

Kate McKenzie
Chief Executive
Chorus (by email)

9th August 2017

Dear Kate,

Capturing Feedback on Wireless Colocation

Chorus are seeking feedback on your proposed changes to your wireless colocation product.

Details are at; <https://sp.chorus.co.nz/product-update/capturing-feedback-wireless-colocation> which invites your customers to give their feedback to their account managers. ISPANZ does not have an account manager, so I am hoping that you could pass on our thoughts to the appropriate person.

ISPANZ's Thoughts

ISPANZ wishes to comment on two aspects of your proposed Special Terms detailed at; <https://sp.chorus.co.nz/chorus/files/files/Chorus%20Wireless%20Colocation%20Schedule%201%20Special%20Terms%20-%20Draft%202017.pdf>

- Clause 4 - Insurance Requirements, and
- Clause 18 – Capital Cost Contribution.

Our comments do not replace feedback that you get from our individual members. We are providing input because many of our members are small businesses who may find it difficult to make time to comment before your deadline.

Clause 4 – Insurance Requirements

We feel that the requirement for our members to carry \$50 million insurance is unreasonable and anti-competitive. That sum is clearly relevant to large, nationwide ISPs who collocate at many sites. Many of our members are regional businesses who may only collocate at a limited number of smaller sites. Being required to take out \$50 million insurance cover is clearly not appropriate for these smaller, regional businesses. It would be an unnecessary expense which would only benefit insurance companies.

We recommend that you require insurance cover relevant to the value of the sites at which your customers collocate. Our understanding of the current arrangements is that they would be appropriate, and we do not see the need for change.

Clause 18 – Capital Cost Contribution

Our members who collocate at your wireless sites pay you for the privilege. We see this payment as being akin to rent. When renting property, the owner covers capital maintenance from the rental payments received. The tenant is not required to make capital contributions.

ISPANZ would be in favour of your tenants making capital contributions if the infrastructure needs to be upgraded to allow them to collocate, but is not in favour of any capital cost contribution for infrastructure which is “at end of life” or needs “unplanned maintenance”.

We would like to see the majority of Clause 18.1 deleted.

Best Regards,



David Haynes
Chief Executive
Internet Service Providers Association of New Zealand

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