



MP for Mana

Minister of Broadcasting, Communications and Digital Media

Minister of Civil Defence

Minister of Commerce and Consumer Affairs

Minister of Customs

Associate Minister of Immigration

23 November 2018

Dr Stephen Gale
Telecommunications Commissioner
Commerce Commission

Dr Stephen Gale,

Re: Commerce Commission request to extend the implementation date for the new fibre regulatory regime

Thank you for your letter dated 20 November 2018 formally requesting deferral of the implementation date for introducing the new regulatory framework for fibre fixed line access services, under clause 7 of Schedule 1AA of the Telecommunications Act, for the maximum two year period until 1 January 2022.

I understand that the Commission's request for an extension is based on a number of factors, including:

- The requirement for robust industry consultation;
- Limited availability of technical experts (despite additional funding);
- A preference to deliver a durable and stable regulatory regime, which will provide certainty to industry and consumers;
- The Commission's experience implementing similar regimes under Part 4 of the Commerce Act; and
- Feedback from stakeholders concerned about the current timeframe.

I also note that the Commission believe that in the absence of an extension there is a much greater risk of successful legal appeals, which would likely lead to extended periods of uncertainty.

I have considered the factors that you have outlined and accept that there is a need for a longer implementation timeframe to enable robust regulatory development.

I will therefore support an extension to the implementation date for introducing the new regulatory framework for fibre fixed line access services, under clause 7 of Schedule 1AA of the Telecommunications Act, for the maximum two year period until 1 January 2022.

I was pleased to note that the Commission has begun work on the new regime. I look forward to receiving regular updates on the Commission's progress.

Yours sincerely,

Hon Kris Faafoi
**Minister of Broadcasting, Communications
and Digital Media**