



COMMERCE COMMISSION

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23 June 2010

To Interested Parties:

Commencement of review of competition in the market in which unbundled bitstream access (UBA) services are provided under section 30R of the Telecommunications Act (No2) 2006 (the Act)

1. This letter advises of the commencement of a review under section 30R of the Act to assess the state of competition in the market in which UBA services are provided. This is the first competition review since the implementation of the UBA Standard Terms Determination (STD). This letter also details the process that will be followed for the review and seeks information from purchasers and suppliers (or potential suppliers) of wholesale bitstream services.

Introduction

2. The Commission released a STD for the UBA service on 12 December 2007 that set the regulated price and non-price terms for the UBA service.
3. Schedule 1, part 2 of the Act states that a competition assessment must be applied to the UBA service, three years after the date on which the Telecommunications Amendment Act (No2) 2006 was passed.
4. UBA is one method of supplying broadband services. The Commission will in this review, consider all methods by which broadband can be supplied, to determine the competitiveness of the market in which UBA services are provided.

Process for the review

5. Parties are requested to complete the attached questionnaire (Appendix 1) relating to the network footprint. This data will allow the Commission to complete a draft section 30R review report that will form the basis of industry consultation.
6. Responses to these questions are due by 5pm 23 July 2010. If you consider that you cannot provide the requested information within the required timeframe, or you have any clarification points regarding these questions, please contact Daniel Vincent at daniel.vincent@comcom.govt.nz as soon as possible.

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7. Please send responses to these questions and any supporting material, to Daniel Vincent at daniel.vincent@comcom.govt.nz.
8. Guidelines to the process for reviewing STDs can be found on the Commission's website at <http://www.comcom.govt.nz/review-of-standard-terms-determinations>.
9. An indicative timeline for this section 30R review is set out below:

Description	Date due
Information request	
▪ Information request due	23 July 2010
Draft Review decision	
▪ Release draft Review decision	mid September 2010
Submissions and cross-submissions on draft Review decision	
▪ Submissions on draft Review decision due (3 weeks)	early October 2010
▪ Cross-submissions due (2 weeks)	mid October 2010
Final Review decision	
▪ Release Final Review decision	mid January 2010

Dr Ross Patterson
Telecommunications Commissioner
Commerce Commission

Appendix 1 - Information request

Note: Please provide data as at 30 June 2010.

For purchasers of wholesale bitstream services

What wholesale broadband services do you purchase? Please identify:

- Who you purchase this service from, the quantity you purchase and the price of the service;
- What type of wholesale services do you purchase, eg UBA, UCLL, UBS;
- What, if any, tenders to supply such products have you received? Please outline the scope, price, who submitted a tender, what geographic area the tender covered and the outcome of the tender; and
- Does the service you provide to retail customers, differ depending on the wholesale product used to supply the service, and if so how.

For suppliers (or potential suppliers) of wholesale bitstream services

What wholesale broadband services do you supply (or will be supplying in the near future)? Please identify:

- Who you supply this service to, the quantity you supply and the price of the service;
- What type of wholesale services do you supply, eg UBA, UCLL, UBS; and
- What, if any, tenders to supply such products have you made, please outline the scope, price, who you submitted the tender for, what geographic area the tender covered and the outcome of the tender.