

Tuatahi First Fibre Limited submission on the Commerce Commission draft guidance document: *Resilience Principles; Decision-making framework for critical infrastructure providers*

14.08.2026

We welcome the opportunity to provide feedback on the Commerce Commission's (the Commission) *Resilience Principles: Decision-making framework for critical infrastructure providers, Draft guidance document* (the "Draft document") and the accompanying *Infrastructure Resilience: Key Principles for Regulating the Performance of Utilities* report by ResOrgs (ResOrgs report).

Tuatahi First Fibre (Tuatahi) supports the Commission's objective of improving clarity around how resilience-related expenditure may be considered in regulatory decision-making. Clear and proportionate guidance is useful for entities who require approval for investments under the Price Quality (PQ) regime and can be a useful marker for Information Disclosure (ID)-only regulated entities like Tuatahi.

Summary

Tuatahi are supportive of the TCF industry submission, and consider our individual submission supplements the industry views with specific observations from an ID-only regulated Fibre provider.

Tuatahi is not subject to PQ regulation, and we will therefore leave it to entities that will be assessed on the investment principles to comment on their usefulness. From our perspective as an ID-only provider, while the guidelines are useful, we wouldn't consider it a proportionate response for these requirements to create additional compliance burden. This is due to level of analysis required being high, compared to the level of resiliency spend a smaller fibre provider like Tuatahi undertakes.

We therefore support the Commissions proposed approach of not changing ID requirements for ID only providers. This outcome is consistent with the proportionality of the ID settings and rationale, and avoids the guidelines representing a quasi-PQ regulatory framework with obligations for ID only providers where there is no demonstrated need for intervention.

We also submit that the Res Orgs Report should be read with care in the context of the smaller Local Fibre Companies (LFC's). A number of observations in the report are more aligned with the circumstances of national network operators and electricity distribution businesses (EDB's).

Introduction

Tuatahi recognises that New Zealand is facing a range of resilience challenges, reflected by the increasing policy focus on how to meet this challenge as a nation. We are seeing more frequent severe weather events, cyber-security threats, and there are complexities in addressing the challenges due to the interdependencies across infrastructure sectors. Given this context, we understand why the Commission is interested in providing more certainty about how resilience expenditure should be assessed under its economic PQ regulatory framework.

Tuatahi therefore broadly support the Commission's developed guidance for regulated entities that are required to seek approval of resiliency investments through PQ paths. Clarity, certainty and consistency are important in an effective regulatory framework, and ensure that an entity does not expend unnecessary resource meeting the requirements of the regulatory regime. It is crucial that the scope of the Commission's role remains clear within the response to resiliency challenges, so we submit it would be helpful for the guidance document to make it clearer that the guidance is intended to support the Commission's existing statutory functions.

With that in mind, we consider that the guidance should remain proportionate and not be converted into de-facto compliance requirements for ID-only entities.

Tuatahi support not changing ID requirements

As noted above, Tuatahi are subject to an ID-only regulatory framework. Under this framework we do not require the Commission's approval for resilience expenditure. The proposed framework therefore doesn't apply directly to our investment decision-making processes, although we do have our own internal approval process.

We consider that the draft document should be a high-level guidance document for ID-only providers, and contain sufficient clarity within the purpose of the document to ensure the guidance does not develop into a prescriptive, quasi-regulatory framework or deliverable over time – either via mandatory reporting, or frequent information requests. As Tuatahi already considers resiliency as part of our network planning, design, delivery and everyday operations we expect the guidance to add to our decision-making toolkit rather than create a brand-new set of prescriptive requirements to follow.

We also consider it important that the draft guideline does not undermine the Commission's focus on preventing consumer harm or market failure. At this stage, while there is appropriate focus on resilience across a number of Government and infrastructure focussed functions to guide and offer support to mitigate and educate about how to plan and respond to increasing infrastructure resilience risks, we do not believe there are failures occurring in our Fibre investment and planning that are causing any increased risks of consumer impact. If the application of the guidance principles is extended to the ID-only regulated Fibre companies, full implementation of those alongside the existing formal ID compliance obligations will present a substantial burden and risk to investment in network growth, service innovation and competition, with limited additional consumer benefit.

Comments on the telecommunications fixed lines assessment

Tuatahi notes the discussion of telecommunications fixed lines in section 3.2 of the ReOrgs report. It appears that much of the analysis has been written with national telecommunications providers in mind. While we are actively expanding our fibre networks reach, and now operate across a

substantial portion of the North Island – we do not believe we have yet reached the geographic spread articulated in this report. It seems likely that the report may have been informed by Chorus' PQ reporting.

With that in mind, the following statements from the report are not fully reflective of the operating environment we observe:

- 1) ***"The telecommunications sector has not been significantly tested"***: Given there have been several large-scale regional natural disasters that have impacted the fixed-line telecommunications industry since the roll-out of the UFB programme (the Christchurch earthquakes, Cyclone Gabrielle), this statement understates the experience of the sector. We manage a related party (Tuatahi Central Fibre) network in the Hawkes Bay region, and have practical firsthand experience in our network operations from managing the Cyclone Gabrielle network outages and damage remediation works.
- 2) ***"High reliance on retailers to identify problems"***: We acknowledge that while retailer notifications are important to gather first hand verification of customer outage issues, it is not our only source of notification of outages. We monitor network performance directly and can identify disruptions quickly through network management systems. Customer notification is a valuable additional data point to verify impact at the end-user location.
- 3) ***"The sector can, at times, be reluctant to share asset and service data with others"***: We agree there is an element of truth in this, but it warrants context. There are a large number of response entities who would like additional network information from the sector. There are therefore a large number of requests for information, and a lack of clarity on what practical, consistent information entities require, or what purpose the release of the information carries. We also must be mindful of providing unnecessary asset data in the context of network and information security. We believe data requests require clearly defined purposes and coordination across multiple agencies to land on a consistent guideline.

Detailed comments on areas of concern for Tuatahi

Expanding upon our support for the Commission's approach in the draft guidance document not to change the ID requirements, we confirm we would oppose the following:

1) Mandating compliance with ISO 22372:2025

The Commission should consider the ISO standard guidance for ID-only regulated companies. A move to mandate compliance and require specific reporting would be a significant policy development and non-statutory regulatory obligation, and should only be considered by Government in the context of the development of broader critical infrastructure resiliency policy. Particularly given we have seen a substantial amount of work being done over the last few years by several government agencies.

2) Amending ID requirements to include the ResOrgs measures

We do not support incorporating the ResOrgs resilience measures into ID obligations for the reasons stated in this response. These measures may be useful as guidance tools, but they are not regulatory requirements that have been subjected to a cost-benefit analysis for the ID-only fibre providers.

3) Mandating Asset Management Plans for LFCs

We support the Commission's position of not requiring Asset Management Plans (AMPs) for the LFCs. Unlike electricity distributors, ID-only fibre providers have not been subject to AMP obligations, which we view a sensible approach given the asset health of the fibre network. There is therefore no

evidence there would be any consumer benefit in adding an additional compliance overhead onto the LFCs.

Conclusion

Tuatahi supports the Commission's objective of improving clarity regarding how resilience investments may be considered under PQ regulation. We agree that resilience is becoming increasingly important and that PQ regulated suppliers benefit from understanding the Commission's expectations.

At the same time, Tuatahi considers that the Draft Report should remain proportionate and avoid imposing additional requirements on ID-only fibre providers. Tuatahi already undertakes significant resilience planning which is aligned to the ISO standard, although it is currently used as a best practice guidance tool, rather than a certification Tuatahi holds.

Accordingly, Tuatahi supports the Commission's current proposed approach of not imposing additional requirements on ID-only fibre providers.

Thank you for considering the points raised in our submission, we are happy to discuss any of our feedback.

Yours Sincerely,



Penelope Peirce
Regulatory Manager
Tuatahi First Fibre