

## Chorus' Price-quality path – 27 May 2021 draft decisions:

### Requests for Information from the Commission to Chorus Limited

1. To help inform our decision on Chorus Limited's (Chorus) price-quality path for the regulatory period starting on 1 January 2022, we requested additional information from Chorus. These Requests for Information (RFIs) followed a structured process agreed between us and Chorus.
2. We issued RFIs where we identified areas where we required further information in relation to our evaluation of Chorus' expenditure proposal and in relation to quality measures.
3. The information from these RFIs, along with the expenditure proposal have helped inform our draft decision.
4. The following table sets out the RFI number and title of the RFIs we made to Chorus.

**Table 1: List of RFIs**

RFI Number	RFI title
Q001	Scope of CutlerMerz' verification of Chorus' expenditure proposal.
Q002	Chorus' historical expenditure allocated to UFB FFLAS, for each sub-category of expenditure in Chorus' expenditure proposal.
Q003	Forecast revenue, demand and related product forecasts for the first regulatory period from the most recent five-year business plan.
Q004	Comparable historical connection capex unit costs
Q005	Further information related to customer retention costs
Q006	Capital Contributions Forecasting
Q007	Connection capex types - rationale for connection groupings
Q008	Asset Capitalisation policy
Q009	Asset Management and Proposal governance

RFI Number	RFI title
<b>Q010</b>	Proposed use of CPI in cost escalation - information or evidence showing that the percentages of sub-categories escalated with "Just CPI" reflect contract costs
<b>Q011</b>	Proposed RPE indices in cost escalation
<b>Q012</b>	Review of reasonableness of expenditure forecast models
<b>Q013</b>	Feeder models / supporting documentation used in developing expenditure forecasts
<b>Q014</b>	Linkages between capex/opex and efficiency gains
<b>Q015</b>	Project sample within expenditure sub-categories
<b>Q016</b>	Mechanisms for controlling actual capital expenditure with respect to the proposed capex and achieving the PQ FFLAS quality outcomes
<b>Q017</b>	[RFI017 was addressed without requiring a response]
<b>Q018</b>	Cost escalators – granular RPE categories and RPE indices – mapping decisions and Excel models
<b>Q019</b>	Review of reasonableness of allocation of expenditure to PQ FFLAS
<b>Q020</b>	Review of reasonableness of allocation of expenditure to PQ FFLAS
<b>Q021</b>	Models and documentation on IT expenditure and efficiency gains, impact of regulatory overlays on forecasts and the regulatory labour cost model
<b>Q022</b>	Justification for connections related expenditure
<b>Q023</b>	Scope of services that have been applied in PQ as FFLAS
<b>Q201</b>	Historical measurement information on average downtime and port utilisation