



TCF Submission to
The Commerce Commission on
Draft Product Disclosure Retail Service Price and Cost Guidelines
15 March 2024

A. Introduction

1. Thank you for the opportunity to provide feedback on the Commerce Commission's (the Commission) draft Product Disclosure Retail Service Price and Cost Guidelines (draft Guidelines).
2. This submission is provided by the New Zealand Telecommunications Forum (TCF). The TCF is the telecommunications sector's industry body which plays a vital role in bringing together the telecommunications industry and key stakeholders to resolve regulatory, technical and policy issues for the benefit of the sector and consumers. TCF member companies represent 95 percent of New Zealand telecommunications customers. The forum facilitates the development of consensus-based, self-regulatory codes, that set standards and specifications for the way members follow procedures internally, and for the way industry interconnects on industry-wide issues. The TCF enables the industry to work together and to discuss issues and topics collaboratively, to reach acceptable solutions that can be developed and implemented successfully.

B. General considerations

3. The TCF would like to make some general points which underpin its position in relation to the draft Guidelines:

- i. The industry acknowledges the Commission’s efforts not to overburden the sector with consultations and deadlines all happening at the same time. While we appreciate that the Commission is keen to progress its Retail Service Quality (RSQ) programme in 2024, if the output of this is intended to deliver multiple guidelines, we ask the Commission to review the scope of these to ensure there is no duplication or misalignment.
- ii. For example, there are a range of requirements on providers when marketing broadband services and it would be helpful if the Commission mapped these across the relevant guidelines to provide industry stakeholders a holistic view of how its proposals under these draft Guidelines fit within the wider existing requirements.
- iii. We understand the need to provide consumers with appropriate information to allow them to make an informed comparison between different service offerings. It is important to strike a balance between presenting the right information at the right touch points in the customer journey while avoiding information overload.
- iv. The final Guidelines should be focused on the outcomes the Commission wants to achieve rather than being overly prescriptive. Allowing operators an appropriate level of flexibility in how defined outcomes are achieved practically will help ensure this is done in an efficient and consumer-focussed way.

C. Feedback on specific proposals in the draft Guidelines

4. Part 1 A: Commencement date

The Commission has proposed that providers become fully compliant within three months after publication of the final Guidelines. However, feedback from our members indicates that this is not a realistic timeframe, given the wide range and complexity of the proposed measures which impact all aspects of the customer experience. While members will provide feedback on the timeframes in their own submissions, the TCF urges the Commission to consider the reality of practical constraints that might mean more time is needed to deliver specific measures. Implementing the requirements outlined in the Guidelines demands effort, time, and resources and these won’t be fully understood until the final Guidelines are published. Providers will need to allocate resources to implement new requirements within their existing product and customer experience work programmes.

5. Part 2 H: Offer summaries, Clause 19

The Commission has proposed that new standardised offer summaries should be created and made available on the TCF website. This includes expansion of the current offer summaries to cover mobile services and making offer summaries plan rather than access

technology specific. Under the TCF Broadband Product Disclosure Code, the TCF developed standardised offer summary templates for broadband plans, which are publicly available on the TCF website. We acknowledge that the requirements in the TCF offer summaries differ from what the draft Guidelines propose, and we are happy to work with the Commission to refine them.

6. Part 2 H: Offer summaries, Clause 21

The Commission has proposed that offer summaries should be ‘no more than two A4 pages’ and ‘be accessible to people with vision impairments, including being written in a machine-readable format, with appropriate font, font size, and colour contrast ratios.’ We have created a couple of mock-up offer summary examples that include information set out in the draft Guidelines and found that it is not possible to fit all of the information on two A4 pages while keeping the text in a reasonable size. We have provided the examples as an appendix.

There is a balance between keeping offer summaries concise and having an arbitrary page limit. The final Guidelines shouldn’t require offer summaries to be so prescriptive and limiting to avoid impacting the products and services providers are able to offer to consumers.

7. Part 2 H: Offer summaries, clause 25

The draft Guidelines propose that providers send personalised offer summaries to consumers after the point of sale. The Commission has indicated that the intention of this clause is to provide the customer with a record of the plan they have purchased.

TCF members will submit their views about how this outcome could be best achieved in other ways that might be more efficient than sending personalised offer summaries to customers as an email attachment or embedded in an email after sale. Nevertheless, it is unclear what evidence exists of a problem that the Commission is seeking to solve through this proposal or whether there is widespread consumer demand for standardised and tailored offer summaries to be sent after sale.

Further discussion between the industry and the Commission would be helpful on this issue to better inform feedback on this proposal in future rounds of consultation. If the Commission proceeds to include this proposal in its final Guidelines, we recommend that the Guidelines provide flexibility to operators in how the offer summary information can be delivered to consumers.

8. Part 2 I: Displaying early termination fees on invoices, clause 28

The Commission has proposed that providers should be required to include specific information about early termination charges (ETCs) on customers’ invoices. Our members have expressed concerns about this proposal due to the cost and complexity associated with making changes to customer invoices. If the purpose of the clause is to allow

customers to know at any point in time what they would have to pay if they were to cancel their plan, there are other ways that this outcome could be achieved. We recommend that the final Guidelines outline the desired outcomes and allow flexibility for providers to determine how to achieve these in the most appropriate way for their customers.

Individual members will provide more detailed feedback on this issue in their submissions. We also note that the Commission plans to look at billing under the RSQ programme this year. Any proposals that require changes to the customer invoices should be considered at the same time to avoid implementing multiple costly changes.

9. The TCF is happy to answer any questions the Commission might have on the views set out in this submission, please contact: [REDACTED]

Appendix: Mock-up offer summary examples

OFFER SUMMARY for *ExampleISP - Plan A Fibre Broadband*

Publishing date: 13 March 2024

Service Overview	
Service Description	Plan A Fibre Broadband is a standalone broadband service for personal customers. Plan A Fibre Broadband comes with Netflix Standard (Full HD) Streaming Plan. A landline can be bought for an extra cost.
Additional requirements	Plan A Fibre Broadband plan does not include a modem.
Charges	<p>Recurring price \$100 per month. [Link to ExampleISP pricing webpage] Price includes the following additional services:</p> <ul style="list-style-type: none"> • Netflix Standard (\$18.49/month if purchased separately) <p>Set up charge A modem is not included in the plan. You can use your own modem or one can be purchased for a \$150 one-off payment or on ExampleISP's interest free payment term. There will be an additional \$15 postage fee. [Links to more information about available modems and interest free terms]</p> <p>Other charges A landline can be purchased in addition to the plan for a monthly charge of \$10. Non-standard installation (including for properties that are 200 metres or more away from the road) incur additional charges. A price can be provided following assessment. A \$50 reconnection fee applies if services are suspended for non-payment.</p>
Term of plan	Plan A Fibre Broadband has no minimum fixed term.
Early termination fees and notice period	No early termination fees. If you terminate your plan before the end of any modem interest free term, you will need to pay the outstanding interest free payments when your plan ends. You need to give us 30 days' notice to end your plan, as set out in our General Terms.
Plan Performance	
Access type and expected performance	Your access type will be Fibre. More information about access types and speeds can be found on the NZ Telecommunications Forum website. [include link]. Broadband performance can be affected by many factors and the broadband speeds you experience could be different. For more information about this, see [include link to further information on ExampleISP website] View Independent information on broadband performance across different providers, plans and technologies
Allowances	Unlimited data allowance. If you've ordered Plan A with a landline, additional calling rates may apply. [include link

	to information about calling rates on ExampleISP website]
Dependencies	<p>Fibre modems are reliant on power. This means the landline and devices such as medical alarms or cordless phones won't work in the event of a power cut. So, it's important to have a mobile phone handy for emergencies. If you or someone at your place, don't have a means to contact 111 during a power cut and are at particular risk of needing to call 111, you can register as a Vulnerable Consumer. If your application is successful, we will provide you with a way to call 111 during a power cut, at no cost to you.</p> <p>If you want to make calls from a landline (including 111 calls), you'll need to add a landline to this plan for \$10 a month.</p> <p>[insert any other services that you need to purchase from ExampleISP to be eligible for this plan]</p>
Availability	Plan A Fibre Broadband is not available in all areas, and eligibility criteria applies. Select the address checker to see what is available to you. [include link to address checker on ExampleISP website]
Limiting factors	
Traffic management	We manage traffic which may influence your broadband performance. This means we might have to pause, restrict, end or slow the performance of your service if it's necessary for us to protect our networks or manage traffic over our networks. See our General Terms for more details. [include link to General Terms]
Service Restrictions	We have some service restrictions which may impact you. See [section x] of our General Terms for more details. [include link to General Terms]
Fair Use	You need to use our services fairly - we've set out our rules on this in our General Terms. [include link to General Terms]
Customer support	
Customer service	<p>If for any reason you are not happy with any aspect of the products or services we provide you we would be keen to hear from you as soon as possible so that we can put things right. Please contact us using one of the following options:</p> <ul style="list-style-type: none"> • Phone - If you would like to talk to us about your concern you can use the following numbers: Residential customers: [phone number] • Post - If you'd prefer to write to us about your problem write to the address below and we'll call you. Please remember to include your full name, postal address, ExampleISP account number and a daytime telephone number in your letter so we can get back in touch: [Postal Address] • Online - You can also let us know about your concerns on-line by completing our online form [link to online form] <p>[Include link to where this information can be found on ExampleISP website]</p>
Complaints and disputes	<p>Information about our complaints process is set out in our General Terms. [Include link to ExampleISP complaint information]</p> <p>Information about our disputes policy is available. [Include link to ExampleISP disputes policy]</p> <p>ExampleISP is a member of the Telecommunication Dispute Resolution (TDR) Scheme. Visit the TDR website</p>

Other terms and conditions

Payment and billing cycles: XXXX

We may charge you a late payment fee if you do not pay your bill by the due date. This fee reflects what it costs us to recover the money you haven't paid, and you'll be automatically charged this.

We may make changes to our services or personal terms. How this works is set out in our General Terms.

When you sign up to Plan A Fibre Broadband, you will receive:

- Netflix Standard (Full HD) Streaming Plan for the duration of your Essential Fibre Plus Broadband Netflix service. This means you can stream TV shows and movies on two devices at the same time and in full HD. It also lets you download titles to two phones or tablet. [Link to Netflix terms and conditions]

All prices quoted are inclusive of GST.

This document is a summary only. Full legal terms and conditions for the plan can be found at (insert link).

OFFER SUMMARY for *ExampleISP - Plan B Wireless Broadband with voice calling*

Publishing date: 13 March 2024

Service Overview																											
Service Description	<p>Plan B Wireless Broadband is a broadband service that runs over our mobile network. Wireless Broadband services are only available in areas with sufficient 4G or 5G coverage. Unlimited Broadband is for residential use only.</p> <p>Voice calling over broadband (VoIP) is the latest in phone line technology. VoIP stands for “Voice over Internet Protocol”. If you have an existing traditional copper landline connected this will be replaced by voice calling over broadband. See how this may affect you in the “Effects on other services” section below.</p>																										
Additional requirements	All the equipment required to receive service is provided as part of the plan.																										
Charges	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 15%; vertical-align: top;">Recurring price</td> <td style="padding: 5px;"> <p>\$100 per month</p> <p>Unlimited Wireless broadband plans include a \$10 life of plan discount. Broadband with voice includes a voice calling over broadband charge of \$10 per month with free calls to NZ landlines (2-hour limit per call applies).</p> <p>You can get a \$10 discount off your ExampleISP broadband bill each month when you link an eligible On Account mobile to your home broadband account.</p> </td> </tr> <tr> <td style="vertical-align: top;">Set up charge</td> <td style="padding: 5px;">No set up charge. An ExampleISP 4G modem is included in plan (RRP \$250).</td> </tr> <tr> <td style="vertical-align: top;">Other charges</td> <td style="padding: 5px;">Additional voice calling over broadband charges may include charges phone calling features and calls in excess of the two hour per call cap. [include link to calling charges on ExampleISP website]</td> </tr> </table>	Recurring price	<p>\$100 per month</p> <p>Unlimited Wireless broadband plans include a \$10 life of plan discount. Broadband with voice includes a voice calling over broadband charge of \$10 per month with free calls to NZ landlines (2-hour limit per call applies).</p> <p>You can get a \$10 discount off your ExampleISP broadband bill each month when you link an eligible On Account mobile to your home broadband account.</p>	Set up charge	No set up charge. An ExampleISP 4G modem is included in plan (RRP \$250).	Other charges	Additional voice calling over broadband charges may include charges phone calling features and calls in excess of the two hour per call cap. [include link to calling charges on ExampleISP website]																				
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Set up charge	No set up charge. An ExampleISP 4G modem is included in plan (RRP \$250).																										
Other charges	Additional voice calling over broadband charges may include charges phone calling features and calls in excess of the two hour per call cap. [include link to calling charges on ExampleISP website]																										
Term of plan	12-month term contract																										
Early termination fees and notice period	<p>An Early Termination Fee will apply if you choose to disconnect or downgrade to a lower value broadband plan before the end of your contract term.</p> <p>[Insert formula used to calculate early termination fee]</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left; padding: 5px;"><i>Months remaining in plan</i></th> <th style="text-align: left; padding: 5px;"><i>Early Termination Fee</i></th> </tr> </thead> <tbody> <tr><td style="padding: 5px;">12</td><td style="padding: 5px;">\$250</td></tr> <tr><td style="padding: 5px;">11</td><td style="padding: 5px;">\$250</td></tr> <tr><td style="padding: 5px;">10</td><td style="padding: 5px;">\$250</td></tr> <tr><td style="padding: 5px;">9</td><td style="padding: 5px;">\$180</td></tr> <tr><td style="padding: 5px;">8</td><td style="padding: 5px;">\$180</td></tr> <tr><td style="padding: 5px;">7</td><td style="padding: 5px;">\$180</td></tr> <tr><td style="padding: 5px;">6</td><td style="padding: 5px;">\$125</td></tr> <tr><td style="padding: 5px;">5</td><td style="padding: 5px;">\$125</td></tr> <tr><td style="padding: 5px;">4</td><td style="padding: 5px;">\$125</td></tr> <tr><td style="padding: 5px;">3</td><td style="padding: 5px;">\$60</td></tr> <tr><td style="padding: 5px;">2</td><td style="padding: 5px;">\$60</td></tr> <tr><td style="padding: 5px;">1</td><td style="padding: 5px;">\$60</td></tr> </tbody> </table> <p>One month’s minimum notice applies to all ExampleISP Broadband plans.</p>	<i>Months remaining in plan</i>	<i>Early Termination Fee</i>	12	\$250	11	\$250	10	\$250	9	\$180	8	\$180	7	\$180	6	\$125	5	\$125	4	\$125	3	\$60	2	\$60	1	\$60
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Plan Performance	
Access type and expected performance	<p>Plan B Wireless Broadband is a broadband service that runs over our mobile network. Actual user speeds will vary and are affected by various factors including how you're connected to the internet (using a Gigabit Ethernet cable is better than WiFi, which could have a large impact on speed), the hardware and software used, number of devices connected, time of day, and where the data is downloaded from.</p> <p>For more information about access types, visit the TCF website. [Include link to relevant webpage on TCF website]</p> <p>See Measuring Broadband NZ for independent information on broadband performance across different providers, plans and technologies. You may experience a higher or lower speed than these averages. Factors such as the performance of your modem, location of the server you're connected to, the performance of your device and your in-home Wifi setup can impact the speeds experienced. For wireless connections, factors such as the distance you are from a cell tower, the network capability, and the overall use of that cell tower by other customers can impact the speed experienced. Wireless Broadband services are available at eligible addresses only, and a Fair Use Policy applies. [Include link to Measuring Broadband NZ dashboard]</p>
Allowances	Unlimited data allowance.
Dependencies	<p>To use ExampleISP's voice calling over broadband, you'll need to plug your home phone directly into the ExampleISP modem we've sent you. Check your phone has a Telepermit sticker.</p> <p>ExampleISP voice calling over broadband service won't work on other modems. Our Wireless Broadband plans do not include a 'bring your own modem' option.</p> <p>Your broadband requires mains power and an active broadband connection to work.</p> <p>If power is not available (e.g. during a local power outage) the broadband, and any services which run over it including voice calling over broadband will not work. This includes all calls, even emergency calls to 111. We recommend keeping your modem switched on and having a charged mobile phone ready to use as a backup in case of a power cut unless you have a battery back up at home. Most systems such as monitored medical, security or other alarms should work with voice calling over broadband, but some don't. Therefore, it's important that you call the company that monitors your alarm to ask if their service will work with voice calling over broadband. If not, they may be able to find an alternative for you before you switch to voice calling over broadband. Other services that require a traditional fixed phone line to work, such as older fax machines or the interactive features of Sky Digital are incompatible with voice calling over broadband.</p>
Availability	ExampleISP Plan B Wireless Broadband is not available everywhere. [Insert link to address checker on ExampleISP website]
Limiting factors	
Traffic management	Our policy is to provide you with the best broadband experience possible, so we won't slow down or throttle your connection. However, in some circumstances (such as in the unlikely event of a network attack) we may be required to take reasonable action to protect our customers and effectively manage our network.
Service Restrictions	
Fair Use	Our Fair Use Policy applies to Wireless broadband plans. We have developed our Fair Use Policy by reference to average customer profiles, estimated customer usage of our Services, and any relevant Data allowances. If your usage of our Services materially exceeds the range of estimated use patterns or is likely to damage or negatively impact

the operation of our network, we will consider your usage to be excessive and/or unreasonable. We may contact you to advise you that your usage is in breach of our Fair Use Policy, and request that you stop or alter your usage to come within our Fair Use Policy. If your excessive or unreasonable usage continues after receipt of a request to stop or alter the nature of such usage, we may without further notice restrict, suspend or cancel your Services. Note: All broadband plans (including Unlimited Broadband plans) are for standard residential use only and are not to be used for commercial types of activity or purposes. Non-residential, commercial purposes will include (but is not limited to) e.g. selling bandwidth to third parties or running an Internet Service Provider.

Customer support

Customer service [Insert customer support contact information.]

Complaints and disputes Information about our process for customer complaints is available here: [Insert link to customer complaints information on ExampleISP website]
 If we are unable to resolve your concern, you are free to contact the Telecommunication Dispute Resolution Scheme (TDR). [Visit the TDR website](#)

Other terms and conditions [Payment and billing cycles: XXXX]
 [Late payment fees]
 [Info on RSP’s ability to change terms]

All prices quoted are inclusive of GST.

This document is a summary only. Full legal terms and conditions for the plan can be found at (insert link).