



**Media Statement**

**8 March 2011**

**CROWN FIBRE HOLDINGS – MEDIA RELEASE – CFH ANNOUNCES  
PRIORITISED NEGOTIATIONS WITH CENTRAL FIBRE CONSORTIUM**

Crown Fibre Holdings has today released the attached media statement in relation to prioritised negotiations with Central Fibre Consortium.

**ENDS**

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## **MEDIA RELEASE**

**Under strict embargo until 0900 8 March, 2011**

### ***CFH announces prioritised negotiations with Central Fibre Consortium***

Crown Fibre Holdings Limited (CFH) has today confirmed that it has selected the Central Fibre Consortium for prioritised negotiations in the Ultra Fast Broadband (UFB) initiative.

The Central Fibre Consortium consists of Unison Networks Limited, Counties Power Limited, Eastland Group Limited, Horizon Energy Distribution Limited and Central Lines Limited. The consortium covers 10 UFB candidate areas, comprising Napier-Hastings, Palmerston North, Rotorua, Taupo, Pukekohe, Waiuku, Whakatane, Gisborne, Feilding and Masterton.

The Central Fibre Consortium joins five other parties which Crown Fibre Holdings has selected for prioritised negotiations. They are:

- Telecom Corporation of New Zealand Limited: covering 25 candidate areas;
- Vector Limited: covering the Auckland candidate area;
- Enable Networks Limited: covering the Christchurch and Rangiora candidate areas;
- Flute Joint Venture: represented by Aurora Energy Limited, covering the Dunedin candidate area; and
- Alpine Energy Limited: covering the Timaru candidate area.

CFH Chairman, Simon Allen said that the Central Fibre Consortium consists of well-established regional electricity lines companies which have expertise and experience in owning and operating essential infrastructure. Two companies in the consortium - Counties Power Ltd and Unison Networks Ltd – already have existing fibre optic networks.

“Fibre to the premise will not only enhance the way we do things in major urban areas, but also in smaller population centres. It will make regional centres more competitive, improve our health and schooling systems, and help local businesses to connect to world markets.”

“It is great to have Telecom and the Central Fibre Consortium contesting the opportunity to become the Crown’s partner for UFB in regional cities such as Napier and Palmerston North as well as smaller centres like Whakatane and Masterton,” said Mr Allen.

The remaining shortlisted parties will also continue in the partner selection process.

**-ENDS-**

## **Status of negotiations for the ultra-fast broadband initiative**

### **Approved Agreements:**

- Ultra Fast Fibre Ltd, led by WEL Networks, covering Hamilton (including Cambridge and Te Awamutu), Tauranga, Tokoroa, New Plymouth, Hawera and Wanganui
- Northpower Limited covering Whangarei

### **Selected for Prioritised Negotiations:**

- Enable Networks Limited covering Christchurch and Rangiora
- Flute Joint Venture. Represented by Aurora Energy Limited for Dunedin
- Telecom Corporation of New Zealand Limited, covering 25 Candidate Areas (all areas except those covered by UltraFast Fibre Limited, Northpower and Alpine)
- Alpine Energy Limited covering Timaru
- Vector Limited, covering the Auckland Candidate Area
- Central Fibre Consortium. This is a consortium between Counties Power Limited, Eastland Group Limited, Horizon Energy Distribution Limited, Unison Networks Limited and Central Lines Limited. It covers 10 UFB candidate areas; Pukekohe, Waiuku, Rotorua, Taupo, Whakatane, Gisborne, Napier-Hastings, Palmerston North, Feilding and Masterton

### **Shortlisted:**

- CityLink Limited, covering Wellington Region including the Hutt Valley and Porirua
- Electra Limited covering Levin and Kapiti
- Electricity Ashburton covering Ashburton
- Flute Joint Venture covering Queenstown and Invercargill
- Network Tasman Limited covering Nelson and Blenheim
- Network Waitaki Limited covering Oamaru
- Westpower Limited covering Greymouth

### **Background on Crown Fibre Holdings and the UFB initiative:**

- CFH has been established to manage the Crown's investment in ultra-fast broadband infrastructure over a ten year period.
- In October 2009, an Invitation to Participate was released.
- In January 2010, initial responses were received.
- In August 2010 refined proposals were received.
- In September 2010, CFH announced prioritised negotiations with three parties and shortlisted 11 other parties.
- In December 2010, the Government announced that it had accepted CFH's recommendations to form the first two Local Fibre Companies, in partnership with Northpower for Whangarei and UltraFast Fibre Ltd for the Central North Island.
- In December 2010 CFH elected to negotiate with three additional parties – Telecom, Enable and Flute.
- On 17 February 2011 CFH elected to negotiate with Vector Limited.

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