



## COMMERCE COMMISSION

Please refer to:

11506

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14 April 2011

Hon. Steven Joyce  
Minister for Communications and Information Technology  
Parliament Buildings  
Wellington

Dear Minister

### Clarification of Resale report

The Commission would like to clarify the service description in the Final Report on whether Resale Services should be omitted (or amended) from the Telecommunications Act 2001 which was sent to you on 20 December 2010.

The proposed service description in the Commission's Report for Single Service Resale is:

A retail service that satisfies both of the following:

- (a) Any of the following:
  - (i) a non price-capped local access and calling service; or
  - (ii) a non-price capped retail service (and its associated functions) supplying an access and calling service in a different form to the service described in subclause (a)(i) (and including, for the avoidance of doubt, a service supplying ISDN digital access, or Centrex based access or facsimile); or
  - (iii) a value-added non-price capped retail service that is supplied in conjunction with a service described in subclause (a) or (b); and
- (b) A retail service offered by Telecom to end-users by means of its fixed telecommunications network in the following markets:
  - (i) all markets in which Telecom faces limited, or is likely to face lessened, competition for the service;
  - (ii) all, some, or no markets in which Telecom does not face limited, or is not likely to face lessened, competition for that service as determined by the Commission.

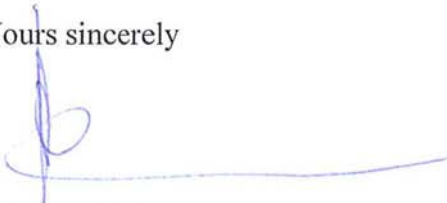
Clause (a)(iii) in the above service description incorrectly refers to (a) and (b), when it should refer to "subclause (i) and (ii)". It has also been pointed out that there is a lack of clarity as to whether the description includes the regulation of value-added non-price capped retail services that are supplied in conjunction with price-capped local access and calling services.

The Commission has accordingly clarified clause (a)(iii) of the service description to correct the cross referencing and remove any ambiguity as follows:

A retail service that satisfies both of the following:

- (a) Any of the following:
  - (i) a non price-capped local access and calling service; or
  - (ii) a non-price capped retail service (and its associated functions) supplying an access and calling service in a different form to the service described in subclause (a)(i) (and including, for the avoidance of doubt, a service supplying ISDN digital access, or Centrex based access or facsimile); or
  - (iii) a value-added non-price capped retail service that is supplied in conjunction with a service described in subclause (i) or (ii) above or a price-capped residential local access and calling service; and
- (b) A retail service offered by Telecom to end-users by means of its fixed telecommunications network in the following markets:
  - (i) all markets in which Telecom faces limited, or is likely to face lessened, competition for the service:
  - (ii) all, some, or no markets in which Telecom does not face limited, or is not likely to face lessened, competition for that service as determined by the Commission.

Yours sincerely

A handwritten signature in blue ink, appearing to be 'Dr. Ross Patterson', with a long horizontal line extending to the right.

Dr. Ross Patterson  
Telecommunications Commissioner