



24th May 2008

Mr Matthew Bailey
Telecommunications Division
Commerce Commission
Wellington
New Zealand

Dear Commerce Commission

Re: Comments on the Vodafone Co Locations STP

Please find attached NZ Communications Ltd comments on the Vodafone STP co location submissions and standard terms mark ups.

Our organisation has considerable experience in working to achieve RMA approvals to build cell sites; we also have a history of trying to build co-located cell sites with Vodafone and Telecom. As our organisation grows many people have joined us who have experience building, designing and operating co located cell sites in many cities all over the world.

To assist the Commission to think strategically about the 600 pages of co location work papers as submitted in the STD process which are on top of the over 2000 pages submitted last year .We highlight several governing principles and a checklist of outstanding items which would give relief to this access bottleneck in a simpler manner .

The NZCL perspective on the governing principles for co-location is as follows

Incentives for co location will solve most of the problems, the Irish Co- location code was 6 pages, and the penalties were loss of a 3G license. As a consequence the industry got on with co location. Fundamental to our submission is the requirement for a significant and chunky penalty for failure to achieve a workable number of co locations. We believe 200 are possible by the end of 2008.

Without a sizable incentive, it means the industry will be caught up in minutia as trivial details become as complex as nuclear physics. Co location which is practiced all over the OECD will fail to occur in NZ because simply there is no incentive. We urgent the Commerce Commission to be proactive in the issuance of penalties for failing to have "sites built". Our organisation has a huge financial penalty at stake if we don't invest and build 65% of the country (approx 1300 cell sites) we loose the right to have domestic national roaming and our business will suffer as a consequence.

NZ COMMUNICATIONS LIMITED

The outstanding issues relating to co location are as follows

1. Requirements to set penalties
2. Databases
3. Requirement to use antenna minimisation technology
4. Requirement to accept a level of degradation
5. Requirement to set targets
6. Vertical versus horizontal separation
7. Rapid multi access approval systems
8. Requirement to reasonably assist with landlords and RMA
9. Requirement for access providers to have a dedicated wholesale co location manager

80% of our organisation is involved in building, designing or scoping out cell sites, our plans are similar to other OECD 3rd operators , we budgeted on 1/3 of the Radio Access network as having co location facilities available on transmission towers.

We thank the Commerce Commission for considering our position and we are available to share more to share more research with you on this problem

On behalf of the entire NZCL team

Thank you for your consideration of our position

Regards

Tex Edwards
New Zealand Communications Ltd.