

# Submission on the Draft Report on Spark's Resale Services

17 May 2019



## SUBMISSION

- 1 This is Chorus' submission on the Commerce Commission's (**Commission**) *Draft report on whether Spark's Resale Services should be omitted from Schedule 1 of the Telecommunications Act 2001 (Act)*, dated 17 April 2019.
- 2 We agree with the Commission's proposal to deregulate Spark's three resale voice services. We support the general principle of deregulation in areas where workable competition has been found to exist. We also support the principle that legacy regulation should be removed when it is no longer required to serve a purpose.
- 3 We note Chorus' statutory obligation under section 69XB of the Act, which flows through to our Open Access Deeds of Undertakings, to supply our UBA service in a bundle with Spark's local access and calling service.
- 4 Given the Commission's proposal to omit Spark's three resale voice services from the Act, effectively deregulating the local access and calling service, we propose the Commission also engages with policy-makers to support the removal of our obligation to provide the bundle of UBA with Spark's local access and calling service. In our view it makes little sense to require Chorus to resell the service if the Commission has found that the service is no longer required to promote competition – as competition is established.
- 5 In the absence of that removal, Spark will need to continue to supply the local access and calling service so that we can meet our statutory obligations. Currently this service is provided for under commercial terms between Chorus and Spark.