



Spark^{nz}

2024 Review of the Telecommunications Dispute Resolution Scheme (TDRS)

Public Version

Commerce Commission

23 May 2024

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1. Spark welcomes the Commission engaging on the process and approach for the second statutory review of TDRS, as required by section 246 of the Telecommunications Act 2001 (the Act).
2. While we acknowledge the Commission has a statutory requirement to perform the review, we note that there have been wide-ranging changes made to both the TDR scheme and the TCF Customer Care Code recently as a result of the Commission's recommendations. These changes have been significant in a number of areas and we caution against recommending further changes until the existing changes have settled in.
3. Instead we recommend the Commission need only perform a high level review this cycle.
4. That said, there are two areas where we think further investigation are needed:
 - a. Ensuring companies are paying their fair share of TDR fees
 - b. Bringing other retailing services into the scope of the TDR

FUNDING

5. We have long argued that the scheme costs should be broadly apportioned according to cost causality principles. It is appropriate that all scheme members have accountability for issues they contribute to. Wholesale members should pay scheme costs in proportion to the number of complaints they generate – including where the TDR complaint is assigned to the customer's RSP.
6. For example over the last 12 months █████ of Sparks' TDR cases have been categorised as either 'delay in service restoration', 'network failure', 'reoccurring faults' and 'installation'. A significant proportion of those will be caused by wholesale providers such as Chorus and the LFCs.
7. The wholesale members of the TDR pay more than they have done previously, however, this is still a nominal amount and does not reflect the impact they have on consumer complaints. We recommend the Commission investigate their impact and contribution further as part of its review.

BROADER MEMBERSHIP

8. Price Comparison websites promote themselves as independent parties providing an unbiased view of retail options for consumers. We have concerns about the way these services recommend plans to consumers, and their lack of transparency around which plans are 'promoted' or for which the price comparison website receives commission.

9. We suggest that the Commission uses its TDR review to look at the scope of the scheme and how third-party services such as price comparison websites which promote retail plans to customers are caught by the scheme. We will also be making this point in our submission on MBIE's Enhancing Telecommunications consultation.