



**Draft**

**STANDARD TERMS DETERMINATION FOR CHORUS' SUB-LOOP  
UNBUNDLED COPPER LOCAL LOOP NETWORK SERVICES**

**Comment [A1]:** The reasons for updating this document are described in *Section 30R Reviews of seven regulated telecommunications services' Standard Terms Determinations (STDs) Price Lists*. For each meaningful change we have identified the relevant paragraph in this document.

**SCHEDULE 2  
SUB-LOOP BACKHAUL PRICE LIST  
SERVICE APPENDIX 3  
PUBLIC VERSION**

18 June 2009

Updated to incorporate Commerce Commission decisions, amendments, and clarifications through [to 10 April 2017](#)

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## 1 Introduction

- 1.1 This schedule sets out the Charges<sup>1</sup> for the Sub-loop Backhaul Service ~~at the date the Sub-loop Backhaul Terms takes effect~~ and provides a mechanism to make ~~any~~ adjustments to the Charges ~~for Service Components~~<sup>2</sup>.
- 1.2 References to clauses or sections are references to clauses or sections in this Sub-loop Backhaul Price List unless expressly provided otherwise. The definitions set out in the Sub-loop Services General Terms and the Sub-loop Backhaul Operations Manual apply to the extent that they are not expressly modified by or inconsistent with the context of this Sub-loop Backhaul Price List.

**Comment [A2]:** 11.3: Standardisation

**Comment [A3]:** 11.1: No longer applicable

**Comment [A4]:** 11.3: Standardisation

## 2 Charges

- 2.1 ~~All Prices~~<sup>3</sup> are listed under the "Charge" column for each Service Component
- 2.2.2 ~~Each Charge~~ for Sub-loop Backhaul Service Components are ~~is~~ described in the table below as being either a Core Charge ('C') or a Sundry Charge ('S') Charge.
- 2.2.3 Core Charges are for the core components of the Sub-loop Backhaul Service.
- 2.4 Sundry Charges are for other components of the Sub-loop Backhaul Service ~~(ancillary services)~~.
- 2.2.5 Prices for Service Components ~~These charges~~ are either:
- 2.3.12.5.1 fixed; or
  - 2.3.22.5.2 calculated ~~on a fixed hourly rate~~; or
  - 2.3.32.5.3 expressed as "Price on application" (POA). ~~Prices that are POA, which~~ must reflect the underlying cost of providing the resources and project management skills required to provide the ~~ancillary~~ Service Component.
- 2.4.6 For all ~~POA price~~ Service Components ~~that are POA~~, Chorus must, if requested by the Access Seeker, use all reasonable endeavours to provide the Access Seeker with two or more competitive quotes.
- 2.5.7 Charges will become due and payable and will be invoiced in the manner described in the ~~table below~~ "Charge invoiced" column for each Service Component.
- 2.6.8 The provisions in the Sub-loop Services General Terms relating to invoicing and payment of Charges apply.
- 2.7 All Charges in this schedule exclude GST.
- 2.9 All adjustments to Charges ~~Prices~~ must be ~~done in accordance with the Price Change Mechanism listed in the "Price Change Mechanism" column for each Service Component, approved by the Commission.~~
- 2.10 Any adjustment to Charges for Service Components must be approved by the Commission.

**Comment [A5]:** 11.3: Standardisation

**Comment [A6]:** 11.1: No longer applicable

**Comment [A7]:** 11.3: Standardisation

<sup>1</sup> Charge is defined in the Sub-loop Services General Terms as "all or (as the context requires) any amounts payable by the Access Seeker under the Sub-loop Services Terms." Charges in this schedule exclude GST.

<sup>2</sup> Service Component means a component of the Sub-loop Co-location Service, described in the rows of tables 1-3 below. Each Service Component has a description of the service, a Price Change Mechanism, invoicing detail and a Charge, which is identified as either Core or Sundry. Individual Service Components are referred to by the numerical reference number at the start of the row in which the Service Component is described.

<sup>3</sup> Price in this document means the dollar amount(s) attributed to a Service Component. A Price becomes a Charge when the Access Seeker requests/receives the Service. Prices in this schedule exclude GST.

### 3 Adjustment to ~~sundry~~ Charges

3.1 Chorus must, subject to the approval of the Commission, pass through changes in costs by increasing or decreasing ~~Sundry Charges Prices~~ as follows:

3.1.1 Each year, on 1 November ~~(Review Date)~~, Chorus must ~~calculate adjustments to the Sundry Charges Prices relating to the Service Components where this clause is the prescribed Price Change Mechanism that are shown in the Price List table below (in the column "Price Change Mechanism" and identified as "clause 3.1(a)")~~ Those adjustments must be by an amount equivalent to the percentage change (up or down) for the previous year in the Labour Cost Index ~~(All sectors, Salary and Ordinary Time Wage Rates, All industries combined) Series Reference LCIQ.SG51Z9 (Communication Services) Series Reference LCIQ.SE49J9~~ as published by Statistics New Zealand or such successor index as may be designated by Statistics New Zealand from time-to-time.

~~For the purpose of this clause 3.1.1 the annual percentage change between the previous year's June index number and the current year's June index number must be used.~~

~~For the purpose of this clause 3.1(a), the previous year is the period which commences on the quarterly index date immediately prior to the previous Review Date and ends on the quarterly index date immediately prior to the Review Date. For the review on 1 November 2010, the previous year is the period which commences on the quarterly index date immediately prior to 1 November 2009.~~

3.1.2 Where:

3.1.2.1 the cost of providing one of the Service Components ~~(with the prescribed Price Change Mechanism "clause 3.1.2") that are shown in the Price List table below (in the column "Price Change Mechanism" and identified as "clause 3.1(b)")~~ increases or decreases; and

3.1.2.2 that increase or decrease is due to changes in input costs charged to Chorus pursuant to contractual obligations by its field service company contractors,

Chorus must immediately ~~calculate an adjustment to the Price Sundry Charge~~ relating to that Service Component to reflect the increase or decrease in costs.

3.1.3 When adjusting ~~Price~~ the ~~Sundry Charges~~ under clause 3.1.1(a), Chorus must ~~also~~ review all ~~Service Components Sundry Charges~~ which are POA and ~~provide~~ ~~calculate~~ a fixed Price where this is practicable.

3.2 Once an adjustment or new fixed Price has been calculated under clause 3.1, Chorus must give notice to the Commission of the adjustment. The notice must include:

~~3.2.1~~ the figures used in the calculation for the adjustment;

~~3.2.2~~ the calculations undertaken for the adjustment;

~~3.2.3~~ a description of the adjustment made; and

~~3.2.4~~ the reasons for the increase or decrease.

~~3.3~~ Any adjustment After an adjustment calculation has been approved by the Commission, Chorus must: ~~to a Sundry Charge shall take effect from the date the Commission approves the adjustment:~~

~~3.3.1~~ notify Access Seekers of the adjustment; and then,

~~3.3.2~~ activate the new Charge arising from the adjustment in its billing system within 30 Working Days of the Commission notifying Chorus of its approval.

Comment [A8]: 11.3: Standardisation

Comment [A9]: 11.1: No longer applicable

Comment [A10]: 11.3: Standardisation

Comment [A11]: 12.1: FPP index

Comment [A12]: 12.2.3: Clarifying calculation

Comment [A13]: 11.3: Standardisation

Comment [A14]: 11.3: Standardisation & 12.2: Standardising adjustment process

## Tables of Sub-loop Backhaul Service Charges

### 1 Sub-loop Backhaul Service Transaction Charges

Service component	Description	Core or sundry	Charge invoiced	Price change mechanism	Charge (excl. GST)
1.1 Sub-loop Backhaul Service New Connection <sup>4</sup>	A new connection of the Sub-loop Backhaul Service via fibre utilising an optical interface  Connection only	C	Following notification of completion of Order	None	Cabinet-end: \$541  Exchange-end: \$4,030
1.2 Sub-loop Handover Fibre Installation	Chorus installing the Access Seeker's Sub-loop Handover Fibre between: <ul style="list-style-type: none"> <li>the Distribution Cabinet Manhole and the OFDF or equivalent facility; or</li> <li>the Local Exchange Manhole and the Local Exchange OFDF</li> </ul>	S	Following notification of completion of Order	None	Price on Application (POA)  Based upon cost of time and materials (including a 10% contribution towards common costs, unless already recovered)
1.3 Sub-loop Backhaul Connection installation	Chorus installing the Access Seeker's Sub-loop Backhaul Connection between: <ul style="list-style-type: none"> <li>the Access Seeker Equipment in the Sub-loop Co-location Service Area in the Distribution Cabinet and the OFDF or equivalent facility; or</li> <li>the Access Seeker Equipment in the UCLL Co-location Service Area in the Local Exchange and the OFDF</li> </ul>	S	On completion of installation	None	Price on Application (POA)  Based upon cost of time and materials (including a 10% contribution towards common costs)
1.4 Relinquishment of Access Seeker Backhaul Connection or Backhaul Handover Fibre	Relinquishment of an existing Access Seeker Backhaul Connection or Backhaul Handover Fibre. Charge covers time and materials to remove an existing Backhaul Connection or Backhaul Handover Fibre and cables and equipment	S	On completion of relinquishment	None	Price on Application (POA)  Based upon cost of time and materials (including a 10% contribution towards common costs, unless already recovered)
1.5 Sub-loop Backhaul Change Order	Project management and co-ordination of Change Orders (a change in configuration). If the change requires a new connection and/or relinquishment these will be charged for separately	S	On completion of change order	Clause <del>3-1(a)</del> 3.1.1	<del>\$102.39</del> 113.72 per hour  Pricing reflects the fully allocated cost of project management
1.6 Sub-loop Backhaul Service Relinquishment	Relinquishment of supply of an existing Sub-loop Backhaul Service connection	C	Following notification by Chorus of completion of Order	None	No charge

**Comment [A15]:** 11.3: Standardisation (unless otherwise specified).

<sup>4</sup> \_\_\_\_\_ The connection charge at each end of the service does not vary depending on the number of fibres purchased by the Access Seeker.

## 2 Sub-loop Backhaul Service Recurring Charges

Service component	Description	Core or sundry	Charge becomes due	Price change mechanism	Charge (excl. GST)
2.1 Sub-Loop Backhaul Service	Monthly Charge for the Standard sub-loop Backhaul Service	C	Monthly in advance from completion of order	None	<p>Priced on a cabinet-by-cabinet basis according to the proportion of fibres used by the Access Seeker using the following formula:</p> $A = B \times \left( \frac{C}{D} \right) + E$ <p>Where:</p> <p>A = the monthly charge paid by the Access Seeker</p> <p>B = monthly passive equipment costs for an Urban Distribution Cabinet (\$1,911 per month) or monthly passive equipment costs for a Non-urban Distribution Cabinet (\$3,197 per month)<sup>5</sup></p> <p>C = the number of fibres provided to the Access Seeker between the Distribution Cabinet and Local Exchange in respect of the Sub-loop Backhaul Service</p> <p>D = the total number of fibres used between the Distribution Cabinet and Local Exchange (other than any fibre used by Chorus for the purpose of supporting, and monitoring the performance of, the Sub-loop Services provided that no Access Seeker or other customers will be served off that fibre); and</p> <p>E = monthly active equipment costs (\$430 per month)</p>

**Comment [A16]:** 11.3: Standardisation (unless otherwise specified).

<sup>5</sup> "Urban" and "Non-urban" Distribution Cabinets are as defined in the Sub-loop UCLL Price List.

Service component	Description	Core or sundry	Charge becomes due	Price change mechanism	Charge (excl. GST)
2.2 Sub-loop Backhaul Connection space rental charge.	Monthly space rental charge for Sub-loop Backhaul Connection co-located on Chorus property	C	Monthly in advance from completion of order	None	Cabinet-end: <del>No charge</del> \$0.00 Exchange-end: \$27.09
2.3 Sub-loop Handover Fibre space rental charge.	Monthly space rental charge for Sub-loop Handover Fibre co-located on Chorus property	C	Monthly in advance from completion of order	None	Cabinet-end: \$6.66 Exchange-end: \$27.09
2.4 Handover Fibre rental	Monthly rental for the Handover Fibre	S	Monthly in advance from completion of order	Clause <del>3.1(a)</del> and <del>3.1(b)</del> <u>3.1.2</u>	<del>\$12,308.53</del> Based on an underlying service cost including maintenance of [ ] CHORUS COI plus a mark-up of [ ] CHORUS COI to cover common costs

**Comment [A16]:** 11.3: Standardisation (unless otherwise specified).

**Comment [A17]:** 9.3: 2016 adjustment

### 3 Sub-loop Backhaul Service Ancillary Services

Service component	Description	Core or sundry	Charge invoiced	Price change mechanism	Charge (excl. GST)
3.1 No Fault Found	<del>Fixed charge for a</del> Fault call that is closed "no Chorus fault found"	S	Following completion of fault investigation	Clause <del>3.1(b)</del> <u>3.1.2</u>	<del>\$110.04</del> <u>124.13</u> <del>[ ] CHORUS COI</del>
3.2 Additional OO&T Training	Access Seeker staff training (at Access Seeker's site) on the operation and use of OO&T. Maximum 10 persons per course	S	Following completion of training	Clause <del>3.1(a)</del> <u>3.1.1</u>	<del>\$102.39</del> <u>113.72</u> per hour plus actual travel costs (as applicable, the costs of airplane flights, public transport fares, taxi fares and standard mileage rates for motor vehicles as published by Inland Revenue) to Access Seeker's site. Hourly rate reflects fully loaded cost of skilled employee to run training.
3.3 Additional OFM Training	Access Seeker staff training (at Access seeker site) on the operation and use of OFM. Maximum 10 persons per course	S	Following completion of training	Clause <del>3.1(a)</del> <u>3.1.1</u>	<del>\$102.39</del> <u>113.72</u> per hour plus actual travel costs (as applicable, the costs of airplane flights, public transport fares, taxi fares and standard mileage rates for motor vehicles as published by Inland Revenue) to Access Seeker's site. Hourly rate reflects fully loaded cost of skilled employee to run training.
3.4 OO&T Licence Fee	Monthly software licence fee for OO&T	S	Monthly in advance	<u>None</u>	\$24.00 per Access Seeker per month
3.5 OFM Licence Fee	Monthly software licence fee for OFM	S	Monthly in advance	<u>None</u>	\$24.00 per Access Seeker per month
3.6 Additional Copies of Invoice	<u>Additional</u> hard copies of invoices as requested by Access Seeker	S	Following provision of additional copies of invoice	Clause <del>3.1(a)</del> <u>3.1.1</u>	<del>\$102.39</del> <u>113.72</u> per invoice Based on per line itemisation and average forecast invoice length plus time and materials of person to prepare and courier charge
3.7 Additional Billing Information	Providing any additional billing information requested by the Access Seeker over and above that reasonably required to enable the Access Seeker to check the accuracy of invoices	S	On provision of the additional billing information	<u>None</u>	Price on Application (POA) Based on time and material of person to prepare and deliver information

**Comment [A18]:** 11.3: Standardisation (unless otherwise specified).

**Comment [A19]:** 9.3: 2016 adjustment

**Comment [A20]:** 9.3: 2016 adjustment

**Comment [A21]:** 9.3: 2016 adjustment

**Comment [A22]:** 9.3: 2016 adjustment



Service component	Description	Core or sundry	Charge invoiced	Price change mechanism	Charge (excl. GST)
3.8 Order cancellation (Pre Truck Roll)	Cancellation of an order after RFS Date notified to Access Seeker but before truck roll confirmed	S	Upon cancellation	Clause <del>3.1(a)</del> 3.1.1	<del>\$4,545.00</del> Price reflects [ - ] Chorus COI for administrative costs and time plus a 10% mark-up to cover common costs unless already recovered
3.9 Order cancellation (Post Truck Roll)	Cancellation of an Order after RFS date notified to Access Seeker and after truck roll confirmed	S	Upon cancellation	Clause <del>3.1(b)</del> 3.1.2	<del>\$9,77104.13</del> [ - ] CHORUS COI
3.10 Backhaul Connection or Handover Fibre repair charge	Repair of the Handover Fibre or Backhaul Connection or where Access Seeker is responsible for fault but has no right of access.	S	Upon completion of repair	None	Price on Application (POA) Based upon cost of time and materials (including a 10% contribution towards common costs, unless already recovered)
3.11 Abortive site visit	Abortive site visit where, for a reason not caused by Chorus, visit doesn't proceed.	S	Following site visit cancellation	Clause <del>3.1(b)</del> 3.1.2	<del>\$7,00111.06</del> per hour [ - ] CHORUS COI

**Comment [A18]:** 11.3: Standardisation (unless otherwise specified).

**Comment [A23]:** 9.3: 2016 adjustment

**Comment [A24]:** 9.3: 2016 adjustment

**Comment [A25]:** 9.3: 2016 adjustment