

## **Report on consultation with Northpower and Ultrafast Fibre relating to clause 6.1(b) of their fibre open access undertakings**

### **Background and purpose**

- The fibre undertakings entered into by Chorus and the Local Fibre Companies (LFCs) contain an Equivalence of Inputs (EOI) obligation. The wording in the Northpower undertakings is as follows, with equivalent wording in the Ultrafast Fibre (UFF) undertaking:<sup>1</sup>

*“The LFC will ensure that the design and build of the Network enables Access Seekers to purchase the Input Services on an Equivalence basis on and after 1 January 2020”.*

- Clause 6.1(b) of the Northpower undertakings also requires that (with equivalent wording in the UFF undertakings):

*“The LFC will consult with the Commission in July 2015 on the design and build of the Network for the purpose of informing the Commission as to how the LFC and CFH have agreed to meet the obligation in clause 6.1. The LFC will take due notice of any feedback received from the Commission.”*

- The consultation was undertaken by all parties as required by the undertakings. Our feedback to the parties was that we were satisfied that all parties had met the obligation to consult, but in the case of two of the LFCs (Northpower and UFF), there were a number of aspects of EOI compliance that we were unsure about. We provided our report to these two LFCs and asked them to provide us with their system design and implementation plans so that we could assess whether they would be able to comply with the remaining EOI obligations by 2020.

### **Response from LFCs**

- Both Northpower and UFF responded to our request.
- A summary of the questions for which Northpower and UFF originally received ‘Don’t know’ assessments is included below. In our view, all questions we have asked have received acceptable responses.

Our view is that Northpower and UFF have taken “due notice” of our feedback under clause 6.1(b) of the fibre undertakings that apply to them. Northpower and UFF have now

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<sup>1</sup> The Deeds can be found online at <http://www.mbie.govt.nz/info-services/sectors-industries/technology-communications/communications/broadband-mobile-initiatives/phase-one-broadband-initiatives/?searchterm=open%20access%20undertakings%2A>

indicated that in all aspects requested, they will be capable of fulfilling their EOI obligations by 1 January 2020.

## Northpower Fibre

The following table lists Northpower Fibre's 'Unknown's' from our initial report and explains its responses:

	Translation	Verdict
Ability to demonstrate price non-discrimination	Billing and revenue management are managed within Northpower Fibre's standard financial system, which allows standard reporting, including revenue and price by customer. Pricing is handled in the B2B gateway (business to business gateway) regardless of the customer.	OK
Ability of ordering/inventory/faults systems to allow B to B operation	Fulfilment (new connections) and assurance (fault fixing) are both handled through the B2B gateway both from access seekers and through the Internal Portal.	OK
A plan for how equivalence will be managed given the carve-out in clause 3.4 (a)	Both the Internal Portal and Access Seekers access all BSS/OSS systems through the B2B gateway. Both have access to the same data and functionality. Change management and notification is handled through a letter (LFC Informer), with individual letters sent as well as through the TCF Product Forum.	OK
A plan for how commercial information will be managed to ensure that this requirement can be demonstrated to have been met	Change management and notification is handled through a letter (LFC Informer), with individual letters sent as well as through the TCF Product Forum.	OK

## Ultrafast Fibre Ltd

The following table lists Ultrafast Fibre Ltd's 'Unknown's from our initial report and explains its responses:

	Slide	Translation	Verdict
Ability to report service performance by RSP (including self-supply)	8	'Telflow' uses the same processes for both orders from Access Seekers and internal orders.	OK
Ability to demonstrate price non-discrimination	8	A single , non-discriminatory price list for all access seekers is maintained.	OK
Ability of ordering/inventory/faults systems to allow B to B operation	8	'Telflow' delivers consistent performance metrics.	OK
A plan for how equivalence will be managed given the carve-out in clause 3.4 (a)	8	Telflow service orders are identical for all access Seekers.	OK
A plan for how commercial information will be managed to ensure that this requirement can be demonstrated to have been met	Email date 21 Feb 2018, attached	UFF is planning a portal that will be accessed by RSPs and will contain all the required commercial information, ensuring that this information is supplied to RSPs and UFF's operational personnel at the same time. <sup>2</sup>	OK