



24th September 2015

Tricia Jennings
Project Manager, Regulation Branch
Commerce Commission New Zealand
PO Box 2351
Wellington 6140

By Email

Dear Tricia

Re: TUANZ cross-submission comments in regards to the UCLL/UBA Final Draft Determinations

Thankyou for the opportunity to provide a view on the most recent submissions received by the Commission in response to the final draft decisions released on the 2nd July 2014.

This letter contains no substantive arguments in relation to the determinations, but highlights the few issues that TUANZ considers to be important at this juncture. TUANZ as an organisation that represents a wide range of members, looks to focus on outcomes for the ultimate users of the relevant services, the end customers in the form of businesses, organisations and individuals.

Submission by Wigley & Company

TUANZ has been involved with the development of the submission provided to you by Wigley & Company and this letter is in support of that submission.

Our general concerns

We would ask the Commission to consider our comments in light our published principles, that we are interested in the outcomes for the ultimate users and so our comments here hinge on

the need to be cognisant of the long term benefits for end users as per section 18 of the Telecommunications Act.

We would like to draw particular attention to the following issues as discussed further within the submission by Wigley & Company that are of particular concern to TUANZ:

- The appropriateness of the Total Welfare Approach - We support the argument contained in the submission by Wigley & Company, that the use of this approach is inappropriate in that it is not in the interests of end users. We believe that the act is clear on its focus is on the users of telecommunications and not consumers total welfare.
- Transparency of modeling changes - we agree with other submitters that we lack that transparency to comment appropriately on modeling changes.
- The apparent generosities in input costs - earlier submissions by parties pointed out the draft decisions did not reflect genuine “central estimates” but contained “generosities”. We point to the comment made in the Wigley & Company submission that these generosities may lead to cost estimates significantly higher than other comparable jurisdictions.
- We continue to support the notion that Backdating in this situation does not provide long term benefits for End Users and therefore should not be applied.

TUANZ looks forward to continuing its involvement in this process.

Please do not hesitate to contact me if any points require further clarification.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Craig Young', with a stylized flourish extending to the left.

Craig Young
Chief Executive Office
TUANZ