

ISSN 1178-2560 Decision Series Project no. 13.01/16564

Public version

# Section 30R reviews of five regulated telecommunications services' standard terms determinations

Final decisions [2019] NZCC 22

The Commission:

Dr Stephen Gale Dr Jill Walker Elisabeth Welson John Crawford

Date:

12 December 2019

# CONTENTS

INTRODUCTION	3
PURPOSE AND OBJECTIVES OF THE REVIEWS	3
THE SCOPE OF THE REVIEWS	1
PROCESS FOR THE REVIEWS	1
DRAFT DECISIONS AND FINAL DECISIONS	5
REMOVAL OF REFERENCES TO THE UCLL SERVICE	5
Proposed amendments and submissions	5
Final decision	
UPDATED PRICE ADJUSTMENT MECHANISM	5
Proposed amendments	
Submissions	-
Final decision	-
REMOVING UNNECESSARY REPORTING OBLIGATIONS ON CHORUS	
Proposed amendments	
Submissions	
Final decision	
REMOVAL OF REDUNDANT IMPLEMENTATION AND TRANSITIONAL CLAUSES	
Proposed amendments	
Submissions	
Final decision	
INTERFERENCE MANAGEMENT PLAN	
Proposed amendments, submissions and final decision	1
STANDARDISE FORMATTING OF THE STDS	
Proposed amendments, submissions and final decision	
FURTHER ISSUES RAISED IN SUBMISSIONS	
THE APPLICATION OF STDS UNTIL THE COPPER REVIEW	
Spark submission	
Vocus cross-submission	
Our response	
AMENDING CHANGE MECHANISMS FOR THE OPERATIONS MANUAL AND SLTS FOR RSQ 13	
Spark submission	
Chorus cross-submission	
ATTACHMENT A – STDS UNDER REVIEW	
ATTACHMENT A – STDS ONDER REVIEW	
	1

# Introduction

- On 3 October 2019 we commenced reviews into the terms specified in five standard terms determinations (the STDs)<sup>1</sup> under s 30R(1) of the Telecommunications Act 2001 (the Act). Under s 30R(2), we may replace a STD or vary, add, or delete any of its terms if we consider it necessary to do so after conducting a review.
- 2. This document explains our final decisions from the reviews and variations to the STDs, and outlines the purpose, scope and process of the reviews.

# Purpose and objectives of the reviews

- 3. Our view is that s 30R reviews of the STDs were required in order to implement recent amendments to the Act. Those amendments:
  - 3.1 will remove Chorus's unbundled copper local loop network (UCLL) service from Schedule 1 of the Act with effect from 1 January 2020 (see ss 2(1)(a) and 13, and Schedule 2 of the Telecommunications (New Regulatory Framework) Amendment Act 2018 (Amendment Act)); and
  - 3.2 prescribe a new annual pricing adjustment mechanism, with effect from 16 December 2019 (see s 69AG of the Act).
- 4. The STDs contain references to UCLL, and also contain a pre-existing pricing adjustment mechanism. In our view, these clauses of the STDs need to be varied in order to accommodate the relevant provisions of the Amendment Act.
- 5. In addition, under s 69AG, we will be unable to use s 30R to review the STDs in the period between 16 December 2019 (or 1 January 2020, for certain of the STDs) and our completion of a prescribed 'copper review' (ie, an investigation under Part 1 of Schedule 3 of the Act into whether the regulation of certain copper services in Schedule 1 of the Act should be altered).<sup>2</sup> In light of this impending regulation 'freeze', we also took the opportunity to propose further amendments to improve the usability of the STDs.
- 6. Our objective was to:
  - 6.1 ensure the STDs accurately reflect recent changes to the Act; and
  - 6.2 ensure the STDs remain fit-for-purpose from 16 December 2019 until the completion of the copper review.

<sup>&</sup>lt;sup>1</sup> A list of the STDs within the scope of these reviews are provided in Attachment A.

<sup>&</sup>lt;sup>2</sup> Under s 69AH(1)(a) of the Act, the Commission must complete the copper review by 31 December 2025.

# The scope of the reviews

- 7. We limited the scope of the reviews to the following amendments:
  - 7.1 ensure the usability of the STDs after 16 December 2019. Specifically:
    - 7.1.1 removal of references to Chorus's UCLL service as a designated service; and
    - 7.1.2 updating the price adjustment mechanisms to include annual CPI-based pricing adjustments across the STDs;
  - 7.2 amend reporting clauses in the Service Level Terms (**SLTs**) that place unnecessary reporting obligations on Chorus;
  - 7.3 remove outdated implementation and transitional clauses;
  - 7.4 reassign the Interference Management Plan (**IMP**) to the STD for Chorus's unbundled copper low frequency (**UCLF**) service; and
  - 7.5 standardise formatting across the STDs.
- 8. A list of the STDs within the scope of the reviews are provided in Attachment A.
- 9. The amendments of our final decisions have been outlined in more detail below, and a table of amendments present in each document is provided in Attachment B.

# **Process for the reviews**

- 10. On 3 October 2019 we published our consultation document commencing the reviews,<sup>3</sup> and gave public notice of the reviews in the *Gazette* and an email to telecommunications industry stakeholders.
- 11. We invited interested parties to submit on our proposed changes, and submissions closed on 23 October 2019. We received submissions from Chorus and Spark.
- 12. Our consultation document did not invite cross-submissions.<sup>4</sup> However, in light of issues raised in submissions, on 29 October 2019 we invited cross-submissions by email to telecommunications industry stakeholders.<sup>5</sup> We received cross-submissions from Chorus and Vocus.
- 13. All submissions were published on our website. No confidential submissions were provided.

<sup>&</sup>lt;sup>3</sup> Commerce Commission, "Section 30R reviews of five regulated telecommunications services' standard terms determinations – Explanatory paper" (3 October 2019).

<sup>&</sup>lt;sup>4</sup> Ibid at para 9.

<sup>&</sup>lt;sup>5</sup> Commerce Commission, "Email notification inviting cross-submissions on draft determinations" (29 October 2019).

# Draft decisions and final decisions

- 14. Amendments to the STDs that reflect the decisions in this paper take effect from 15 December 2019. This is because, as noted in paragraph 5 above, under s 69AG(5)(b) of the Act, the Commission's powers under s 30R to vary the STDs for UCLF and Chorus's unbundled bitstream access (UBA) are suspended with effect from 16 December 2019 (and will only resume once we have completed the 'copper review').
- 15. We have outlined our proposed amendments, what stakeholders said in submissions, and our final decisions with respect to the STDs under the relevant headings below. Our consultation document provides further reasoning on our proposed amendments.
- 16. A table summarising the relevant amendments to each STD has been provided in Attachment B. Copies of the STD documents with tracked changes present from the draft to final versions are available on request.
- 17. Alongside this document, we have also published updated versions of the STDs that give effect to our final decisions. The updated STDs have an effective date of 15 December 2019.

# **Removal of references to the UCLL service**

- 18. From 1 January 2020, Chorus's UCLL service will cease to be a designated access service. The STDs need to be updated to reflect this fact.
  - 18.1 Chorus's Sub-loop Unbundled Copper Local Loop (SLU) service is also regulated under the UCLL service. Chorus's SLU and supporting backhaul and co-location services will also cease to be designated access services from 1 January 2020.<sup>6</sup>
- 19. Section 69AD of the Act relates to the removal of UCLL and SLU from Schedule 1. It outlines conditions that must be met before Chorus can stop supplying the UCLL and SLU services (referred to as the "relevant service" for the purposes of s 69AD). We acknowledge that Chorus and the Commission have differing legal interpretations of certain parts of the Act relating to the withdrawal of copper services. These issues are yet to be resolved but are outside the scope of these reviews.
  - 19.1 Our interpretation of s 69AD is that Chorus must continue to supply the relevant services under the terms on which they were supplied immediately before the relevant service is removed from Schedule 1 (ie, the terms of the UCLL and SLU STDs as at 31 December 2019). These terms will endure until the conditions of s 69AD(2) are met. This is similar to our position on the continued application of UBA and UCLF STDs in specified fibre areas.

<sup>&</sup>lt;sup>6</sup> The Sub-loop STDs consist of Sub-loop UCLL, Sub-loop UCLL Backhaul and Sub-loop UCLL Co-location.

#### Proposed amendments and submissions

- 20. We proposed to ensure the usability of the STDs by:
  - 20.1 editing the UCLL and UCLF Backhaul and Co-location STDs so that they become standalone **UCLF Backhaul**<sup>7</sup> and **UCLF Co-location**<sup>8</sup> STDs; and
  - 20.2 removing references to the UCLL STD from all of the STDs listed in Attachment A.
- 21. Submissions were in support of our proposed approach to modify the UCLL and UCLF STDs to become standalone UCLF Backhaul and UCLF Co-location STDs.
- 22. Chorus also noted that there are separate STDs for Chorus's (**SLU**) services that were not mentioned in our consultation paper. They maintain that the STDs for SLU will fall away on 1 January 2020 alongside the UCLL STD.
- 23. Chorus also identified minor drafting errors in the removal of references to UCLL.

# Final decision

24. Our final decision is to remove the references to UCLL as we indicated in our proposed amendments, and to reflect minor corrections identified by Chorus in its submission. We do not consider that the changes to the status of SLU require any consequential amendments to the remaining STDs.

#### Updated price adjustment mechanism

- 25. The Commission's UBA and UCLL final pricing principle decisions set a 5-year regulatory period, where 'Year 5' is the period from 16 December 2019 to 15 December 2020.
- 26. Schedule 2 of each STD currently contains a range of mechanisms for the updating of prices and charges. In some cases, the Commission has set particular prices for regulated services for each of the 5 years through an FPP determination. In other cases, prices are updated by Chorus, after the approval of the Commission, in accordance with change mechanisms stipulated in the STDs. These mechanisms include adjusting prices according to changes in a labour cost index, and adjusting prices by allowing for pass through of changes in Chorus's service company costs.
- 27. Sections 69AG(2) and (3), and (5) and (6), of the Act provide that:
  - 27.1 the STDs continue to apply to the relevant service, and the prices that apply "are the year 5 prices specified in the determination"; and

<sup>&</sup>lt;sup>7</sup> Proposed full title for the STD will be "Chorus's Unbundled Copper Low Frequency Network Backhaul (Telephone Exchange to Interconnect Point) Service".

<sup>&</sup>lt;sup>8</sup> Proposed full title for the STD will be "Chorus's Unbundled Copper Low Frequency Co-location Service".

27.2 "those prices" increase or decrease by an annual Consumers Price Index (CPI) adjustment on 16 December in each year, starting on 16 December 2020 (emphasis added).<sup>9</sup>

#### Proposed amendments

- 28. We considered three possible interpretations of sections 69AG(3) and (6) of the Act and what those provisions imply for the price change mechanisms from 1 January 2020:
  - 28.1 Option 1: The reference in ss 69AG(3)(a) and (6)(a) to "year 5 prices" is to all of the prices and charges appearing in the STD as at year 5, whether currently designated as a 'year 5' price or not; or
  - 28.2 Option 2: The reference in ss 69AG(3)(a) and (6)(a) to "year 5 prices" is only to those prices and charges specifically described in the STDs as 'year 5' prices, and, for other prices and charges, the existing price change mechanisms in the STDs (eg, adjusting prices according to changes in a labour cost index) continue unaffected; or
  - 28.3 Option 3: The reference in ss 69AG(3)(a) and (6)(a) to "year 5 prices" is only to those prices and charges specifically described in the STDs as 'year 5' prices, and, for other prices and charges, the existing price change mechanisms in the STDs (eg, adjusting prices according to changes in a labour cost index) cease to apply.
- 29. Our view is that Parliament's intention as expressed in sections 69AG(3) and (6) of the Act is Option 1 described above; namely, that all prices in the STDs that apply as at 16 December 2019 (for UBA and UCLF) or 1 January 2020 (for UBA Backhaul, UCLF Backhaul and UCLF Co-location) should be regarded as the year 5 prices. Our view is that this includes all charges, recurring and non-recurring and across all STDs listed in Attachment A, even where those charges did not feature a designation as 'year 5 price' in the STD.
- 30. We reached this view based on our interpretation that:
  - 30.1 the words "the prices that apply" in ss 69AG(3)(a) and (6)(a), as an unqualified phrase, should be read as referring to all prices and charges contained in the STDs;
  - 30.2 the Commission's practice has been to update on an annual basis those prices tied to a price change mechanism, after considering and approving a proposal from Chorus. These prices are amended in each of the years of the regulatory

<sup>&</sup>lt;sup>9</sup> Section 5 of the Act contains the following definitions: annual CPI adjustment means, in relation to a price, an annual adjustment to the price that is equal to any percentage movement in the CPI as measured between—

<sup>(</sup>a) the CPI for the quarter that ended most recently before the price adjustment; and

<sup>(</sup>b) the CPI for the equivalent quarter in the preceding year

CPI means the Consumers Price Index (All Groups) published by Statistics New Zealand

period, and there is therefore a set of prices that is specified for each of the prices and charges in the STD in year 5 of that period (other than those where the price is on application (POA)); and

- 30.3 following our interpretation in paragraph 30.1, the references in sections 69AG(3)(b) and (6)(b) to "those prices" being indexed by CPI therefore also refers to all prices and charges contained in the STDs.
- 31. We also note that for services that do not have specified year 5 prices (ie, UCLF Backhaul and UCLF Co-location), the 'final pricing principles' for those services in Schedule 1 of the Act were amended by the Amendment Act, and now specify that all prices that apply on 1 January 2020 are subject to annual CPI adjustments. This supports a construction of the Act that reinforces our preference for option 1 (namely, that Parliament's intention was to move to annual CPI indexation for all prices in the STDs during the period in which they were 'frozen' by the Act).

#### Submissions

- 32. Chorus noted that while in principle it supports a price adjustment mechanism that appropriately mirrors the relevant pricing inputs, Chorus supports the Commission's interpretation of the Act and proposed change.
- 33. Spark submitted that it was not able to identify any record of the legislature seeking to replace the price change mechanism for non-core charges. Spark proposed that non-core charges should be frozen in time, removing the existing LCI-based price change mechanism.
- 34. Chorus noted that September Quarter's CPI is published by Statistics NZ in mid-October, which it submitted provides insufficient time to prepare and submit its price change by 1 November. Chorus was unclear of the Commission's reasoning for our proposed change to the applicable indexed period for price adjustments from the year to June index change to the year to September index.
  - 34.1 We note the definition of annual CPI adjustments in s 5 of the Act requires use of the September Quarter for annual CPI adjustments that take place on 16 December.
- 35. Chorus also highlighted that UBA Service Component 2.16 (UCLL Uplift) did not have the CPI price adjustment mechanism applied in the draft decision, and asked why this service was being treated differently.

#### Final decision

36. Given our interpretation of ss 69AG(3) and (6), our final decision is that all prices that apply as at 16 December 2019 (for UBA and UCLF) or 1 January 2020 (for UBA Backhaul, UCLF Backhaul and UCLF Co-location) should be regarded as the 'year 5' prices, and will be subject to annual CPI adjustments from 16 December 2020. The first price adjustment will occur on 16 December 2020.

- 36.1 Note that the prices listed in the draft amended STD documents are due to be refreshed as part of the annual price adjustment, which was finalised on 12 November 2019. The final STD documents published in these reviews include the updated prices. The CPI-based price adjustment from 16 December 2020 would therefore apply to those updated prices.
- 37. To reflect this change, we have updated the existing price change mechanisms to reflect the use of CPI, with the first adjustment occurring on 16 December 2020, and removed other price adjustment mechanisms, which will become redundant.
- 38. While we acknowledge Chorus will have less time for preparing its adjustment application, as explained in paragraph 34.1, we are bound by the Act and have retained the use of the CPI for the September Quarter in our final decision. We further observe that the change to a single CPI-based adjustment mechanism across all prices will significantly simplify the process for calculating the annual price adjustments.
  - 38.1 To mitigate risks, such as delays in the publication of the CPI results, we have made a slight amendment to the adjustment process across all STDs, which would allow the Commission to agree to a later date for Chorus to submit its application in a particular year if the new shorter period for calculating CPI indexation does not give Chorus sufficient time:
    - "3.1.1 Each year on or before 1 November, <u>or such other date approved by the</u> <u>Commission in a particular year</u>, Chorus must calculate adjustments to Prices..."
- 39. In response to Chorus' submission regarding UBA Service Component 2.16 (UCLL Uplift), we agree with Chorus that this is a component of the UBA service and have therefore amended the STD to apply CPI indexation to it.

# Removing unnecessary reporting obligations on Chorus

- 40. The SLTs are part of each STD's Terms, which set out the rights and obligations of Chorus and Access Seekers in relation to each service.
- 41. There are SLT reporting clauses in the STDs that put outdated and unnecessary reporting requirements on Chorus. Chorus is still required to report performance on a monthly basis for services even when there have been no services sold (ie, nil reports).<sup>10</sup>

# Proposed amendments

42. We proposed adding a new exemption on reporting obligations to each STD if no service has been ordered in the preceding month:

"If no orders have been received in the preceding month, Chorus will notify Access Seekers and the Commission that no performance report is required for that month."

<sup>&</sup>lt;sup>10</sup> A "nil report" refers to a performance report for services that have had zero orders that month, and therefore contains no performance information.

## Submissions

- 43. Chorus submitted that it understood that RSPs find the nil reports useful and that, unless RSPs request otherwise, it intends to continue providing nil reports to RSPs, and will continue to notify the Commission where no report is required for a specified month.
- 44. Chorus also proposed a change to the UCLF Backhaul STD, from monthly to quarterly reporting to the Commission of new unbundled local exchanges, to reflect current agreed practices between Chorus and the Commission.

#### Final decision

45. Our final decision is to amend reporting obligations of new unbundled local exchanges from monthly to quarterly, and add the following exemption for its reporting obligations across all STDs:

"If no orders have been received in the calendar month, Chorus will notify Access Seekers and the Commission that no order has been received and that no performance report is required for that month. Chorus may continue to supply a report to Access Seekers (as a nil report)."

#### Removal of redundant implementation and transitional clauses

#### Proposed amendments

- 46. We proposed to remove the following implementation provisions:
  - 46.1 The UCLF STD Implementation Plan, which is solely dedicated to the provisions for implementing the UCLF service. The document refers to processes that have already been completed and are no longer relevant.
  - 46.2 The cabinetisation provisions in the UCLF and UCLF Co-location STDs. The cabinetisation clauses proposed for removal are solely relevant to the process of Chorus's cabinetisation, which was completed in 2012.

#### Submissions

- 47. Chorus supported the Commission's proposal to remove cabinetisation provisions in the UCLF and UCLF Co-location STDs. However, it noted the implementation provisions for the UCLF STD should remain, as Chorus has not yet received an order for this service, and would use the implementation provisions if it were to receive an order in the future.<sup>11</sup>
- 48. Chorus also identified provisions across all STDs which refer to residual terms determinations, a concept that has been removed from the Act, and suggested they should be removed.

<sup>&</sup>lt;sup>11</sup> We believe Chorus is referring to the regulated UCLF service under the terms of the UCLF STD. Our understanding is Chorus supplies a commercial equivalent of the regulated UCLF service.

## Final decision

49. Cabinetisation provisions will be removed from the UCLF and UCLF Co-location STDs. Implementation provisions in the UCLF STD will remain. Clauses identified by Chorus relating to residual terms determinations will be removed, on the basis that they are now redundant.

#### **Interference Management Plan**

50. The IMP is the document that controls the way in which all of Chorus's copper pairs can be used (including by Chorus). It has both spectrum management and safety aspects. The IMP is currently attached to the UCLL STD, which will no longer be in force after 31 December 2019.

# Proposed amendments, submissions and final decision

- 51. In order to retain the IMP, we proposed that the IMP be attached to the UCLF STD, which would then keep the IMP in place at least until the Commission conducts its copper review under s 69AH(1)(a) of the Act.
- 52. Chorus supported our proposed change, and we have now attached the IMP to the updated UCLF STD we are publishing alongside this document.
- 53. After publishing the drafts, we have since identified some references to Telecom in Part 1 of the IMP that we have now corrected to Chorus.

#### Standardise formatting of the STDs

54. The STDs have been drafted and reviewed over a ten year period. Over this time, the standard Commission determination format has changed, which has resulted in multiple formats across the STDs.

#### Proposed amendments, submissions and final decision

- 55. We proposed to make changes to the STDs to update them to a standardised Commission determination format consistent with our current style guide. Our proposed changes did not alter the content of the STDs, but aimed to improve the consistency and usability across the STDs.
- 56. Chorus identified minor drafting errors that had resulted from the formatting refresh. No other submissions referred to the formatting.
- 57. We have finalised the updated formatting in the updated STDs that we are publishing alongside this document.

# Further issues raised in submissions

# The application of STDs until the Copper review

58. Section 69AG of the Act prevents the Commission from conducting s 30R reviews or s 59 reconsiderations of the copper STDs until the copper review is complete. It is therefore likely that these current 30R reviews of copper STDs will be the last until 2025. Submissions were received suggesting ways to reduce the effect of our inability to review the STDs in this period.

#### Spark submission

59. Spark discussed the application of the STDs as the regulatory framework transitions from regulated copper to fibre-based services. It pointed to the risk of new charges being introduced, and unnecessary disputes resulting from that. It noted that the Commission's powers under s 30R will be suspended, and suggested the Commission should confirm that it will use its powers to issue a clarification of an STD under s 58 of the Act if Chorus were to seek to introduce new charges to relevant services during the transition period.<sup>12</sup>

#### Vocus cross-submission

60. Vocus also discussed the application of the UCLL STD for existing customers of the UCLL service beyond 1 January 2020. Vocus voiced concerns that UCLL services might be removed in their entirety without clarity on the protections provided by the Copper Withdrawal Code. Vocus noted there may be a requirement for the Commission to explicitly state the requirements of s 69AD of the Act.

# Our response

- 61. Given that our s 58 powers to issue clarifications of determinations will remain active, even during the period when the STDs are otherwise 'frozen', it would not be appropriate for the Commission to pre-determine when we would exercise this specific power. We will consider how we apply the s 58 power on a case-by-case basis.
- 62. We note that the comments by Spark and Vocus relate to when the STDs apply, rather than the specific terms of the STDs themselves.<sup>13</sup> We have noted in paragraph 19 of this paper that the UCLL and SLU STDs are outside the scope of these reviews. Chorus and the Commission have a differing legal interpretation on the continued application of the terms of certain copper STDs. We have outlined our interpretation of Chorus's continued obligation to supply the relevant services (UCLL and SLU) at paragraph 19.1.

<sup>&</sup>lt;sup>12</sup> We have assumed Spark was referring to the Commissions "Clarification of determination" powers under s 58 of the Act which allows the Commission to amend a determination for the purposes of making a clarification if we consider it necessary.

<sup>&</sup>lt;sup>13</sup> The scope of these reviews is limited to ensure the usability of the STDs after 16 December 2019 by removing references to the UCLL service and updating the price adjustment mechanisms.

# Amending change mechanisms for the Operations Manual and SLTs for RSQ

63. Currently, Access Seekers have the ability to propose to Chorus amendments to the Operations Manual and SLTs of the STDs.<sup>14</sup> Proposed changes must be agreed by Chorus and all Access Seekers, and an impartial independent party may resolve objections.<sup>15</sup>

# Spark submission

- 64. Spark proposed the Commission should amend the above change mechanism to allow the Commission to propose changes to the Operations Manual and SLT of the STDs, as well provide some direction to an independent party as to how costs are recovered for proposed changes.
- 65. Spark stated the purpose of the amendment would be to facilitate Commission proposals should they be required to support potential Retail Service Quality (**RSQ**) outcomes for end-users. It noted that wholesale inputs will likely need to align or support standards that the Commission may set.
- 66. In its cross-submission, Vocus supported Spark's proposal.<sup>16</sup>

# Chorus cross-submission

67. Chorus opposed Spark's proposal in its cross-submission. Chorus stated:<sup>17</sup>

"By removing the Commission's power to review and reconsider the STDs under sections 30R and 59, Parliament has indicated its intention for the Commission not to initiate substantive changes to the STDs after 1 January 2020."

Further, Chorus observed that the Act does not indicate that the development of an RSQ Code will require changes to the wholesale STDs. Chorus noted that the RSQ provisions were passed in the Amendment Act at the same time as the s 30R and s 59 powers were frozen, indicating than Parliament did not intend the Commission to amend the STDs as a result of RSQ work.

# Our response

- 68. While the ability for the Commission to propose amendments to the Operations Manual and SLAs may support RSQ standards that the Commission might set (by way of a Commission RSQ Code), it is outside of the scope of these reviews.<sup>18</sup>
- 69. Further, we agree with Chorus that it was Parliament's intent to lock-in the terms of the STDs to provide certainty until the copper review. This can be observed both in

<sup>&</sup>lt;sup>14</sup> "Change mechanism for Operations Manual and Service Level Terms" section of each STDs General Terms

<sup>&</sup>lt;sup>15</sup> The General Terms of the STDs outline the full process for proposed changes to the Operations Manual and SLTs.

<sup>&</sup>lt;sup>16</sup> Vocus, "Section 30R reviews of Five regulated Telecommunications services Standard Terms Determination – Cross Submission to Commerce Commission" (5 November 2019). Para 14.

<sup>&</sup>lt;sup>17</sup> Chorus. "Cross-submission on the Commerce Commission's Explanatory Paper on Section 30R review" (5 November 2019). Para 9.

<sup>&</sup>lt;sup>18</sup> Commerce Commission, "Section 30R reviews of five regulated telecommunications services' standard terms determinations – Explanatory paper" (3 October 2019). Para 7.

the freezing of the Commission's s 30R and s 59 powers to review the terms of the STDs, and to provide price certainty by introducing a CPI-based price adjustment mechanism.

- 70. Introducing an alternative ability for the Commission to propose amendments would arguably circumvent Parliament's intent, and so we have decided not to introduce Spark's proposed amendment to the Operations Manual and SLAs. Our expectation is that this change mechanism is intended for industry participants to amend the STDs, and not the Commission.
- 71. While the Commission is not currently considering developing an RSQ code, if a code is required in the future, we could implement necessary changes to the STDs as part of the copper review any time before 2025.

# Attachment A – STDs under review

- 1. Chorus's Unbundled Copper Low Frequency (UCLF) service:
  - 1.1 General Terms;
  - 1.2 Schedule 1: Service Description;
  - 1.3 Schedule 2: Price List;
  - 1.4 Schedule 3: Service Level Terms; and
  - 1.5 Schedule 4: Operations Manual.
- Chorus's Unbundled Copper Local Loop and Unbundled Copper Low Frequency Network Backhaul (Telephone exchange to interconnect point) (UCLL and UCLF Backhaul) service:
  - 2.1 General Terms;
  - 2.2 Schedule 1: Service Description;
  - 2.3 Schedule 2: Price List;
  - 2.4 Schedule 3; Service Level Terms;
  - 2.5 Schedule 4; Operations Manual; and
  - 2.6 Schedule 5: POI Site Related Information.
- 3. Chorus's Unbundled Copper Local Loop and Unbundled Copper Low Frequency Network Co-location (**UCLL and UCLF Co-location**) service:
  - 3.1 General Terms;
  - 3.2 Schedule 1: Service Description;
  - 3.3 Schedule 2: Price List;
  - 3.4 Schedule 3: Service Level Terms;
  - 3.5 Schedule 4: Operations Manual; and
  - 3.6 Schedule 5: Access Terms.
- 4. Chorus's Unbundled Bitstream Access (UBA) service:
  - 4.1 General Terms;
  - 4.2 Schedule 1: Service Description;
  - 4.3 Schedule 2: Price List;

- 4.4 Schedule 3: Service Level Terms; and
- 4.5 Schedule 4: Operations Manual.
- 5. Chorus's Unbundled Bitstream Access Backhaul (UBA Backhaul) service:
  - 5.1 General Terms;
  - 5.2 Schedule 1: Service Description;
  - 5.3 Schedule 2: Price List;
  - 5.4 Schedule 3: Service Level Terms;
  - 5.5 Schedule 4: Operations Manual; and
  - 5.6 Schedule 5: POI Site Related Information.
- 6. The Interference Management Plan (IMP), which was linked to the UCLL STD.

# Attachment B – Table of amendments

STD	STD document	Document filename	Amendments present in document
UCLF	General Terms	UCLF STD - General terms - 15 December 2019	Removal of references to the UCLL service Removal of redundant implementation provision – cabinetisation Attach Interference Management Plan to UCLF STD
	Schedule 1 – Service Description	UCLF STD - Sch. 1 Service description - 15 December 2019	Removal of references to the UCLL service
	Schedule 2 – Price List	UCLF STD - Sch. 2 Price list - 15 December 2019	Updated price adjustment mechanism Price tables updated with 2019 annual price adjustments
	Schedule 3 – Service Level Terms	UCLF STD - Sch. 3 Service level terms - 15 December 2019	Removing unnecessary reporting obligations on Chorus
	Schedule 4 – Operations Manual	UCLF STD - Sch. 4 Operations manual - 15 December 2019	Removal of references to the UCLL service
	General Terms	UCLF Backhaul STD - General terms - 15 December 2019	Removal of references to the UCLL service Editing to standalone UCLF Backhaul STD
	Schedule 1 – Service Description	UCLF Backhaul STD - Sch. 1 Service description - 15 December 2019	Removal of references to the UCLL service Editing to standalone UCLF Backhaul STD
UCLF Backhaul	Schedule 2 – Price List	UCLF Backhaul STD - Sch. 2 Price list - 15 December 2019	Removal of references to the UCLL service Editing to standalone UCLF Backhaul STD Updated price adjustment mechanism Price tables updated with 2019 annual price adjustments
	Schedule 3 – Service Level Terms	UCLF Backhaul STD - Sch. 3 Service level terms - 15 December 2019	Removal of references to the UCLL service Editing to standalone UCLF Backhaul STD Removing unnecessary reporting obligations on Chorus
	Schedule 4 – Operations Manual	UCLF Backhaul STD - Sch. 4 Operations manual - 15 December 2019	Removal of references to the UCLL service Editing to standalone UCLF Backhaul STD
	Schedule 5 – POI Site Information	UCLF Backhaul STD - Sch. 5 POI site information - 15 December 2019	Removal of references to the UCLL service Editing to standalone UCLF Backhaul STD

UCLF Co-location	General Terms	UCLF Co-location STD - General terms - 15 December 2019	Removal of references to the UCLL service Editing to standalone UCLF Co-location STD Removal of redundant implementation provision – cabinetisation
	Schedule 1 – Service Description	UCLF Co-location STD - Sch. 1 Service description - 15 December 2019	Removal of references to the UCLL service Editing to standalone UCLF Co-location STD
	Schedule 2 – Price List	UCLF Co-location STD - Sch. 2 Price list - 15 December 2019	Removal of references to the UCLL service Editing to standalone UCLF Co-location STD Updated price adjustment mechanism Price tables updated with 2019 annual price adjustments
	Schedule 3 – Service Level Terms	UCLF Co-location STD - Sch. 3 Service level terms - 15 December 2019	Removal of references to the UCLL service Editing to standalone UCLF Co-location STD Removing unnecessary reporting obligations on Chorus
	Schedule 4 – Operations Manual	UCLF Co-location STD - Sch. 4 Operations manual - 15 December 2019	Removal of references to the UCLL service Editing to standalone UCLF Co-location STD Removal of redundant implementation provision – cabinetisation
	Schedule 5 – Access Terms	UCLF Co-location STD - Sch. 5 Access terms - 15 December 2019	Removal of references to the UCLL service Editing to standalone UCLF Co-location STD
	General Terms	UBA STD - General terms - 15 December 2019	Removal of references to the UCLL service Attach Interference Management Plan to UCLF STD
	Schedule 1 – Service Description	UBA STD - Sch. 1 Service description - 15 December 2019	No changes
UBA	Schedule 2 – Price List	UBA STD - Sch. 2 Price list - 15 December 2019	Updated price adjustment mechanism Price tables updated with 2019 annual price adjustments
	Schedule 3 – Service Level Terms	UBA STD - Sch. 3 Service level terms - 15 December 2019	Removing unnecessary reporting obligations on Chorus
	Schedule 4 – Operations Manual	UBA STD - Sch. 4 Operations manual - 15 December 2019	Removal of references to the UCLL service

UBA Backhaul	General Terms	UBA Backhaul STD - General terms - 15 December 2019	No changes
	Schedule 1 – Service Description	UBA Backhaul STD - Sch. 1 Service description - 15 December 2019	Removal of references to the UCLL service
	Schedule 2 – Price List	UBA Backhaul STD - Sch. 2 Price list - 15 December 2019	Updated price adjustment mechanism Price tables updated with 2019 annual price adjustments
	Schedule 3 – Service Level Terms	UBA Backhaul STD - Sch. 3 Service level terms - 15 December 2019	Removing unnecessary reporting obligations on Chorus
	Schedule 4 – Operations Manual	UBA Backhaul STD - Sch. 4 Operations manual - 15 December 2019	Removal of references to the UCLL service
	Schedule 5 – POI Site Information	UBA Backhaul STD - Sch. 5 POI site information - 15 December 2019	No changes
laterference	IMP - Part 1	Final IMP - Part 1 - 15 December 2019	Removal of references to the UCLL service
Interference Management Plan	IMP - Part 2	VDSL IMP - Part 2 998 Incorporating VDSL Band plan 998 ADE	No changes
	IMP - Part 3	VDSL IMP - Part 3 998 Incorporating VDSL Band Plan 998 ADE	No changes