



Declaration of anchor and direct fibre access services

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Executive summary

Thank you for the opportunity to provide feedback on the draft regulations to declare fibre bitstream and voice anchor services, and the regulated direct fibre access service.

We support the Ministry's proposed approach to base these services on current UFB reference offers. The whole purpose of the declared services is to act as a backstop service, ensuring that entry-level fibre broadband and voice-only services are available to New Zealanders at a reasonable price and to constrain the price of other Chorus fibre services, and avoiding arbitrary price increases for fibre links used to connect mobile cell sites.

Policy makers identified that the pure revenue cap and guaranteed return regulatory model that would be applied to Chorus left significant risks for end-users and competition. The purpose of the declared services framework was to mitigate the worst of these risks. Accordingly, if they are to deliver on their purpose, the declared services must be a viable fall-back option for service providers. Chorus is free to develop other offers: it is the option of declared services, as a viable backstop, that provides the constraint.

Accordingly, we support Ministry proposals to prescribe the services by referencing Chorus' current UFB reference offers as a pragmatic way to prescribe services that could be adopted by service providers in practice, minimise disruption as we implement the new regulatory framework, and – as the reference offers form part of the UFB arrangements and were agreed by CIP and Chorus – ensure the declared services are not materially different to those provided in the UFB contracts.

While we support the Ministry's proposed approach, we also recommend a small number of technical amendments to the draft regulations to make the framework more effective. In particular we recommend that the Ministry consider:

- Clarifying that a reference offer document should be considered relevant for the purposes of the declared service when it permits the declared service to be taken without further agreement. This follows the approach taken by the Commission to standard terms determinations.
- Ensuring that the declared service is more complete by adding relevant handovers and jumper leads to the prescribed services. These are essential for taking up the declared services and the draft should clarify that these form part of the service.
- Amending the draft to retain elements of current reference offer services that have been omitted, such as connecting the ONT to an end user's house wiring (it does not make sense that this is currently part of a standard install but would become a chargeable component for the purchaser of an anchor service). It's important that declared services are defined so they remain usable on day one and promote a smooth transition to the new regulatory framework.

Introduction

1. Thank you for the opportunity to provide feedback on the exposure draft of regulations to declare fibre bitstream and voice anchor services and the regulated direct fibre access service (**the declared services**) and accompanying consultation paper (**consultation paper**).
2. Chorus will be obliged to offer the declared services on the terms and conditions, and price set out in the regulations. While we expect access seekers will in practice purchase other fibre services and variants (and the framework aims to encourage this innovation), the declared service backstop is an important end-user protection and safeguard against anti-competitive conduct.
3. In this submission, we:
 - a. Set out our support for the Ministry's proposed approach – it is important that the framework performs as intended.
 - b. Recommend amendments to the draft to improve the functioning of the declared services, and
 - c. Respond to the questions in the consultation paper, recommending amendments to improve the functioning of the declared services.

Declared services framework

4. The Ministry proposes to draw substantially from relevant Chorus UFB reference offers, and we agree this is a practical way of implementing the declared services framework. The reference offers were agreed by CIP and form part of the UFB contracts, and this ensures declared services terms are not materially different from those set out in the UFB contract.

Declared services provide important consumer and competition protections

5. The consultation paper notes that:
 - a. The purpose of the bitstream and voice anchor services is twofold:¹
 - i. to ensure that baseband equivalent voice and basic broadband services are available to end-users at reasonable prices; and
 - ii. to act as an appropriate constraint (or 'anchor') on the price and quality of other fibre fixed line access services, and
 - b. The declaration of the direct fibre access service (**DFAS**) used to connect mobile cell sites was seen as an important competition protection².
6. We agree. Policy makers identified through the policy development process that the pure revenue cap and guaranteed return regulatory model that would apply to Chorus left significant risks for end-users and competition, and the purpose of declared services was to mitigate the worst of these risks.
7. The broadband and voice anchor services would ensure the provision of entry-level fibre broadband

¹ Discussion paper at para 17 referring to s208(7) of the Telecommunications Act.

² Discussed at para 20.

and voice-only services at a reasonable price and at as an anchor, or constraint, for the price of other Chorus fibre service. In the case of DFAS, the declared service was intended to mitigate the risk of arbitrary price increases which would have been detrimental to infrastructure-based competition³.

8. The Minister noted that suppliers subject to price-quality regulation would be required to provide anchor services⁴.

27 In addition to the revenue cap, suppliers subject to price-quality regulation will be required to provide two regulated 'anchor' products with price and quality terms set by the Commission. These anchor products can be requested by an RSP and must then be provided by the regulated supplier. Initially, there will be a basic broadband (100/20Mbps) anchor product and a voice-only anchor product. This is to ensure that the most common residential voice and broadband services are available at reasonable prices on the network, and to create a price and quality 'anchor' for the other services provided by the regulated supplier. I propose that anchor product prices be set at 2019 UFB contract levels, increasing at the rate of CPI until the first price review (2023).

[...]

48 Suppliers subject to price-quality regulation will be required to offer certain 'anchor' products within their networks. The purpose of anchor products is to ensure that basic voice and broadband services are available at reasonable prices, and to create a price and quality 'anchor' for the other services provided by the regulated supplier.

9. Further, DFAS was seen as an important service for mobile backhaul, to supply large commercial customers, and for mobile network operators to provide fixed wireless services that compete against copper. The shift to 5G mobile technology was expected to significantly increase demand for backhaul, increasing the importance of the service⁵, and declaring the service would provide important competition protections.

43 As a non-anchor service DFAS pricing would be constrained only by the overall revenue cap. As revenue from DFAS is only a small proportion of Chorus' overall revenues, Chorus could raise DFAS prices significantly without much constraint from the revenue cap. If DFAS were an ordinary product, this would not be problematic. However, as fixed wireless (internet services provided over mobile networks) competes with the services offered by Chorus' copper networks, Chorus controls the price of one of the inputs to its competitors.

44 Chorus could increase DFAS prices to increase its competitors' costs and reduce competition.

10. The anchor services also formed a key component of the copper withdrawal framework which anticipates anchor products being available for customers when the copper line has been withdrawn⁶. These services need to be real to achieve this purpose.
11. The declared services framework was further a well understood approach by all parties, Chorus, access seekers and Commerce Commission. The setting of a regulated variant backstop, in the context of which new services could develop, was applied to existing STD regulated services. For example, regulated terms were set by the Commission the UCLFS service. However, while UCLFS acted as a constraint the Chorus baseband service used by access seekers in practice, the

³ Summarised at para 25 of the May 2017 Cabinet paper

⁴ 2016 Cabinet paper, 2017 Telecommunications Act Review: Post-2020 Regulatory Framework for Fixed Line Services discussion paper

⁵ para 42 of 2017 Cabinet paper

⁶ para 76 of Dec 2016 Cabinet paper

regulated service has not been taken up in practice. Chorus is free to provide new variants – including a 100/20M offer – outside the declared service.

12. The Bill as it was introduced reflected these policy objectives. Officials advised the Committee that⁷:

Anchor services (new section 197)

21. The Bill requires Chorus to offer anchor services, which are wholesale fibre services with price caps based on existing UFB prices. Anchor services are intended to ensure that entry-level broadband and voice-only fibre services are provided by Chorus at reasonable prices and to specific quality standards.

22. These anchor services will also have an impact beyond the products directly covered, as they will constrain the price of other fibre services provided by Chorus.

Price regulation of Direct Fibre Access Services (new section 198)

23. The Bill provides for pro-competitive regulation of direct fibre access services (DFAS).

24. These services are business-grade fibre services that connect large commercial users to the fibre network. They are used by mobile providers to provide dedicated fibre links to the mobile towers that enable mobile companies to provide fixed-wireless services, and by retail service providers for backhaul and to supply large commercial customers. Specific price regulation of this service is included in the Bill to reduce the opportunity for Chorus to arbitrarily increase the costs of this key input to the services of fixed wireless competitors. The services will have a price cap based on the existing UFB price.

13. Our primary concern is that Chorus, if left with material flexibility, will act on its natural incentives to define, and operate the declared services in a way that makes them irrelevant in practice, i.e., by setting conditions or performance, or withhold other variants, in a way that the declared services are no longer a viable option for access seekers. If this were permitted, declared services would fail to provide the constraint they were intended to have.
14. Chorus has acted on incentives to undermine regulated services in the past. For example, Chorus sought through its 2015 Boost initiative to degrade the performance of the regulated broadband service to a level that RSPs considered would be unusable for consumers, driving access seekers to its unregulated commercial broadband variant.
15. Accordingly, we believe that declared services must be prescribed with sufficient specificity and scope so that they remain a reasonable option for access seekers, i.e., ensuring access to a basic broadband service, anchoring higher specification variants, and protecting competition.

Prescribing declared services

16. This approach is supported by the Act. The Minister has a wide discretion to prescribe declared services, provided the description of the service, or conditions of the service, *are not materially different* from the terms set out in a UFB Contract⁸ and best give effect to the purposes of the Act.

17. The Ministers may⁹:

a. Prescribe, amongst other things, the description of the service, any conditions, the

⁷ https://www.parliament.nz/resource/en-NZ/52SCED_ADV_74818_977/b20cf98f24c91309f97733ed34476063bb89a833

⁸ See clause 14 and 15 of Schedule 1AA

⁹ See s227 and s227 of the Act

period and maximum price.

- b. And in doing this, reference a geographic area, the service's end-users, access seekers, technical specifications and other circumstances in which the service must be supplied.

18. "UFB Contract" refers to arrangements between the Crown and Chorus that provided for deployment of the UFB network and the provision of an agreed set of reference offer services. Importantly, the description and conditions must not be materially different, but the Minister is not required to apply any level of specificity or apply only terms set in the reference offers agreed in the context of the arrangements.
19. Further, the Minister can have confidence that the current UFB reference offers which the Ministry proposes including in the description of declared services are not "materially different" from the terms set out in the UFB Contract, as that reference offer – was in effect approved by the Crown in accordance with its UFB Contract. We see no areas of material inconsistency between the reference offer terms and the UFB Contract.
20. Therefore, the Minister should apply his discretion to prescribe declared services that protect end-users and competition as intended. This requires sufficient prescription and completeness so that the declared services are a realistic fall-back option for access seekers, it is the option of taking the ability to take the backstop service that provides the end-user and competition protections.
21. Accordingly, we support the Ministry's proposed approach that references existing UFB reference offers to prescribe the declared services as a pragmatic way to:
 - a. Ensure that declares services are viable service options in practice and – in doing this - provide a constraint promoting end user outcomes and competition.
 - b. Minimise uncertainty and change for all parties as we transition to the new regulatory framework (Chorus, access seekers and Commerce Commission). The Commission can review the declared services and recommend changes for the second regulatory period.
 - c. Ensure the declared services are not materially different to the UFB contracts. The UFB reference offers – to which the draft refers - were agreed by Chorus and CIP as part of the UFB arrangements.

Bringing in relevant documents by reference

22. We further support the Minister bringing in by reference the terms and conditions of current UFB reference offers, i.e., general terms, operations manuals and service level terms¹⁰. The documents provide important governance, operating and performance measures for taking the declared service in practice.
23. However, the draft regulations bring in the documents *to the extent that they are relevant* to the declared service. We believe the proposed definition of relevance is open to interpretation and likely to result in uncertainty and disputes, undermining the purposes of the declared services.
24. Accordingly, we recommend that the Ministry consider defining what relevance to a declared service means. In doing this, the Ministry could look to the approach taken by the Commerce Commission to standard terms determinations (**STDs**) where it applied a principle that STDs should be

¹⁰ See clauses 9, 12 and 16 of the draft regulations

comprehensive enough and contain sufficient detail so that there is no need for an access seeker and access provider to enter into a separate agreement for provision of the service within the specified timeframe.

25. The Ministry could apply the Commission approach by, for example, clarifying that a relevant document means references to the specification, operation requirements, quality, price and conditions on which a service is provided so that there is no need for an access seeker and access provider to enter into a separate agreement for provision of the declared service.

The declared services

26. Generally, we support the Ministry's proposed approach to:

- a. Prescribing declared services by adopting the current reference offer services and supporting documentation, with amendments that make the services consistent with the declared services framework.
- b. Referencing the supporting documents which are largely complete (below, we recommend taking the same approach for DFAS SLTs as has been taken to the anchor products).
- c. Not setting an expiry date, as setting a date risks conflicting with the Commission declared service review timetable set out in the Act.

27. However, the Ministry may wish to consider the prescribed service definitions further as the draft appears to miss important components of the service or could be updated. These are set out below with our recommended changes set out in the attachment.

Handovers, jumpers and installations are key components of an end-to-end service

28. Telecommunications access services generally require an access portion – i.e., the access from the end user premises or mobile site to exchange – and the handover from the exchange to the access seeker network. Both elements are required for an end-to-end access service.

29. However, while the draft regulations specify the access component of the service, the draft does not specify the handover links or jumping services essential for taking the declared service in practice. In which case, the declared service maximum price may not cap the price as intended as price can be inflated through handover and jumping charges (or made unworkable through service limitations when these services are taken with the declared service).

30. Therefore, we recommend that the Ministry ensure the declared services are complete by:

- a. Adding provisions to the bitstream and voice anchor services setting out:
 - i. The maximum price of handover links when used for an anchor service. This could simply reference current handover link prices (with CPI indexation).
 - ii. That Chorus must not require separate handover links for anchor services from other FFLAS variants or traffic. The requirement protects against the specification of separate links for the declared variant (and thus making the declared service unviable) and avoids having to specify technical handover link arrangements in the regulations.
- b. Clarifying that jumpering is part of the DFAS service – i.e., by amending the service

description and adding Direct Fibre Access Services: Service Description for Jumpering Service Reference Offer June 2017 to clause 16 – and is provided for no additional charge (as is the case today).

31. Further, the Ministry may wish to confirm through the service description or regulations that there is no charge for an anchor service standard installation or provision of equipment to an existing connection to support the anchor service (such as where a swap out of an ONT is required to provision an anchor service). For example, while the broadband anchor service includes a Standard Install as set out in the Operations Manual, it is unclear in the operations manual what is included in a standard install from 31 December 2021 and what the arrangements are for beyond the ETF. The regulations could also clarify that the charge for a DFAS standard install is 2 months recurring fee for the service.

The draft regulations appear to unnecessarily remove end user functionality from the services

32. The draft regulations also appear to unnecessarily remove functionality included in current reference offers. We appreciate that reference offer service descriptions should be amended as they include functionality not necessary for the declared services. For example, the broadband anchor service is the 100/20 speed variant, whereas the reference offer describes the broadband service as having several speed options. The proposed amendments clarify that the anchor service is only a single speed variant.
33. However, the draft regulations appear to unnecessarily omit parts of – or impose a limitation to – current reference offers. We recommend reverting back to the existing reference offers. As the draft regulations are currently drafted, they would remove functions that risk unnecessary customer disruption and undermining the declared service anchor, i.e., because from day one the anchor would be inferior or more complex to support than current offers. In particular, we recommend the Ministry consider the proposed amendments that:

Remove the home-wiring option from a standard install

34. Customers currently have an option to connect the Chorus fibre ONT to a customers' home wiring as part of a standard install. Residential connections currently include an option to connect the ONT to home wiring - rather than delivered from the ONT or residential gateway - so that they can use their landline in current locations in the home. We do not charge our customers for connection to home wiring when done as part of the fibre install.
35. However, the draft regulations amend the current service definition so that home wiring connection is specifically excluded from the declared service. This means that a separate charge could apply to connect the ONT to the existing home wiring. It is unclear what purpose excluding connection to home wiring would have, it can only add inconvenience and cost to the process and consumers.
36. We recommend that draft regulations be amended to remove the carve out for connection to premises wiring, i.e., redact the sentence "To avoid doubt, a Standard Install does not include the connection of the Baseband Service into the Premises wiring."

Prohibits multiple service providers from using the same ONT.

37. The draft bitstream service description specifies that no more than one service provider can be served from the network ONT. The current service description limits the use of a single port (the UNI) on the ONT to each service provider, but does not reserve the entire ONT for a single provider.
38. It is unclear why the service description should be amended in this way. There appears to be no

service benefit, and the change would mean that anticipated operational enhancements would be inconsistent with the declared service, i.e., where a second service provider uses the second port on an ONT for a short period of time to make transfers between providers more seamless to customers. We recommend reverting to the wording in the current service description where the limitation is defined by reference to each port (UNI).

Restricts service to a single ATA port on the ONT.

39. The draft voice service description specifies that a single ATA port on the ONT is available for the voice service. However, the current service description permits the second port on the ONT to be used for a second voice service. It is unclear why the second service has been removed (while a new Chorus ONT variant has only a single port, processes have been developed for deploying an ONT with a second port where necessary). We recommend reverting to the current wording that permits a second port.

Clarifying the expectation that the broadband anchor is available with other variants.

40. The current bitstream service description notes that a range of bitstream variants is available to access seekers. The proposed amendments could be interpreted to suggest that the broadband anchor service is only available as a standalone service. This means that, in theory, Chorus could specify that a declared service is no available with any other variant, effectively undermining the anchor because service providers need a range of other broadband services to be viable in the market.
41. We recommend clarifying that the anchor service is available along with other variants.

Removes the diversity option for Priority Users such as major health-care facilities, secondary or tertiary education centres.

42. It is unclear why the draft regulations propose to add these restrictions to the services. In terms of the specific provisions, the current service descriptions would not limit Chorus' ability to develop non-anchor services, yet the proposal would remove functionality built into current services and risk leaving anchor services unable to perform their function, i.e., because the service limitations mean they are not viable options for retail service providers.

Lead time for CPI adjustments

43. UFB fibre prices currently increase on the 1 July of each year. The regulations propose to shift this to 1 January each year. However, from a practical and staffing perspective it is difficult to implement price increases over the Christmas holiday period and, therefore, we recommend remaining with mid-year price changes.
44. The draft regulations further do not appear to specify the relevant CPI quarter that will apply to price increases. The reference offers provide that this is the preceding quarter, but as the CPI is not released until after the quarter has finished this leads to short notice periods. We recommend that the Ministry specify that the CPI increase used is that from 2 quarters prior (with longer run CPI change bounded this is unlikely to change the price path over time).

Clarifying the maximum price of the voice anchor service when taken with broadband

45. The voice anchor service maximum price is set at the current standalone voice access price of \$25.63. However, the voice service could also be provided in conjunction with an anchor or any other broadband access.

46. In which case, under the proposed approach, the anchor price for the bitstream and voice anchor services could be seen as the sum of the bitstream anchor (\$47.15) and voice anchor (\$25.63). Under this scenario, the price of the anchor services mean they will not have an anchoring effect as intended. Retail service providers can avoid this by not using the ATA based service, leaving only over the top or residential gateway delivered voice services available to consumers.
47. We recommend that the Ministry clarify that, when the voice anchor is provided along with another bitstream service, the voice service is available at no charge.

The DFAS service should also reference the relevant service level terms

48. The draft regulations bring in anchor service level obligations and reporting by reference, we agree it is important that minimum quality standards are set and that there is transparency over the performance of declared services. These are captured in the relevant service level terms (**SLTs**) of the UFB reference offers.
49. However, while the draft regulations reference the relevant bitstream and voice SLTs, they do not include the relevant DFAS documents. The same concerns relating to degraded service apply to DFAS as per anchor products, and therefore the Ministry should take a consistent approach and bring in the DFAS SLT by reference. This can be done simply by adding the relevant DFAS SLTs to the draft regulations, i.e., Fibre Access Services (layer 1): Service Level Terms for Fibre Access Services (layer 1) Reference Offer October 2020.
50. We also set out some technical questions in the attachment relating to current voice service practice (which would preferably be codified in the proposed declared service amendments).

[End]

Attachment

The table summarised our proposed amendments to the draft regulations.

Reference/ clauses	Comment	Recommendation
8(2) and 11(2)	The draft regulations do not refer to the handover links, yet these are necessary to take up the declared services. These elements of the complete service need to be specified if the anchor is to perform its function.	That the maximum price for anchor service handover links be set in 8(2) and 11(2) respective. Instead of referencing handovers in the regulations, we recommend that the service descriptions amendments in Schedule 2 provide that Chorus must not require separate handover links for these declared services.
8(2), 11(2) and 15(2)	While the anchor services include a Standard Install as set out in the Operations Manual, the operations manual is unclear what happens from 31 December 2021 when the definition expires for UFB1 areas and what the arrangements are for beyond the external termination point. As Chorus' non-anchor services and technologies evolve it may be necessary to deploy specific equipment to support the anchor service. Provisioning of the service should be free to the end user. The DFAS standard installation is 2 times the recurring charges.	That the Ministry confirm through the service description or regulations that there is no charge for an anchor service install (standard installation) or provision of equipment to support the anchor service (such as where a swap out of an ONT is required to provision an anchor service). That the DFAS standard installation of two times the recurring charge be added to 15(2).
8(4), 11(4), 15(4)	UFB fibre prices currently increase annually mid-year. The regulations propose to shift this to 1 January each year. It is difficult to implement these price increases over the Christmas period and, therefore, we recommend remaining with mid-year price changes. The draft regulations do not specify the relevant quarter. The reference offers provide that this is the preceding quarter, but as the CPI is not released until after the quarter has finished this leads to short notice periods etc. We recommend that the Ministry specify that the CPI increase used is that from 2 quarters ago (with longer run CPI change bounded this is unlikely to change the price path over time).	That the Ministry revert to 1 July price increases and note that the relevant CPI is from two quarters prior to the annual CPI adjustment.
9, 12 and 16	The draft regulations bring in relevant documents for the service by reference. We support the proposed approach as these documents include provisions necessary to adopt the anchor service. However, determining relevance will likely result in disputes and uncertainty, and we recommend this be clarified.	That the Ministry clarify <i>relevance</i> , applying the Commerce Commission approach used for standard terms determinations. The Ministry could apply the Commission approach by, for example, clarifying that a relevant document means references to the specification, quality, price and conditions on which a service is provided so that there is no need for an access seeker and access provider to enter into a separate agreement for provision of the

Reference/ clauses	Comment	Recommendation
		declared service.
11(2)	<p>The voice anchor can be provided as a standalone service or in conjunction with a broadband connection. The draft regulations provide the broadband anchor includes a voice service.</p> <p>However, the draft regulations could be read as – when the broadband and voice are taken together - permitting separate anchor prices to be charged, i.e., \$47.15 for the broadband plus \$25.63. In particular, this could in theory occur when the end user is taking a broadband service that isn't an anchor.</p>	That the Ministry clarify that, when the voice anchor is provided along with another bitstream service, that there is not charge for voice.
14(2) and 15(2)	Access seekers require the ability to access the service through “Jumpers” at the exchange. The jumpering service is specified separately to a DFAS access in the reference offer but must be taken together for a complete service.	That the Ministry amend the service description to clarify the service includes jumpering at no additional charge and add current DFAS jumpering reference offer to 16(1), i.e., Direct Fibre Access Services: Service Description for Jumpering Service Reference Offer June 2017. -
16(1)	While the draft anchor service regulations reference the relevant SLTs, the same does not apply to DFAS. The DFAS SLTs are important and should apply to the declared service.	That the Ministry add the current DFAS reference offer SLTs, i.e., Fibre Access Services (layer 1): Service Level Terms for Fibre Access Services (layer 1) Reference Offer October 2020.
Broadband anchor Schedule 2 Replacement clause 2.2	The proposed clause 2.2 does not anticipate provision of a baseband voice instance over the access, although the proposed 2.4(b) does. We recommend aligning the two.	That the Ministry add after Operator Virtual Circuit (OVC) “and a baseband voice instance”.
Replacement clause 2.4(b) and 2.4.4	<p>The draft regulations amend the reference offer so that the bitstream service only supports a single instance of ATA voice, whereas the current service supports up to 2 instances of the ATA service.</p> <p>It is unclear why the draft regulations make this change. While volumes are not significant, we have customers who require a second voice service. Removing support for this risks this capability being provided to our customers.</p>	<p>That the Ministry omit this change from the draft regulations, i.e., leave the current reference offer wording that permits 2 instances.</p> <p>That the Ministry makes a consequential change to the revised 2.4.4 which specifies only a single path is supported.</p>
Replacement 3.7.4	The proposed clause maintains the reference offer traffic Policing approach. For technical reasons, we recommend that this be replaced with “Enforced” to give Chorus flexibility to best manage performance (which may not entail Policing at a particular point).	That the Ministry replace “Policed” with “Enforced” at both places in the regulations.
Replacement 3.7.6 and new 2.4.4	The draft regulations amend the original reference offer so that, instead of the current requirement that a port (a UNI) on an ONT	That the draft be amended to replace “ONT” with “UNI” (aligning with current reference offer approach).

Reference/ clauses	Comment	Recommendation
	<p>must belong to the same service provider, the broader ONT must belong to the same service provider.</p> <p>It is unclear why the draft regulations propose to amend the current service description. It is not common that sharing is required but the amendment would mean, for example, that the possible use both ports for a seamless customer transfer between service providers would not be possible when using the declared service.</p>	
Amended clause 3.17.4	<p>The draft regulations delete “or Service Provider Premises or NBAP (as applicable)” as a permitted service delivery point. We use test lines for network purposes to improve customer performance.</p> <p>While the Service Provider restriction is unnecessary in any case, we recommend that the deletion be amended to clarify that Service Provider Premises are not permitted except for the case of test lines.</p>	That the Ministry amend the proposed amendment so that it permits “Service Provider Premises for test lines purposes”.
Voice Anchor Replacement clause for 3.1 and 3.14.2(a)	The draft regulations amend the voice service description to provide that connecting the ONT to home wiring is not part of a standard install. This means that additional charges will apply to the declared service.	That the Ministry delete from the proposed amended 3.1 and 3.14.2(a) clauses the sentence “To avoid doubt, a Standard Install does not include the connection of the Baseband Service into the Premises wiring.”
DFAS Replacement for 8.2	The current reference offer includes a diversity (second instance of DFAS to a premises) option for Priority Users in, for example, major health-care facilities and secondary or tertiary education centres. While diversity is an option for other users at an additional charge, it is unclear why the declared service protections should be available to priority users that require a diverse service.	That the Ministry retain the existing wording which, in any case, provides only a targeted option for priority users such as health care providers.
Technical matters to clarify Replacement clause 2.4, 3.5.2, 3.5.4 and amended Appendix B technical specification	<p>As a technical matter, some standards could usefully be updated to reflect current practice:</p> <ul style="list-style-type: none"> • G.711u is an American standard that is not supported in our market and 20ms is the standard packetization rate. • Vendors are increasingly reluctant to support the old standard (RFC2833), and the specification could be updated so that DTMF sending uses RFC4733 with backward compatibility of RFC2833. • Limiting the service to a single SIP agent (3.5.2) would, on the face of it, prevent a second line or multiple carriers to 	These are possible technical amendments to simply reflect current practice and, as a factual matter, could easily be resolved by technical teams. We recommend that Ministry consult further with technical teams to ensure that current practice is adopted for the purposes of the regulations.

Reference/ clauses	Comment	Recommendation
	<p>operate for transfers (for example). This limit could be removed.</p> <ul style="list-style-type: none"> • Specifying the service to being a single SVLAN tag will limit the number of services supported. This should be delivered over a unique SVLAN/CVLAN combination on an ENNI. • Voice signalling would better refer to SIP and RTCP/RTP media (Appendix B). 	