

22 May 2024

Rachael Coyle
Head of Telecommunications
Commerce Commission
Wellington



WELLINGTON

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Dear Rachael,

Submission on *Copper Services Investigation – Approach paper*

Federated Farmers of New Zealand welcomes the opportunity to provide feedback on the Commerce Commission's *Copper Services Investigation – Approach paper*. Our interest as regards this current consultation is one of ensuring the retention of consumer protections for those rural consumers that rely on the copper-line network for voice and data connectivity services.

We acknowledge the priority given to competition considerations in the Commission's assessment of the appropriateness of regulation continuing for aspects of the copper-line network. We note that Step 2 of the proposed economic framework is concerned with identifying alternatives and suggests some generic telecommunications characteristics. We further note that Chapter 7 of the approach paper states that the Commission will consider the geographical availability and quality of alternative services.

We recommend that the Commission consider as an additional element to its assessment of alternative services, the extent to which unreliable electricity supply in rural areas (from enduring more frequent or longer duration unplanned outages than is the case in urban centres).

We have run rural connectivity surveys since 2019 to better understand the farmer experience of connectivity in rural areas and have previously provided the raw data for all these surveys to assist in the Commission's Rural Connectivity Study.

Our 2023 survey showed that 53% of farmers surveyed have a landline to the farm, with 64% of those respondents receiving their voice calling service over a copper landline. Reasons given by farmers for why they have retained a landline service to the farm include:

- Poor or no mobile coverage across large parts of the farming property, meaning a landline service is for many the only voice service for the farming property.
- Unreliable electricity supply to the farming property, meaning copper landlines tend to continue to operate for several hours after a power cut (whereas mobile services have tended to cease sooner).

The Commission ought to have fairly robust data on mobile coverage in rural areas through its work on the Rural Connectivity Study. The performance of electricity distribution lines networks in rural areas should similarly be able to be gleaned from data the Commission already has from service performance reporting required of such businesses.

Yours sincerely

Mark Hooper
Federated Farmers board member and telecommunications spokesperson