



Vodafone New Zealand Limited
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6 December 2013

The Director
Telecommunications Branch
Commerce Commission
PO Box 2351
WELLINGTON 6140

By email

SECTION 42 TELECOMMUNICATIONS ACT 2011: APPLICATION FOR PRICING REVIEW IN RESPECT OF DESIGNATED ACCESS SERVICES

1. Pursuant to s 42 of the Telecommunications Act 2001 (the **Act**) and s 78 of the Telecommunications (TSO, Broadband, and Other Matters) Amendment Act 2011 (the **Amendment Act**), notice is hereby given seeking a pricing review determination for a designated access service.
2. As discussed, Vodafone undertakes to pay the required initial payment of \$22,500 (inclusive of GST) upon receipt of an invoice from the Commerce Commission (the **Commission**).
3. We acknowledge that we may be required to meet any additional application costs incurred by the Commerce Commission. We agree to make periodic payments, as invoiced, to reimburse the Commission for a portion of the costs it incurs in completing the determination requested. Furthermore, we acknowledge that in relation to the application and the determination we may be required to meet some or all the costs that were incurred by the other party to the determination (including costs incurred by the Commission that were invoiced to the other party).

DETERMINATION DETAILS

THE PERSON GIVING NOTICE

4. This notice is given by Vodafone New Zealand Limited (**Vodafone**). All enquiries regarding this application should be made to:

Chris Abbott
Head of Public Policy
Vodafone New Zealand Limited
PO Box 1694, WELLINGTON 6140
Mobile: +64 21 190 6690
Email: chris.abbott@vodafone.com

PRICE AND SERVICE DESCRIPTION

5. Vodafone seeks a pricing review determination of the *Final determination on the benchmarking review for the unbundled bitstream access service* [2013] NZCC 20, issued by the Commission on 5 November 2013 (the **Determination**), and the services described therein.
6. Specifically, Vodafone seeks a review of the prices set out in [7] of the Determination, as follows:

UBA service	UCLL	UBA additional costs	Total monthly price
Basic UBA	\$23.52	\$10.92	\$34.44
EUBA 40	\$23.52	\$13.25	\$36.77
EUBA 90	\$23.52	\$13.82	\$37.34
EUBA 180	\$23.52	\$14.85	\$38.37

7. In addition, Vodafone applies for a review of the prices listed in attachments F and G of the Determination.

JUSTIFICATION FOR APPLICATION

8. Vodafone is making this application for pricing review on the basis that it is directly liable to pay the updated UBA service prices set by the Determination and described above at [5] – [7] of this notice.
9. The Determination has set the price at which Vodafone may acquire the UBA services from Chorus going forward. Vodafone is therefore a party to the Determination and is directly affected by the UBA service price set by the Determination. Consistent with this status, Vodafone contributed fully to the administrative procedure leading to the Determination. More generally, Vodafone has a clear and obvious interest in the Determination's conclusions on the level of the UBA service price and the reasoning that supports these conclusions.
10. Vodafone believes that the UBA service price that would be determined by application of the relevant final pricing principle may more closely approximate underlying service costs and therefore be lower than the UBA service prices set by the Determination. Setting the UBA service prices with reference to the relevant final pricing principle, and closer to underlying costs, would better promote competition to the long term benefit of end users, consistent with the principal purpose of legislation.

REQUIREMENTS FOR APPLICATION

11. This application complies with the requirements set out in section 43 of the Act.

TERMS OF DETERMINATION

12. We have not completed all of the analysis necessary to support an estimate of the UBA service prices that would be set under the relevant final pricing principle. We will complete work on this analysis to be shared with the Commission as soon as possible. In addition, we have not completed our consideration of any additional terms, conditions or actions that ought to be included within the Determination. Again, we will finalise these considerations and share them with the Commission as soon as possible.
13. Vodafone intends to actively participate in the Commission's consultation process for determining the application of the final pricing principle in this case, including in relation to the Commission's process to develop the model necessary to calculate the prices payable under the applicable final pricing principle.

CONFIDENTIALITY

14. This application does not contain any confidential information.

DECLARATION

This application is made by me, Tom Chignell, on behalf of Vodafone New Zealand Limited. I confirm that

- all information specified by the Commission has been supplied;
- all information known to the applicant which is relevant to the consideration of this application has been supplied; and
- all information supplied is correct as at the date of this application.

Vodafone undertakes to advise the Commission immediately of any material change in circumstances relating to the application.

Dated this 6th day of December 2013.



Tom Chignell
External Affairs Director
Vodafone New Zealand Limited

I am an officer of the company and am duly authorised to make this application.