

Notice to supply information and documents to the Commerce Commission under sections 98(a) of the Commerce Act 1986

To:

Chorus Limited
Level 10
State Insurance Tower
1 Willis Street
Wellington

Attention: Vanessa Oakley, General Counsel and Company Secretary

Purpose of the Notice

1. This Notice requires Chorus Limited to supply the Commerce Commission (Commission) with the specified information. This Notice is issued under section 98(a) of the Commerce Act 1986 (Commerce Act).
2. The Commerce Commission is reviewing the price to be paid for the Unbundled Copper Local Loop (UCLL) and Unbundled Bitstream Access (UBA) services provided by Chorus Limited, as defined in subpart 1 of Part 2 of Schedule 1 of the Telecommunications Act 2001 (Telecommunications Act). We are required to make price review determinations in accordance with the Final Pricing Principle (FPP) of the UCLL and UBA services.
3. We consider it desirable for Chorus Limited to provide us with the information and documents specified in **Attachment A** to this Notice to assist us in making the price review determinations.

Date, place and format of response

4. Chorus Limited is required to deliver the specified information to the Commission's Wellington office at Level 6, 44 The Terrace, marked for the attention of Stephen Hudson, or by email to telco@comcom.govt.nz, with the subject "Response to section 98 Notice – UCLL and UBA", by **5pm on 13 May 2015**, under cover of a letter on Chorus Limited's letterhead signed by a person with the appropriate authority.

5. Chorus Limited must provide all information in Attachment A to the Notice in a file (in .xls format) listing the information contained within the file, the date or period to which the information relates, and any confidentiality claims relating to any information in the file.

No requirement to provide legally privileged documents

6. In complying with the Notice, Chorus Limited is not required to provide information or documents which are legally privileged.

Dated: 28 April 2015

Signed by:

A handwritten signature in black ink, appearing to read 'S. Gale', with a stylized flourish at the end.

Stephen Gale
Telecommunications Commissioner

Attachment A

1. For the purposes of this Notice, the following terms have the following meanings:
 - 1.1 **Chorus Limited** means Chorus Limited, its interconnected bodies corporate (as defined in section 2(7) of the Commerce Act), business units or joint ventures, and any current or former agents, employees, officers and directors thereof.
 - 1.2 **MDF** means Main Distribution Frame
 - 1.3 **SLU** means Sub-loop Unbundled Copper Local Loop
 - 1.4 **SLUBH** means Sub-loop Unbundled Copper Local Loop Backhaul
 - 1.5 **UBA** means Unbundled Bitstream Access
 - 1.6 **UCLL** means Unbundled Copper Local Loop

Specified Information

2. Chorus Limited is required to provide the following information in respect of Chorus' UCLL, SLU, SLUBH, and UBA services:
 - 2.1 Please list all the classes of civil engineering assets that are used, including without limitation, ducts, poles and manholes.
 - 2.2 For each of the civil engineering asset classes listed above, please provide the following for each MDF area:
 - (a) Gross Book Value (GBV);
 - (b) Net Book Value (NBV) for each of the last 2 years;
 - (c) depreciation charge for each of the last 2 years;
 - (d) asset lifetime;
 - (e) estimated remaining asset lifetime;
 - (f) the proportion (%) of the asset which could technically be re-used;
 - (g) the amount of investment undertaken each year by Chorus over the last 10 years.
 - 2.3 Please explain the basis for the GBV. This should include details of any revaluation of the assets including any revaluing assets on separation to a value different to that which they were valued at by the pre-separation Telecom.