

30 April 2021

Tristan Gilbertson
Telecommunications Commissioner
Commerce Commission
Wellington

By email: Tristan.Gilbertson@comcom.govt.nz



Dear Tristan

Letter to Commerce Commission re 111 Contact Code battery back-up device

1. Introduction

- 1.1. The Commerce Commission's 111 Contact Code (the Code) requires providers of retail landline services to ensure Vulnerable Consumers¹ can contact 111 emergency services in the event of a power failure at their premises. Retail Service Providers (RSPs) must also implement a process for consumers to identify themselves as vulnerable consumers and provide them with an appropriate means to contact 111 in the event of a power failure.
- 1.2. To support RSPs in their search for appropriate solutions, the TCF commenced work to identify appropriate mobile and battery back-up devices on behalf of industry which would meet the requirements of the Code.
- 1.3. The purpose of this letter is to update you on the difficulty we are having finding an appropriate battery back-up device which will meet the Code requirements.

2. Battery Back-up Devices

- 2.1. The TCF conducted a Request for Quotes (RFQ) process to identify possible solutions which could be employed by the industry. The RFQ was sent to firms identified by the TCF as potential suppliers of battery back-up devices, and it was also published on its website. TCF members have experience dealing with a wide range of firms who provide equipment and services into the New Zealand telecommunications sector, a number of which have battery back-up devices within their catalogue of equipment. As specific panel was established from TCF members with technical representatives from RSPs, MNOs and Network Operators who have experience in technology procurement to this vendor identification process.
- 2.2. The TCF received only one complete proposal for a battery back-up device in response to the RFQ. That proposal was received from [REDACTED]. This is consistent with members submissions during the Code development process that there would be limited options for battery back-up devices.
- 2.3. The device identified by [REDACTED] is not dissimilar to the device identified by the Commerce Commission in its 111 Contact Code: Decision and Reasons Paper dated 17 November 2020. The [REDACTED] battery back-up device provides 12-Volt Direct Current (DC) power to the devices that are being backed-up.
- 2.4. As the [REDACTED] device provides 12-Volt DC power, it is positioned between the consumer's 230/240-volt AC power point, and the equipment being backed-up. In a standard fibre installation, the equipment would include a Fibre Network Operator's ONT and also a RSP Modem, both of which are provided by a range of contracted vendors. Consequently, the DC battery back-up device will replace the original equipment manufacturer's power supply for both the ONT and Modem and provide 12-volt DC power directly to the equipment.
- 2.5. Replacing the original equipment manufacturer's power supply is not permitted without approval from the original equipment manufacturer and would invalidate the manufacturer's warranty.

¹ Defined term in the Commerce Commission 111 Contact Code cl.9

[REDACTED]

- 2.6. There are two alternative solutions to the liability issue:
- 2.6.1. The first is that the original equipment manufacturers could test the [REDACTED] solution and approve it for use as a power supply. This option is not practicable due to the large number of different ONTs and Modems already in use throughout New Zealand. In addition, the challenge of shipping the required number of units overseas for testing and the time available to RSPs to deliver their solution means that this option is simply not tenable.
- 2.6.2. The second alternative is to install an Alternating Current (AC) battery back-up, often referred to as an uninterrupted power supply (UPS). Such a device would provide 230-Volt AC to the original equipment. A UPS capable of working for eight -hours in the event of a power failure is likely to be large and obtrusive. Early indications are that the device could measure approximately 380 mm x 250 mm x 100 mm. The devices could weigh between 10 – 12 kg, and some retailers may be required to install two devices in order to meet the eight-hour requirement. It is also highly likely that RSPs will have to rely on the installation of a UPS device by a third-party service provider. There is a level of care that is essential when dealing with Vulnerable Consumers and a risk that a good customer experience could be eroded during such a customer interaction and become a cause for customer complaints.
- 2.7. Both alternatives represent a poor outcome for consumers and arguably imposes an obligation on industry that goes beyond what was contemplated or required under the 111 Contact Code.

3. Conclusion

- 3.1. There are many complex issues relating to the supply of UPS devices including the need for many RSPs to establish a new contractual relationship with the supplier. As we are still in the process of testing potential devices, delivery times; the availability of a UPS device is still unknown. RSP members have now communicated code requirements to their customers, they will be required to provide an accurate update on the provision of a battery backup to customers and the media if requested.
- 3.2. The TCF will continue its work to identify an appropriate solution, and will be in a position to provide a further update in approximately three weeks. In the meantime, please contact Clare Dobson if the Commission has any questions.

Yours sincerely



Geoff Thorn
Chief Executive Officer
New Zealand Telecommunications Forum (TCF)