



## Office of Hon Steven Joyce

Minister of Transport  
Minister for Communications  
and Information Technology

Associate Minister of Finance  
Associate Minister for Infrastructure

26 APR 2010

Mr Ross Patterson  
Telecommunications Commissioner  
Commerce Commission  
PO Box 2351  
WELLINGTON 6140

Dear Ross

### **MOBILE TERMINATION ACCESS SERVICES**

On 19 April 2010, I wrote to you concerning a new retail offer launched by Vodafone New Zealand known as "Talk Add-on".

In my letter, I noted that in the Commission's final report on mobile termination access services (MTAS) of 22 February 2010, the issue of whether or not smaller operators could compete with Telecom and Vodafone's on-net retail rates was of significant concern. I asked you if you could confirm, on behalf of the Commission, whether the rates available under the new offer were material to the determination of this issue.

In your response, you advised that, in the Commission's initial view, such a plan (and any market outcomes that may result from it) may be material and may have the potential to affect the basis for the Commission's recommendation that the Telecom and Vodafone final undertakings should be accepted as an alternative to regulation.

For this reason, pursuant to clause 6(2)(b) of Schedule 3 of the Telecommunications Act 2001, I am requiring the Commission to reconsider its recommendation. I would like the Commission to consider:

- any relevant retail offers that have been released since you sent your report to me on 22 February 2010, or that may be released by the time you finalise your reconsidered recommendation; and
- the implications (if any) that those offers have on the recommendation that I accept the undertakings put forward by Telecom and Vodafone.

I consider that this course of action is the option before me that best gives, or is likely to best give, effect to the purpose set out in section 18 of the Telecommunications Act 2001 (the Act)

Given the fact that extensive discussions have already taken place on all other aspects of mobile termination, I look forward to receiving your recommendation as soon as possible.

Yours sincerely



**Steven Joyce**  
**Minister for Communications and Information Technology**