



Dr Stephen Gale
Telecommunications Commissioner
Commerce Commission
44-52, the Terrace
WELLINGTON

28th February 2014

By email: telco@comcom.govt.nz

Cross Submission on the UCLL TSLIRC Pricing principles

This letter should be read in conjunction with the report in response to parties submissions prepared by Frontier Economics on behalf of Vodafone, Telecom & CallPlus.

CallPlus is the largest unbundler in NZ and the UCLL price has a material impact on our business. We have very serious concerns with Chorus' proposal that the model is based on their network, using their information and is 'time boxed' into a December 2014 deadline.

CallPlus firmly believes that the regulator needs to build their own model to set the price, not base it on the incumbents existing network, architecture and technology with all its inherent inefficiencies. Whilst data from the operator may be used to inform inputs they will need to be carefully considered for accuracy & omissions and to ensure they reflect the MEA and an efficient operation.

Adopting Chorus' proposed approach is not a quick solution, nor is it the right approach. It biases the model from inception and, given the level of scrutiny & thorough checking that the Commission would have to undertake, it is not a quick solution that allows a fast track to December 2014. Furthermore it sidelines other interested parties due to the confidential nature of the information, the inherent asymmetry of information and Chorus' control of which information is submitted.

Thank you for the opportunity to comment, for further information please contact:

A handwritten signature in black ink, appearing to read 'G. Walmsley', with a large, sweeping flourish at the end.

Graham Walmsley
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