COMMERCE COMMISSION NEW ZEALAND
Te Komihana Tauhokohoko

30 November 2021

To: Chorus Limited
           Level 10 Aon Centre
           1 Willis Street
           Wellington 6011

Notice to supply information to the Commerce Commission under section 187(1)(c) of the Telecommunications Act 2001

Background

1.   From 20 December 2019, Chorus Limited (Chorus) became subject to information disclosure (ID) regulation under the Telecommunications Act 2001 (Act) in respect of the services specified in regulation 5 of the Telecommunications (Regulated Fibre Service Providers) Regulations 2019.

2.   The Commerce Commission (Commission) must, after the date on which the relevant input methodologies (IMs) are determined, but before the implementation date (1 January 2022), make a determination under s 170 specifying how ID regulation applies to the regulated providers.[1]

Purpose of this notice

3.   This notice requires Chorus to complete and provide the reports set out in Attachment A and B of this notice and the related independent auditor's report and directors' certificate to the Commission.

4.   This information relates to the information that must be disclosed by Chorus for each disclosure year under clauses 2.3.1(7) and 2.3.1(11) of the Fibre Information Disclosure Determination 2021 [2021] NZCC 24. The information is necessary to help us monitor compliance with the asset and cost allocation rules in the IMs that Chorus is required to apply when making its ID disclosures under clauses 2.3.1(7) and 2.3.1(11).

Timeframes for responding to this notice

5.   Chorus must supply all of the information specified in this notice annually for disclosure year 2022 and all subsequent disclosure years, no later than 5 months and 5 working days after 31 December.

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[1]   Telecommunications Act 2001, s 172(1)(b).

6. "working days" has the same meaning as defined in s 5 of the Telecommunications Act 2001.

7. "disclosure year" has the same meaning as defined in the Fibre Information Disclosure Determination 2021 [2021] NZCC 24.

Independent auditor's report

8. Chorus must provide the Commission with an assurance report in respect of the information provided that complies with clauses 2.7.1(1) and 2.7.1(2) of the Fibre Information Disclosure Determination 2021 [2021] NZCC 24.

Director certification

9. Chorus must provide the Commission with a certificate in respect of the information provided in the form set out in Schedule 18 of the Fibre Information Disclosure Determination 2021 [2021] NZCC 24 with any necessary modifications that is signed by 2 directors.

Exemptions

10. The Commission may at any time by way of written notice:

    10.1 exempt Chorus from any obligation in this notice on such terms and conditions as it specifies in the notice, which may include a requirement to provide alternative information; and

    10.2 amend or revoke any such exemption.

Means of responding to this notice

11. Chorus must produce and provide the Commission with the information required by supplying the information to the Commission by email to regulation.branch@comcom.govt.nz (Attention: Manager, Fibre) with the subject line "Chorus – Response to section 187(1)(c) Notice – Compliance statements for fibre information disclosure".

Use of supplied information and confidentiality

12. If Chorus considers that any information it provides to the Commission in response to this notice is confidential or commercially sensitive, and that the Commission should not publish or publicly refer to any particular part of Chorus' response, Chorus must:

    12.1 provide that information in a separate appendix;

    12.2 provide both an unredacted version, and a redacted version with the confidential/commercially sensitive information removed;

12.3 clearly mark the information as confidential or commercially sensitive (as applicable) in the unredacted version; and

12.4 for each redaction of information provide reasons why Chorus considers that part of the response is confidential or commercially sensitive (as applicable) and why the Commission should not publish or publicly refer to it.

13. If Chorus indicates that we should not publish or publicly refer to the whole or any part of its response, we will discuss with Chorus before deciding whether to do so.

14. Please note that all responses we receive, including any parts that we decide not to publish, can be requested from the Commission under the Official Information Act 1982. This means, that if requested, we would be required to release material unless good reason existed under the Official Information Act 1982 to withhold it. We would normally consult Chorus before releasing any material that Chorus has requested not be published.

Offences under section 103 of the Commerce Act 1986

15. Sections 15(1)(l) and 15(4) of the Act provide that s 103 of the Commerce Act 1986 (Commerce Act) applies to notices made under s 187(1)(c) of the Act.

16. Section 103 of the Commerce Act provides that no person shall:

16.1 without reasonable excuse, refuse or fail to comply with a notice under [s 193 of the Act];

16.2 in purported compliance with such a notice, furnish information, or produce a document, or give evidence, knowing it to be false or misleading; or

16.3 attempt to deceive or knowingly mislead the Commission in relation to any matter before it.

17. It is an offence to contravene s 103 of the Commerce Act and any person who does so is liable on conviction to a fine not exceeding $100,000 in the case of an individual or $300,000 in any other case.

Dated at Wellington: 26 November 2021

Signed by:

Tristan Gilbertson
Telecommunications Commissioner

Company name:

For disclosure-year ended:

Terms used in this report have the same meanings as defined in the Fibre Information Disclosure Determination 2021 [2021] NZCC 24.

ref	Line Item*	Allocator Type		Allocator Metric [%]				Value allocated ($000)			
		Allocation Driver	Causal or Proxy Allocator	PQ-FFLAS	ID-only FFLAS	Non-FFLAS	Total Unallocated costs	PQ-FFLAS	ID-only FFLAS	Non-FFLAS	Total Allocated
7											
8											
9											
10											
11	**NETWORK ASSETS - LAYER 1**										
12	**Ducts and Manholes**										
13	Insert asset description	Allocator 1	[Select one]								-
14	Insert asset description	Allocator 2	[Select one]								-
15	Insert asset description	Allocator 3	[Select one]								-
16	Insert asset description	Allocator 4	[Select one]								-
17	Not directly attributable										-
18	**Fibre Optic Cable**										
19	Insert asset description	Allocator 1	[Select one]								-
20	Insert asset description	Allocator 2	[Select one]								-
21	Insert asset description	Allocator 3	[Select one]								-
22	Insert asset description	Allocator 4	[Select one]								-
23	Not directly attributable										-
24	**Fibre Service Leads**										
25	Insert asset description	Allocator 1	[Select one]								-
26	Insert asset description	Allocator 2	[Select one]								-
27	Insert asset description	Allocator 3	[Select one]								-
28	Insert asset description	Allocator 4	[Select one]								-
29	Not directly attributable										-
30	**Local Access Copper Cable (Poles)**										
31	Insert asset description	Allocator 1	[Select one]								-
32	Insert asset description	Allocator 2	[Select one]								-
33	Insert asset description	Allocator 3	[Select one]								-
34	Insert asset description	Allocator 4	[Select one]								-
35	Not directly attributable										-
36	**FTTN/FTTP Cabinets**										
37	Insert asset description	Allocator 1	[Select one]								-
38	Insert asset description	Allocator 2	[Select one]								-
39	Insert asset description	Allocator 3	[Select one]								-
40	Insert asset description	Allocator 4	[Select one]								-
41	Not directly attributable										-
42	**Network Equipment**										
43	Insert asset description	Allocator 1	[Select one]								-
44	Insert asset description	Allocator 2	[Select one]								-
45	Insert asset description	Allocator 3	[Select one]								-
46	Insert asset description	Allocator 4	[Select one]								-
47	Insert asset description										-
48	Not directly attributable										-

ATTACHMENT A

REPORT SUPPORTING ASSET ALLOCATIONS

Terms used in this report have the same meanings as defined in the Fibre Information Disclosure Determination 2021 [2021] NZCC 24.

Company name:

For disclosure-year ended:

ref		Allocator	Selection
49	**Information Technology**		
50	Insert asset description	Allocator 1	[Select one]
51	Insert asset description	Allocator 2	[Select one]
52	Insert asset description	Allocator 3	[Select one]
53	Insert asset description	Allocator 4	[Select one]
54	Not directly attributable		
55	**Other Layer 1 assets**		
56	Insert asset description	Allocator 1	[Select one]
57	Insert asset description	Allocator 2	[Select one]
58	Insert asset description	Allocator 3	[Select one]
59	Insert asset description	Allocator 4	[Select one]
60	Not directly attributable		
61			
62	**NETWORK ASSETS - LAYER 2**		
63	**FTTN/FTTP Cabinets**		
64	Insert asset description	Allocator 1	[Select one]
65	Insert asset description	Allocator 2	[Select one]
66	Insert asset description	Allocator 3	[Select one]
67	Insert asset description	Allocator 4	[Select one]
68	Not directly attributable		
69	**Network Equipment**		
70	Insert asset description	Allocator 1	[Select one]
71	Insert asset description	Allocator 2	[Select one]
72	Insert asset description	Allocator 3	[Select one]
73	Insert asset description	Allocator 4	[Select one]
74	Not directly attributable		
75	**Information Technology**		
76	Insert asset description	Allocator 1	[Select one]
77	Insert asset description	Allocator 2	[Select one]
78	Insert asset description	Allocator 3	[Select one]
79	Insert asset description	Allocator 4	[Select one]
80	Not directly attributable		
81	**Other Layer 2 assets**		
82	Insert asset description	Allocator 1	[Select one]
83	Insert asset description	Allocator 2	[Select one]
84	Insert asset description	Allocator 3	[Select one]
85	Insert asset description	Allocator 4	[Select one]
86	Not directly attributable		
87			
88	**OTHER NETWORK ASSETS**		
89	**Network land and buildings**		
90	Insert asset description		[Select one]
91	Insert asset description		[Select one]
92	Insert asset description		[Select one]
93	Insert asset description		[Select one]
94	Not directly attributable		
95	**Other network assets**		
96	Insert asset description		[Select one]

ATTACHMENT A

REPORT SUPPORTING ASSET ALLOCATIONS

Company name:
For disclosure-year ended:

Terms used in this report have the same meanings as defined in the Fibre Information Disclosure Determination 2021 [2021] NZCC 24.

ref								
97	Insert asset description	Allocator 2	[Select one]					
98	Insert asset description	Allocator 3	[Select one]					
99	Insert asset description	Allocator 4	[Select one]					
100	Not directly attributable			-				
101								
102	**NON-NETWORK ASSETS**							
103	**Non-network land and buildings**							
104	Insert asset description	Allocator 1	[Select one]					
105	Insert asset description	Allocator 2	[Select one]					
106	Insert asset description	Allocator 3	[Select one]					
107	Insert asset description	Allocator 4	[Select one]					
108	Not directly attributable			-				
109	**Non-network IT hardware/software**							
110	Insert asset description	Allocator 1	[Select one]					
111	Insert asset description	Allocator 2	[Select one]					
112	Insert asset description	Allocator 3	[Select one]					
113	Insert asset description	Allocator 4	[Select one]					
114	Not directly attributable			-				
115	**Other non-network assets**							
116	Insert asset description	Allocator 1	[Select one]					
117	Insert asset description	Allocator 2	[Select one]					
118	Insert asset description	Allocator 3	[Select one]					
119	Insert asset description	Allocator 4	[Select one]					
120	Not directly attributable			-				
121				-				
122	Regulated service asset value not directly attributable			-				
123								
124	* *include additional rows if needed*							

ATTACHMENT B

REPORT SUPPORTING COST ALLOCATIONS

Company name:

For disclosure-year ended:

The terms used in this report have the same meanings as defined in the Fibre Information Disclosure Determination 2021 [2021] NZCC 24.

ref	Level 1 category	Level 2 category	Allocator Type	Allocation Driver	Causal or Proxy Allocator	Allocator Metric (%) PQ-FFLAS	Allocator Metric (%) ID-only FFLAS	Allocator Metric (%) Non-FFLAS	Total Unallocated costs	Value allocated ($000) PQ-FFLAS	Value allocated ($000) ID-only FFLAS	Value allocated ($000) Non-FFLAS	Total Allocated
9	Level 1 category	Level 2 category	Allocator Type	Allocation Driver	Causal or Proxy Allocator	PQ-FFLAS	ID-only FFLAS	Non-FFLAS	Total Unallocated costs	PQ-FFLAS	ID-only FFLAS	Non-FFLAS	Total Allocated
10	Customer opex	Customer operations											
11		Insert cost category	Insert cost category	Allocator 1	[Select one]								
12		Insert cost category	Insert cost category	Allocator 2	[Select one]								
13		Insert cost category	Insert cost category	Allocator 3	[Select one]								
14		Insert cost category	Insert cost category	Allocator 4	[Select one]								
15		Insert cost category	Insert cost category	Allocator 4	[Select one]								
16		Not directly attributable							-				-
17		Product, sales & marketing											
18		Insert cost category	Insert cost category	Allocator 1	[Select one]								
19		Insert cost category	Insert cost category	Allocator 2	[Select one]								
20		Insert cost category	Insert cost category	Allocator 3	[Select one]								
21		Insert cost category	Insert cost category	Allocator 4	[Select one]								
22		Not directly attributable							-				-
23	Network opex	Maintenance											
24		Insert cost category	Insert cost category	Allocator 1	[Select one]								
25		Insert cost category	Insert cost category	Allocator 2	[Select one]								
26		Insert cost category	Insert cost category	Allocator 3	[Select one]								
27		Insert cost category	Insert cost category	Allocator 4	[Select one]								
28		Insert cost category	Insert cost category	Allocator 4	[Select one]								
29		Network operations											
30		Insert cost category	Insert cost category	Allocator 1	[Select one]								
31		Insert cost category	Insert cost category	Allocator 2	[Select one]								
32		Insert cost category	Insert cost category	Allocator 3	[Select one]								
33		Insert cost category	Insert cost category	Allocator 4	[Select one]								
34		Not directly attributable							-				-
35		Not directly attributable							-				-
36		Network Operating costs											
37		Insert cost category	Insert cost category	Allocator 1	[Select one]								
38		Insert cost category	Insert cost category	Allocator 2	[Select one]								
39		Insert cost category	Insert cost category	Allocator 3	[Select one]								
40		Insert cost category	Insert cost category	Allocator 4	[Select one]								
41		Not directly attributable							-				-
42	Support opex	Asset management											
43		Insert cost category	Insert cost category	Allocator 1	[Select one]								
44		Insert cost category	Insert cost category	Allocator 2	[Select one]								
45		Insert cost category	Insert cost category	Allocator 3	[Select one]								
46		Insert cost category	Insert cost category	Allocator 4	[Select one]								
47		Not directly attributable							-				-

ATTACHMENT B

REPORT SUPPORTING COST ALLOCATIONS

Company name:

For disclosure-year ended:

The terms used in this report have the same meanings as defined in the Fibre Information Disclosure Determination 2021 [2021] NZCC 24.

ref				
48	Corporate			
49	Insert cost category	Allocator 1	[Select one]	
50	Insert cost category	Allocator 2	[Select one]	
51	Insert cost category	Allocator 3	[Select one]	
52	Insert cost category	Allocator 4	[Select one]	
53	Insert cost category		[Select one]	-
54	Not directly attributable			-
55	**Technology**			
56	Insert cost category	Allocator 1	[Select one]	
57	Insert cost category	Allocator 2	[Select one]	
58	Insert cost category	Allocator 3	[Select one]	
59	Insert cost category	Allocator 4	[Select one]	
60	Not directly attributable			-
61	Operating costs not directly attributable			-
62				-
63	**Other Cost Allocations**			
64	Pass through costs			
65	Insert cost category	Allocator 1	[Select one]	
66	Insert cost category	Allocator 2	[Select one]	
67	Insert cost category	Allocator 3	[Select one]	
68	Insert cost category	Allocator 4	[Select one]	-
69	Insert cost category		[Select one]	
70	Not directly attributable			-
71				-