at 31 December 2019. UFB arrangements anticipate multiple POIs in an area, i.e. the Chorus NIPA provides that there must be at least two POIs where a candidate area has more than 50,000 layer-2 end users and that each POI must provide access to all end users in the area at the standard price.
9. The Commission could also promote certainty by providing guidance on the criteria it will use to establish new layer 2 POIs. This will need to align with the Commission IMs approach to accepting assets in to the RAB. As noted above, we plan to add further layer 2 handover locations over time and are discussing possible new sites with Chorus.

**Specification of related access points**

**Q4. Do you agree with our proposal in paragraph 34 above? That is, for each specified POI, to specify that its related end-user premises, buildings, or other access points are those that are within the POI's associated geographic area/s under the UFB initiative, plus any other end-user premises, buildings, or other access points that are associated with the POI.**

**Q5. Are you aware of any end-user premises, buildings, or other access points for whom fibre fixed line access services are available but that are not, or cannot be, associated with a UFB initiative POI? If so, how should we treat these?**

10. Given the purpose of s231 is to identify the boundary of the regulated fibre network, we support the Commission's proposed approach to refer generally to access points within the UFB geographic area. It's not necessary to identify specific end user points within that boundary. While current service points may be a helpful means of identifying the extend or coverage of the fibre network, this shouldn't be taken as the sole points from which service is available.

**Q6. Do you see any advantages in alternative approach of identifying related end-user premises, buildings, or other access points by reference to SFAs?**

11. We do not see any material benefits in identifying the fibre network by reference to the SFAs, except to the extent that the addresses might help identify the outer boundary of the fibre network.
12. Further, any approach that relies on a "white list" of address points or locations, for example, is unlikely to be practical as there will be new connections and addresses added over the regulatory period and some layer 1 unbundled services can't be identified with a specific address ahead of unbundling.

**Q7. In circumstances where there is a future extension to a fibre network outside of the UFB initiative, rather than specifying a new POI, should we specify that end-user premises,**

***buildings, or other access points served by the new fibre network be related to an existing UFB initiative POI?***

13. The Commission could consider this at the time as, in practice, the extension could require redefining the upstream boundary of the regulated Fibre Network. In all cases, whether an extension of the regulated Fibre Network is permitted and admitted to the RAB should be determined through the Capex IM and approval process.

**Content of the first POI notice**

***Q8. Are there any other details we should provide for each POI?***

***Q9. Are you aware of any UFB initiative POIs that are not in the list in Attachment A but will exist as at the close of 31 December 2019?***

14. As noted above, we have discussed addition layer 2 handover locations with Chorus. However, it is unclear whether decisions will be made prior to the first s231 specification.

**[End]**