

We're taking a structured and disciplined approach to implementing the revised regulatory regime and meeting performance expectations

Where we've come from: our work so far

Our focus over the last 18 months has been on working with industry and consumers to develop the new regulatory regime for fibre and lay the foundation for our Retail Service Quality (RSQ) work:

- We delivered the new fibre regime:
 - Went live on 1 January 2022
 - No appeal by Chorus against our Fibre IMs or final PQID decisions
 - Well received by industry and financial markets
- We protected the interests of consumers in the transition from copper to fibre by putting in place two key codes:
 - 111 Contact Code went live in November 2020
 - Copper Withdrawal Code went live in December 2020
 - Initial monitoring suggests that both codes are working as intended
- We laid the foundation for our wider RSQ work:
 - *Effective Dispute Resolution Scheme* – We set out a detailed roadmap of changes to improve the effectiveness of TDRS for consumers (now being actioned by the TCF)
 - *Evidence Base for Action* – We consulted extensively to build up a detailed understanding of what RSQ issues matter to consumers and why
- We took targeted action to address urgent live issues in the market:
 - *Mobile Transparency* – We secured improved usage and spend information for mobile consumers and tools to help prevent overspending
 - *Broadband Marketing* – We issued guidelines to improve the marketing of broadband services for consumers (implemented by most providers before Christmas and now being converted into a binding industry code by the TCF)

Where we're going: focus areas

Our focus going forward is on improving RSQ outcomes for consumers and enhancing our monitoring responsibilities.

Fibre

We're moving from "design" into "implementation" mode, with a focus on supporting the industry as it transitions into the new regime, while promoting the long-term interests of consumers.

We are currently:

- Finalising the value of Chorus' opening Regulatory Asset Base as actual financial information becomes available for 2020/21
- Working with LFCs to ensure they fulfil their information disclosure requirements

We've located the fibre team within the Commission's new Infrastructure Regulation Branch which houses our expertise in regulating electricity and gas networks using the same "building blocks" approach.

Retail Service Quality

We've started our drive to improve RSQ outcomes for consumers in the following areas:

- Customer service
- Debt and affordability
- Product disclosure
- Billing
- Switching

As we move forward, we will:

- Phase our work over the next two years to make it manageable
- Tackle issues in the order in which they matter to consumers
- Take a collaborative approach to problem solving with the industry and consumers
- Give the TCF the opportunity to develop solutions, by way of industry codes, where appropriate

In the first half of the year, we're looking at mobile customer service, with broadband customer service to follow in the second half of the year.

In parallel, we'll work with the TCF on improving its Product Disclosure Code, as well as industry measures to help address debt and affordability issues.

Other issues will follow in accordance with a roadmap we've shared with industry and consumers.

Our aim is to create tangible and measurable solutions to issues identified by consumers.

This will help us monitor the effectiveness of our actions by being able to track how RSQ is improving over time.

Monitoring and Compliance

Expanding and enhancing our monitoring function is a priority for us:

- Effective monitoring underpins our understanding of the market and ensures our actions are directed towards promoting competition and preventing harm to consumers
- Effective monitoring also provides consumers with independent information that empowers them to make informed purchasing decisions and engage more confidently in the market

We're currently reviewing:

- *Annual Telecommunications Monitoring Report* so that it provides a wider and deeper view of the competitive landscape, the development of competition, and the end-to-end performance of the telecommunications sector
- *Measuring Broadband New Zealand (MBNZ) Programme* so that it provides more of the information consumers have told us they want and presents this in a way that is more accessible to them

Once this work is complete, we'll look into a testing programme for mobile coverage and performance, where there are currently transparency gaps for consumers.

We're also working to ensure effective monitoring, oversight and enforcement of obligations relating to:

- Copper Withdrawal Code
- 111 Contact Code
- TDRS improvement roadmap
- TCF Codes implementing our Marketing Guidelines
- Fibre ID regime

