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Tricia Jennings

Commerce Commission

By email: <a href="mailto:telco@comcom.govt.nz">telco@comcom.govt.nz</a>

Spark New Zealand

2 April 2015

Dear Tricia

## UBA and UCLL Draft FPP Review Supplementary Cross-submission – Geospatial Modelling

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On 5 March 2015 you advised all parties to provide submissions on the new and additional geospatial modelling data (**geospatial data**) provided by Chorus, by 2 April 2015.

Spark and Vodafone commissioned Network Strategies and WIK Consult to conduct an analysis and provide a report on the geospatial data. Those consultant reports are submitted with this letter.

Network Strategies has found that the inaccuracies, which Chorus claims exist in the Commission's modelling, are based on unreliable data. The newly retrieved Chorus data set cannot validly be used to establish TSO boundaries for a number of reasons - it includes non-residential end-users (to whom TSO services are not available); it is generally incomplete; and it includes a number of potentially inactive connections, CMAR connections (where UCLL/UBA is not provided over copper) and non-existent customer locations.

We support Network's strategies' recommendation that the results proposed by the Chorus geospatial data cannot be relied upon as a method of defining TSO boundaries and so should be disregarded.

WIK has found that Chorus has misunderstood the way in which external capital contributions work in the TERA model; that Chorus concerns in regard to trench length cannot be replicated; and that some of Chorus' proposals in regard to TSO boundaries could result in an over-estimation of costs.

In the circumstances we are of the view that the geospatial data does not provide evidence of sufficient relevance or reliability to require the amendments proposed by Chorus to the Terra model and/or the conclusions the Commission has reached on the exclusion of certain capital costs, TSO boundaries and trench length.

Do not hesitate to contact us to discuss if required.

Yours sincerely

Sasha Daniels

Senior Counsel Competition & Regulation