



**GOVERNMENT & INDUSTRY RELATIONS**  
**Telecom New Zealand**

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Osmond Borthwick  
Manager, Network Access  
Commerce Commission  
PO Box 2351  
WELLINGTON

Dear Osmond

**Further consultation on service description for mobile termination**

I refer to the Commission's letter of 10 May 2005, seeking feedback on a revised mobile termination service description. The revised service description follows consultation and submissions on an earlier service description circulated by the Commission on 6 April 2005.

Again, the Commission has asked two questions of interested parties concerning the revised service description:

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

Telecom confines itself to the specific questions at hand, and the following comments are without prejudice to Telecom's previous submissions.

**Comment on the Commission's revised service description to exclude 3G**

The revised service description has moved from a handset based definition, to a network based definition and now excludes termination of voice calls on a third generation cellular network (as third generation cellular network is currently defined by the Act). Telecom has previously communicated its interpretation of the third generation cellular telephone network definition in the Act, so comments only on the revised service description wording.

Telecom considers that the Commission's revised service description will effectively exclude regulation of termination of 3G voice calls.

Telecom's initial investigations suggest that the revised service description is workable and that Telecom will be able to make a 2G/3G network distinction in its voice call termination billing systems. This is based on the Commission's assumption that, if a caller moves out of 3G coverage during the call, the call will be considered a 3G voice call.

## **Improvements to the service description**

Because the Commission has moved from a handset based definition, to a network based definition, there is no need to qualify that calls terminating on a 3G network must use a "third generation telephone network voice interface for the conveyance of the voice call to the handset". Those words have been carried over from the handset based definition, and are not relevant (and potentially confusing) to a network based definition.

Telecom reiterates its concern that the service description does not refer to the fact that it only applies to calls originating on a fixed PSTN. Any ambiguity can easily be avoided by adding the *"where the call originates on a fixed PSTN"* to the end of the service description.<sup>1</sup>

For clarity of drafting, and to avoid any ambiguity, Telecom submits that the service description should be redrafted as follows:

*"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) where the call originates on a fixed PSTN."*

## **Going forward**

Again, Telecom commends the Commission for continuing to consult on the proposed mobile termination service description. We hope that this will lead to a clear and workable service description. However, Telecom reiterates its concern that the effect of the proposed service description can change, depending on other aspects of the regulatory outcome. For this reason it is difficult to comment on the proposed service description in isolation.

As noted in our 20 April 2005 letter, Telecom encourages the Commission to seek comment on, and provide revised wording for, the entire regulated service rather than individual sections of it.

We request that, should the Commission make further changes to its revised wording, it do so in consultation with interested parties. We welcome careful consideration of the service specification.

Yours sincerely



**Bruce Parkes**  
**General Manager**  
**Government and Industry Relations**

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<sup>1</sup> This is consistent with the other service descriptions in Schedule 1. We assume that the Commission would tidy the references to fixed to mobile in the Access Seeker definition such that it is consistent with the Service Description