MARKET RELEASE

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Telecom welcomes moves towards regulatory certainty

Telecom welcomes today's commencement of a Government review of the policy framework for regulating telecommunications services in New Zealand.

In particular, Telecom notes that the first phase of the review, which will look at the current regulatory framework for fixed access services in the transition from copper to fibre networks, seeks to get clarity on copper pricing by no later than 30 November 2015 and possibly by 30 November 2014. Legislative changes to put the new framework into effect are due to be made by the end of 2013.

The discussion document released today by the Government comes to the preliminary conclusion that copper access prices (UCLL and UBA combined) should be roughly equivalent to fibre prices set by the UFB tendering process.

"Telecommunications service providers like Telecom just need pricing certainty so we have a clear understanding of the costs involved, across various technologies, for providing services to our customers," commented Telecom chief executive Simon Moutter. "Pricing certainty will allow us to get on with what's most important – competing in the marketplace through innovation, product differentiation and quality service."

Telecom will be participating in the consultation process around the first phase of the review, with submissions to be made by 13 September 2013.

The Government's discussion document can be found at the following link:
http://www.med.govt.nz/sectors-industries/technology-communication/communications/legislation-relating-to-the-telecommunications-sector/review-of-the-telecommunications-act-2001

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