

COMMERCE COMMISSION

Please refer to:

4.3/J7371  
453830\_1.doc

15 March 2006

To All Interested Parties to Mobile Termination Investigation

By Email

**Confirmation that no conference will be held**

The Commission wrote to Telecom on 14 February 2006 to outline its position on a number of mobile termination reconsideration process issues, including Telecom's request for a conference. A copy of that letter was placed on the Commission's website. In the letter the Commission stated that it would review its preliminary position that it did not anticipate that a conference would be required, after it had the opportunity to examine submissions and cross-submissions on the reconsideration draft report.

Vodafone requested in its submission on the mobile termination reconsideration draft report that a conference or industry workshop be held to discuss the difficulties of regulating 3G, which it considered were not able to be appropriately communicated through the written submission process.

In its submission, Telecom indicated that its view was that a conference was necessary to ensure an open and transparent process with access to the Commissioners. Telecom noted that there had been a number of significant changes between the Commission's mobile termination final report and the reconsideration draft report.

At the commencement of its investigation into the regulation of mobile termination the Commission released an issues paper, on which it called for submissions. This was followed by a draft report, on which interested parties were invited to make submissions, cross submissions and appear at a conference. After considering these written and oral submissions the Commission released a final report.

On 9 August 2005 the Minister requested that the Commission reconsider its recommendations. He specifically requested the Commission give further consideration to:


- definitional and implementation issues concerning 2G and 3G; in particular what alternatives are workable and have merit and dynamic efficiency benefits;

- the commercial offers made by Telecom and Vodafone in comparison to regulation; and
- how to ensure that end-users benefit from reductions in mobile termination rates.

The Commission considers that the reconsideration process should concentrate on and reflect the additional consideration that has been given to these issues following receipt of the Minister's letter. The draft reconsideration report, submissions and cross-submissions on the draft reconsideration report were specifically directed towards affording parties a reasonable opportunity to submit on new information or issues that might not have been fully explored as part of the original consideration and ensuring that all relevant information was put before the Commission.

Having reviewed submissions and cross submissions on the draft reconsideration report, the Commission does not consider that further consultation by way of written submission or oral presentation at a conference would assist it in making a final determination.

Yours sincerely



Osmond Borthwick  
Manager Network Access