

Good Afternoon,

1. Heartland Connectivity Taskforce (HCT) Ltd is in the process of organising an industry cluster of NZ Wireless ISP's and related rural broadband providers.
2. We already have 12 WISP's engaged in developing this cluster
3. We have been consulting widely in this sector over the last 2 months
4. Affordable and accessible backhaul is a key component of an rural broadband business
5. There is great variation in the quality of rural backhaul services in terms of quality and price
6. There is a lack of competition in the rural backhaul market, where competitive backhaul is available many innovative services have been developed
7. Smaller rural operators often have difficulties meeting the financial requirements of Chorus's wholesale agreements
8. There is great variety in the availability of backhaul services and often there are long delays in determining service availability
9. Many WISP's are forced to operate their own radio backhaul links to larger centres where competitive backhaul is available
10. The overall architecture of Chorus's rural network is out of date and inadequate for the provision of wholesale services
11. HCT supports the principle of 'deemed access' for backhaul and distribution fibre of the electricity corridor as a well of delivering competitive rural and regional backhaul services
12. HCT supports the development of a consistent national backhaul pricing regime
13. HCT believes any ongoing investigation of the backhaul market needs to occur un the context of delivering modern, competitive, open access, wholesale services services rather than simply tweaking the outdated POTS/PSTN based architecture

Regards

Chris O'Connell & Ernie Newman