



Hon. David Cunliffe
Minister of Communications
Parliament Buildings
Wellington

26 June 2008

Copied to: Dr Ross Patterson
Osmond Borthwick
Reg Hammond

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Dear Minister

The Telecom Separation Undertakings ('the Undertakings') require Telecom to provide you with certain information relating to Telecom Zones 1, 2, 3a and 3b. These requirements are set out in the General Definitions section in Part A of Schedule 1 of the Undertakings under the definition of "Telecom Zones 1, 2 and 3".

Specifically, before the Approval Date of the Separation Undertakings, that is before 31 March 2008, Telecom was required to provide to you:

- (1) a list of cities and towns whose urban population areas are included in Zones 1, 2, 3a and 3b.

This information was provided to you through an email to Reg Hammond and Chris Mathieson on 28 March 2008. For reference, we have provided this information again, with a couple of minor errors corrected from the March version, with the electronic version of this letter. We have also copied the information to the Commerce Commission.

Telecom is also required to provide the following information to you on or before, 30 June 2008:

- (2) full details of the definitive geographic areas covered by Zones 1, 2, 3a and 3b (which, for the avoidance of doubt, will not change over time); and
- (3) following consultation with you and the Commission, full details of the precise method for classifying all customer service addresses within Zones 1, 2, 3a and 3b. This method must ensure that as at 30 June 2008 not less than 80% of total Existing PSTN Lines are in these zones.

Definitive geographical areas

Attached to the electronic copy of this letter are shaped files for Zones 1, 2, 3a and 3b which provide full details of the definitive geographic areas covered by these zones. The definitive geographic areas are static and will not change over time. To assist discussion, we have also copied this information to the Commerce Commission.

The software required to read these files is available free at the website below:

<http://www.esri.com/software/arcexplorer/download9.html>

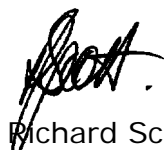
Method for classifying all customer service addresses

We are currently finalising draft documentation describing the precise method for classifying all customer service addresses within Zones 1, 2 3a and 3b. The information prepared by Chorus will be a count of Existing PSTN Lines from information collected as at 30 June 2008. Unfortunately, in the context of establishing Chorus and the scale of fibre-to-the-node ('FTTN') cabinetisation planning activities, the draft documentation has taken longer than expected to prepare. It has also occurred to us during the planning work for this initiative that the methodology needs to be fully auditable and we are engaging external support to ensure the methodology is robust.

As a consequence, we will not be in a position to provide you with the method in final form by 30 June. However, we will provide you and the Commission with the draft method for the purposes of consultation by 31 August 2008. We will then provide you with the method in final form as soon as possible following the completion of consultation.

We look forward to engaging with officials and the Commission in finalising this documentation.

Yours sincerely



Richard Scott
Head of Government and Industry Relations
Chorus