

Specified Fibre Areas Technical Workshop

Summary of views expressed

Date of publication: 29 August 2019

Purpose

1. This paper provides a summary of views expressed by participants of the technical workshop for our proposed approach to assessing Specified Fibre Areas (SFAs).

Workshop purpose and objectives

2. The purpose of the workshop was to hold an open discussion of the key issues arising from submissions to our 'Determining specified fibre areas – Process and issues paper' and seek stakeholders' views on specific issues.
3. The objectives of the workshop were to:
 - 3.1. discuss the practicalities of implementing our proposed approach to assessing and declaring SFAs; and
 - 3.2. seek feedback and support of our proposed approach.

Workshop format and process

4. The workshop used a round table format to allow an open discussion and exchange of information between workshop participants. A full range of views was provided during discussions with workshop participants as well as through presentations from Commission staff.
5. Discussions were based on prepared workshop material that was distributed to participants prior to the workshop.¹
6. Any views expressed by our staff at the workshop were for stimulating discussion and were not intended to reflect the views of the Commission. Once we have informed and made recommendations to Commissioners, the Commission's position will be reflected in the SFAs final decisions paper which is scheduled to be published in late September 2019.

Role of workshop in the consultation process

7. This workshop was the next step in the consultation process for determining our approach to assessing and declaring SFAs.
8. The workshop focused on seeking participants' views on the key issues that have been identified through submissions on the process and issues paper, and to seek feedback of our proposed approach.

¹ Workshop materials and the PowerPoint presentation are available on the Commission website at <https://comcom.govt.nz/regulated-industries/telecommunications/projects/specified-fibre-areas>.

Workshop date and venue

9. The workshop was held on 18 July from 12:30pm – 5pm, at the Commissions offices, 44 The Terrace, Wellington.

Outcome of the workshop

10. The workshop was attended by key stakeholders who made submissions on the process and issues paper.²
11. The workshop generally followed the agenda and workshop materials. Due to the interrelated nature of the topics, issues were sometimes discussed and addressed in an alternative order to what was outlined in the agenda.
12. Commission staff appreciated the open discussion, and we would like to thank participants for their contribution to the outcome of the workshop.
13. A summary of views expressed at the workshop is included in Attachment C.

² The list of attendees is attached to this document as Attachment A.

Attachment A: Workshop attendees

Representing	Name	Note
TCF	Geoff Thorn	
TCF	Clare Dobson	Via conference call
TCF	Sarah Tuohy	Via conference call
Enable	David Horan	
Enable	Alexia Khan	
Spark NZ	Dave Simpson	
Vodafone	Chris Abbott	
InternetNZ	Nicola Brown	
Ultrafast Fibre	Pete Bains	
Ultrafast Fibre	Taj Aujla	Via conference call
Ultrafast Fibre	Peter Ensor	Via conference call
Ultrafast Fibre	Justine Hart	Via conference call
Chorus	Julian Kersey	
Chorus	Daryl May	
Chorus	Scott Clune	
Northpower Fibre	Greg Tucker	Via conference call
2degrees	Caroline Rush	Via conference call
Commerce Commission	Sam Norman	
Commerce Commission	Robert Deuchars	
Commerce Commission	Martin Roundill	
Commerce Commission	Robin Meaclem	
Commerce Commission	Neville Lord	
Commerce Commission	William Turner	

Attachment B: Workshop agenda

Item	Session topic and discussion points	Duration
1	Welcome and health & safety <ul style="list-style-type: none"> Purpose of the workshop 	5 mins
2	Session 1: Assessment scope <ul style="list-style-type: none"> What we need to consider 	30 mins
3	Session 2: Assessment design <ul style="list-style-type: none"> Defining available vs 'able to connect' 	30 mins
	<i>Break</i>	20 mins
4	Session 3a: SFA definition <ul style="list-style-type: none"> SFA granularity and naming conventions Proposed approach to assessments 	20 mins
5	Session 3b: Data requirements <ul style="list-style-type: none"> Data gathering mechanism Data sets standardisation and metadata Data exchange format and process 	35 mins
6	Session 4: Data quality assurance <ul style="list-style-type: none"> Technical certification Verification process 	20 mins
7	Session 5: Communication and timeline <ul style="list-style-type: none"> Publication of our assessments 	20 mins
8	Next steps and close	5 mins

Attachment C: Summary of views

Introduction

1. This attachment is a summary of the views expressed at the workshop. The summary of views has been grouped by session. However, due to the interrelationship of the topics identified in this workshop, the views as outlined below may have been covered off in an alternative order during the workshop.
2. This summary of views is presented in a similar format to the workshop material and questions.³

Session 1 – Assessment scope

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| <ol style="list-style-type: none">1.1. What are the benefits and costs of a delay between the declaration of an SFA and the effective date?1.2. How much time, if any, should we allow between the declaration of our initial assessment of SFAs and the effective date |
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3. Chorus preferred there to be no delay between the declaration and the effective date but acknowledged that a short period (weeks) may be useful for the purposes of error checking only. Chorus also expressed concern with the potential cumulative delay of the SFA and Copper Withdrawal Code (CWC) processes, and the potential for inefficient investment in copper in the period before withdrawal.
 4. Vodafone was interested in the specific effects of an SFA declaration and the implications on its retail and wholesale customers. Vodafone's view was that a month would be fine for wholesale customers; however, it preferred a longer period to communicate the implications of an SFA declaration with its retail customers.
 5. TCF noted that the understanding the effect of an SFA declaration is key to determining an appropriate delay between declaration and effective dates.
 6. Vodafone noted that Chorus' interpretation of the effect of SFAs means that SFA declarations may remove pricing protections for wholesale products and therefore RSPs would require more time to negotiate with Chorus before the effective date.
 7. There was general agreement from all participants that early January is not an ideal time for the effective date and that a short delay between the declaration, which must be completed in December 2019 and the effective date would be appropriate.
 8. TCF expressed the importance of clear communication to consumers and retailers. Consumer enquiries and concerns will be largely directed to their retail service provider and effects of SFA and CWC will be complex for consumers to navigate and require a coordinated approach from the Commission. A wider understanding of the effects of SFA declarations on consumers is important.

³ Workshop materials and the PowerPoint presentation are available on the Commission website at <https://comcom.govt.nz/regulated-industries/telecommunications/projects/specified-fibre-areas>.

9. TCF would like to see the Commission contributing to a clear communication strategy to consumers of the effects of SFAs, CWC and 111 contact Code.
10. Chorus expressed a preference for retaining an option for supplementary assessments for cases where the annual assessment date is narrowly missed.
11. There was general agreement that issues (eg, inefficient investment in copper) may result from events, such as floods, and supplementary assessments should be considered on an 'as required' basis rather than specifying criteria for a supplementary assessment upfront.

Session 2 – Assessment design

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| <ol style="list-style-type: none">2.1. What is a suitable definition of 'available' for assessing SFAs?2.2. Is our proposed definition of 'available' suitable for the purpose of declaring an SFA? |
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12. There was discussion among attendees about the level of work required for a premise to be able to be connected to fibre, with agreement this was best addressed in the CWC development process.
13. Enable highlighted potential issues with Crown Infrastructure Partner's (CIP) definition of premises passed, for example cases such as retirement villages. While fibre will pass the front gate there will be significant work required to connect the individual premises, and as such shouldn't be included within an SFA until the regulated fibre service provider is comfortable that work can be completed. Enable also noted the consequence to households of being inside an SFA where the household may only request a basic landline but require major works as only fibre will be available.
14. Commission staff emphasised that regulated fibre service providers are best placed to know where specified fibre services meet the definition of available and that in general an 'if in doubt, leave it out' approach is best considering there is no ability to remove a premise once it is within an SFA.
15. Ultrafast Fibre said putting additional qualifications beyond the definition of a "passed" premises per the UFB contracts with the Crown may be excessive. There was general agreement that using a modified definition of "Passed" premises would work for defining a specified fibre service as being available. This would be based on the primary land parcel in the LINZ title database and modified to include buildings such as hospitals and schools.

Session 3a – SFA definition

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| <p>3.1. Are there any further concerns about our proposed use of LINZ Primary Survey Parcels as the basis for our SFA assessments?</p> <p>3.2. How should multiple premises on a survey parcel be addressed when one or more premises has access to a specified fibre service and one or more does not? For example, corner sites and sites with multiple address.</p> <p>3.3. How should multidimensional property be addressed? For example, Waterview Tunnel?</p> <p>3.4. What concerns do you have in generating a list (.csv) of premises passed where specified fibre services are available?</p> |
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16. Chorus said that if fibre isn't available at a premise then copper can't be withdrawn, but this scenario shouldn't limit an area being declared as an SFA. Chorus' view was that ideally an SFA wouldn't have "holes" where copper would be required to be supplied at regulated prices as it would not support the rationale behind declaring SFA's, which is to support the withdrawal of copper.
17. Chorus suggested that the treatment of premises at the boundary is where effort should be focused when defining a given SFA to ensure the boundary is correct.
18. Chorus further suggested an alternative to the Commission's proposed approach. Rather than supplying the Commission with a list of addresses which it will use to determine SFA boundaries, Chorus could supply the Commission with a shape file that it proposes as an SFA area, with an undertaking to supply fibre to all premises within the boundary. Chorus said it already had requirements to provide service when an address as listed as available so would check whether anything further would be necessary.
19. Spark supported Chorus's proposal, emphasising the undertaking to supply fibre to all premises covered by an SFA would be critical to achieve the right incentives for Chorus. Chorus acknowledged that they already have this requirement, as noted above.
20. Ultrafast Fibre suggested that Chorus' approach would be less complex than the Commission's proposal.
21. Enable indicated that it also preferred Chorus' proposal.
22. InternetNZ supported Chorus' approach, noting that the undertaking would be critical to protect households from missing out on fibre indefinitely and losing protection that is currently provided by copper STDs.
23. There was general agreement that the difficulty with Chorus' proposed approach comes from specifying the boundary of the SFA if it is to be a contiguous shape file.
24. Commission staff noted that there are issues with Chorus' approach not just with the boundary but also within an area which means that a clear and legally binding undertaking would be essential.

25. Commission staff further noted that all premises within an SFA must have an end-user with specified services available and that Chorus' approach to defining SFA would include road and river parcels which may not meet this definition.
26. In terms of naming SFAs, Chorus suggested boundary maps will be sufficient and that there was no need to divide the SFA coverage into individual named areas.
27. Commission staff noted that the purpose of naming SFAs is to enable users of the information to drill down into areas rather than one blanket SFA for New Zealand.
28. Chorus suggested that Greenfields sites, although within scope for SFAs were not relevant for copper withdrawal, as there are no copper connections on those sites to remove.
29. Commission staff clarified that the scope of SFAs is determined by the definition of specified fibre services in the Act, which includes greenfield fibre deployment.

Session 3b – Data requirements

- 3.5. Are there any concerns with the practicality of being able to provide the data we have identified as required to assess an SFA?
- 3.6. Will a secure drop-box be a suitable data transfer mechanism? What alternatives are there?
- 3.7. Is this information able to be provided on a voluntary basis? What barriers would prevent information being made available to us on a voluntary basis? How can we help facilitate this information being provided?
- 3.8. What general rules should be applied to enable us to undertake a check for errors and omissions?

30. Chorus and Ultrafast Fibre questioned the requirement of reporting the relevant Point of Interconnection (POI) for each address point coordinate, and the issue of POI's moving around over time.
31. Commission staff clarified that information of POIs are required as part of the specified fibre service definition.
32. Ultrafast Fibre stated that using X&Y coordinates that will be published may be problematic due to its current license terms with an address data supplier.
33. Commission staff clarified that it was not proposing to publish the coordinate level data, rather it is an input used in the assessment of SFA to produce the SFA map which will be what will be published.
34. The Commission noted that it is open to the best methodology that suits the LFCs, and the request is based on CIP requirements. Ideally responses to information requests would be consistent across all LFCs.
35. Chorus did not foresee any problems providing the data. Chorus captures fibre data as either UFB or non-UFB.

36. Commission staff noted that being able to identify premises as non-UFB was useful to distinguish premises that have not been validated by CIP as part of the UFB roll-out.
37. Ultrafast Fibre was concerned about the use of the data in the context of consumer privacy. However, confirmed that it has most of the data the Commission proposed.
38. Enable enquired whether WFS feed would be better than a secure drop-box.
39. Northpower Fibre was confident it could provide the data.
40. Chorus and the other LFCs agreed a voluntary information request will be sufficient and appropriate.

Session 4 – Quality assurance (QA)

4.1. What is an appropriate level of assurance to give on SFA assessment data?

4.2. Are there any concerns with our proposed approach?

41. There was agreement by attendees that a “Technical expert” level of assurance sign-off would be appropriate, similar to the definition of technical expert used in the current fibre information disclosure regime.⁴
42. There was general agreement that CEO or Board level assurance would be excessive and create issues and delays getting sign-off.

Session 5 – Communications and timeline

5.1. Does this timeframe work for the initial assessment? Have we identified the key steps of the communication process? If not, what changes need to be made?

5.2. What is the best time for the annual assessments going forward?

43. Chorus suggested that QA sign-off should come earlier in the timeline (prior to the Commission’s assessment of the data) to avoid providing QA sign-off to the Commission’s analysis of the data rather than just the data itself.
44. Ultrafast Fibre requested there be guidelines specifying how the data would be used.
45. Spark noted that the data is likely to change as errors are identified and corrected; this would create issues of what data was being signed off if the verification process is left later in the timeline. Spark also supported earlier verification sign-off of data.
46. Chorus, Enable, Ultrafast Fibre supported ~10 working days to fill requests, provided that the data requests are well defined.

⁴ Details about the current information disclosure regime can be found here: <https://comcom.govt.nz/regulated-industries/telecommunications/regulated-services/fibre-regulation/ultrafast-broadband-information-disclosure>

47. Chorus suggested that the Commission could consider treating the verification of UFB and non-UFB data differently for the initial assessment. UFB data is more easily verified as it is subject to the processes put in place by CIP. They suggested that the Commission focus their efforts on non-UFB verification.
48. Commission staff indicated that it may take longer to verify non-UFB fibre so there would be the possibility that due to the timeframe available for the initial assessment it may not be possible to include non-UFB fibre in the initial assessment. They did suggest, however, that they would test the feasibility of including non-UFB fibre in the initial assessment in follow-up meetings with Chorus and the individual LFC's.⁵
49. There was general agreement from all participants that the initial assessment should focus on UFB, which would cover most premises that have already been verified by CIP.
50. There was acknowledgement and general agreement from the room that the first request for information will be as soon as August 2019.

⁵ The verification processes for UFB and non-UFB fibre are, by definition different, as UFB certification is covered by the agreements with CIP, whereas non-UFB fibre is not.