

[Draft] Fibre Information Disclosure Determination 2021

[2021] NZCC XX

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Date of determination: [Day] [Month] 2021

[Signature]

Tristan Gilbertson, Telecommunications Commissioner

Dated at Wellington this [X] day of [Month] 2021

COMMERCE COMMISSION

Wellington, New Zealand

Determination history		
Determination date	Decision number	Determination name
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FIBRE INFORMATION DISCLOSURE DETERMINATION 2021

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[Draft] Fibre Information Disclosure Determination 2021

Under Part 6 of the Telecommunications Act 2001, the Commerce Commission makes the following determination:

PART 1 GENERAL PROVISIONS

1.1 TITLE

1.1.1 This determination is the Fibre Information Disclosure Determination 2021.

1.2 COMMENCEMENT DATE

1.2.1 This determination comes into force on 1 January 2022.

1.3 APPLICATION

1.3.1 This determination applies to **ID-regulated providers**.

1.4 INTERPRETATION

1.4.1 In this determination, unless the context otherwise requires—

- (1) Except where subclauses (2) and (3) apply, terms in bold type in this determination (including the main body and the Schedules) have the meanings given to those terms in clause 1.4.3;
- (2) Terms in bold type in the Reports in the Schedules required under—
 - (a) clauses 2.3.1, 2.3.2, 2.3.3, 2.3.6, 2.3.8, 2.3.9, 2.3.12, 2.3.14, and 2.3.16 are defined in Schedule 16 (Financial and Asset Management report definitions);
 - (b) clauses 2.3.5(1) and 2.3.11(1) are defined in Schedule 23 (Quality report definitions); and
 - (c) clauses 2.3.5(2) and 2.3.11(2) are defined in Schedule 26 (Pricing report definitions);
- (3) If a defined term in the main body of this determination conflicts with a defined term in a Schedule of this determination, the defined term in the Schedule prevails;
- (4) Terms used in this determination that are defined in the **Act** but not in this determination, have the same meanings as in the **Act**;
- (5) Terms used in this determination that are defined in the **IM determination** but not in this determination have the same meanings as in the **IM determination**;
- (6) A word which denotes the singular also denotes the plural and vice versa;

- (7) An obligation to do something is deemed to include an obligation to cause that thing to be done;
- (8) Financial items must be measured and disclosed in accordance with **GAAP** unless otherwise required by this determination or the **IM determination**;
- (9) Non-financial items must be measured and disclosed in accordance with standard industry practice unless otherwise required in this determination;
- (10) Guidance notes in this determination are italicised and are for guidance purposes only. Guidance notes do not form part of the determination, and in the event of a conflict between a guidance note and this determination, the determination prevails; and
- (11) Materials incorporated by reference into this determination, including standards promulgated by other bodies, are incorporated under the terms of Schedule 5 of the Commerce Act (applied by s 15(2)(e) of the **Act**).

1.4.2 For the purpose of **disclosure year** 2022, an information disclosure requirement in this determination that applies to an **ID-only regulated provider** in respect of a **disclosure year** must be interpreted and applied as if a reference to '**disclosure year**' in the particular information disclosure requirement was a reference to '**disclosure period**'.

Guidance note: clause 1.4.2 and the definition of 'disclosure period' provide for the fact that the start of disclosure year 2022 for each ID-only regulated provider does not coincide with the commencement date of this determination. To ensure each ID-only regulated provider can apply information disclosure requirements in this determination from the commencement date to the end of disclosure year 2022 (the 'disclosure period'), it is therefore necessary to 'pro-rate' or limit those requirements so they are interpreted and applied on the basis of a disclosure period rather than on the basis of a disclosure year;

1.4.3 In this determination the words or phrases in bold type bear the following meanings—

	A
access seeker	has the meaning given in paragraph (d) of s 5 of the Act ;
Act	means the Telecommunications Act 2001;

allocated works under construction	means the total value of unallocated works under construction allocated to PQ FFLAS or ID-only FFLAS (as applicable);
arm's-length transaction	has the meaning given in the IM determination ; <i>Guidance note: (refer to clause 1.4.1(10)) This definition used in the IM determination is identical to the definition in ISA (NZ) 550;</i>
asset allocator	has the meaning given in the IM determination ;
asset value	has the meaning given in the IM determination ;
assets commissioned	means, as applicable,— (a) in relation to the unallocated RAB or unallocated works under construction , as applicable, the sum of the value of commissioned core fibre assets as determined in a manner consistent with clause 2.2.13 of the IM determination ; (b) in relation to the RAB or allocated works under construction , as applicable, the value of the assets (as determined in accordance with paragraph (a)) allocated to PQ FFLAS or ID-only FFLAS (as applicable); or (c) in relation to forecast information, a forecast of the value of the assets (as determined in accordance with paragraph (b)) for a future disclosure year ;
audited disclosure information	means information for which an ID-regulated provider procures an assurance report under clause 2.5.1(1), and which is disclosed under—

- (a) clauses 2.3.1, 2.3.5(1), 2.3.6, 2.3.11(1), and 2.3.12;
- (b) the **related party transactions** provisions under clauses 2.3.20 and 2.3.22; and
- (c) the explanatory notes in boxes 1 to 16 of Schedule 14 under clause 2.4;

Guidance note: (refer to clause 1.4.1(10))

Reports on Quality required under clause 2.3.5(1) or 2.3.11(1) fall under this definition of 'audited disclosure information' and must be publicly disclosed each quarter. However, under clause 2.5.1(3), an ID-regulated provider does not have to publicly disclose an assurance report with each Report on Quality, and may instead publicly disclose (at the end of the last quarter of a disclosure year) a single assurance report covering all four quarterly Reports on Quality that the ID-regulated provider publicly disclosed for the disclosure year;

C

capital expenditure

means,—

- (a) in relation to **unallocated works under construction**, costs-
 - (i) incurred in a **disclosure year** in acquiring or developing an asset that is, or is intended to be, **commissioned**; and
 - (ii) that are included or are intended to be included in the value of **assets commissioned** relating to the **unallocated RAB**;
- (b) in all other instances, costs-

	<ul style="list-style-type: none">(i) incurred or forecast to be incurred in acquiring or developing a core fibre asset in the disclosure year that is, or is intended to be, commissioned; and(ii) that are included or are intended to be included in the value of assets commissioned relating to the RAB;
causal relationship	has the meaning given in the IM determination ;
central office	means a physical building or cabinet used to house a termination point of a fibre network ;
Chorus	means Chorus Limited or any subsidiary of, or successor to, that company;
commencement date	means the date specified in clause 1.2.1 of this determination;
Commission	has the meaning given in s 5 of the Act ;
commissioned	has the meaning given in the IM determination ;
contract	means a contract for the provision of goods or services (or both) whether or not the contract, or any part of the contract, is in writing and, for the avoidance of doubt, includes- <ul style="list-style-type: none">(a) a contract under which goods or services (or both) are being provided, although some or all of the terms and conditions in relation to the provision of those goods or services have not been settled; and(b) any operating agreement, side letter, or documentation that influences, adjusts or amends the terms and conditions of the contract;
core fibre asset	has the meaning given in the IM determination ;
cost allocator	has the meaning given in the IM determination ;

cost of financing means the cost of financing incurred by an **ID-regulated provider** in the construction phase of a project that creates a new **network** asset, determined in accordance with clause 2.2.11(2) of the **IM determination** and allocated to **PQ FFLAS** or **ID-only FFLAS** (as applicable) in accordance with clauses 2.1.1 and 2.1.2 (as applicable) of the **IM determination**;

D

directly attributable has the meaning given in the **IM determination**;

director has the meaning given in the **IM determination**;

disclosure period means the period for an **ID-only regulated provider** from the **commencement date** to the end of the **disclosure year 2022**;

disclosure year means—

- (a) for **Chorus**, the 12-month period ending on 31 December of the year the disclosure relates to or, if the term ‘disclosure year’ is combined with a year (for example ‘**disclosure year 2022**’), the 12-month period ending on 31 December of that year;
- (b) for **Enable** and **Northpower Fibre**, the 12-month period ending on 30 June of the year the disclosure relates to or, if the term ‘disclosure year’ is combined with a year (for example ‘**disclosure year 2022**’), the 12-month period ending on 30 June of that year; and
- (c) for **UltraFast**, the 12-month period ending on 31 March of the year the disclosure relates to or, if the term ‘disclosure year’ is combined with a year (for example ‘**disclosure year 2022**’), the 12-month period ending on 31 March of that year;

E	
Enable	means Enable Networks Limited or any subsidiary of, or successor to, that company;
end-user	has the same meaning as defined in s 5 of the Act ;
equivalent non-standard contract	means a non-standard contract for the provision of goods or services that are in all material respects the same as those provided under a standard contract ;
equivalent standard contract	means a standard contract for the provision of goods or services that are in all material respects the same as those provided under non-standard contract ;
error	means incorrect information disclosed in accordance with this determination in such a way that- (a) the data is incorrect; (b) a statement is incorrect; or (c) the compilation of disclosed information is inconsistent with the determination; and is not where- (d) the correction is to the initial RAB ; or (e) an estimate has changed due to new information becoming available;
extending the network	means capital expenditure to extend the fibre network to new streets or developments, and to infill the network to accommodate address growth;
F	
fibre asset	has the same meaning as defined in s 177(6) of the Act , and is either— (a) a core fibre asset ; or

	(b) the financial loss asset ;
fibre network	has the same meaning as defined in s 5 of the Act ;
fibre to the premise (FTTP)	means fibre network constructed to terminate at an end-user's premises;
financial loss asset	has the meaning given in the IM determination ;
	G
GAAP	has the meaning given in the IM determination ;
gigabit passive optical network (GPON)	means a type of telecommunications network that uses a point-to-multipoint FTTP which uses unpowered splitters to enable a single feeder optical fibre to serve multiple premises;
GST	has the same meaning as defined in s YA 1 of the Income Tax Act 2007 as amended from time to time, and any equivalent legislation that supplements or replaces that definition;
	I
ID FFLAS	has the meaning given in the IM determination ;
ID-only FFLAS	has the meaning given in the IM determination ;
ID-regulated provider	means a person who is prescribed in regulations made under s 226 of the Act as being subject to information disclosure regulation;
ID-only regulated provider	means a person who is prescribed in regulations made under s 226 of the Act as being subject to information disclosure regulation, but excludes Chorus ;
IM determination	means the <i>Fibre Input Methodologies Determination [2021]</i> NZCC 21, including any amendments to that determination;

independent appraiser

means—

- (a) an **independent auditor**; or
- (b) a **person** who-
 - (i) an **ID-regulated provider** reasonably considers is qualified to publicly offer professional services to clients that provide for the requirements under clauses 2.5.3(2) and 2.5.4;
 - (ii) has no relationship with, or interest in, the **ID-regulated provider** that is likely to involve a conflict of interest;
 - (iii) has not assisted with the compilation of the information or provided advice or opinions (other than in relation to audit reports) on the methodologies or processes used in compiling the information; and
 - (iv) is not associated with nor directed by any **person** who has provided any such assistance, advice, or opinion;

independent auditor

means a **person** who—

- (a) is qualified for appointment as auditor of a company under the Companies Act 1993 or, where an **ID-regulated provider** is a public entity (as defined in s 4 of the Public Audit Act 2001), is the Auditor-General;
- (b) has no relationship with, or interest in, the **ID-regulated provider** that is likely to involve a conflict of interest;
- (c) has not assisted with the compilation of the information or provided advice or opinions (other than in relation to audit reports) on the methodologies or

	processes used in compiling the information; and
	(d) is not associated with nor directed by any person who has provided any such assistance, advice, or opinion;
indirectly affected data and statements	means data or statements which are incorrect only because they relied on disclosed data or statements that are affected by an error ;
initial RAB	has the meaning given in the IM determination ;
installation	means capital expenditure to establish a physical link between the fibre network and an ONT at an end point, and includes associated provisioning and incentive costs;
ISA (NZ) 550	means <i>International Standard on Auditing (New Zealand) 550, Related Parties</i> , issued by the New Zealand Auditing and Assurance Standards Board of the External Reporting Board in July 2011 and amended effective 15 December 2016, under s 24(1)(b) of the Financial Reporting Act 1993;
ISAE (NZ) 3000	means <i>International Standard on Assurance Engagements (New Zealand) 3000, Assurance Engagements Other than Audits or Reviews of Historical Financial Information</i> , issued by the New Zealand Auditing and Assurance Standards Board of the External Reporting Board in July 2014, under s 12(b) of the Financial Reporting Act 2013, as incorporated by reference into this determination <i>Guidance note: (refer to clause 1.4.1(10)) Commerce Commission “Input methodologies review final decision – Related party transactions – Final decision and determinations guidance” (21 December 2017), Attachment D notes the process by which materials are incorporated by reference in this determination;</i>

L

layer 1 has the meaning given in s 155ZS of the **Act**;

layer 2 has the meaning given in s 155ZS of the **Act**;

M

material project or programme means a **capital expenditure** project or programme that has an actual or forecast total expenditure that exceeds 0.1% of the **total opening RAB value** in relation to the **RAB**;

N

network & customer IT means **capital expenditure** on systems and platforms across IT domains that support **fibre network** and customer activities, including product development, customer experience and optimisation, lifecycle, and compliance;

network asset means a fixed **core fibre asset** employed by a **regulated provider** to provide **regulated FFLAS**;

network capacity means **capital expenditure** on network electronics and associated systems to optimise for capacity growth and lifecycle requirements;

network sustain and enhance means **capital expenditure** to sustain or enhance physical **fibre network** performance, manage risk or satisfy compliance requirements, including replacing end-of-life assets, ensuring compliance with health and safety regulations, adding resilience to the **fibre network**, reducing the risk profile of the **fibre network**, and developing new products for the provision of **regulated FFLAS**;

non-standard contract means a **contract** for the provision of **regulated FFLAS** that—
(a) has **prescribed terms and conditions**; and
(b) is not a **standard contract**;

non-network asset	means a core fibre asset employed by a regulated provider to provide regulated FFLAS , but which is not a network asset , and includes- (a) information and technology systems; (b) asset management systems; (c) office buildings, depots and workshops; (d) office furniture and equipment; (e) motor vehicles; (f) tools, plant and machinery; and (g) any other core fibre asset under GAAP that is not a network asset ;
non-network IT	means capital expenditure on information technology systems and corporate support;
Northpower Fibre	means Northpower Fibre Limited or any subsidiary of, or successor to, that company;
	O
operating cost	has the meaning given in the IM determination ;
operational expenditure	means operating costs after applying either clause 2.1.1 or clause 2.1.2 of the IM determination (as applicable), except in relation to the Report on Related Party Transactions in Schedule 9 where it means operating costs from related party transactions as determined after applying clause 2.1.1 or clause 2.1.2 of the IM determination (as applicable) and clause 2.3.18 of this determination;
optical line terminal (OLT)	means a piece of GPON rack-mounted or terminal card network equipment that terminates many layer 1 fibres from ONUs and is installed in network buildings or roadside cabinets;
optical network terminal (ONT)	means a device that connects an end-user modem to a fibre network ;

optical network unit (ONU)	means a piece of network equipment that terminates a single layer 1 fibre and is located at the end-user premises;
original disclosure	means a disclosure made in accordance with this determination that contains a material or non-material error ;
P	
person	includes a corporation sole, a body corporate, and any association of persons whether incorporated or not;
POI	means the specified points of interconnection listed in the <i>Notice of points of interconnection under section 231 of the Telecommunications Act 2001</i> issued by the Commission on 19 December 2019;
POI area	means a 'UFB geographic area' listed in the <i>Notice of points of interconnection under section 231 of the Telecommunications Act 2001</i> issued by the Commission on 19 December 2019 and comprising POIs specified in that notice;
PQ FFLAS	has the meaning given in the IM determination ;
prescribed terms and conditions	means, in relation to a standard contract or non-standard contract , the terms and conditions that— (a) describe the goods or services to be provided; (b) determine the quantity or amount of those goods or services; (c) specify or determine— (i) the price at which those goods or services are to be provided; (ii) the timing of payment for those goods or services;

- (iii) any security for payment for those goods or services;
 - (iv) any guarantee(s) regarding the **ID-regulated provider's** performance or the quality at which the **ID-regulated provider** will provide the goods or services;
 - (v) any incentive, promotion, rebate or discount; and
 - (vi) **ID-regulated provider's** obligations and responsibilities (if any) to **access seekers** in the event the provision of **regulated FFLAS to end-users** is impeded or interrupted;
- (d) comprise the operations manual for providing **regulated FFLAS**;
- price** means an individual tariff, fee, or charge, in nominal terms exclusive of **GST**, in a **standard contract** or **non-standard contract**;
- provisioning** has the meaning given in the **IM determination**, and **provisioned** has the corresponding meaning;
- proxy asset allocator** has the meaning given in the **IM determination**;
- proxy cost allocator** has the meaning given in the **IM determination**;
- publicly disclose** means to-
- (a) disclose information on a prominent, publicly accessible page on the **ID-regulated provider's** main website where other related information is disclosed;
 - (b) make copies of the information available for inspection by any **person** during ordinary office hours, at the principal office of the **ID-regulated provider** making the public disclosure;
 - (c) within 10 **working days** of being requested to do so by any person, provide that person with a copy of the information, either by

post or for collection (during ordinary office hours) from that principal office, whichever the person prefers; and

- (d) within 5 **working days** after the information is disclosed to the public, provide a copy of the information to the **Commission** in the form that it is disclosed to the public and in an electronic format that is compatible with Microsoft Excel or Microsoft Word (as applicable), and **public disclosure** and **publicly disclosing** have corresponding meanings;

Q

qualifying provider

has the meaning of the term ‘qualifying provider’ given in clause 2.4.6(2) of the **IM determination**;

quarter

means a three-month period in a **disclosure year** beginning on the first, fourth, seventh or tenth months of the **disclosure year**;

R

RAB

has the applicable meaning given in the **IM determination**;

record

has the meaning given in s 4 of the Public Records Act 2005;

regulated FFLAS

has the meaning given in the **IM determination**;

regulatory period

has the meaning given in the **IM determination**;

related party

has the meaning given in the **IM determination**;

Guidance note: (refer to clause 1.4.1(10))

Commerce Commission “Input methodologies review final decision – Final decision and determinations

guidance” (21 December 2017), Attachment A notes examples of related parties;

related party transaction has the meaning given in the **IM determination**;

S

SAE 3100 means *Standard on Assurance Engagements 3100 – Compliance Engagements*, issued by the External Reporting Board in October 2014 and incorporating amendments up to August 2014 under s 24(1)(b) of the Financial Reporting Act 1993, as incorporated by reference into this determination

Guidance note: (refer to clause 1.4.1(10)) Commerce Commission “Input methodologies review final decision – Related party transactions – Final decision and determinations guidance” (21 December 2017), Attachment D notes the process by which materials are incorporated by reference in this determination;

splitter means a fibre optic splitter, which is a passive optical device that splits light into two or more fibre strands;

standard contract means a **contract** for the provision of **regulated FFLAS** between an **ID-regulated provider** and an **access seeker**, and in respect of which, at least 3 other **access seekers** have the same **prescribed terms and conditions**, and none of those other **access seeker** is a **related party** of the **ID-regulated provider**, or is a **related party** of those other **access seeker**;

T

target revenue means the revenue that an **ID-regulated provider** expects to obtain from **prices**;

total closing RAB value means-

- (a) in relation to the **unallocated RAB**, the sum of:
 - (i) all 'unallocated closing RAB values' of **core fibre assets** determined under clause 2.2.5(2) of the **IM determination**; and
 - (ii) the 'closing RAB value' of the **financial loss asset** determined under clause 2.2.6(2) of the **IM determination**;
- (b) in relation to the **RAB**, the sum of:
 - (i) all 'closing RAB values' of **core fibre assets** determined under clause 2.2.5(4) of the **IM determination**; and
 - (ii) the 'closing RAB value' of the **financial loss asset** determined under clause 2.2.6(2) of the **IM determination**;

total opening RAB value

means-

- (a) in relation to the **unallocated RAB**, the sum of:
 - (i) all 'unallocated opening RAB values' of **core fibre assets** determined under clause 2.2.5(1) of the **IM determination**; and
 - (ii) the 'opening RAB value' of the **financial loss asset** determined under clause 2.2.6(1) of the **IM determination**;
- (b) in relation to the **RAB**, the sum of:
 - (i) all 'opening RAB values' of **core fibre assets** determined under clause 2.2.5(3) of the **IM determination**; and
 - (ii) the 'opening RAB value' of the **financial loss asset** determined under clause 2.2.6(1) of the **IM determination**;

U

UltraFast means UltraFast Fibre Limited or any subsidiary of, or successor to, that company;

unallocated RAB means a **RAB** before clause 2.1.1 or clause 2.1.2 (as applicable) of the **IM determination** is applied;

unallocated works under construction means the total value of **works under construction** before allocation to **PQ FFLAS** or **ID-only FFLAS** (as applicable), and is the value of q calculated using the following formula:

$$q = a + b - c$$

where:

- a = **works under construction** (for the preceding **disclosure year**) before allocation to **PQ FFLAS** or **ID-only FFLAS**, which, for **disclosure 2022**, is **works under construction** under **GAAP** as at the end of 31 December 2021;
- b = **capital expenditure**; and
- c = **assets commissioned**;

V

value of capital contributions means the value of capital contributions received or expected to be received by an **ID-regulated provider** in respect of the costs accumulated in the construction phase of a project that creates a new **network asset**, and is determined in accordance with clause 2.2.11(1)(h) of the **IM determination** and allocated to **regulated FFLAS** in accordance clause 2.1.1 or clause 2.1.2 (as applicable) of the **IM determination**;

W

working day

has the same meaning as defined in s 5 of the **Act**; and

works under construction

has the meaning given in the **IM determination**.

PART 2 DISCLOSURE REQUIREMENTS

2.1 INFORMATION DISCLOSURE

2.1.1 From the **commencement date**, each **ID-regulated provider** must comply with the information disclosure requirements set out in this determination.

2.2 APPLICABLE INPUT METHODOLOGIES

2.2.1 Each **ID-regulated provider** must apply the requirements set out in the following subparts of the **IM determination** as applicable, when complying with this determination:

- (1) Subpart 1 of Part 2, Cost Allocation;
- (2) Subpart 2 of Part 2, Asset Valuation;
- (3) Subpart 3 of Part 2, Taxation;
- (4) Subpart 4 of Part 2, Cost of Capital; and
- (5) Subpart 5 of Part 2, Quality Dimensions.

2.3 INFORMATION TO BE DISCLOSED IN RESPECT OF A DISCLOSURE YEAR

Chorus disclosures

2.3.1 No later than 5 months after the end of a **disclosure year**, **Chorus** must complete and **publicly disclose** each of the following reports in respect of that **disclosure year**:

- (1) the Report on ID FFLAS Return on Investment set out in Schedule 1a;
- (2) the Report on PQ FFLAS Return on Investment set out in Schedule 1b;
- (3) the Report on ID-only FFLAS Return on Investment set out in Schedule 1c;
- (4) the Report on Regulatory Profit set out in Schedule 2;
- (5) if **Chorus** is a **qualifying provider**, the Report on Term Credit Spread Differential Allowance set out in Schedule 2a;
- (6) the Report on Crown Financing in Schedule 2b;
- (7) the Report on Regulatory Tax Allowance set out in Schedule 3;
- (8) the Report on Value of the ID FFLAS Regulatory Asset Base (Rolled Forward) set out in Schedule 4;

- (9) the Report on Asset Allocations set out in Schedule 4a;
- (10) the Report on Value of the PQ FFLAS Regulatory Asset Base (Rolled Forward) set out in Schedule 4c;
- (11) the Report on Value of the ID-only FFLAS Regulatory Asset Base (Rolled Forward) set out in Schedule 4d;
- (12) the Report on Operational Expenditure for the Disclosure Year set out in Schedule 5;
- (13) the Report on Cost Allocations set out in Schedule 5a;
- (14) the Report on Capital Expenditure for the Disclosure Year set out in Schedule 6;
- (15) the Report on Comparison of Forecast to Actual Expenditure set out in Schedule 7;
- (16) the Report on the Consolidation Statement set out in Schedule 8; and
- (17) the Report on Related Party Transactions set out in Schedule 9.

2.3.2 No later than 5 months after the end of a **disclosure year**, **Chorus** must complete and **publicly disclose** each of the following reports in respect of that **disclosure year**:

- (1) the Report on PQ FFLAS Asset Register set out in Schedule 10a; and
- (2) the Report on ID-only FFLAS Asset Register set out in Schedule 10b.

2.3.3 Except as provided under clause 2.3.4, before the start of a **disclosure year**, **Chorus** must complete and **publicly disclose** each of the following reports in respect of that **disclosure year**:

- (1) the Report on Forecast Capital Expenditure set out in Schedule 11
- (2) the Report on Forecast Operational Expenditure set out in Schedule 11a;
- (3) the Report on Forecast Capacity and Utilisation set out in Schedule 12;
- (4) the Report on Forecast Network Demand set out in Schedule 12a; and
- (5) the Report on Asset Management Capability set out in Schedule 13.

2.3.4 In respect of **disclosure year** 2022, the reports required under clause 2.3.3 may be provided no later than 5 months after the start of the **disclosure year**.

2.3.5 No later than 1 month after the end of a **quarter**, **Chorus** must complete and **publicly disclose**—

- (1) a Report on Quality in Schedule 19 for each month of that **quarter**; and
- (2) a Report on Pricing in Schedule 24 for each month of that **quarter**.

ID-only regulated provider disclosures

2.3.6 Subject to clause 2.3.7, no later than 5 months after the end of a **disclosure year**, each **ID-only regulated provider** must complete and **publicly disclose** each of the following reports in respect of that **disclosure year**:

- (1) the Report on ID FFLAS Report on Investment set out in Schedule 1;
- (2) the Report on Regulatory Profit set out in Schedule 2;
- (3) if the **ID-only regulated provider** is a **qualifying provider**, the Report on Term Credit Spread Differential Allowance set out in Schedule 2a;
- (4) the Report on Regulatory Tax Allowance set out in Schedule 3;
- (5) the Report on Value of the ID FFLAS Regulatory Asset Base (Rolled Forward) set out in Schedule 4;
- (6) the Report on Asset Allocations set out in Schedule 4a;
- (7) the Report on Operational Expenditure for the Disclosure Year set out in Schedule 5;
- (8) the Report on Cost Allocations set out in Schedule 5a;
- (9) the Report on Capital Expenditure for the Disclosure Year set out in Schedule 6;
- (10) the Report on Comparison of Forecast to Actual Expenditure set out in Schedule 7;
- (11) the Report on the Consolidation Statement set out in Schedule 8; and
- (12) the Report on Related Party Transactions set out in Schedule 9.

2.3.7 In respect of **disclosure year** 2022, each **ID-only regulated provider**—

- (1) is not required to complete and **publicly disclose** the Report on the Consolidation Statement set out in Schedule 8;
- (2) must only complete and **publicly disclose** row 7(i) of the Report on Comparison of Forecast to Actual Expenditure set out in Schedule 7; and
- (3) must otherwise complete and **publicly disclose** the other reports required under clause 2.3.6.

2.3.8 No later than 5 months after the end of a **disclosure year**, each **ID-only regulated provider** must complete and **publicly disclose** in respect of that **disclosure year** the Report on ID FFLAS Asset Register set out in Schedule 10.

2.3.9 Except as provided under clause 2.3.10, before the start of each **disclosure year**, each **ID-only regulated provider** must complete and **publicly disclose** each of the following reports in respect of that **disclosure year**:

- (1) the Report on Forecast Capital Expenditure set out in Schedule 11;
- (2) the Report on Forecast Operational Expenditure set out in Schedule 11a;
- (3) the Report on Forecast Capacity and Utilisation set out in Schedule 12;
- (4) the Report on Forecast Network Demand set out in Schedule 12a; and
- (5) the Report on Asset Management Capability set out in Schedule 13.

2.3.10 The reports under clause 2.3.9—

- (1) are not required in respect of **disclosure year** 2022; and
- (2) in respect of **disclosure year** 2023, may be provided no later than 5 months after the end of **disclosure year** 2022.

2.3.11 No later than 1 month after each **quarter**, each **ID-only regulated provider** must complete and **publicly disclose**—

- (1) the Report on Quality set out in Schedule 20 for each month of that **quarter**; and
- (2) the Report on Pricing set out in Schedule 25 for each month of that **quarter**.

Supporting reports from all ID-regulated providers

2.3.12 Under s 187(1)(c) of the **Act**, no later than 5 months and 5 **working days** after a **disclosure year**, each **ID-regulated provider** must complete and provide to the **Commission** the following reports supporting the information disclosed under clause 2.3.1(11) and 2.3.1(13) or clause 2.3.6(6) and 2.3.6(8) (as applicable) by the **ID-regulated provider** for that **disclosure year**:

- (1) the Report Supporting Asset Allocations set out in Schedule 4e; and
- (2) the Report Supporting Cost Allocations set out in Schedule 5b.

Alternative method for return on investment information

2.3.13 Clause 2.3.14 applies if, in the first **quarter** or in the last **quarter** of a **disclosure year**, **Chorus's**—

- (1) value of **assets commissioned** in relation to the **RAB** in the relevant **quarter** exceeds 10% of **Chorus's total opening RAB value** of the **RAB** in that **disclosure year**; or
- (2) notional net cashflows in the relevant **quarter** exceeds 40% of **Chorus's** annual notional net cashflows in that **disclosure year**.

2.3.14 If clause 2.3.13 applies, **Chorus** must complete and **publicly disclose** each of the following reports in accordance with part 1(iii) of each of Schedules 1a, 1b, and 1c:

- (1) the Report on ID FFLAS Return on Investment in Schedule 1a;
- (2) the Report on PQ FFLAS Return on Investment in Schedule 1b; and
- (3) the Report on ID-Only FFLAS Return on Investment in Schedule 1c.

2.3.15 Clause 2.3.16 applies if, in the first **quarter** or in the last **quarter** of a **disclosure year**, an **ID-only regulated provider's**—

- (1) value of **assets commissioned** in relation to the **RAB** in the relevant **quarter** exceeds 10% of the **ID-only regulated provider's total opening RAB value** of the **RAB**; or
- (2) notional net cashflows in the relevant **quarter** exceeds 40% of the **ID-only regulated provider's** annual notional net cashflows in that **disclosure year**.

2.3.16 If clause 2.3.15 applies, the **ID-only regulated provider** must complete and **publicly disclose** the Report on ID-Only regulated FFLAS Return on Investment in Schedule 1 in accordance with part 1(iii) of that Schedule.

Allocation of assets and operating costs

2.3.17 In completing the Report on Cost Allocations in Schedule 5a, each **ID-regulated provider** must **publicly disclose**, for each **operational expenditure** category in Schedule 5a that includes **operating costs** and **asset values** that are not **directly attributable**,—

- (1) a description of the **operating costs** and **asset values** that are not **directly attributable**;
- (2) the **asset allocator** or **cost allocator** used (as applicable) and the rationale for using each **asset allocator** or **cost allocator**;
- (3) whether the **asset allocators** used are based on a **causal relationship**, or are equal to a **proxy asset allocator**;
- (4) whether the **cost allocators** used are based on a **causal relationship**, or are equal to a **proxy cost allocator**;
- (5) where **proxy asset allocators** or **proxy cost allocators** are used, an explanation of:
 - (a) why a **causal relationship** cannot be established or why it is impractical to apply a **causal relationship**; and
 - (b) the rationale for the quantifiable measure used for each **proxy asset allocator** or **proxy cost allocator**.

Related party transactions

2.3.18 For the purpose of completing the reports required under clauses 2.3.1(17) and 2.3.6(12),—

- (1) the value of—
 - (a) a good or a service an **ID-regulated provider** procures in a **related party transaction** must be given a value no greater than if the transaction was an **arm's-length transaction**; and
 - (b) an asset or a good or a service an **ID-regulated provider** sells or provides in a **related party transaction** must be given a value not less than if the transaction was an **arm's-length transaction**;

- (2) an objective and independent measure must be used in determining the terms of an **arm's-length transaction** for the purpose of subclause (1)(a) and (b).

2.3.19 For the purpose of clause 2.3.18(1)(a), a **related party transaction** will be treated as if it was an **arm's-length transaction** if the good or service procured from a **related party** is valued at the cost incurred by the **related party**, provided that cost is—

- (1) fair and reasonable to the **ID-regulated provider**; and
- (2) substantially the same as the cost that has been incurred or would be incurred by the **related party** in providing the same type of good or service to a third party.

2.3.20 If an **ID-regulated provider** has procured a good, a service, or a **core fibre asset** under a **related party transaction** in a **disclosure year**, the **ID-regulated provider** must **publicly disclose** a diagram or a description showing:

- (1) the relationship between the **ID-regulated provider** and the **related party**;
- (2) the principal activities of the **related party**; and
- (3) the total annual expenditure incurred by the **ID-regulated provider** with the **related party**.

2.3.21 If in any **disclosure year**, the **ID-regulated provider's related party transactions** comprise less than 10% of the **ID-regulated provider's capital expenditure** and **operational expenditure**, the **ID-regulated provider** need not comply with clause 2.3.22 and clauses 2.5.2-2.5.5 in that **disclosure year**.

2.3.22 If an **ID-regulated provider** has procured a good, a service, or a **core fibre asset** under a **related party transaction** in a **disclosure year**, no later than 5 months after the **disclosure year**, the **ID-regulated provider** must—

- (1) **publicly disclose**—
 - (a) a summary of either of the following in effect at the time of the **related party transaction**:
 - (i) the **ID-regulated provider's** policy for procuring goods, services, or **core fibre assets** from a **related party**; or
 - (ii) the **ID-regulated provider's** alternative documentation equivalent to a policy for procuring goods, services, or **core fibre assets** from a **related party**;

- (b) a description of at least one representative example **related party transaction** from the **disclosure year** illustrating each of the following:
 - (i) how the **ID-regulated provider** applied in practice its policy (or alternative documentation) in effect at the time of the **related party transaction** for procuring goods, services, or **core fibre assets** from a **related party**, including a description of how and when the **ID-regulated provider** last tested whether such a **related party transaction** was an **arm's-length transaction**; and
 - (ii) how the **ID-regulated provider** applied its policy (or alternative documentation) in effect at the time of the **related party transaction** for procuring goods, services, or **core fibre assets** from a **related party** in a materially different manner between expenditure categories;
 - (c) a description of any of the **ID-regulated provider's** policies or procedures that require an **access seeker** to purchase goods, services, or **core fibre assets** from a **related party** that relate to the provision of **regulated FFLAS**;
- (2) provide to the **Commission** either the **ID-regulated provider's** policy (or alternative documentation) for procuring goods, services, or **core fibre assets** from a **related party**.

Information on capital expenditure projects

2.3.23 In completing the Report on Capital Expenditure for the Disclosure Year in Schedule 6, each **ID-regulated provider** must, for each of the following types of **capital expenditure** project or programme that is a **material project or programme, publicly disclose**—

- (1) for each **extending the network** project or programme in Schedule 6,—
 - (a) a brief description of the project or programme and its value in row 6(ii) of Schedule 6; and
 - (b) any additional commentary, including the purpose of the project or programme and a description of the **core fibre assets** relocated for each project in Schedule 14 or 14a (Mandatory Explanatory Notes), as applicable;
- (2) for each **installation** project or programme in Schedule 6,—

- (a) a brief description of the project or programme and its value in row 6(iii) in Schedule 6; and
 - (b) any additional commentary, including the purpose of the project or programme and a description of the **core fibre assets** affected for each project or programme in Schedule 14 or 14a (Mandatory Explanatory Notes) as applicable;
- (3) for each **network capacity** project or programme in Schedule 6,—
 - (a) a brief description of the project or programme and its value in row 6(iv) in Schedule 6; and
 - (b) any additional commentary, including the purpose of the project or programme and a description of the assets affected for each project or programme in Schedule 14 or 14a (Mandatory Explanatory Notes) as applicable;
- (4) for each **network sustain and enhance** project or programme in Schedule 6,—
 - (a) a brief description of the project and its value in row 6(v) of Schedule 6; and
 - (b) any additional commentary, including the purpose of the project or programme and a description of the **core fibre assets** affected for each project or programme in Schedule 14 or 14a (Mandatory Explanatory Notes) as applicable;
- (5) for each **network** project or programme and each **network & customer IT** and each **non-network IT** project or programme in Schedule 6,—
 - (a) a brief description of the project or programme and its value in row 6(vi) of Schedule 6; and
 - (b) any additional commentary, including the purpose of the project or programme and a description of the **core fibre assets** affected for each project or programme in Schedule 14 or 14a (Mandatory Explanatory Notes) as applicable.

Disclosure of standard contracts

2.3.24 No later than 20 **working days** after entering into a **standard contract**, an **ID-regulated provider** must **publicly disclose** the **prescribed terms and conditions** of the **standard contract**.

2.3.25 Subject to s 188(4) of the **Act**, if an **ID-regulated provider** amends any **prescribed terms and conditions** of a **standard contract** (including a **standard contract** that was entered into before the **commencement date**), the **ID-regulated provider** must, no later than 20 **working days** after the amendment takes effect,—

- (1) identify the relevant **standard contract**; and
- (2) **publicly disclose** the amendment made to the **prescribed terms and conditions**.

Disclosure of non-standard contracts

2.3.26 No later than 20 **working days** after entering into a **non-standard contract**, an **ID-regulated provider** must **publicly disclose**—

- (1) the **prescribed terms and conditions** of the **non-standard contract**, with the exception of any **prescribed terms and conditions** that specify or determine the **price** at which goods or services are to be provided; and
- (2) a summary of how the **prescribed terms and conditions** (except those specifying or determining the **price** at which goods or services are to be provided) of the **non-standard contract** differ from those of the **equivalent standard contract**, if there is one.

2.3.27 Subject to s 188(4) of the **Act**, if an **ID-regulated provider** amends the **prescribed terms and conditions** of a **non-standard contract** (including a **non-standard contract** entered into before the **commencement date** of this determination), the **ID-regulated provider** must, not later than 20 **working days** after the amendment takes effect,—

- (1) identify the **non-standard contract** concerned; and
- (2) **publicly disclose** the amendment made to the **prescribed terms and conditions**, with the exception of an amendment to the **prescribed terms and conditions** specifying or determining the **price** at which goods or services are to be provided.

2.3.28 Before the start of a **disclosure year**, each **ID-regulated provider** must **publicly disclose** the following:

- (1) for each **standard contract** the **ID-regulated provider** intends to use in the **disclosure year**,—
 - (a) if the **standard contract** existed in the most recent **disclosure year**, the number of **access seekers** on the **standard contract** compared to the number of **access seekers** on any **equivalent non-standard contract** the **ID-regulated provider** used in that **disclosure year**; and
 - (b) the **target revenue** the **ID-regulated provider** expects to collect in the **disclosure year** under—
 - (i) the **standard contract** and all equivalent **non-standard contracts**;
 - (ii) the **standard contract**; and
 - (iii) all equivalent **non-standard contracts**;
- (2) how the **ID-regulated provider** decides whether to use a **non-standard contract**, including any criteria the **ID-regulated provider** uses to make this decision;
- (3) any criteria or methodology used for determining **prices** for **access seekers** on **non-standard contracts**;
- (4) the **ID-regulated provider's** obligations and responsibilities under a **non-standard contract** when the provision of **regulated FFLAS** to an **end-user** is interrupted, including—
 - (a) a summary of the differences in the relevant terms between **standard contracts** and any **equivalent non-standard contracts**; and
 - (b) any implications of the differences under paragraph (a) for determining **prices** for **access seekers** on the equivalent **non-standard contracts**.

2.4 EXPLANATORY NOTES TO DISCLOSED INFORMATION

- 2.4.1 No later than 5 months after a **disclosure year**, each **ID-regulated provider** must complete and **publicly disclose** the Schedule of Mandatory Explanatory Notes in Schedule 14 or 14a, as applicable.
- 2.4.2 In relation to details of any insurance cover for the **fibre assets** used to provide **PQ FFLAS, ID FFLAS, or ID-only FFLAS** (as applicable), the explanatory notes in Schedule 14 or 14a must include-
- (1) the **ID-regulated provider's** approach and practices in regard to insuring assets, including the level of insurance; and
 - (2) in respect of any self-insurance, the level of reserves, details of how reserves are managed and invested, and details of any reinsurance.
- 2.4.3 Where an item from a report disclosed in accordance with clauses 2.3.1, 2.3.2, 2.3.3, 2.3.6, 2.3.9 and 2.3.12 (as applicable) is classified differently to the most recent previous disclosure, the explanatory notes in Schedule 14 or 14a must include the-
- (1) nature of the item classified differently;
 - (2) value or volume of the item in the current **disclosure year** (or **quarter**, as applicable) and in the previous **disclosure year** (or **quarter**, as applicable);
 - (3) classification of the item in the previous **disclosure year** (or **quarter**, as applicable);
 - (4) classification of the item in the current **disclosure year** (or **quarter**, as applicable); and
 - (5) reason why the item has been classified differently.
- 2.4.4 Before the start of a **disclosure year**, each **ID-regulated provider** must complete and **publicly disclose** the Mandatory Explanatory Notes on Forecast Information in Schedule 14b by inserting all relevant information relating to information disclosed in accordance with clauses 2.3.3(1) to 2.3.3(4) or clauses 2.3.9(1) to 2.3.9(4) (whichever applies).
- 2.4.5 No later than 5 months after a **disclosure year**, each **ID-regulated provider** may **publicly disclose** any further comments on the information disclosed in accordance

with clauses 2.3.1, 2.3.2, 2.3.3, 2.3.4, 2.3.8 or 2.3.9 (as applicable) in the Voluntary Explanatory Notes in Schedule 15.

2.5 ASSURANCE REPORTS

2.5.1 If an **ID-regulated provider** is required to **publicly disclose** any **audited disclosure information**, the **ID-regulated provider** must—

- (1) procure an assurance report from an **independent auditor** in respect of the **audited disclosure information** that is:
 - (a) prepared in accordance with **SAE 3100** and **ISAE (NZ) 3000**, signed by the **independent auditor** (either in his or her own name or that of his or her firm);
 - (b) addressed to the **directors** of the **ID-regulated provider** and to the **Commission** as the intended users of the assurance report;
 - (c) states-
 - (i) that the assurance report has been prepared in accordance with **SAE 3100** and **ISAE (NZ) 3000**;
 - (ii) the work done by the **independent auditor**;
 - (iii) the scope and limitations of the assurance engagement;
 - (iv) the existence of any relationship (other than that of auditor) which the **independent auditor** has with, or any interests which the **independent auditor** has in, the **ID-regulated provider** or any of its subsidiaries;
 - (v) whether the **independent auditor** has obtained sufficient recorded evidence and explanations that he or she required from the **ID-regulated provider**, and, if not, the nature of the evidence or explanations not obtained; and
 - (vi) whether, in the **independent auditor**'s opinion, as far as appears from an examination, the information used in the preparation of the **audited disclosure information** has been properly extracted from the **ID-regulated provider**'s accounting and other **records**, sourced from its financial and non-financial systems; and
 - (vii) whether, in the **independent auditor**'s opinion, as far as appears from an examination of them, proper **records** to

enable the complete and accurate compilation of the **audited disclosure information** required under this determination have been kept by the **ID-regulated provider** and, if not, the **records** not so kept;

- (d) states whether (and, if not, in which respects), in the **independent auditor's** opinion, the **ID-regulated provider** has complied, in all material respects, with this determination in preparing the **audited disclosure information**; and
 - (e) states whether, in the **independent auditor's** opinion, the **ID-regulated provider's** basis for valuing **related party transactions** in the **disclosure year** has complied in all material respects with clause 2.3.18 of this determination and clauses 2.2.13(3)(g) and 2.2.15 of the **IM determination**;
- (2) without limiting the application of **SAE 3100** and **ISAE (NZ) 3000** under subclause (1), the assurance report must state any key audit matters, being those matters that-
- (a) required significant attention by the **independent auditor** in carrying out its assurance engagement;
 - (b) are selected from matters communicated with those charged with governance of the **ID-regulated provider**; and
 - (c) the **independent auditor** has identified, taking into account—
 - (i) areas of higher assessed risk of material misstatement of **audited disclosure information**;
 - (ii) significant auditor judgments relating to areas in the **audited disclosure information** that involved significant judgment of the management of the **ID-regulated provider**; and
 - (iii) the effect on the assurance engagement of any significant events or transactions by the **ID-regulated provider** that occurred in the **disclosure year**;

Guidance note: (refer to clause 1.4.1(10))

This is a similar requirement to that which applies for the audit or financial statements under International Standard on Auditing (New Zealand) 701, Communicating Key Audit Matters in the Independent Auditor's Report, issued by the New Zealand Auditing and Assurance

*Standards Board of the External Reporting Board in October 2015,
under s 12(b) of the Financial Reporting Act 2013.*

- (3) **publicly disclose** the **independent auditor's** assurance report prepared in accordance with subclauses (1) and (2)—
 - (a) in respect of the Reports on Quality required under clause 2.3.5(1) or 2.3.11(1) (as applicable) for each **quarter** of a **disclosure year**, at the same time the **ID-regulated provider publicly discloses** its Report on Quality required for the last **quarter** of the **disclosure year**; and
 - (b) in respect of all other **audited disclosure information**, at the same time the **ID-regulated provider publicly discloses** the **audited disclosure information**.
- 2.5.2 Subject to clauses 2.3.21, 2.5.3, and 2.5.5, at the same time an **ID-regulated provider publicly discloses audited disclosure information** for a **disclosure year**, the **ID-regulated provider** must procure and **publicly disclose** a report prepared in accordance with clause 2.5.4, if any of the following apply:
- (1) the proportion of the **ID-regulated provider's** total **capital expenditure** accounted for by **related party transactions** involving a procurement from a **related party** exceeds 65% in the **disclosure year**;
 - (2) the proportion of the **ID-regulated provider's** total **operational expenditure** accounted for by **related party transactions** involving a procurement from a **related party** exceeds 65% in the **disclosure year**; or
 - (3) the **independent auditor** cannot conclude that the valuation or disclosures of **related party transactions** in the **disclosure year** comply, in all material respects, with clause 2.3.18 of this determination and clauses 2.2.13(3)(g) and 2.2.15 of the **IM determination**.
- 2.5.3 If clause 2.5.2 applies in respect of a **disclosure year**, but time constraints do not permit the preparation of a report for that **disclosure year**, before the **independent auditor** issues its assurance report for that **disclosure year** under clause 2.5.1, an **ID-regulated provider** must, subject to clause 2.5.5,—
- (1) no later than 5 months after the **disclosure year**, **publicly disclose** a statement indicating that the **ID-regulated provider** will procure and **publicly disclose** a report under clause 2.5.4 for the subsequent **disclosure year**; and
 - (2) procure and **publicly disclose** a report from an **independent appraiser**, prepared in accordance with clause 2.5.4, at the same time the **ID-regulated**

provider publicly discloses audited disclosure information for the subsequent **disclosure year**.

2.5.4 For the purpose of clauses 2.5.2 and 2.5.3, a report prepared by an **independent appraiser** must—

- (1) be addressed to the **directors** of the **ID-regulated provider** and to the **Commission** as the intended users of the report;
- (2) be a separate report from the **independent auditor's** assurance report prepared in accordance with clause 2.5.1;
- (3) state—
 - (a) whether, in the **independent appraiser's** opinion based on the information obtained, a sampling of **related party transactions**, and analysis undertaken, the **ID-regulated provider's related party transactions** would comply, in all material respects, with clause 2.3.18 of this determination and clauses 2.2.13(3)(g) and 2.2.15 of the **IM determination**;
 - (b) the grounds for the **independent appraiser's** opinion under paragraph (a); and
 - (c) if the **independent appraiser's** opinion under paragraph (a) is that the **ID-regulated provider's related party transactions** would not comply with clause 2.3.18 of this determination or clauses 2.2.13(3)(g) and 2.2.15 of the **IM determination**; the alternative terms the **independent appraiser** considers could enable the **related party transactions** to comply;
- (4) set out the **independent appraiser's** qualifications underpinning the opinion in the report;
- (5) set out the scope and any limitations of the **ID-regulated provider's** engagement of the **independent appraiser**;
- (6) state the **independent appraiser's** key assumptions on which the analysis in the report relies;
- (7) describe the basis used for sampling **related party transactions** to inform the opinion in the report;
- (8) describe the steps and analysis undertaken in preparing the report;

- (9) summarise the steps the **ID-regulated provider** has taken to test whether **related party transactions** comply with clause 2.3.18 of this determination and clauses 2.2.13(3)(g) and 2.2.15 of the **IM determination**;
- (10) state whether, in the opinion of the **independent appraiser**, the steps taken by the **ID-regulated provider** specified in subclause (9) are, in all material respects, reasonable in the circumstances; and
- (11) state whether the **independent appraiser** has obtained the recorded information and explanations that they required and, if not, the nature of the information and explanations not able to be obtained.

2.5.5 An **ID-regulated provider** may elect not to procure and **publicly disclose** a report under clause 2.5.2 or clause 2.5.3(2) in respect of a **disclosure year** if,—

- (1) for that **disclosure year**, the proportion of either the **ID-regulated provider's** total **capital expenditure** or total **operational expenditure** accounted for by **related party transactions** involving a procurement from a **related party** has not increased by more than 5% from the **disclosure year** for which the **ID-regulated provider** most recently procured and **publicly disclosed** a report under clause 2.5.2 or clause 2.5.3(2); and
- (2) the **ID-regulated provider** has **publicly disclosed** a report for at least one of the two previous **disclosure years** under clause 2.5.2 or 2.5.3(2).

2.5.6 Subject to clause 2.5.6, if an **ID-regulated provider** **publicly discloses** information under clause 2.9.1 or 2.9.2 and the **ID-regulated provider** was required to procure an assurance report under clause 2.5.1(1) for the **original disclosure**, the **ID-regulated provider** must procure and **publicly disclose** an assurance report in respect of the information disclosed under clause 2.9.1 or 2.9.2 to the same standard of the assurance report procured for the **original disclosure**.

2.5.7 In applying clause 2.5.7, the assurance required for **indirectly affected data and statements** disclosures is whether the disclosed **error** has been corrected and subsequently correctly reflected in the revised **indirectly affected data and statements**.

2.6 CERTIFICATES

2.6.1 If an **ID-regulated provider** is required to **publicly disclose** any information under any of clauses 2.3.3, 2.3.9, and 2.4.4, the **ID-regulated provider** must, at the time it is required to **publicly disclose** the relevant information, **publicly disclose** a certificate

in the form set out in Schedule 17 in respect of that information, duly signed by 2 **directors** of the **ID-regulated provider**.

- 2.6.2 If the **ID-regulated provider** is required to **publicly disclose**, or provide to the **Commission**, any information under any of clauses 2.3.1, 2.3.2, 2.3.5, 2.3.6, 2.3.8, 2.3.10, and 2.4.1, the **ID-regulated provider** must, at the time it is required to **publicly disclose** the relevant information, **publicly disclose** a certificate in the form set out in Schedule 18 in respect of that information, duly signed by 2 **directors** of the **ID-regulated provider**.
- 2.6.3 Subject to clause 2.6.4, if an **ID-regulated provider** **publicly discloses** information under clause 2.9.1 or 2.9.2, the **ID-regulated provider** must **publicly disclose** a certificate under clause 2.9.1 or 2.9.2 to the standard of the certificate disclosed with the **original disclosure**.
- 2.6.4 In applying clause 2.6.3, the certification required for **indirectly affected data and statements** disclosures is whether the disclosed **error** has been corrected and subsequently correctly reflected in the revised **indirectly affected data and statements**.

2.7 RETENTION AND CONTINUING DISCLOSURES

- 2.7.1 An **ID-regulated provider** that is required by this determination to **publicly disclose** any information must retain, and continuously **publicly disclose**, that information for at least 7 years from the date that information is first required to be **publicly disclosed**.

2.8 EXEMPTIONS

- 2.8.1 The **Commission** may by written notice to an **ID-regulated provider**—

- (1) exempt the **ID-regulated provider** from any requirement of this determination, for a period and on such terms and conditions as the **Commission** specifies in the notice; and
- (2) amend or revoke any such exemption.

2.9 DISCLOSURE OF ERRORS IN PREVIOUSLY DISCLOSED INFORMATION

- 2.9.1 No later than 7 months after identifying a material **error**, an **ID-regulated provider** must:

- (1) **publicly disclose**—

- (a) a description of the **error** including the quantum of the **error** and a summary of the disclosures, data, and statements affected by the **error**;
 - (b) the reason(s) for the **error**;
 - (c) the data and statements from the **original disclosure** affected by the **error**;
 - (d) in a manner consistent with this determination, including any amendments in effect at the time of the **original disclosure**, correct revised data or statements affected by the **error**;
 - (e) a certificate in accordance with clause 2.6.3; and
 - (f) where applicable, an assurance report in accordance with clause 2.5.6;
- (2) disclose the information outlined in subclause (1) when **publicly disclosing** the **original disclosure** in accordance with clause 2.7.1.
- 2.9.2 If an **ID-regulated provider** identifies a non-material **error**, the **ID-regulated provider** may, within 7 months of identifying the non-material **error**, **publicly disclose** it in accordance with clause 2.9.1.
- 2.9.3 Information disclosed in accordance with this determination that refers to or relies on information contained in a previous disclosure must be consistent with the previous disclosure, unless an **error** disclosure related to that information has been made in accordance with clause 2.9.1 or 2.9.2.
- 2.9.4 Information disclosed after an **error** disclosure is made in accordance with clause 2.9.1 or 2.9.2 must be consistent with the **error** disclosure made in accordance with clause 2.9.1 or 2.9.2.

PART 3 SCHEDULES TO BE INCLUDED

[For Schedules 1-13, 19-20 and 24-25, see Microsoft Excel workbooks of schedules titled “[...]” published on [insert date], available at www.comcom.govt.nz/regulated-industries....]

Company name: _____

For disclosure-year ended: _____

Schedule 14: Mandatory Explanatory Notes (Chorus)

In this Schedule, clause references are to the Fibre Information Disclosure Determination 2021.

1. This Schedule requires Chorus to provide explanatory notes to information provided in accordance with clauses 2.3.1, 2.3.3, 2.3.23, 2.4.2, and 2.4.3.
2. This Schedule is mandatory: Chorus must provide the explanatory comments specified below, in accordance with clause 2.4.1. Information provided in boxes 1 to 11 of this Schedule is part of audited disclosure information, and so is subject to the assurance requirements specified in clause 2.5.
3. Schedule 15 (Voluntary Explanatory Notes to Schedules) provides for Chorus to give additional explanation of disclosed information should they elect to do so.

Return on Investment (Schedule 1, 1a, 1b)

4. In the box below, comment on return on investment as disclosed in Schedule 1. This comment must include information on reclassified items in accordance with clause 2.4.3.

Box 1: Explanatory comment on return on investment

[Insert text here]

Regulatory Profit (Schedule 2)

5. In the box below, comment on regulatory profit for the disclosure year as disclosed in Schedule 2. This comment must include-
 - 5.1 a description of material items included in other regulated income (other than gains / (losses) on asset disposals), as disclosed in row 2(i) of Schedule 2
 - 5.2 information on reclassified items in accordance with clause 2.4.3.

Box 2: Explanatory comment on regulatory profit

[Insert text here]

Merger and acquisition expenses (2(iii) of Schedule 2)

6. If **Chorus** incurred merger and acquisitions expenditure during the disclosure year, provide the following information in the box below-
 - 6.1 information on reclassified items in accordance with clause 2.4.3
 - 6.2 any other commentary on the benefits of the merger and acquisition expenditure to **Chorus**.

Box 3: Explanatory comment on merger and acquisition expenditure

[Insert text here]

Value of the Regulatory Asset Base (Schedule 4, 4b, 4c)

7. In the box below, comment on the value of the regulatory asset base (rolled forward) in Schedule 4. This comment must include information on reclassified items in accordance with clause 2.4.3.
8. Describe an alternative method of depreciation and reason for adopting alternative method.
9. Describe the methodology used for the allocation of Works Under Construction.

Box 4: Explanatory comment on the value of the regulatory asset based (rolled forward)

[Insert text here]

Regulatory tax allowance: disclosure of permanent differences (3a(i) of Schedule 3)

10. In the box below, provide descriptions and workings of the material permanent differences included in the following items, as recorded in the asterisked categories in 3a(i) of Schedule 3:
 - 10.1 Income not included in regulatory profit / (loss) before tax but taxable
 - 10.2 Expenditure or loss in regulatory profit / (loss) before tax but not deductible

10.3 Income included in regulatory profit / (loss) before tax but not taxable

10.4 Expenditure or loss deductible but not in regulatory profit / (loss) before tax

Box 5: Regulatory tax allowance: permanent differences

[Insert text here]

Regulatory tax allowance: disclosure of temporary differences (3a(i) of Schedule 3)

11. In the box below, provide descriptions and workings of the material temporary differences included in the following items, as recorded in the asterisked categories in 3a(i) of Schedule 3:

11.1 Income not included in regulatory profit / (loss) before tax but taxable

11.2 Expenditure or loss in regulatory profit / (loss) before tax but not deductible

11.3 Income included in regulatory profit / (loss) before tax but not taxable

11.4 Expenditure or loss deductible but not in regulatory profit / (loss) before tax

Box 6: Temporary differences

[Insert text here]

Cost allocation (Schedule 5a)

12. In the box below, comment on cost allocation as disclosed in Schedule 5a. This comment must include information on reclassified items in accordance with clause 2.4.3.

Box 7: Cost allocation

[Insert text here]

Asset allocation (Schedule 4a)

13. In the box below, comment on asset allocation as disclosed in Schedule 4a. This comment must include information on reclassified items in accordance with clause 2.4.3.

Box 8: Commentary on asset allocation

[Insert text here]

Operational Expenditure for the Disclosure Year (Schedule 5)

14. In the boxes below, comment on operational expenditure for the disclosure year, as disclosed in Schedule 5. This comment must include-
 - 14.1 Commentary on assets replaced or renewed with network maintenance and operations expenditure, as reported in 5(i) of Schedule 5;
 - 14.2 Information on reclassified items in accordance with clause 2.4.3;
 - 14.3 Commentary on any material atypical expenditure included in operational expenditure disclosed in Schedule 5, including the value of the expenditure, the purpose of the expenditure, and the operational expenditure categories the expenditure relates to.
 - 14.4 innovations made with research and development opex that have deferred the need for asset replacement.

15. Details of any insurance cover for the assets used to provide FFAS services, including-
 - 15.1.1 The regulated provider's approaches and practices in regard to the insurance of assets used to provide electricity distribution services, including the level of insurance;
 - 15.1.2 In respect of any self-insurance, the level of reserves, details of how reserves are managed and invested, and details of any reinsurance.

Box 9: Explanation of operational expenditure for the disclosure year

[Insert text here]

Box 10: Explanation of insurance cover

[Insert text here]

Capital Expenditure for the Disclosure Year (Schedule 6)

16. In the box below, comment on expenditure on assets for the disclosure year, as disclosed in Schedule 6. This comment must include-
- 16.1 a description of the materiality threshold applied to identify material projects and programmes described in Schedule 6;
 - 16.2 information on reclassified items in accordance with clause 2.4.3;
 - 16.3 Information on how the expenditure has tracked to plan in delivering the approved projects and programmes of work;
 - 16.4 Descriptions of strategies to correct course in areas where delivery is not going to plan;
 - 16.5 Information on the link between the expenditure on material projects and programmes and
 - (a) operating costs, and;
 - (b) network quality performance (availability and utilisation).
 - 16.6 Innovations made with capex in the disclosure year that have deferred the need for asset replacement.

Box 11: Explanation of capital expenditure for the disclosure year

[Insert text here]

Variance between forecast and actual expenditure (Schedule 7)

17. In the box below, comment on variance in actual to forecast expenditure for the disclosure year, as reported in Schedule 7. This comment must include information on reclassified items in accordance with clause 2.4.3.

Box 12: Explanatory comment on variance in actual to forecast expenditure

[Insert text here]

18. In the boxes below provide-

18.1 explanatory comment on reasons for any material differences between target operating revenue and total actual operating revenue

18.2 explanatory comment on reasons for any material differences between target connection volumes and actual connection volumes

Box 13: Explanatory comment relating to variances between target and actual operating revenue for the disclosure year

[Insert text here]

Box 14: Explanatory comment relating to variances between target and actual connection volumes for the disclosure year

[Insert text here]

Consolidation statement for the Disclosure Year (Schedule 8)

19. In the box below, comment on regulatory/GAAP adjustments for the disclosure year, as disclosed in Schedule 8. This comment must include:

19.1 reasons why the adjustment is required; and

19.2 relevant GAAP and IM determination or ID determination references.

Box 15: Explanatory comment relating to regulatory/GAAP adjustments for the disclosure year

[Insert text here]

Amendments to previously disclosed information

20. In the box below, provide information about amendments to previously disclosed information disclosed in accordance with clause 2.9.1 in the last 7 years, including:

- 20.1 a description of each error; and
- 20.2 for each error, reference to the web address where the disclosure made in accordance with clause 2.9.1 is publicly disclosed.

Box 16: Disclosure of amendment to previously disclosed information

[Insert text here]

Schedule 14a: Mandatory Explanatory Notes (ID-only Regulated Provider)

Company name: _____

For disclosure-year ended: _____

In this Schedule, clause references are to the Fibre Information Disclosure Determination 2021.

1. This Schedule requires each ID-regulated provider to provide explanatory notes to information provided in accordance with clauses 2.3.6, 2.3.9, 2.3.23, 2.4.2, and 2.4.3.
2. This Schedule is mandatory: each ID-regulated provider must provide the explanatory comment specified below, in accordance with clause 2.4.1. Information provided in boxes 1 to 11 of this schedule is part of the audited disclosure information, and so is subject to the assurance requirements specified in clause 2.5.
3. Schedule 15 (Voluntary Explanatory Notes to Schedules) provides for ID-regulated providers to give additional explanation of disclosed information should they elect to do so.

Return on Investment (Schedule 1)

4. In the box below, comment on return on investment as disclosed in Schedule 1. This comment must include information on reclassified items in accordance with clause 2.4.3.

Box 1: Explanatory comment on return on investment

[Insert text here]

Regulatory Profit (Schedule 2)

5. In the box below, comment on regulatory profit for the disclosure year as disclosed in Schedule 2. This comment must include-
 - 5.1 a description of material items included in other regulated income (other than gains / (losses) on asset disposals), as disclosed in 2(i) of Schedule 2
 - 5.2 information on reclassified items in accordance with clause 2.4.3.

Box 2: Explanatory comment on regulatory profit

[Insert text here]

Merger and acquisition expenses (2(iii) of Schedule 2)

6. If the regulated provider incurred merger and acquisitions expenditure during the disclosure year, provide the following information in the box below-
 - 6.1 information on reclassified items in accordance with clause 2.4.3
 - 6.2 any other commentary on the benefits of the merger and acquisition expenditure to the ID-regulated provider.

Box 3: Explanatory comment on merger and acquisition expenditure

[Insert text here]

Value of the Regulatory Asset Base (Schedule 4)

7. In the box below, comment on the value of the regulatory asset base (rolled forward) in Schedule 4. This comment must include information on reclassified items in accordance with clause 2.4.3.
8. Describe an alternative method of depreciation and reason for adopting alternative method.
9. Describe the methodology used for the allocation of works under construction.

Box 4: Explanatory comment on the value of the regulatory asset based (rolled forward)

[Insert text here]

Regulatory tax allowance: disclosure of permanent differences (3a(i) of Schedule 3)

10. In the box below, provide descriptions and workings of the material permanent differences included in the following items, as recorded in the asterisked categories in 3a(i) of Schedule 3:
 - 10.1 Income not included in regulatory profit / (loss) before tax but taxable
 - 10.2 Expenditure or loss in regulatory profit / (loss) before tax but not deductible

10.3 Income included in regulatory profit / (loss) before tax but not taxable

10.4 Expenditure or loss deductible but not in regulatory profit / (loss) before tax

Box 5: Regulatory tax allowance: permanent differences

[Insert text here]

Regulatory tax allowance: disclosure of temporary differences (3a(i) of Schedule 3)

11. In the box below, provide descriptions and workings of the material temporary differences included in the following items, as recorded in the asterisked categories in 3a(i) of Schedule 3:

11.1 Income not included in regulatory profit / (loss) before tax but taxable

11.2 Expenditure or loss in regulatory profit / (loss) before tax but not deductible

11.3 Income included in regulatory profit / (loss) before tax but not taxable

11.4 Expenditure or loss deductible but not in regulatory profit / (loss) before tax

Box 6: Temporary differences

[Insert text here]

Cost allocation (Schedule 5a)

12. In the box below, comment on cost allocation as disclosed in Schedule 5a. This comment must include information on reclassified items in accordance with clause 2.4.3.

Box 7: Cost allocation

[Insert text here]

Asset allocation (Schedule 4a)

13. In the box below, comment on asset allocation as disclosed in Schedule 4a. This comment must include information on reclassified items in accordance with clause 2.4.3.

Box 8: Commentary on asset allocation

[Insert text here]

Operational Expenditure for the Disclosure Year (Schedule 5)

14. In the boxes below, comment on operational expenditure for the disclosure year, as disclosed in Schedule 5. This comment must include-
 - 14.1 Commentary on assets replaced or renewed with network maintenance and operations expenditure, as reported in 5(i) of Schedule 5;
 - 14.2 Information on reclassified items in accordance with clause 2.4.3;
 - 14.3 Commentary on any material atypical expenditure included in operational expenditure disclosed in Schedule 5, including the value of the expenditure the purpose of the expenditure, and the operational expenditure categories the expenditure relates to.
 - 14.4 innovations made with research and development opex that have deferred the need for asset replacement.

15. Details of any insurance cover for the assets used to provide FFAS services, including-
 - 15.1.1 The regulated provider's approaches and practices in regard to the insurance of assets used to provide electricity distribution services, including the level of insurance;
 - 15.1.2 In respect of any self-insurance, the level of reserves, details of how reserves are managed and invested, and details of any reinsurance.

Box 9: Explanation of operational expenditure for the disclosure year

[Insert text here]

Box 10: Explanation of insurance cover

[Insert text here]

Capital Expenditure for the Disclosure Year (Schedule 6)

16. In the box below, comment on expenditure on assets for the disclosure year, as disclosed in Schedule 6. This comment must include-
- 16.1 a description of the materiality threshold applied to identify material projects and programmes described in Schedule 6;
 - 16.2 information on reclassified items in accordance with clause 2.4.3;
 - 16.3 Information on how the expenditure has tracked to plan in delivering the approved projects and programmes of work;
 - 16.4 Descriptions of strategies to correct course in areas where delivery is not going to plan;
 - 16.5 Information on the link between the expenditure on material projects and programmes and
 - (a) operating costs, and;
 - (b) network quality performance (availability and utilisation).
 - 16.6 Innovations made with capex in the disclosure year that have deferred the need for asset replacement.

Box 11: Explanation of capital expenditure for the disclosure year

[Insert text here]

Variance between forecast and actual expenditure (Schedule 7)

17. In the box below, comment on variance in actual to forecast expenditure for the disclosure year, as reported in Schedule 7. This comment must include information on reclassified items in accordance with clause 2.4.3.

Box 12: Explanatory comment on variance in actual to forecast expenditure

[Insert text here]

18. In the boxes below provide-

18.1 explanatory comment on reasons for any material differences between target operating revenue and total actual operating revenue

18.2 explanatory comment on reasons for any material differences between target connection volumes and actual connection volumes

Box 13: Explanatory comment relating to variances between target and actual operating revenue for the disclosure year

[Insert text here]

Box 14: Explanatory comment relating to variances between target and actual connection volumes for the disclosure year

[Insert text here]

Consolidation statement for the Disclosure Year (Schedule 8)

19. In the box below, comment on regulatory/GAAP adjustments for the disclosure year, as disclosed in Schedule 8. This comment must include:

19.1 reasons why the adjustment is required: and

19.2 relevant GAAP and IM determination or ID determination references.

Box 15: Explanatory comment relating to regulatory/GAAP adjustments for the disclosure year

[Insert text here]

Amendments to previously disclosed information

20. In the box below, provide information about amendments to previously disclosed information disclosed in accordance with clause 2.9.1 in the last 7 years, including:

- 20.1 a description of each error; and
- 20.2 for each error, reference to the web address where the disclosure made in accordance with clause 2.9.1 is publicly disclosed.

Box 16: Disclosure of amendment to previously disclosed information

[Insert text here]

Company Name _____

For Year Ended _____

Schedule 14b: Mandatory Explanatory Notes on Forecast Information

In this Schedule, clause references are to the Fibre Information Disclosure Determination 2021.

1. This Schedule requires each ID-regulated provider to provide explanatory notes to reports prepared in accordance with clause 2.6.6.
2. This Schedule is mandatory: each ID-regulated provider must provide the explanatory comment specified below, in accordance with clause 2.4.4. This information is not part of the audited disclosure information, and so is not subject to the assurance requirements specified in clause 2.5.

Commentary on difference between nominal and constant price capital expenditure forecasts (Schedule 11a)

3. In the box below, comment on the difference between nominal and constant price capital expenditure for the current disclosure year and 5-year planning period, as disclosed in Schedule 11a.

Box 1: Commentary on difference between nominal and constant price capital expenditure forecasts
[Insert text here]

Commentary on difference between nominal and constant price operational expenditure forecasts (Schedule 11b)

4. In the box below, comment on the difference between nominal and constant price operational expenditure for the current disclosure year and 5-year planning period, as disclosed in Schedule 11b.

Box 2: Commentary on difference between nominal and constant price operational expenditure forecasts
[Insert text here]

5. In the boxes below provide information on the link between the forecast expenditure relating to material projects and programmes in Schedule S11a and:
 - (a) forecast operational expenditure in S11b, and;
 - (b) network quality performance (availability and utilisation).

Box 3a: Commentary on link between the forecast expenditure relating to material projects and programmes in Schedule S11a and forecast operational expenditure in S11b

[Insert text here]

Box 3b: Commentary on link between the forecast expenditure relating to material projects and programmes in Schedule S11a and network quality performance

[Insert text here]

6. In the box below provide information on the extent to which forecast expenditure is in respect of innovations that will improve efficiencies within the network

Box 4: Commentary on the extent to which forecast expenditure is in respect of innovations that will improve efficiencies within the network

[Insert text here]

Schedule 15: Voluntary Explanatory Notes

Company name: _____

For disclosure-year ended: _____

In this Schedule, clause references are to the Fibre Information Disclosure Determination 2021.

1. This Schedule enables ID-regulated providers to provide, should they wish to,—
 - 1.1 additional explanatory comment to reports prepared in accordance with clauses 2.3.1, 2.4.21, 2.4.22, 2.5.1 and 2.5.2.
 - 1.2 information on any substantial changes to information disclosed in relation to a prior disclosure year, as a result of final wash-ups.
2. Information in this Schedule is not part of the audited disclosure information, and so is not subject to the assurance requirements specified in clause 2.5.
3. Provide additional explanatory comment in the box below.

Box 1: Voluntary explanatory comment on disclosed information

[Insert text below]

Schedule 16: Financial and Asset Management Report Definitions

Term	Definition
% fill (lit fibres)	means the percentage of total fibres that are lit;
% forecast to be replaced in next 5 years	means the percentage of an asset class by unit for which replacement expenditure has been forecast in the Report on Forecast Capital Expenditure set out in Schedule 11a;
% variance	means: <p style="text-align: center;"> $q = \frac{a - b}{b} \times 100$ </p> <p>where: a = actual expenditure b = forecast expenditure;</p>
access	means relating to access network activities;
access network	means a network that enables end-user connections to the fibre network and includes ONTs, OLTs , and 'Element Management Platform' software which manages network configuration and alarms;
access site	means a site used to host equipment which connects end-users to the network;
adjusted depreciation	means total depreciation for all assets calculated as if no amount of revaluation had been included in the calculation of any opening RAB value following the determination of the initial RAB , where any remaining asset lives used in the calculation must be consistent with the remaining asset lives used for calculating total depreciation ;
adjustment resulting from asset allocation	means: <p>(a) in relation to works under construction, the change in works under construction resulting from a change in asset allocation assumptions for assets included in works under construction, where increases in the value of works under construction are positive and decreases are negative;</p> <p>(b) in relation to the regulatory tax asset base, the change in sum of regulatory tax asset values resulting from a change in asset allocation assumptions for assets included in the sum of regulatory tax asset values, where increases in the value of the sum of regulatory tax asset values are positive and decreases are negative; and</p>

	<p>(c) in all other instances, the value of q calculated using the following formula:</p> $q = a - (b - c + d + e - f - g)$ <p>where:</p> <p>a = total closing RAB value b = total opening RAB value c = total depreciation d = total revaluations e = assets commissioned f = asset disposals g = adjustment to financial loss asset due to deregulation, if applicable.</p> <p>The formula must be calculated using component values that relate to the RAB. These component values are the values that result from the application of clause 2.1.1 or 2.1.2 (as applicable) of the IM determination;</p>
adjustment to financial loss asset due to deregulation	has the meaning given to ‘deregulation adjustment’ under the IM determination ;
aggregate maximum peak demand across all ports by POI area	means the sum of maximum peak demand across all ports by POI area measured in respect of each POI area on the busiest day of the relevant disclosure year ;
aggregation	means relating to aggregation network activities;
aggregation network	means a network that links access networks to RSP POI , and consists of switches (rack-mounted equipment with interface cards) and the links between them;
all other projects or programmes	means, within an expenditure category, the total value of projects and programmes that are not material projects or programmes ;
annual benefit of crown financing	means in respect of- (a) forecast annual benefit of Crown financing , the result of applying clause 3.5.11 in the IM determination ; and (b) actual annual benefit of Crown financing , the result of applying clause 2.4.10 or 2.4.11 (as applicable) in the IM determination ;
annual benefit of crown financing wash-up amount	means the forecast annual benefit of Crown financing less the actual annual benefit of Crown financing ;
asset allocation adjustment	means an adjustment arising from the asset value allocation process specified in clause 2.1.1 or 2.1.2 (as applicable) of the IM determination ;

asset category or assets with changes to depreciation	means a description of an asset or a group of assets for which- (a) the regulated provider has changed the asset’s depreciation profile; (b) the asset was commissioned during the relevant disclosure year , and the asset’s depreciation profile was changed or set in accordance with a PQ determination ; or (c) the asset is a composite asset and at least one of the paragraphs (a) to (b) applies to one of its constituent assets;
asset category transfer	means the value of an asset transferred between asset categories;
asset condition at start of planning period (percentage of units by grade)	means the proportion of assets in each asset class assessed against the asset condition categories (H1 to H5) reflecting the likelihood of short, medium or longer-term intervention, applying criteria for intervention developed by each regulated provider ;
asset disposals	means- (a) in relation to the unallocated RAB , the sum of unallocated opening RAB value less depreciation of disposed assets, as determined under clause 3.3.1 of the IM determination ; and (b) in relation to the RAB , the value (as determined in accordance with paragraph (a)) allocated to regulated FFLAS in accordance with clause 2.1.1 or 2.1.2 (as applicable) of the IM determination ;
asset management	means activities such as strategic planning, investment management and technology operations for the fibre network and supporting IT systems, and activities such as programme management, contract management, property operations, consent acquisition, network scoping, health, safety and environment, and process optimisation;
asset value	has the meaning given in the IM determination ;
assets acquired from a regulated provider	means- (a) in relation to the unallocated RAB , the sum of asset values acquired from another regulated provider as determined in accordance with clause 2.2.13(3)(e) of the IM determination ; and (b) in relation to the RAB , the asset values (as determined in accordance with paragraph (a)) allocated to regulated FFLAS in accordance with clause 2.1.1 or 2.1.2 (as applicable) of the IM determination ;
assets acquired from a related party	means- (a) in relation to the unallocated RAB , the sum of asset values acquired from a related party as determined in accordance with clauses 2.2.15 of the IM determination ; and (b) in relation to the RAB , the sum of asset values (as determined in accordance with paragraph (a)) allocated to regulated

	FFLAS in accordance with clause 2.1.1 or 2.1.2 (as applicable) of the IM determination ;
assets commissioned	means assets (other than assets acquired from a regulated provider or assets acquired from a related party) that have been commissioned ;
attribution rate	means: $q = \frac{a \times b}{c}$ where: a = average opening and closing RAB value b = a leverage rate of 42% c = total book value of interest-bearing debt ;
atypical expenditure	means expenditure on a non-network asset that is 'one-off' or 'exceptional';
augmentation	means creating a new address within the existing footprint of a network (infill) and extension work to extend coverage to communities outside the UFB contracts ;
average demand by poi area (gigabits per second)	means the average of peak demand measurements in gigabits per second for each POI area for the busiest day of the disclosure year ;
average opening and closing RAB values	means; $q = \frac{a+b}{2}$ where: a = total opening RAB value b = total closing RAB value
average speed (bits per second)	means the sum of connection speeds divided by the number of connections;
average throughput per user (bits per second)	means the system peak throughput divided by the number of connections;
book value	means- (a) in relation to the issue date, the book value in New Zealand dollars of a qualifying debt or non-qualifying debt on the issue date; and (b) in relation to the date of financial statements, the book value in New Zealand dollars of a qualifying debt or non-qualifying debt as at the end of the period of the regulated provider's latest general-purpose financial statements;
business IT	means systems and applications across IT domains that support business activities;
capital contribution	has the meaning given in the IM determination ;
capital expenditure	means-

	<p>(a) in relation to the unallocated works under construction, costs-</p> <p>(i) incurred in the acquisition or development of an asset during the disclosure year that it is, or is intended to be, commissioned; and</p> <p>(ii) that are included or are intended to be included in the value of assets commissioned relating to the unallocated RAB;</p> <p>(b) in relation to the Report on related party transactions, costs-</p> <p>(i) incurred in the acquisition or development of an asset during the disclosure year that is, or is intended to be, commissioned; and</p> <p>(ii) that are included or are intended to be included in the value of assets commissioned relating to the RAB; and</p> <p>(iii) that result from one or more related party transactions;</p> <p>(c) in all other instances, means ‘capital expenditure’ as defined in the IM determination;</p>
catastrophic event	has the meaning given in the IM determination ;
catastrophic event allowance	means an allowance in relation to a catastrophic event ;
change in asset value allocation	means change in asset value due to a change in allocator value ;
change in cost allocation	means change in cost value due to a change in allocator value ;
closing RAB value	has the applicable meaning given in the IM determination ;
closing sum of regulatory tax asset values	means the sum of regulatory tax asset values for assets that have a value included in total closing RAB value plus the regulatory tax asset values of assets referred to in clause 2.3.2(4)(b) of the IM determination ;
closing tax losses	has the meaning given in clause 2.3.3(4) of the IM determination ;
commission	means the Commerce Commission;
company - GAAP	means the sum of total regulated FFLAS-GAAP and unregulated activities - GAAP ;
complex installation	means the design and build of an installation for specific business requirements;
connection capex variable adjustment	has the meaning given in the IM determination ;
connection revenue	means the one-off amounts payable by an RSP to an ID regulated provider for the provisioning of regulated FFLAS ;
connection volumes – opening	means the number of revenue-generating regulated FFLAS connections at the beginning of a disclosure year ;
connections volumes – closing	means the number of revenue-generating regulated FFLAS connections at the end of a disclosure year ;

core site	means a site that concentrates traffic from multiple mesh sites , houses large-capacity switches and equipment for national transport, and can serve up to 250,000 customers;
corporate capex	means sundry business capital expenditure in relation to corporate functional units;
corporate opex	means sundry business operating expenditure in relation to corporate functional units including accommodation, insurance, and professional services;
corporate tax rate	has the meaning given in the IM determination ;
cost of debt assumption	means the sum of the risk-free rate, average debt premium estimates, and debt issuance costs, as published by the Commission in accordance with clause 2.4.1 of the IM determination for each disclosure year ;
cost of financing	means the borrowing costs under GAAP incurred by an ID regulated provider accumulated during the construction phase of a project that creates a new network asset , determined in accordance with clause 2.2.13(4) of the IM determination and allocated to regulated FFLAS in accordance with clause 2.1.1 or 2.1.2 (as applicable) of the IM determination ;
coupon rate (%)	means- <ul style="list-style-type: none"> (a) where the information is available publicly, the nominal coupon rate of interest of a qualifying debt on the issue date; and (b) where the nominal coupon rate of interest of a qualifying debt on the issue date is not available publicly, either the nominal coupon rate of interest or the basis for determining the nominal coupon rate of interest of a qualifying debt on the issue date;
CPI_T	has the meaning given in clause 2.2.11(4) of the IM determination ;
CPI_{T-1}	has the meaning given in clause 2.2.11(4) of the IM determination ;
customer operations opex	means operating expenditure in relation to the teams that connect consumers by managing installations and provisioning network services including higher-volume demand-driven activity (such as call centres), lower-volume demand driven activity (such as coordinating complex installations and multi-unit extensions) and project work (such as managed migrations programmes);
debt issue cost re-adjustment	has the meaning in 2.4.8(4) of the IM determination ;
depreciation	has the meaning given in the IM determination ;
depreciation - alternative method	means- <ul style="list-style-type: none"> (a) in relation to the unallocated RAB, the sum of unallocated depreciation calculated under any other method in accordance with clause 2.2.7 or 2.2.8 (as applicable) of the IM determination; and

	(b) in relation to the RAB, depreciation calculated under any other method in accordance with clause 2.2.7 or 2.2.8 (as applicable) of the IM determination ;
depreciation temporary differences	means adjusted depreciation less tax depreciation ;
dispute resolution scheme levy	has the meaning in clause 3.1.2(1)(d) of the IM determination ;
excluding revenue earned from wash-ups	means excluding revenue from any wash-up amount ;
expenditure	means operating expenditure plus pass-through costs ;
expenditure on assets	means the expenditure relating to costs included, or expected to be included, in a closing RAB value and is equal to capital expenditure plus value of capital contributions less cost of financing , where capital expenditure has either the meaning under paragraph (c), or, in respect of related party transactions , the meaning under paragraph (b), as defined above for the purpose of the relevant Schedules to this definition;
expenditure or loss deductible but not in regulatory profit / (loss) before tax	means expenditure or loss deductible under tax rules but not as regulatory profit / (loss) before tax ;
fibre flexibility point (FFP)	means an enclosure which provides a connectivity point between the feeder fibres from the central office to the distribution fibre to premises;
fibre to the node (FTTN)	means fibre network constructed to terminate at an active cabinet;
field sustain	means capital expenditure on physical network assets outside of network sites, such as poles, fibre, and terminators;
finance lease	has the meaning given in the IM determination ;
forecast cost of assets to be replaced in next 5 years \$000	means the value of forecast replacement expenditure for asset class included in a Report on Forecast Capital Expenditure;
gains / (losses) on asset disposals	means, in relation to- (a) an asset disposal to a regulated supplier , nil; (b) an asset disposal to a related party , $q = a - b$ where: a = total sale price of the assets being no less than the value determined under the related party provisions of this determination b = asset disposals ; and

	<p>(c) any other asset disposal, means-</p> $q = a - b$ <p>where:</p> <p>a = total sale price of the assets</p> <p>b = asset disposals</p>
gross term credit spread differential	means the sum of term credit spread difference and debt issue cost readjustment for qualifying debt ;
H1	is an as-new asset condition rating – only normal maintenance required;
H2	is an asset condition rating where the asset has minor defects only, is serviceable, and only requires minor maintenance (5%);
H3	is an asset condition rating where significant maintenance (10-20%) is required to return the asset to an accepted level of service;
H4	is an asset condition rating where renewal is required – significant renewal/upgrade required (20-40%);
H5	is an asset condition rating where the asset is unserviceable – over 50% of asset requires replacement;
handover site	means a site of handover data traffic to RSPs , which occurs in a building with a core or mesh function;
highest rate of capitalised finance applied	means the highest rate of finance used as the cost of financing capitalised in works under construction ;
ID FFLAS-GAAP	means the value of ID FFLAS transactions calculated under GAAP ;
identifiable non-monetary asset	has the meaning given in the IM determination ;
ID-only FFLAS-GAAP	means the value of ID-only FFLAS transactions calculated under GAAP ;
impact of wash-up amounts and other adjustments on the ROI to a vanilla WACC	<p>means-</p> $a - b$ <p>where:</p> <p>a = ROI – comparable to a vanilla WACC</p> <p>b = ROI – comparable to a vanilla WACC – excluding wash-up amounts and other adjustments;</p>
income	has the same meaning as under GAAP ;
income included in regulatory profit / (loss) before tax but not taxable	means income included in regulatory profit / (loss) before tax but not taxable under tax rules ;
installation expenditure	means capital expenditure in relation to standard installations and complex installations ;
insurance expenditure	means expenditure in relation to a ‘contract of insurance’ as defined in the Insurance (Prudential Supervision) Act 2010;
issue date	means the day on which a qualifying debt or non-qualifying debt is issued;
issuing party	means the party issuing the qualifying debt or non-qualifying debt ;

leverage	has the meaning given in the IM determination ;
maintenance	means network operating expenditure relating to reactive work (work to address an issue identified through a fault, alarm or inspection); recoverable work (work for which all or part of the cost can be recovered from another party); and preventative work (routine inspection works, including testing and survey);
market value of asset disposals	means the market value of disposed assets sold or transferred to a related party ;
material project or programme	means a capital expenditure project or programme that has an actual or forecast total expenditure that exceeds 0.1% of the total opening RAB value in relation to the RAB ;
merger and acquisition expenditure	means expenditure related to merger or acquisition activities irrespective of the outcome of the merger or acquisition, but proportionate to the extent the benefits of the merger or acquisition would relate to regulated FFLAS ;
mesh site	means a site that concentrates traffic from multiple access sites and which contains access functions;
mid-point estimate of post-tax WACC	means the 'mid-point estimate of post-tax WACC' for the regulatory period commencing on the first day of the disclosure year determined by the Commission in accordance with clause 2.4.1(2) of the IM determination ;
mid-point estimate of vanilla WACC	means the 'mid-point estimate of vanilla WACC' for the regulatory period commencing on the first day of the disclosure year determined by the Commission in accordance with clause 2.4.1(1) of the IM determination ;
mid-year net cash outflows	means expenditure plus assets commissioned less asset disposals plus tax payments less other regulated income ;
monthly access revenue	means recurring amounts payable by an RSP to a regulated provider for a service under a UFB contract ;
net additional volume	means the additional units added to a layer 1 asset class or layer 2 asset class during the disclosure year ;
net income	means the total regulatory income of the ID regulated provider ;
network & customer IT less capital contributions	means network & customer IT expenditure less capital contributions ;
network expenditure	means operating expenditure on outsourced physical network maintenance activities, physical network operating costs (such as power and leases), and outsourced costs of network and security operating centres;
network operating costs	means costs arising from leases, electricity, security operations, and fire protection and building compliance;
network operations	means operating expenditure in respect of network operations and associated support resources, including management of

	network electronics alarms, technical support and configuration services, and provision of network electronics equipment repair and return;
network opex	means the sum of operating expenditure relating to customer operations, product, sales & marketing, maintenance, network operations, operating costs, and other network costs;
network spares	has the meaning given in the IM determination ;
new allocation	means the operating expenditure or asset values allocated to regulated FFLAS in accordance with a new allocator or line item for each of the relevant disclosure years ;
new property developments	means capital expenditure on work with developers to extend the fibre network into new developments, such as residential subdivisions or office parks;
non-network opex	means the sum of operating expenditure relating to asset management, corporate, and technology costs;
non-qualifying debt	means interest-bearing debt that is not a qualifying debt ;
notional deductible interest	has the meaning given in clauses 2.3.1(7) to 2.3.1(9) of the IM determination ;
number of cabinets with regulated FFLAS fibre connections	means the number of cabinets in a POI area that are used to connect regulated FFLAS ;
number of GPON end-users from co	means the number of GPON end-users in a POI area that are connected directly to the central office (ie, not via a cabinet);
opening RAB value	has the meaning given in the IM determination ;
opening sum of regulatory tax asset values	means the sum of regulatory tax asset values of assets included in the total opening RAB value plus the regulatory tax asset values of assets referred to in clause 2.3.2(4)(b) of the IM determination ;
opening tax losses	has the meaning given in clause 2.3.3(3) of the IM determination ;
opening value of fully depreciated and disposed assets	means- <ul style="list-style-type: none"> (a) in relation to the unallocated RAB; the sum of unallocated RAB included in the total opening RAB values, asset values that are fully depreciated during the disclosure year, and asset disposals; and (b) in relation to the RAB; the sum of asset values included in the total opening RAB values that are fully depreciated during the disclosure year, and asset disposals;
operating revenue	means the total revenue from prices ;
operating surplus / (deficit)	means total regulatory income less operating expenditure less pass-through costs ;
optical fibre distribution frame (OFDF)	means an optical fibre distribution frame installed in the central office to provide connectivity between the regulated provider's active transmission equipment and outside plant network;

optical line terminal (OLT)	means a piece of GPON rack-mounted or terminal card network equipment that terminates many layer 1 fibres from ONUs and is installed in network buildings or roadside cabinets;
optical network terminal (ONT)	means a device that connects an end-user modem to a fibre network ;
optical network unit (ONU)	means a piece of network equipment that terminates a single layer 1 fibre and is located at the end-user premises;
original allocation	means the operating expenditure or asset values allocated to regulated FFLAS in accordance with the allocations and line items made in the previous disclosure year ;
original tenor	means- (a) where the qualifying debt or non-qualifying debt is not issued to a related party, the term of a qualifying debt or non-qualifying debt at the issue date; (b) where the qualifying debt or non-qualifying debt is issued to a related party , the shorter of the- (i) the tenor of the qualifying debt ; or (ii) the period from the qualifying debt's issue date to the earliest date on which its repayment is or may be required;
OSI model	has the meaning given in s 155ZS of the Act ;
other adjustments to the RAB tax value	means: $q = a - (b + c - d - e + f)$ where: a = closing sum of regulatory tax asset values b = opening sum of regulatory tax asset values c = regulatory tax asset value of assets commissioned d = regulatory tax asset value of asset disposals e = tax depreciation f = adjustment resulting from asset allocation g =
other network asset	In respect of schedules 4, 4a and 4b means a network asset used by the regulated provider to provide regulated FFLAS that is not a Layer 1 asset or a layer 2 asset or network land and buildings;
other network costs	means costs that relate to network opex which are not included in: (a) customer operations ; (b) product, sales & marketing ; (c) maintenance ; (d) network operations ; and (e) network operating costs ;
other non-network asset	means an asset that is necessary for the operation of the network but which is not a layer 1 asset, layer 2 asset, or network land and building asset;

other product-specific revenue	means any other revenues relating to a specific regulated FFLAS not captured in the connection revenue and monthly access revenue categories;
other regulated income	means income associated with the provision of regulated FFLAS , including gains and losses on disposed assets, but excluding- (a) operating revenue ; (b) investment-related income; or (c) vested assets .
other regulated income (other than gains / (losses) on asset disposals)	means other regulated income excluding gains / (losses) on asset disposals ;
other related party transactions	means the value of related party transactions that are not disclosed as total regulatory income, operating expenditure, capital expenditure, or market value of asset disposals ;
other reopener event-allowance	means a reopener event allowance specified in a PQ determination other than a catastrophic event allowance ;
other wash-up amount	means any wash-up amount specified by the Commission in a PQ determination that is not listed in the definition of ' wash-up amounts and other adjustments ' below;
P2P	means a point-to-point connection between two communication endpoints or nodes;
pass-through costs	has the meaning specified in clause 3.1.2 of the IM determination ;
permanent differences	means the sum of- (a) income- treated as taxable if tax rules were applied to determine income tax payable in respect of the regulated provider's provision of regulated FFLAS ; and not included as amounts of income in determining regulatory profit / (loss) before tax ; and (b) expenditure or loss- (i) included as amounts of expenditure or loss in determining regulatory profit / (loss) before tax ; and (ii) not treated as deductions were the tax rules applied to determine income tax payable in respect of the regulated provider's provision of regulated FFLAS ;
PQ determination	means a price-quality path determination under s 170 of the Act ;
PQ FFLAS-GAAP	means the value of PQ FFLAS transactions calculated under GAAP ;
premises passed	means when a fibre network bypasses a premises with communal infrastructure and is capable of connection from the nearest point to the private boundary or nearest pole;
price	means an individual a fee or charge, in nominal terms exclusive of GST , for the provision of regulated FFLAS , less discounts and

	rebates taken up by access seekers , adjusted in accordance with GAAP ;
pricing date	means the day on which a qualifying debt is priced;
primary driver	means the primary reason for a decision to incur a cost in the year the cost was incurred or forecast to be incurred. Where there is more than one driver for a cost, and the cost is a significant proportion of operational expenditure or expenditure on assets , expenditure may be apportioned between expenditure categories according to the relative importance of each driver to the decision, or the project divided into cost categories;
product, sale & marketing	means operating expenditure directed at attracting and retaining access seekers , managing RSP relationships, and evolving the regulated provider's product suite;
property, plant, and equipment	means- (a) in respect of ID FFLAS-GAAP , the closing RAB value of assets classified as 'property, plant, and equipment' under this determination; (b) in respect of PQ FFLAS-GAAP , the closing RAB value of assets used to provide regulated FFLAS classified as 'property, plant, and equipment' under GAAP , but excluding works under construction ; and (c) for company-GAAP , the value of the regulated provider's property, plant, and equipment determined in accordance with GAAP , but excluding works under construction ;
qualifying debt	has the meaning given in paragraph (a) of the defined term in clause 1.1.4(2) of the IM determination ;
rates	means a cost specified in clause 3.1.2(2)(a) of the IM determination ;
rationale for change	means the rationale for changing the allocator or line items, including whether the change occurred because of a change in circumstance or another reason;
regulated service	means regulated FFLAS ;
regulatory net taxable income	has the meaning given in the IM determination ;
regulatory profit / (loss) before tax	means the value of q calculated using the following formula: $q = a - b + c$ where: a = operating surplus / (deficit) b = total depreciation c = total revaluations
regulatory profit/(loss)	has the meaning given in the IM determination ;

regulatory tax allowance	has the meaning given in clause 2.3.1 of the IM determination ;
regulatory tax asset value	has the meaning given in the IM determination ;
regulatory tax asset value of asset disposals	means the sum of regulatory tax asset values for assets that have a value in asset disposals ;
regulatory tax asset value of assets commissioned	means the sum of regulatory tax asset values for assets that have a value in assets commissioned ;
regulatory taxable income	has the meaning given in clause 2.3.1(2) of the IM determination ;
regulatory/GAAP adjustment	means the difference between the values of ID FFLAS and regulated FFLAS - GAAP ;
relocations	means capital expenditure in relation to relocation of network assets arising from roading authority work programmes, undergrounding (overhead to underground programmes), and third-party requests;
remaining asset life	has the meaning given in the IM determination ;
research and development	means, in relation to expenditure, expenditure on assets , or operating expenditure where the primary driver for the expenditure relates to increasing the efficient provision of regulated FFLAS through- <ul style="list-style-type: none"> (a) implementing an original and planned investigation undertaken with the prospect of gaining new scientific or technical knowledge or understanding; or (b) applying research findings or other knowledge to a plan or design for the production of new or substantially improved materials, devices, products, processes, systems or services before the start of commercial production or use;
resilience	means the ability to keep the network running through adverse events (diversity, robustness or contingency);
revaluation rate	has the meaning given in the IM determination ;
revaluations	has the meaning given in the IM determination ;
ROI	means return on investment;
ROI – before benefit of crown financing	means ROI – comparable to a vanilla WACC adjusted by adding back the annual benefit of crown financing treated as a mid-year net cash outflow ;
ROI – comparable to a post-tax WACC	means- in relation to the ‘ROI – comparable to a post-tax WACC’ reflecting all revenue earned, $q = a - (d \times e \times f \times g)$

	<p>in relation to the 'ROI – comparable to a post-tax WACC' excluding revenue earned from financial incentives and wash-up amounts,</p> $q = b - (d \times e \times f \times g)$ <p>where:</p> <p>a = ROI – comparable to a vanilla WACC reflecting all revenue earned</p> <p>b = ROI – comparable to a vanilla WACC excluding revenue earned from wash-up amounts and other adjustments</p> <p>d = cost of debt assumption</p> <p>e = leverage</p> <p>f = corporate tax rate</p> <p>g = proportion of the RAB that is subject to the calculation of notional deductible interest;</p>																
<p>ROI – comparable to a vanilla WACC</p>	<p>means the internal rate of return for a schedule of cash flows that occur according to a schedule of dates where the schedules of cash flows and dates-</p> <p>(a) in relation to the 'ROI – comparable to a vanilla WACC' reflecting all revenue earned, are-</p> <table border="0" style="width: 100%;"> <thead> <tr> <th style="text-align: left;"><u>Cash flows</u></th> <th style="text-align: left;"><u>Dates</u></th> </tr> </thead> <tbody> <tr> <td>- opening RAB value</td> <td>365 days before the end of the disclosure year</td> </tr> <tr> <td>- mid-year net cash outflows</td> <td>182 days before the end of the disclosure year</td> </tr> <tr> <td>- operating revenue</td> <td>148 days before the end of the disclosure year</td> </tr> <tr> <td>- term credit spread differential allowance</td> <td>at the end of the disclosure year</td> </tr> <tr> <td>- closing RAB value</td> <td>at the end of the disclosure year</td> </tr> </tbody> </table> <p>(b) in relation to the 'ROI – comparable to a vanilla WACC' excluding revenue earned from financial incentives and wash-up amounts, are-</p> <table border="0" style="width: 100%;"> <thead> <tr> <th style="text-align: left;"><u>Cash flows</u></th> <th style="text-align: left;"><u>Dates</u></th> </tr> </thead> <tbody> <tr> <td></td> <td></td> </tr> </tbody> </table>	<u>Cash flows</u>	<u>Dates</u>	- opening RAB value	365 days before the end of the disclosure year	- mid-year net cash outflows	182 days before the end of the disclosure year	- operating revenue	148 days before the end of the disclosure year	- term credit spread differential allowance	at the end of the disclosure year	- closing RAB value	at the end of the disclosure year	<u>Cash flows</u>	<u>Dates</u>		
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	<ul style="list-style-type: none"> - opening RAB value - (mid-year net cash outflows less (wash-up amounts and other adjustments multiplied by the corporate tax rate)) operating revenue less wash-up amounts and other adjustments - term credit spread differential allowance - closing RAB value 	<p>365 days before the end of the disclosure year</p> <p>182 days before the end of the disclosure year</p> <p>148 days before the end of the disclosure year</p> <p>at the end of the disclosure year</p> <p>at the end of the disclosure year</p>
routine expenditure	means expenditure on a non-network asset that is not atypical expenditure ;	
RSP	means a retail service provider;	
self-insurance allowance	means any allowance for self-insurance allowed by the Commission under a PQ determination ;	
site sustain	means capital expenditure in relation to network buildings and their power, cooling, and management services;	
standard error	has the meaning given in the IM determination ;	
standard installations	means installations that are not complex installations , and associated investment in incentives;	
sum of connection speeds (bits per second)	means theoretical demand on the network if every connection downloaded its maximum plan speed at the same time;	
switch	means a device used for optical switching;	
system peak (maximum observed peak in gigabits per second)	means the maximum peak demand measurement on the busiest day of the disclosure year ;	
tax depreciation	means depreciation determined using tax depreciation rules ;	
tax depreciation rules	has the meaning given the IM determination ;	
tax opening RAB value	means the sum of opening tax asset values ;	
tax payable	means the income tax payable determined using the tax depreciation rules ;	
tax payments	means regulatory tax allowance ;	

technology	means the non-capitalised costs of operating business IT and network & customer IT systems – including licences, support and maintenance;
telecommunication s act levies	means the levies under clause 3.1.2(1)(a) and (b) of the IM determination ;
term credit spread difference	has the meaning given in the IM determination ;
term credit spread differential allowance	has the meaning given in the IM determination ;
total attributable to regulated service	means the sum of directly attributable operating costs or asset values and operating costs or asset values that are not directly attributable (but are attributable) to regulated FFLAS ;
total book value of interest-bearing debt	means the sum of book value of qualifying debt and non-qualifying debt at the date of the latest general-purpose financial statements;
total depreciation	means- (a) in relation to the unallocated RAB , the sum of unallocated depreciation as determined in accordance with the IM determination ; and (b) in relation to the RAB or regulatory profit , the sum of depreciation as determined in accordance with the IM determination ;
total opening RAB value subject to revaluation	means the RAB value to which clause 2.2.11 of the IM determination applies;
total regulated FFLAS-GAAP	means the value of all regulated FFLAS transactions calculated under GAAP ;
total regulatory income	means- (c) in relation to the Report on Regulatory Profit, the sum of operating revenue, gains / losses on asset disposals, and other regulated income ; and (d) in relation to the Report on Related Party Transactions, the income from related party transactions after applying clause 2.3.18 of this determination;
total regulatory income	means the sum of: (a) operating revenue ; (b) gains / losses on asset disposals ; and (c) other regulated income ;
total revaluations	means- (a) in relation to the unallocated RAB , the sum of unallocated revaluation as determined in accordance with the IM determination ; and

	(b) in relation to the RAB or regulatory profit , the sum of revaluations as determined in accordance with the IM determination ;
total value of transactions	means the total value of related party transactions , as determined in accordance with clause 2.3.6 of this determination and clauses 2.2.11(1)(g) and 2.2.11(5) of the IM determination ;
transport	means capital expenditure on the transport network ;
transport network	means the fibre network , or part of the fibre network , which provides high-capacity connectivity over long distances between aggregation nodes and OLT , consisting of equipment supporting transmission links over core, transport and access cables;
UFB communal	means an ID regulated provider's contracted commitments with the government under the UFB initiative ;
UFB contract	has the meaning given in clause 7 of Schedule 1AA of the Act ;
UFB initiative	has the same meaning as defined in s 5 of the Act ;
unallocated depreciation	has the meaning given in the IM determination ;
unallocated RAB	means the sum of asset values included in the RAB ;
unregulated activities - GAAP	means the value of transactions measured under GAAP that are not in relation to regulated FFLAS ;
utilised tax losses	has the meaning given in paragraph (a) of the defined term in the IM determination ;
value of vested assets	means the consideration incurred or expected to be incurred by an ID regulated provider in respect of vested assets that are or are expected to be accumulated during the construction phase of a project that creates a new network asset , and is determined in accordance with clause 2.2.13 of the IM determination and allocated to regulated FFLAS in accordance with clause 2.1.1 or 2.1.2 (as applicable) of the IM determination ;
vested assets	has the meaning given in the IM determination ;
volumes for new fibre investment	means the number of asset units employed in the provision of regulated FFLAS ;
WACC rate used to set regulatory price path	means- (a) in relation to a regulated provider subject to a PQ determination , the WACC estimate determined in accordance with clause 2.4.1 of the IM determination for the regulatory period the disclosure year falls within; and in relation to an EDB subject to an amendment to a section 52P determination setting out the requirements of a CPP, the WACC estimate used to set that CPP determination for the disclosure year; and (b) in relation to a regulated provider not subject to a PQ determination , 'n/a';
wash-up amount	has the meaning given in the IM determination ;

<p>wash-up amounts and other adjustments</p>	<p>means the sum of-</p> <ul style="list-style-type: none"> (a) annual benefit of Crown financing wash-up amount; (b) catastrophic event allowance; (c) other reopener event allowance; (d) other wash-up amounts; and (e) connection capex variable adjustment;
<p>weighted average expected total life</p>	<p>means the weighted average expected total asset life of assets calculated using the total opening RAB values as weights;</p>
<p>weighted average remaining asset life</p>	<p>means the weighted average remaining asset life of assets calculated using the total opening RAB values as weights;</p>
<p>works under construction</p>	<p>has the meaning given in the IM determination;</p>

Schedule 17: Certification for Year-beginning Disclosures

Clause 2.6.1

We, [insert full names], being directors of [name of **ID regulated provider**] certify that, having made all reasonable enquiry, to the best of our knowledge:

- a) The following attached information of [name of **ID regulated provider**] prepared for the purposes of clause 2.3.3, 2.3.9, or 2.4.4 of the Fibre Information Disclosure Determination 2021 in all material respects complies with that determination.
- b) The prospective financial or non-financial information included in the attached information has been measured on a basis consistent with regulatory requirements or recognised industry standards.
- c) The forecasts in Schedules [11, 11a, 12 and 12a] are based on objective and reasonable assumptions which both align with [name of **ID regulated provider**]'s corporate vision and strategy and are documented in retained records.

[Signatures of 2 directors]

[Date]

Schedule 18: Certification for Year-end Disclosures

Clause 2.6.2

We, [insert full names], being directors of [name of **ID regulated provider**] certify that, having made all reasonable enquiry, to the best of our knowledge-

- a) the information prepared for the purposes of clauses 2.3.1, 2.3.2, 2.3.5, 2.3.6, 2.3.7, 2.3.10, or 2.4.1 of the Fibre Information Disclosure Determination 2021 in all material respects complies with that determination; and
- b) the historical information used in the preparation of the attached information has been properly extracted from the [name of **ID regulated provider**]'s accounting and other records sourced from its financial and non-financial systems, and that sufficient appropriate records have been retained [and if not, what records and systems were used].
- c) *[In respect of information concerning assets, costs and revenues valued or disclosed in accordance with clause 2.3.18 of the Fibre Information Disclosure Determination 2021 and clauses 2.2.13(3)(g) and 2.2.15 of the Fibre Input Methodologies Determination 2020, we are satisfied that-
 - i. the costs and values of assets or goods or services acquired from a related party comply, in all material respects, with clauses [2.3.6(1) and 2.3.6(3)] of the Fibre Information Disclosure Determination 2021 and clauses 2.2.13(3)(g) and 2.2.15 of the Fibre Input Methodologies Determination 2020; and
 - ii. the value of assets or goods or services sold or supplied to a related party comply, in all material respects, with clause 2.3.18(1)(b) of Fibre Information Disclosure Determination 2021.]

* Delete if inapplicable

[Signatures of 2 directors]

[Date]

Schedule 21: End-user Connection Satisfaction survey questions

1. **Pre-installation satisfaction:** How satisfied were you with the information and advice that you received before the installation?
2. **Appointment satisfaction:** How satisfied were you with the appointment setting process?
3. **Installer performance:** How satisfied were you with the job the installer did installing your new fibre broadband connection?
4. **Installation satisfaction:** Based on your experience overall, how satisfied are you with the process of installing fibre broadband with [access seeker]?
5. **Fibre broadband performance satisfaction:** How satisfied are you with the overall performance of your fibre broadband since it was installed?
6. **Likelihood to recommend fibre broadband:** How likely would you be to recommend getting fibre broadband installed to people you know?
7. **Co-ordination between access seeker and regulated provider:** How much do you agree or disagree that [access seeker] and [regulated provider] worked well together to ensure everything went smoothly?

Schedule 22: Methodology for Calculating Port Utilisation and Traffic Performance

Definitions

Terms in **bold** this Schedule are defined as set out in Schedule 23.

Calculation of port utilisation

‘Port utilisation’ is calculated as a percentage figure in accordance with the following formula:

$$\frac{octets \times 8}{5 \times 60 \text{ seconds} \times PS} \times 100$$

where—

octets

means the number of **octets** at a **port**, being the greater of the **inOctets** or the **outOctets**, measured over a 5-minute interval in accordance with **RFC 2863**, and includes framing characters, but excludes Ethernet preamble, start frame delimiter, and interpacket gaps; and

PS

means **port** speed and is measured in **bps**.

Calculation of traffic performance

OAM probes

1. **OAM probes** must be used to determine if the traffic performance targets are being met for **frame delay**, **frame delay variation**, **frame loss ratio: CIR** and **frame loss ratio: EIR**.
2. **OAM probes** must be configured with two dedicated test **OVCs** terminating on a **POI Probe**. One **OVC** must carry **EIR** (low priority) traffic, and one **OVC** must carry **CIR** (high priority) traffic. The test **OVCs** will be configured using a standard bitstream profile of 100Mbps downstream, 50Mbps upstream, and 2.5Mbps **CIR** in each direction. Test **OVCs** must not be prioritised or otherwise treated differently from any other traffic within the **fibre network**.
3. **OAM probes**:
 - 3.1 may be software or hardware based;
 - 3.2 may be external to the **ONT**;
 - 3.3 must be a G.8013/Y.1731 (08/2015) end point, an operator **MEP** deployed on each **OAM probe**; and
 - 3.4 the **MEP** must be used as a G.8013/Y.1731 (08/2015) reflector.

4. All hardware or external **OAM probes** must terminate on a **UNI port** that has no other **FFLAS** provisioned on it.
5. The performance monitoring functions required for **OAM probes** are as follows:
 - 5.1 Single-Ended Synthetic Loss:
 - 5.1.1 one-way **SLR (ETH-SLM)**
 - 5.2 Single-Ended Delay:
 - 5.2.1 one-way **frame delay/frame delay variation (ETH-DM)** or;
 - 5.2.2 two-way **frame delay/frame delay variation (ETH-DM)**

Synthetic test traffic

6. Synthetic test traffic must:
 - 6.1 be injected into the test **OVCs** by the **POI probe**;
 - 6.2 have a sampling rate of every ≤ 100 milliseconds (i.e. a minimum of 3,000 samples per five-minute interval);
 - 6.3 be marked as discard ineligible (as per ITU standards G.8013/Y.1731 08/2015);
 - 6.4 injected continuously at a minimum rate of 10 frames per second;
 - 6.5 be delivered over traffic bearing **ports**; and
 - 6.6 be treated by the network elements in the same way that service frames are treated; and
 - 6.7 not be prioritised or otherwise treated differently from any other traffic within the **fibre network**.
7. Synthetic test traffic may be sent over a test-only service tag.

Schedule 23: Quality Report Definitions

Term	Definition
≥90% threshold	means the percentage of ports with port utilisation equal to or greater than 90%;
≥95% threshold	means the percentage of ports with port utilisation equal to or greater than 95%;
≤70% threshold	means the percentage of ports with port utilisation below or equal to 70%;
appointment satisfaction	means the question on appointment satisfaction in Schedule 21, to which an end-user gives a response out of 10, '1' meaning strongly dissatisfied, '10' meaning strongly satisfied;
average number of connections	means the sum of the connections on the first day of the calendar month, and the connections on the last day of the calendar month, divided by two;
average provisioning time	means the total provisioning time divided by the total connections provisioned ;
average unplanned downtime	means unplanned downtime divided by the average number of connections ;
average unplanned downtime excluding force majeure events	means the unplanned downtime (excluding unplanned downtime attributable to force majeure events) divided by the average number of connections ;
average score	means the sum of scores out of 10 given by the end-users for each question in Schedule 21 divided by the number of end-users who answered each question;
bitstream PON service	means single or multi-class point-to-multipoint fibre access services (including, but not limited to, anchor services, bitstream services, bitstream 2, 3, 3A, bitstream accelerate services, 10 gigabits per second passive optical network services, next generation passive optical network services and multicast services);
bps	means bits per second, and is a measure of the speed of network data transmission;
business service	means an ID FFLAS intended by the ID-regulated provider as being a business service;
CIR	means committed information rate;
complex new connection	means the first connection to an address where a communal fibre network is required to be built for that connection but has not yet been built;

communal fibre network	has the meaning given in the IM determination ;
connection	has the meaning given in the IM determination ;
EIR	means excess information rate;
E-NNI	means an external network-to-network interface;
ETH-DM	means ethernet delay measurement function (as defined in G.8013/Y.1731 (08/2015));
ETH-SLM	means ethernet synthetic loss measurement (as defined in G.8013/Y.1731 (08/2015));
expected restore date	means the date an ID-regulated provider notifies to an access seeker by the end of which the ID-regulated provider expects a fault to be remedied;
fault	means— <ul style="list-style-type: none"> (a) for the purposes of Schedule Q(ii): Faults, has the meaning given in paragraph (a)(i) of the definition of ‘fault’ in the IM determination; and (b) for the purposes of Schedule Q(iii): Availability- <ul style="list-style-type: none"> (i) has the meaning given in paragraph (a)(i) of the definition of ‘fault’ in the IM determination; and (ii) has the meaning given in paragraph (a)(ii) of the definition of ‘fault’ in the IM determination, and for the purposes of that paragraph, means a port utilisation of equal to or greater than 90%;
fault cause	means a fault caused at either layer 1 , layer 2 , an ONT , or by an end-user or an access seeker , or where no fault is found;
faults per 100 connections	means the number of faults divided by the average number of connections in the calendar month divided by 100;
fibre broadband performance satisfaction	means the question on fibre broadband performance satisfaction in Schedule 21, to which an end-user gives a response out of 10, ‘1’ meaning strongly dissatisfied, ‘10’ meaning strongly satisfied;
force majeure event	means an event or circumstance beyond the ID-regulated provider’s control which makes it impossible or illegal to provide ID FFLAS , including: <ul style="list-style-type: none"> (a) fire, floods, storms, earthquake, or other act of God; (b) any act of a public enemy, war, riot, or act of civil or military authority; (c) nuclear, chemical or biological contamination; and (d) any act of a third party (not being an employee, agent or subcontractor of that party) engaged in subversive or terrorist activity or sabotage;

	<p>but does not include an event to the extent that the effect of that event could have been substantially prevented, avoided, overcome or mitigated by:</p> <p>(e) implementation of any contracted business continuity or disaster recovery service, or any contingency plans agreed between Chorus and the Commission or which Chorus has represented it has in place;</p> <p>(f) exercising a reasonable standard of care; or</p> <p>using information provided by the Commission or which is available in the public domain;</p>
frame delay	has the meaning set out in the IM determination ;
frame delay variation	has the meaning set out in the IM determination ;
frame loss ratio: CIR	means the percentage of high priority frames that are lost between the ingress interface and the egress interface of the GPON fibre network ;
frame loss ratio: EIR	means the percentage of low priority frames that are lost between the ingress interface and the egress interface of the GPON fibre network ;
high priority frame	means a frame that is discard ineligible;
inOctets	means the number of octets received by a port ;
installation satisfaction	means the question on installation satisfaction in Schedule 21, to which an end-user gives a response out of 10, 1 meaning strongly dissatisfied, 10 meaning strongly satisfied;
installer performance	means the question on installer performance in Schedule 21, to which an end-user gives a response out of 10, '1' meaning strongly satisfied, 10 meaning strongly dissatisfied;
intact (remote activation)	means where ID FFLAS is not currently being, but has been previously, provided to an address, and ID FFLAS to that address can be activated remotely;
intact (truck roll required)	means where ID FFLAS is not currently being, but has been previously, provided to an address, and an installer is required to attend the address to activate ID FFLAS ;
ITU	means the International Telecommunications Union, being the United Nations specialized agency, which deals with issues concerning information and communication technologies;
layer 1 service	has the meaning set out in the IM determination ;
layer 2 service	has the meaning set out in the IM determination ;
likelihood to recommend fibre broadband	means the question on likelihood to recommend fibre broadband in Schedule 21, to which an end-user gives a response out of 10, '1' meaning very likely, '10' meaning very unlikely;
low priority frame	means a frame that is discard eligible;
MEP	means maintenance end point;

number met agreed date	means the number of connections provisioned that were provisioned on or before the date agreed with an access seeker and/or end-user ;
number of provisioning appointments missed	means the number of scheduled provisioning appointments missed by an installer;
number of faults	means the number of faults that are attributable to each fault cause ;
number of provisioning appointments	means the total number of provisioning appointments for the calendar month;
number of traffic performance exceedances	means the number of times a traffic performance exceedance has occurred;
number surveyed	means the number of end-users surveyed for each survey question in Schedule 21 in a calendar month;
OAM Probe	means a device that is built-into, or connects to, an end-user ONT that is used to measure the layer 2 traffic targets between the POI Probe and OAM Probe by means of synthetic test traffic;
octet	means a unit of digital information consisting of eight bits;
outOctets	means the number of octets sent by a port ;
OVC	means operator virtual connection;
percentage met agreed date	means the number of connections provisioned that were provisioned on or before the date agreed with the access seeker and/or end-user , divided by the total number of connections provisioned ;
percentage of regulated provider faults that met expected restore date	means the number of faults remedied by the expected restore date , divided by the total number of faults ;
percentage of regulated provider faults not restored within 2 calendar days	means the number of faults an ID-regulated provider fails to remedy within 48 hours of being notified of the faults by access seekers , divided by the total number of faults ;
percentage of notified planned outages	means the sum (expressed as a percentage) of the number of planned outages that an ID-regulated provider notifies to access seekers 6 or more calendar days before the planned outage occurs, divided by the total number of planned outages ;
percentage of notified	means the sum (expressed as a percentage) of the number of unplanned outages that an ID-regulated provider notifies to access seekers within 2 hours of the unplanned

unplanned outages	outage occurring, divided by the total number of unplanned outages ;
percentage of ports	means the percentage of ports utilised within each POI area up to (and including) or down to (and including) (as applicable) the specified threshold, divided by the total number of ports in that POI area ;
percentage of simple new connection orders that took ≥ 50 calendar days	means the percentage of simple new connections that were provisioned in 50 calendar days or more;
percentage of complex new connection orders that took ≥ 120 calendar days	means the percentage of complex new connections that were provisioned in 120 calendar days or more;
planned downtime (minutes)	has the meaning given in the IM determination , expressed in minutes;
planned outage	has the meaning given in the IM determination ;
POI probe	means an industry standard device (for example ITU standard G.8013/Y.1731 compliant) located by the ID-regulated provider at a POI that measures the layer 2 traffic performance targets;
PON	means Passive Optical Network as defined by ITU-T recommendation series G.984.1 through G.984.6;
PON port	means the port on an OLT ;
port	means all physical, virtual and sub-interfaces for the exchange of traffic and excludes UNI, E-NNI and PON ports ;
port utilisation	has the meaning given in the IM determination and is the amount calculated in accordance with Schedule 22;
pre-installation satisfaction	means the question on pre-installation satisfaction in Schedule 21, to which an end-user gives a response out of 10, '1' meaning strongly satisfied, '10' meaning strongly dissatisfied;
provisioning time	means the time from when an ID-regulated provider receives a request for the provisioning of ID FFLAS to when the ID FFLAS is provisioned ;
residential service	means an ID FFLAS categorised by the ID-regulated provider as being for a residential end-user ;
RFC 2863	means <i>The Interfaces Group MIB</i> Internet Official Protocol Standard, issued by the ETF Interfaces MIB Working Group in June 2000;
satisfaction – coordination	means the question on coordination between the access seeker and ID-regulated provider in Schedule 21, to which an end-user gives a response out of 10, '1' meaning strongly satisfied, '10' meaning strongly dissatisfied;

simple new connection	means: (a) the first connection , or any subsequent ID FFLAS connection , to an address at which a communal fibre network has been built; or (b) the first connection to any other address;
SLR	means synthetic loss reply;
total connections provisioned	means the total number of connections provisioned ;
traffic performance exceedance	for bitstream PON services , means where less than 99% of the frames do not meet the applicable target, as measured within each five-minute interval of every day of the calendar month and in accordance with Schedule 22;
transport services	means a layer 1 , or managed throughput, fibre service provided over the fibre network , to transport voice and data traffic between central offices , including central offices that are also POIs ;
UNI	has the meaning given in the IM determination ;
unplanned downtime	has the meaning given in the IM determination ;
unplanned downtime (minutes)	means unplanned downtime , as expressed in minutes;
unplanned downtime attributable to force majeure events	means unplanned downtime that is attributable to a force majeure event ;
unplanned outage	has the meaning given in the IM determination ;

Schedule 26: Pricing Report Definitions

Term	Definition
ARPU connection charge	means the total connection charges received for each ID FFLAS during a month divided by the average number of active connections during the same month;
ARPU monthly charge	means the total monthly charges received for each ID FFLAS during a month divided by the average number of connections during the same month;
ARPU other charges	means the total other charges received for each ID FFLAS during a month divided by the average number of connections during the same month;
average number of connections	means half of the sum of the number of connections (opening) and the number of connections (closing) ;
connection	has the meaning given in the IM determination ;
connection charge	means an ID regulated provider's one-off charge for provisioning an ID FFLAS ;
FFLAS with incentive	means Layer 1 FFLAS with incentive, Layer 2 FFLAS with incentive, or Other FFLAS with incentive ;
ID FFLAS	has the meaning given in the IM Determination and includes Layer 1 FFLAS, Layer 2 FFLAS, or Other FFLAS ;
incentive	means an incentive, promotion, rebate or discount;
incentive description	means a short description of the incentive for each FFLAS with incentive , including any conditions linked to the availability of the incentive ;
layer 1 FFLAS	means FFLAS an ID regulated provider provides that operates at layer 1 ;
layer 2 FFLAS	means FFLAS an ID regulated provider provides that operates at layer 2 ;
list connection charge	means the connection charge per connection listed in a contract between an ID regulated provider and an access seeker before any incentive is applied;
list monthly charge	means the monthly charge per connection listed in a contract between an ID regulated provider and the access seeker before any incentive is applied;

monthly charge	means an ID regulated provider's recurring monthly charge for an ID FFLAS ;
monthly incentive	means the value of a recurring monthly incentive per connection for each FFLAS with incentive ;
number of connections (closing)	means the number of connections for each ID FFLAS that the ID regulated provider has on the last day of each month;
number of connections (opening)	means the number of connections for each ID FFLAS that the ID regulated provider has on the first day of each month;
one-off incentive	means the value of a one-off incentive per connection for each FFLAS with incentive ;
other charge	means any charge other than the connection charge and monthly charge set by an ID regulated provider for an ID FFLAS (such as transaction charges);
other FFLAS	means FFLAS an ID regulated provider provides that is not Layer 1 FFLAS or Layer 2 FFLAS ;
reporting area	means each distinct geographical PQ FFLAS area or ID only FFLAS area defined under section 226 of the Act ;
service description	means a description of each ID FFLAS , such as by capacity and speed;
total connection charges	means the sum of connection charges received for each ID FFLAS during a month- (a) in nominal terms, excluding GST ; and (b) subtracting incentives and rebates taken up by customers, adjusted in accordance with GAAP ;
total monthly charges	means the sum of monthly charges received for each ID FFLAS during a month- (a) in nominal terms, excluding GST ; and (b) subtracting incentives and rebates taken up by customers, adjusted in accordance with GAAP ;
total monthly incentive	means the total value of a recurring monthly incentive over a month for each FFLAS with incentive ;
total one-off incentive	means the total value of a one-off incentive over a month for each FFLAS with incentive ;
total other charges	means the sum of other charges received for each ID FFLAS during a month- (a) in nominal terms, excluding GST ; and (b) subtracting incentives and rebates taken up by customers, adjusted in accordance with GAAP ;

total receiving monthly incentive	means the number of connections that received a monthly recurring incentive for each FFLAS with incentive in a month;
total receiving one-off incentive	means the number of connections that received a one-off incentive for each FFLAS with incentive in a month;
total revenues	means the sum of total connection charges , total monthly charges and total other charges ;