



COMMERCE COMMISSION

Please refer to:

11128
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2 October 2009

To: Experts advising interested parties to the MTAS Investigation

cc: Interested parties to the MTAS Investigation

MTAS Conference Numerical Examples

The Commission has received a request from Dr John Small of Covec to clarify his comments on the “whiteboard example” from the MTAS Conference held on 2-3 September 2009.

The Commission has separately written to Dr Small advising that it will consider a written clarification of his views on the “whiteboard example”, and inviting him to provide this by **5pm on Friday 9 October 2009**.

The Commission invites also any written clarifications from other experts that attended the MTAS Conference on this matter by **5pm on Friday 9 October 2009**.

Any such clarifications must be restricted to points of clarification of the expert relating to the “whiteboard example” at the Conference and may not include any other information that was not placed in issue at the Conference. When preparing any clarification comments experts should review the transcript from Day One of the Conference¹ when the “whiteboard example” was discussed², and in particular the questions asked by Commissioners in relation to this example.

To assist experts, a copy of the “whiteboard example” is attached as the Annex to this letter.

Yours sincerely

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¹ Available from the Commission’s website at <http://www.comcom.govt.nz//IndustryRegulation/Telecommunications/Investigations/MobiletoMobileTermination/ContentFiles/Documents/MTAS%20Conference%20Transcript%20-%20September%202009.pdf>.

² See pages 64 to 69.

Annex: “Whiteboard” example from MTAS Conference

	cpm	% traffic	cptx	% traffic
av. off net price	55	20%	25	10%
av. on net price	20	80%	5	90%
after 18% retail costs	16		4	
implied mtrs (50%)	8		2	
current mtrs	20		20	
On net discount	35		20	
On net discount / off net price		64%		80%