

## **NOTICE OF INTENTION**

**14 FEBRUARY 2024**

### **Potential amendments to Input Methodologies for Fibre Fixed Line Access Services**

---

1. The Commerce Commission (“Commission”) gives notice under section 179(1) of the Telecommunications Act 2001 (“Act”) that it is beginning work on potential amendments to the *Fibre Input Methodologies Determination 2020 [2020] NZCC 21* (“fibre IMs”).
2. In accordance with section 179 of the Act, this notice outlines the scope of potential amendments under consideration, and the proposed process and indicative timeframes for considering and consulting on the potential amendments to the fibre IMs.

#### **Scope of potential amendments under consideration**

3. We are currently in the process of determining the price-quality (PQ) path for Chorus Limited (“Chorus”) for its second regulatory period (from 1 January 2025 to 31 December 2028) under section 170 of the Act.
4. In the course of that process, we have identified amendments to the fibre IMs that are necessary to implement decisions relating to the second PQ path and that:
  - may better give effect to the Part 6 purpose in section 162 of the Act more effectively than the current fibre IM; and
  - may promote the IM purpose in section 174 more effectively.
5. The potential amendments relate to expenditure proposals and processes that we consider appropriate to address for the second PQ path at this point (as opposed to waiting for the statutory review of the Fibre Input Methodologies under section 182 of the Act).

#### *Amendments that are necessary to implement draft decisions that we are planning to make for our second PQ path*

6. In order to implement decisions relating to expenditure for the second PQ path, we are considering two discrete amendments, namely:
  - a. amending the timeframe in clause 3.7.24 for individual capex proposals in the Connection Capex part of the fibre IMs; and
  - b. amending the IMs to enable us to ensure the revenue Chorus recovers under an individual capex allowance that we determine under clause 3.7.28 of the fibre IMs is consistent with that determination, including any conditions we set in that determination.

**Proposed timeframes for potential fibre IM amendment**

	<b>Process</b>	<b>Indicative timeframe</b>
<b>1.</b>	<b>Draft decision by the Commission</b> Draft decision on potential amendment to the expenditure-related fibre IMs published	26 March 2024
<b>2.</b>	Submissions due from interested persons on potential amendments to the expenditure-related fibre IMs (4 weeks)	23 April 2024
<b>3.</b>	Cross-submissions due from interested persons on potential amendments to the expenditure-related fibre IMs (2 weeks)	16 May 2024
<b>4.</b>	<b>Final decision by the Commission</b> Final decision on potential amendments to the expenditure-related fibre IMs	26 June 2024

Updates and any process refinements will be published on the Commission's [website](#).