



COMMERCE COMMISSION

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**By Email**

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

**Consultation on service description for mobile termination**

The Commission has not yet made a 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 Commission has revised the service description in the light of submissions, and wishes to receive further comment from interested parties on how best to give effect to a recommendation to regulate 2G mobile termination but not 3G in the service description, should that be the Commission’s final position.

The Commission considers that the 3G exclusion in the service description can be limited to calls terminated on 3G capable handsets. Although the Commission notes that some 2G voice calls would still be excluded from regulation under this description, the calls excluded would be relatively few. The Commission understands 3G handsets will receive 3G voice calls in certain geographic areas but will switch to 2G technology in other areas. Accordingly, a handset based exclusion would have the effect of excluding 2G voice calls when 3G handsets move into areas capable of receiving only 2G service. However, in order to get a workable service description it may be necessary to accept some “leakage”, with a limited number of 2G voice calls in theory not subject to regulation.

A possible further level of refinement to the service description could be to limit the 3G exclusion to calls terminated in the geographic areas where all the mobile base stations are 3G capable. However, the Commission understands it would be difficult to identify calls on such a basis.

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 mobile telephone network (excluding termination of a voice call on a cellular handset which is capable of connecting to a third generation cellular telephone network using a third generation cellular telephone network air interface for the conveyance of the voice call).

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 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 20 April and should be sent to:

telecommunications@comcom.govt.nz

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Yours sincerely



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