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## Submission on Draft Commission 111 contact code

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## 1. Introduction.

- 1.1. Unifone New Zealand Ltd is an internet service provider based in Otago. We utilize UFB, DSL, RBI1 (Vodafone 4G LTE) and our own network of radio broadband repeaters located across most of the Otago region to reach end-users. Unifone identifies as a “WISP” or Wireless Internet Service Provider and is a member of WISPA-NZ and TUANZ.
- 1.2. Unifone operate our own VOIP server and use 2 Degrees as our VOIP “Upstream” for interconnection to the national and international telephone network. We do not sell VOIP services supplied by another company to our residential customer base. Customers are free to subscribe to telephone services from other providers by use of their Unifone broadband connection. We do not support 3rd party telephone services beyond the commercial requirement to maintain our customer broadband connections in good working order and reliability.
- 1.3. Our VOIP services continue to be a popular add-on for customers. This is due to their low price and high quality, particularly when compared to the phone service available to rural users from the Chorus copper network.
- 1.4. Our customers are made fully aware when signing up to our service that a power failure will render their telephone service inoperable and they are given options for emergency power. It is extremely rare for us to supply emergency power to a residential customer to maintain phone service during a mains outage, despite the relatively low cost of the options available to cover most contingencies. It should be noted the options we present to customers generally provide a maximum of three hours of emergency mains power.

## 2. Concerns.

### 2.1. The definition of vulnerable is too broad and imprecise.

2.1.1. We are concerned that there are two definitions of Vulnerable in the documentation. The Draft code refers to “a known medical condition” but in an appendix reference is made to “health, disability or safety reasons”.

2.1.2. We accept the definition of “vulnerable due to medical conditions” can be readily made by a clinical practitioner in one of the health professions. We believe that these practitioners should be the only people able to classify a

health impaired person as vulnerable. As the draft code is written, any person of standing meeting the criteria of the code can certify someone as vulnerable. We submit this is unreasonable as we believe truly vulnerable people will be under the care of health professionals likely intimately acquainted with the vulnerable person's condition and best placed to make an assessment.

2.1.3. There appears to be no mechanism for the telephone service provider to challenge an assessment or seek a review of a certification of vulnerability.

2.1.4. The list of people able to classify someone as vulnerable is far too broad and there is no mention of accountability for decisions or any depth of knowledge of the vulnerable person's circumstances being required for the decision-making process.

2.1.5. The risk of the code being implemented as written in the draft risks providers like Unifone incurring a great deal of irrecoverable expense to provide telephone service to "vulnerable" customers. This problem is made worse for us by the patchy nature of mobile coverage in rural areas where we operate our own network.

2.2. The minimum period of twelve continuous hours of emergency power is too long.

2.2.1. There is no discussion within the paper whether emergency power devices exist that will provide twelve hours of continuous power. Devices known as Uninterruptible Power Supplies or UPS have a primary function of allowing short duration supply of mains power in the event of a mains outage. Once the UPS battery is exhausted the UPS can trigger a graceful shutdown, allowing connected computers to safely close files. Twelve hours of emergency mains power is beyond the upper limit of any known UPS on the NZ market suitable for installation in a residence.

2.2.2. Many of our rural customers rely on a broadband signal (which also carries the VOIP connection) relayed through one or more intermediate repeaters placed between customer and broadband radio network. Each repeater is a possible point of failure and each repeater would need twelve hours supply. It is not an exaggeration to say such a scenario would cost thousands of dollars to implement and subsequently maintain as batteries generally must be replaced every five years.

2.3. The assessment of “particular risk” should not extend beyond the end-user’s house.

2.3.1. We submit any reference or implication that the assessment activities from the draft code include end-user activity away from the home or place of residence be removed from the final document.

2.3.2. An end-user working away from their residence, for instance on a farm, should not constitute a vulnerable situation from the perspective of the code. As written, the code requires functionality of the VOIP service that is not available from a copper land line as installed by the service provider. The copper landlines do not extend beyond the residence unless the customer makes provision for doing so at their own expense and we believe there is no need for telephone service providers to build this extra functionality in where it doesn’t exist now.

2.3.3. Health and Safety requirements for remote, solo, or isolated workers already recommend the provision of emergency communications in the workplace. The method of communications includes two-way radio, mobile phones, satellite phones and Personal Locator Beacons. Our experience is that these means of communication are far more likely to be used in practice than an extended VOIP service. They are readily available and already well used and accepted by the likely end users.

2.4. General Concerns.

2.4.1. VOIP services are available from many providers within New Zealand and consumers in this country can subscribe to VOIP services offshore anywhere in the world accessible from the internet.

2.4.1.1. The onus on providing emergency power service falls on the voice reseller, not the broadband connection seller. Although we concede most NZ consumers will select a NZ VOIP reseller, the possibility exists for consumers to knowingly or unknowingly subscribe to a service located offshore. We submit the likelihood of an overseas provider recognizing the NZ applied category of vulnerable is negligible.

Similarly, the internet and telephone service industry in NZ is very lightly regulated. Companies like Unifone trade to a large extent on our reputations and our willingness to do the right thing by our customers. Our concern is that while we would abide by the provisions of the code if it becomes finalized as written in draft, our customers are free to select

other telephone providers who may not wish to readily abide by the vulnerable persons requirements.

We do not want to end up in the position of “inheriting” a customer because we are co-operative and would abide by the vulnerable assessment whereas a customer’s previous supplier may be resistant to doing so.

While new business is always most welcome, telephone service provision is a low margin, low cost add-on activity for us and the provision of extra equipment required for service is almost always charged on to the customer at a market retail price.

Providing emergency power to a customer free of charge means Unifone is unlikely to ever make a margin from that connection.

2.4.1.2. We believe vulnerable people, particularly medically vulnerable people will already be the recipient of considerable government support through the health, social services, or justice systems. We believe the cost of providing emergency communications beyond the usual retail service should fall on the government. In return, Unifone would readily engage in negotiations for a cost-recovery provision of emergency mains service.

2.4.1.3. We are disappointed the commission did not appear to take on board the representations from WISPA-NZ about rural customers. The cost of providing emergency communications to vulnerable customers is potentially high for a small business like a WISP without a large customer base to average the costs over.

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