

27 November 2009

Ministry of Economic Development
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To whom it may concern,

Re: *Facilitating the Deployment of Broadband Infrastructure*

1. Introduction:

- 1.1. InternetNZ (Internet New Zealand Inc) is a membership-based, not-for-profit organisation responsible for the administration of the .nz domain name system.
- 1.2. InternetNZ is a non-government non-partisan organisation that acts to protect and promote the Internet for New Zealand. We advocate for the ongoing development of an open and uncaptureable Internet, available to all New Zealanders.

2. InternetNZ's interest

- 2.1. InternetNZ's interest in this document is to support measures that will increase the speed of rollout for high speed broadband infrastructure, both in urban and in rural areas, aligned with the key principles already identified by government.
- 2.2. It is in the public interest that open access is assured, giving consumers and businesses the choice of service providers and giving access seekers equal access to consumer and business connections.
- 2.3. InternetNZ generally supports non-regulatory approaches to achieving desired policy outcomes, but supports regulatory measures – sometimes very intrusive ones – where voluntary change does not or cannot result in achieving important outcomes. An example of the latter is our support for the strong operational separation of Telecom.
- 2.4. InternetNZ supports the Government's efforts to accelerate the rollout of fibre through all possible means and hopes that decisions arising from this discussion document will assist with that.

3. Regulation

- 3.1. InternetNZ supports the Government's programme for the rollout of ultrafast broadband infrastructure, in the urban and rural environments.
- 3.2. The matters covered in the discussion paper highlight two areas of tension.
- 3.3. The first area concerns the extent to which this rollout should be facilitated by the voluntary action of local authorities as against the imposition of nation-wide legislated standards and requirements.
- 3.4. The second is between local authorities and telecommunications infrastructure owners, regarding how policies affect investment decisions and ease of rollout.
- 3.5. While InternetNZ does not take a position in support of (or in opposition to) any particular set of interests, we are not averse to regulatory change to achieve this rollout in the most cost-effective possible manner, and have a preference for national standards compared with leaving such improvements to the discretion of local authorities.

4. Specific Questions

- 4.1. The majority of the questions posed are best answered by telecommunications firms, those interested in participating in LFCs, or local councils. This also points to a need for bringing together of these groups to encourage greater understanding of each other's issues, and to identify what can be resolved rapidly without resort to regulation.

Questions 1-11 – Support Structures

- 4.2. A focus on non-regulatory measures is appropriate at this stage, but should be backed by the option of regulation and followed through in a timely manner. In the case of whole of Government directives, it may be useful to give local authorities the opportunity to improve and standardize processes first but not allow such a process to be open-ended.
- 4.3. In looking for a timely step forward through non-regulatory means, attention could be paid to the stalled Broadband Friendly Protocols. The Protocols are the best available guidance from local government and carrier collaboration as to how to facilitate broadband infrastructure investment. It is of concern to InternetNZ that they have not formed a larger part of the current discussion document.

Questions 12-13 – Backhaul

- 4.4. As a matter of principle, regulation of backhaul is necessary where there is not competitive provision. The new networks that will be deployed in regions must be able to interconnect effectively to provide end to end services.

Questions 14-15 – Premises wiring

- 4.5. The TCF code provides a scheme for high speed copper within the home that will increase the benefits of fibre connectivity. The reality is that most existing houses will not in the short to medium term be “fibre-ready” nor will most homeowners be in the position of building new homes or renovating their wiring. The consequence is that mandating the code would be of limited value in the short term.
- 4.6. Mandating the code would however deliver gains in the long term. It may be required to ensure open access to high speed broadband in any upcoming housing developments, and would usefully serve to educate installers.
- 4.7. An industry-sponsored certification scheme to operate alongside the code could be created to certify or endorse installers or installations.
- 4.8. Where a new drop is created from the street to the home it should be ducted to allow for fibre, even if copper is laid. This is already an approach being taken by Chorus as it allows for fibre to be substituted easily later.
- 4.9. Further work should be undertaken to understand how existing homes may be upgraded, issues around this, and what role, if any, government would need to play.
- 4.10. In addition to this, there may be little incentive for landlords serving the lower end of the market to upgrade wiring to and within the home, so some thought should be given to incentivizing them to do so.

Questions 16-35 – Access to telcos support structures

- 4.11. As per Questions 1-11 above.

Questions 36-38 – Housing developments

- 4.12. InternetNZ supports a requirement to lay ducting from the premises to the kerb or to a very local drop-pit in all greenfields developments. Given the government targets around fibre to the homes, it would be illogical to do otherwise.

Questions 39-43

- 4.13. No response from InternetNZ.

Questions 44-66 – Land

- 4.14. As per Questions 1-11 above.

Questions 67-70

4.15. No response from InternetNZ.

Questions 71-72 – Supplementing National Code

4.16. InternetNZ regards these initiatives as worthwhile.

Questions 73-76 - Multi-unit buildings

4.17. Multi-tenanted buildings create potential for private bottlenecks to the supply of broadband. Any steps that prevent abuse of monopoly provision of connectivity should be considered. For example, ducting to the individual unit could be required in new multi-tenanted buildings and be required to be owned by the body corporate or the individual unit owner."

Questions 77-84

4.18. No response from InternetNZ.

Questions 85-97 – RMA

4.19. As per questions 1-11 above.

Thank you for the opportunity to make this submission.

Regards,

A handwritten signature in black ink, appearing to read 'Jordan Carter', with a stylized flourish at the end.

Jordan Carter
Policy Director
InternetNZ

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