



Copper Withdrawal Contact Code

Spark Submission

Public Version

Commerce Commission

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The Code Must Take A Customer Focussed Approach

1. Spark welcomes the opportunity to comment on the Commerce Commission’s draft Copper Withdrawal Contact Code. Our primary interest is ensuring the withdrawal process is designed to give a good experience to retail customers using copper services. It is essential that the process by which Chorus will withdraw its copper network is clear and easy for customers (end users) to understand so it does not create unnecessary worry for customers or drive them to make irrational decisions.
2. While the copper withdrawal process will be driven by Chorus, RSPs have a key role to play: Customers will need to contact their RSP to discuss options for their replacement product and ultimately the RSP will either place the order which migrates the customer to fibre or other technologies, or terminate their relationship with the customer if the customer refuses to migrate.
3. Our comments on the Code are informed by what we believe will be a good customer experience, based on our own experiences of migrating customers to fibre and other technologies.
4. Our request for items like volume forecasting from Chorus, and earlier notification of specific customer migrations, are to give us time to make sure we have the right resources in place at our call centre to deal with customers, and ensure we have enough inventory (eg fibre and wireless modems) on hand to ensure we can support customers moving to new technology.

A Consistent Approach Across All Copper Lines

5. Chorus has confirmed to industry its view that the Copper Withdrawal Code will only apply to a subset of copper lines, and that a large number of retail customers consuming copper services will be excluded from the protections provided by the Copper Withdrawal Code.

Covered by CWC	Not covered by CWC
BUBA FS/FS	Baseband Copper
Chorus VDSL 0	Baseband Spark Copper
EUBA 0	BUBA 256/128
EUBA 180	Baseband IP
EUBA 40	Baseband Spark IP LMSIP
EUBA 90	HSNS Lite Copper
SLU	Copper Data services
UCLL	E1
UCLL Backhaul	E3
UCLF	

Figure 1 – information provided to RSPs by Chorus

6. The most significant exclusions in Chorus’ list are the retail customers currently served by Chorus’ baseband products. This category includes all of Spark’s copper landline voice-only customers. Spark currently has around [] customers who fit

in to this category with around [] of these being residential customers¹. We suspect many of these residential POTS-only customers will be older and less technically literate customers who would benefit most from the regulated withdrawal process.

7. In our experience, retail customers - almost without exception – will be unaware of which wholesale copper product their voice service is connected via (i.e. baseband copper, UCLL, or baseband IP). It goes without saying, then, that it would be confusing for retail customers, and unnecessarily complex for RSPs, if there were to be a different process for customers who happen to be using baseband inputs rather than UCLL.
8. The Commission argues in paragraph 63 of its draft decisions and reasons paper that commercial variants are arguably underpinned by the supply of regulated services under the STD. This is not the case for the commercial baseband variants as Spark cannot operationally move to UCLFS due to the impact on our systems. We would not be able to default to seeking supply of the copper service under the STD. Instead and, therefore, this does not act as a constraint on Chorus' behaviour.
9. Our view is the Code should apply to all Chorus copper input services equally and without exception.

RSPs Should Remain The Primary Contact Point For Customers

10. Chorus must be clear in all of its notices that customers must talk to their RSP to arrange for their service(s) to be moved off the copper network.
11. The industry model in New Zealand is designed for end customers to contract with an RSP for their retail services, even though parts of their service may be provided by third parties. Customers expect communications about their service will come directly from their RSP as this is their primary commercial relationship. Any discussions on moving to a new plan or technology therefore needs to be between the customer and their RSP.
12. Many existing copper customers will not have had any direct involvement with Chorus before and may be confused and suspicious if they receive communication directly from them about their products and services.
13. The focus of Chorus communication should be limited to how customers can navigate through the copper withdrawal process with the help of their RSP. Only the RSP can help the customer determine the best plan for them to move to based on their individual situation.
14. Communications from Chorus needs to be competitively neutral and limited to the withdrawal process only. If Chorus mentions that fibre is available to the customer

¹ These figures do not include lines served by Spark's wholesale customers

they must also mention that other technologies, like fixed wireless broadband, are available. Chorus should not mention or promote specific retail providers or offers.

Contacting Landlords May Be A Challenge But Is Necessary

15. As part of the process Chorus is required to reach out to the property owner where this is different from the end-user. While we recognise this can be a challenge, it is important that property owners are informed about activity on their properties so they can agree to their tenant having a different technology installed.

The Definition Of Legacy Services Needs Refining

16. The definition of legacy service in the draft does not cover the range of legacy devices we were expecting. These include such things as dial up modems, old style security alarms, old style medical alarms, dial up eftpos machines, fax machines etc.
17. We support the definition of legacy services proposed in the TCF submission and we would be happy to meet with the Commission to explain why this definition is more appropriate.

Battery Backups For ONT For Vulnerable Consumers

18. We discuss the issue of battery backups in more detail in our submission on the 111 contact code. The case for Chorus to provide a battery backup solution for vulnerable consumers is even stronger where Chorus is withdrawing the copper network as it is forcing the change on the consumer.

RSPs Need 6 Months PreNotice And Forecasting

19. Copper network withdrawal cannot happen in a vacuum: it needs to be carefully coordinated with retail service migrations to ensure that customers do not get completely disconnected. As currently drafted, the Code does not provide sufficient notice to RSPs of Chorus' copper network withdrawal plans, timelines, or volumes to enable us to prepare for those retail service migrations.
20. Each customer who receives a notice from Chorus will need to talk to their RSP to discuss and agree the right products and services for them to migrate to. We expect this will drive calls into our help desk which will need resourcing to cope with the extra demand.
21. A surge in orders will create supply chain issues as we will need to ensure we have enough modems for all of our customers needing to move to fibre or wireless as a result of a copper network withdrawal. Once the 111 Contact Code is in place we will also need to ensure we have enough mobile devices and battery backup solutions available for these customers. Sourcing battery back-up devices can take around 26 weeks even without additional testing.

22. In order to ensure we can properly support all affected customers through any copper withdrawal process, we believe we will need:
- At least three months, and preferably 6 months, notice before Chorus sends any communications to our customers to prepare ourselves for the expected customer contact volume; and
 - A 12 month rolling forecast of Chorus' anticipated copper withdrawal plans updated monthly. This is necessary to ensure we can source the physical hardware (modems) that is needed to support large-scale migrations. This hardware comes from offshore markets and is subject to long lead times. We accept there will always be unplanned factors such as weather events etc that may influence the rollout priority and location, so there will need to be some flexibility on forecasting. However, the aggregate volume figures needs to be fairly accurate given it will drive proactive equipment purchases by the RSP.

Free Install

23. The Code defines 'no cost' as applying to both standard and non-standard connections. We support this broader approach and would be concerned if, for example, Chorus only provided free installations for aerial connections.
24. We recommend making the definition clearer by explicitly stating that it applies to both consumer and business services.

Privacy issues

25. Section F4 requires retail service providers to give Chorus a range of personal information regarding an end-user. We take protection of our customers' information seriously. While we agree that it will be necessary for us to share some of our customers' information with Chorus where that information is absolutely necessary to ensure Chorus can meet its copper withdrawal process requirements, we are concerned that as currently drafted this section gives Chorus information request powers that are too broad.
26. The Code should be more specific about the limited types of information that Chorus can request. In particular, Chorus should only be permitted to require information that is applicable to active copper customers, and it should be restricted to using that information only for the purposes of effecting the copper withdrawal process.
27. We do not support being obliged to provide information to Chorus about the products and services that the customer is purchasing. As noted earlier, Chorus' communication to retail customers should be limited to talking about the withdrawal process and if customers have any questions about retail products they should address these directly to their RSP.

28. Customer information can only be provided to Chorus on a best efforts basis. Premises address matching in databases is notoriously tricky, and in some cases the customer may not have given us their correct or most recent contact details.
29. Finally, we will not have the end user's details for lines which we wholesale to third party retailers – Chorus will need to reach out the third party retailer directly to get this information.

Business Specific Issues

30. Businesses have different requirements to residential consumers. In some cases, for example, a business may have a central office or headquarters which makes procurement decisions about the products and services provided to smaller satellite offices around the country. The notification process needs to take this into account. In cases such as these a notice might need to be sent to the business' central office, so they can talk to their provider about replacement retail services. The satellite office may also have a landlord who needs to give their consent before fibre can be installed.
31. The withdrawal process needs to recognise this complexity and acknowledge that both Chorus and RSPs have a role to play in making sure parties are correctly informed. This is why it is important that the communication from Chorus is neutral and only talks about the withdrawal process and the need for the end user to talk directly to their RSP. As the business' retail provider we usually know who needs to be informed in a business when changes are being made to a satellite office.
32. Businesses with dedicated IT equipment often have specific installation requirements. They may need the option of having their existing copper service and their new fibre services overlapping for a short period of time so they can manage their IT migration seamlessly. This would not be possible if the Chorus process automatically disconnected copper when fibre is up and running for example.
33. This type of migration is managed today under BAU processes and we expect this would continue even when service migration was part of the formal copper migration process.
34. Finally there will be scenarios where a business' existing services cannot be replicated over the fibre or wireless network and requires them to move to cloud based phone systems or require them to have a bespoke solution with multiple ONTs, non-consumer fibre products etc. Some of these migrations may require significant amount of planning and will need a longer lead time before the copper is disconnected.