

Section 201 – Geographically consistent pricing

Process paper: Consultation on our draft guidance on our intended approach to applying s 201 of the Telecommunications Act 2001

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Associated documents

Publication date	Title
15 September 2020	Fibre information disclosure and price-quality regulation – proposed process and approach for the first regulatory period
13 October 2020	Fibre Input Methodologies – main final decisions reasons paper
3 November 2020	Fibre Input Methodologies (initial value of financial loss asset) Amendment Determination 2020
27 May 2021	Chorus' fibre price-quality path from 1 January 2022: draft decisions – reasons paper
27 May 2021	Section 201 – Geographically consistent pricing: Draft guidance

Background

1. The Commerce Commission (**Commission**) is formulating price-quality (**PQ**) paths and information disclosure (**ID**) requirements to implement its input methodologies (**IMs**) for regulated fibre fixed line access services (**FFLAS**) under Part 6 of the Telecommunications Act 2001 (**the Act**).
2. The Commission does not set the prices for individual services provided by regulated FFLAS providers (**regulated providers**). Rather, the Commission formulates PQ paths and ID requirements that regulated providers must comply with in providing and charging for FFLAS.
3. Section 201 of the Act, however, requires Chorus to set prices that are geographically consistent. It provides:

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A regulated fibre service provider who is subject to price-quality regulation must, regardless of the geographic location of the access seeker or end-user, charge the same price for providing fibre fixed line access services that are, in all material respects, the same.

4. In our Proposed Process and Approach paper, we signalled that we would consult on the specific way that the geographically consistent pricing requirement in s 201 will apply to regulated providers subject to PQ regulation.¹
5. Today, we have published our draft guidance on s 201 geographically consistent pricing (**draft guidance**).² We now seek stakeholders' views on the draft guidance.

Submitting on the draft guidance

6. Please lodge your submissions on the draft guidance via the project page at the following link:

<https://comcom.govt.nz/file-upload-form-folder/file-upload-form>
7. The project page will direct you to a form with instructions on how to upload your submission. Your submission should be provided as an electronic file in an accessible form.
8. The deadline for submissions is **5pm on 24 June 2021**.

¹ Commerce Commission "[Fibre information disclosure and price-quality regulation – proposed process and approach for the first regulatory period](#)" (15 September 2020), paragraph X13.

² Commerce Commission "Section 201 – Geographically consistent pricing: Draft guidance" (27 May 2021), available on our project page at <https://comcom.govt.nz/regulated-industries/telecommunications/projects/fibre-price-quality-path-and-information-disclosure#projecttab>.

9. The protection of confidential information is something we take seriously. We have developed a submission process to continue to protect confidential submissions. When you upload your submission via the form from the project page, you will be required to provide (if necessary) both a confidential and non-confidential version of your submission and to clearly identify the confidential and non-confidential versions.
10. When including commercially sensitive or confidential information in your submission, we offer the following guidance:
 - 10.1 Provide a clearly labelled confidential version and public version. We intend to publish all public versions on our website.
 - 10.2 The responsibility for ensuring that confidential information is not included in a public version of a submission rests entirely with the party making the submission.
11. If we consider information disclosed in the confidential version to be in the public interest, we will consult with the party that provided the information before any such disclosure is made.
12. We will provide the opportunity for interested parties to provide views on the submissions on the draft guidance by inviting cross-submissions. You will then have until **5pm on 8 July 2021** to make a cross-submission.

Next steps

13. Table 1 provides an overview of the indicative process timeline for developing the final guidance.

Table 1

Milestone	Date
Submissions due	24 June 2021
Cross-submissions due	8 July 2021
Final guidance document to be published	Q3 2021