

NOTICE OF INTENTION

18 JANUARY 2024

Potential amendment to Input Methodologies for Fibre Fixed Line Access Services

1. The Commerce Commission (“Commission”) gives notice under section 179(1) of the Telecommunications Act 2001 (“Act”) that it is beginning work to consider a potential amendment to its input methodologies for fibre fixed line access services, the Fibre Input Methodologies Determination 2020 [2020] NZCC 21 (“fibre IMs”).
2. In accordance with section 179 of the Act, this notice outlines the scope of a potential amendment under consideration, and the proposed process and indicative timeframe for considering and consulting on the potential amendment to the fibre IMs.

Scope of potential amendments under consideration

3. We are currently in the process of determining the second Price Quality (PQ) path for Chorus for its second regulatory period (from 1 January 2025 to 31 December 2028) under section 170 of the Act.
4. In the course of that process, we have identified an amendment to the fibre IMs that may better promote the outcomes in section 162 of the Act.
5. We are considering a potential amendment to the input methodology for the cost of capital, specifically the tax-adjusted market risk premium in the fibre IMs.

Proposed timeframes for potential fibre IM amendment

	Process	Indicative timeframe
1.	Draft decision by the Commission Draft decision on potential amendment to the tax-adjusted marked risk premium published	12 March 2024
2.	Submissions due from interested persons on potential amendment to the tax-adjusted marked risk premium	10 April 2024
3.	Cross-submissions due from interested persons on potential amendment to the tax-adjusted marked risk premium	2 May 2024
4.	Final decision by the Commission Final decision on potential amendment to the tax-adjusted marked risk premium	30 May 2024

Updates and any process refinements will be published on the Commission’s [website](#).