



## COMMERCE COMMISSION

Please refer to:

4.3/J6130  
388433-1

10 May 2005

### **By Email**

To: All parties who made submissions on the regulation of mobile termination

### **Consultation on service description for mobile termination**

On 6 April 2005, the Commission consulted with parties on the service description for mobile termination and sought submissions on whether it achieved the effect of regulating the termination of 2G voice calls while excluding from regulation all 3G voice calls. In light of these submissions, the Commission has made a further revision to the service description and seeks further comment specifically on this revision.

It should be noted that the Commission has not yet announced its decision on whether or not to recommend the regulation of mobile termination. However, in the event that it does recommend regulation (as detailed in the Commission's Draft Report), it is important that the service description be workable and free from ambiguity.

The issues which were raised in previous submissions and which this revision seeks to address are:

- the dependence on the handset technology;
- the possibility that 2G voice calls could be carried over a 3G "data" network; and
- the possible "leakage" caused by the use dual mode 2G/3G handsets in areas where only 2G networks operate.

The intention is that a call will only be considered to be a 3G voice call if it terminates on a 3G voice network *over a 3G voice air interface* to a 3G handset (including a 2G/3G dual mode handset). By using the expression, "over a 3G voice air interface" the Commission seeks to avoid reliance on the characteristics of the handset alone to determine the scope of regulation. The Commission expects that this will capture voice calls delivered using current network technology.

All other voice calls would be considered to be 2G voice calls including those which are terminated on a 3G data network which has no 3G voice capability. If a call is terminated over a 3G voice air interface to a 2G/3G dual mode handset and, during the call, the caller moves out of the 3G coverage area into a 2G coverage area, the call will be considered to be a 3G voice call. This is consistent with other aspects of voice calls, such as charging where it is the time at the start of the call which determines its price.

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The Commission proposes the following revised service description:

<b>Mobile termination service</b>	
Description of service:	Termination (and its associated functions) of voice calls on a cellular telephone network (excluding those voice calls which terminate on a third generation cellular telephone network using a third generation cellular telephone network voice air interface for the conveyance of the voice call to the handset).

The following definition is already included in subpart 1 of part 1 of schedule 1:

**A third generation cellular telephone network** means a cellular telephone network based on the IMT 2000 set of radio technology standards as recognised by the International Telecommunication Union.

The Commission requests submissions addressing the following questions:

1. Will the revised service description achieve the effect of regulating the termination of 2G voice calls while excluding from regulation all 3G voice calls? If not, why not?
2. Could the service description be improved? If so, how?

Submissions are due by Wednesday 18 May and should be sent to:

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Yours sincerely



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