

**Cross Submission on
Fibre Deregulation
Review
Transport, Point-to-
point and Co-location
& Interconnection
Services Draft
Recommendations
Report**

9 October 2026

C H ● R U S

Overview

1. Thank you for the opportunity to provide feedback on submissions in response to the Commerce Commission's (Commission's) Draft Deregulation Report on Point-to-point, Transport, and Colocation and Interconnection Fibre Fixed Line Access Services (Draft Report).
2. This cross-submission is not confidential and may be published on the Commission's website.

Self-supplied fibre infrastructure is a competitive alternative

3. We disagree with One NZ's submission that self-supply should be excluded from the assessment of competitive alternatives for Transport services. The relevant question is not whether an alternative is sold to third parties, but whether it constrains Chorus' ability to supply services. Where a customer can meet its requirements using its own fibre network, that demand is no longer available to Chorus.
4. Excluding self-supply would understate the extent of competition and overlook the commercial reality that large customers increasingly have the capability to build, own, and operate fibre infrastructure rather than purchasing services from Chorus. Infrastructure does not cease to be a competitive alternative simply because it is owned and used by the customer.
5. In fact, self-supply is one of the clearest indicators of effective competition. Unlike a potential future entrant, self-supplied infrastructure already exists, is operational, and is actively substituting for services that might otherwise be purchased from Chorus. The customer's decision to invest in its own network demonstrates that alternative means of supply are both viable and attractive.
6. The Commission should therefore recognise self-supplied fibre infrastructure as a competitive alternative wherever it provides a realistic means of meeting customer demand. Drawing a distinction between third-party supply and self-supply would be artificial, as both impose the same competitive constraint: they remove demand that Chorus could otherwise serve.

Relationship with Part 4AA of the Telecommunications Act

7. We note that some submitters have referred to the open access regime in Part 4AA of the Act as a reason why continued regulation of transport services under Part 6 may not be necessary. While Chorus agrees that the Commission should take the broader regulatory framework into account when assessing whether Part 6 regulation remains appropriate, caution is required before assuming that the transport services considered in this review are necessarily subject to Part 4AA.
8. Chorus does not consider that the Commission needs to reach any view on the scope of Part 4AA to determine this review. The evidence of effective competitive constraint, together with the regulatory costs and burdens associated with continued Part 6 regulation, provides a sufficient basis for the Commission to conclude that a reduction in regulatory intensity for transport services would better give effect to the purposes of Part 6.