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One NZ Submission on the Commerce Commission Draft Recommendation Report: Mobile Co-location

20 August 2026

Introduction

1. One NZ welcomes the opportunity to comment on the Commerce Commission's Draft Recommendation Report concerning the review of Mobile Co-location under section 66(1)(b) of the Act.
2. Our position remains as set out in our earlier submissions on this topic: One NZ supports the Commission's draft recommendation to omit Mobile Co-location from Schedule 1 of the Act.
3. The Commission's analysis appropriately recognises that the structure of the mobile infrastructure market has changed materially since the regulated service was introduced. In particular, ownership and operation of passive mobile infrastructure have moved to independent tower companies (TowerCos). As a consequence, the statutory framework underpinning Mobile Co-location no longer reflects the commercial and operational realities of the market and is not fit for purpose or necessary.
4. In these circumstances, retaining a regulated service that has become disconnected from the prevailing market structure would provide limited practical benefit and would not promote the long-term benefit of end-users.

One NZ position

The current regulated service is no longer fit for purpose

5. One NZ agrees with the Commission's conclusion that the Mobile Co-location service is no longer an effective or required regulatory mechanism.
6. The service was established at a time when MNOs owned and controlled the majority of mobile site infrastructure. The subsequent emergence and growth of the TowerCo model has materially altered market structure and the competitive incentives that apply to provision of colocation. The market condiitions that justified original regulation of co-location no longer exist.

7. Moreover, as the Commission notes, the statutory definition of an "access provider"[1] does not extend to independent tower companies. As a result, a substantial and increasing proportion of relevant mobile infrastructure falls outside the scope of the regulated service.
8. This limitation significantly diminishes the utility of existing regulation.
9. One NZ agrees with the Commission's observation that there is no evidence that the existing regulated service has been required to facilitate access arrangements following the development of the TowerCo model. Regulatory settings should remain aligned with market realities and continue to serve a clear and practical purpose. Where a regime no longer achieves those objectives, its removal is appropriate.

Commercial incentives support efficient co-location outcomes

10. One NZ agrees with the Commission's assessment that independent tower companies have strong commercial incentives to maximise utilisation of their assets through tenancy growth and infrastructure sharing. TowerCos face clear commercial incentives to ensure spare site capacity is utilised and to offer arrangements to access seekers that achieve this
11. These incentives are broadly aligned with efficient co-location outcomes and have supported ongoing investment in mobile infrastructure. The evolution of the sector demonstrates that commercially negotiated arrangements have enabled continued deployment, enhancement and maintenance of mobile networks without reliance on the regulated Mobile Co-location service.
12. Importantly, the presence of commercially driven infrastructure providers has altered the competitive dynamics that existed when the service was originally introduced. The market conditions that informed the original rationale for regulation have therefore evolved significantly.
13. Should competition concerns emerge in the future in relation to access to tower infrastructure, any regulatory response would be more effective if it were specifically designed to address the contemporary TowerCo market. Retaining a legacy service that does not apply to key infrastructure providers is unlikely to provide an appropriate or effective means of addressing such concerns.

Regulatory certainty supports ongoing investment

14. One NZ considers that regulatory frameworks are most effective when they remain targeted, proportionate and responsive to market developments. Retaining regulatory obligations that no longer

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[1] Commerce Commission, *Draft Recommendation Report: Mobile Co-location* (2026).

align with prevailing market structures can create unnecessary complexity and reduce certainty regarding the scope and purpose of regulation.

15. The Commission's proposed removal of Mobile Co-location from Schedule 1 provides greater clarity by ensuring that the regulatory framework accurately reflects current market conditions. This is particularly important in sectors characterised by ongoing investment in network capability, resilience and technology upgrades.
16. Regulatory certainty supports efficient investment decisions by infrastructure owners and network operators. A clear and predictable framework enables market participants to continue investing in mobile infrastructure with confidence that regulatory intervention will remain targeted to identified competition concerns and designed to address contemporary market circumstances.
17. In One NZ's view, the Commission's recommendation appropriately balances the need for regulatory oversight with the importance of maintaining a proportionate framework that supports continued investment, innovation and competition for the benefit of New Zealand consumers and businesses.

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