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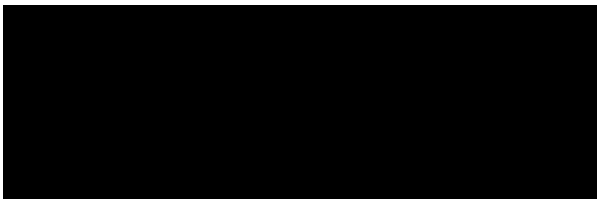
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Determination of Local Fibre Companies' Initial ID RAB and Opening Tax Losses for Disclosure Year 2022

[2023] NZCC 14

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Date of determination: 29 June 2023



Tristan Gilbertson, Commissioner

Dated at Wellington this 29th day of June 2023

COMMERCE COMMISSION

Wellington, New Zealand

Associated documents

Publication date	Reference	Title
13 October 2020	[2020] NZCC 21	Fibre Input Methodologies Determination 2020
3 November 2020	[2020] NZCC 24	Fibre Input Methodologies (initial value of financial loss asset) Amendment Determination 2020
29 November 2021	[2021] NZCC 25	Fibre Input Methodologies Amendment Determination (No.2) 2021
28 June 2023	[2023] NZCC 13	Fibre Input Methodologies Amendment Determination 2023
29 June 2023	ISBN 978-1-991085-20-7	Local Fibre Companies' initial information disclosure regulatory asset bases as at 1 January 2022 – Final Decision: Reasons Paper

Commerce Commission

Wellington, New Zealand

Determination of Local Fibre Companies' Initial ID RAB and Opening Tax Losses for Disclosure Year 2022

1. Purpose of determination

1.1 This determination specifies certain values for **Enable**, **Northpower Fibre** and **Tuatahi** as required under the **Act** and the **IM determination**, which are explained in *Local Fibre Companies' initial information disclosure regulatory asset bases as at 1 January 2022 – Final Decision: Reasons Paper*, as published on 29 June 2023.

2. Interpretation

2.1 In this determination, a word which denotes the singular also denotes the plural and vice versa.

2.2 In this determination, the words or phrases in bold type bear the following meanings:

2.2.1 **Act** means the Telecommunications Act 2001;

2.2.2 **core fibre asset** has the meaning given in the **IM determination**;

2.2.3 **disclosure year** means:

2.2.3.1. for **Enable**, the 12-month period ending on 30 June 2022; and

2.2.3.2. for **Northpower Fibre** and **Tuatahi**, the 12-month period ending on 31 March 2022;

2.2.4 **Enable** means Enable Networks Limited or any subsidiary of, or successor to, that company;

2.2.5 **fibre asset** has the meaning given in the **IM determination**;

2.2.6 **financial loss asset** has the meaning given in the **IM determination**;

2.2.7 **financial losses** has the meaning given in the **IM determination**;

2.2.8 **ID RAB** has the meaning given in the **IM determination**;

2.2.9 **IM determination** means the *Fibre Input Methodologies Determination 2020* [2020] NZCC 21, including any amendment in effect at the time this determination is made;

2.2.10 **implementation date** has the same meaning as defined in s 5 of the **Act**;

2.2.11 **initial RAB value** has the meaning given in the **IM determination**;

2.2.12 **input methodology** has the meaning given in s 164(1) of the **Act**;

2.2.13 **Northpower Fibre** means Northpower Fibre Limited or any subsidiary of, or successor to, that company;

2.2.14 **Tuatahi** means Tuatahi First Fibre Limited or any subsidiary of, or successor to, that company; and

2.2.15 **unallocated initial RAB value** has the meaning given in the **IM determination**.

3. Applicable input methodologies

3.1 The **input methodologies** that apply to this determination are those specified in:

3.1.1 clause 2.2.3(1)-(2) of the **IM determination**;

- 3.1.2 clause 2.2.4(1) of the **IM determination**;
- 3.1.3 clause 2.3.3(3)(a)(ii-iv) of the **IM determination**;
- 3.1.4 clause B1.1.2(1) of Schedule B of the **IM determination**; and
- 3.1.5 clause B1.1.2(2) of Schedule B of the **IM determination**.

4. Specification of certain values for Enable

- 4.1 For the purpose of clause 2.2.3(1) of the **IM determination**, the sum of all **unallocated initial RAB values** of **Enable's core fibre assets** as at the **implementation date** is \$588.176m.
- 4.2 For the purpose of clause 2.2.3(2) of the **IM determination**, the sum of all **initial RAB values** in respect of **Enable's core fibre assets** in the **ID RAB** as at the **implementation date** is \$499.426m.
- 4.3 For the purpose of s 177(2) of the **Act**, **Enable's financial losses** are -\$88.749m.
- 4.4 For the purpose of clause 2.2.4(1) of the **IM determination**, the **initial RAB value** of **Enable's financial loss asset** in the **ID RAB** as at the **implementation date** is \$88.749m.
- 4.5 For the purposes of clause 2.2.3(2) and 2.2.4(1) of the **IM determination**, the sum of all **initial RAB values** in respect of **Enable's fibre assets** in the **ID RAB** as at the **implementation date** is \$588.176m.
- 4.6 For the purpose of clause 2.3.3(3)(a)(ii) of the **IM determination**, the 'opening tax losses' for **disclosure year 2022** in respect of **Enable** are \$0m.

5. Specification of certain values for Northpower Fibre

- 5.1 For the purpose of clause 2.2.3(1) of the **IM determination**, the sum of all **unallocated initial RAB values** of **Northpower Fibre's core fibre assets** as at the **implementation date** is \$85.249m.
- 5.2 For the purpose of clause 2.2.3(2) of the **IM determination**, the sum of all **initial RAB values** in respect of **Northpower Fibre's core fibre assets** in the **ID RAB** as at the **implementation date** is \$72.959m.
- 5.3 For the purpose of s 177(2) of the **Act**, **Northpower Fibre's financial losses** are -\$12.290m.
- 5.4 For the purpose of clause 2.2.4(1) of the **IM determination**, the **initial RAB value** of **Northpower Fibre's financial loss asset** in the **ID RAB** as at the **implementation date** is \$12.290m.
- 5.5 For the purposes of clause 2.2.3(2) and 2.2.4(1) of the **IM determination**, the sum of all **initial RAB values** in respect of **Northpower Fibre's fibre assets** in the **ID RAB** as at the **implementation date** is \$85.249m.
- 5.6 For the purpose of clause 2.3.3(3)(a)(iii) of the **IM determination**, the 'opening tax losses' for **disclosure year 2022** in respect of **Northpower Fibre** are -\$9.445m.

6. Specification of certain values for Tuatahi

- 6.1 For the purpose of clause 2.2.3(1) of the **IM determination**, the sum of all **unallocated initial RAB values of Tuatahi's core fibre assets** as at the **implementation date** is \$675.259m.
- 6.2 For the purpose of clause 2.2.3(2) of the **IM determination**, the sum of all **initial RAB values** in respect of **Tuatahi's core fibre assets** in the **ID RAB** as at the **implementation date** is \$539.230m.
- 6.3 For the purpose of s 177(2) of the **Act**, **Tuatahi's financial losses** are -\$136.030m.
- 6.4 For the purpose of clause 2.2.4(1) of the **IM determination**, the **initial RAB value of Tuatahi's financial loss asset** in the **ID RAB** as at the **implementation date** is \$136.030m.
- 6.5 For the purposes of clause 2.2.3(2) and 2.2.4(1) of the **IM determination**, the sum of all **initial RAB values** in respect of **Tuatahi's fibre assets** in the **ID RAB** as at the **implementation date** is \$675.259m.
- 6.6 For the purpose of clause 2.3.3(3)(a)(iv) of the **IM determination**, the 'opening tax losses' for **disclosure year 2022** in respect of **Tuatahi** are \$0m.