



18 April 2008

Mr Ralph Chivers
Chief Executive
Telecommunications Carriers Forum
PO Box 302469
North Harbour
Auckland

Dear Ralph

TUANZ welcomes the opportunity to review the TCF draft Report on the TSO.

While our study has necessarily been confined to the general principles rather than the fine detail, we confirm our full support for the direction of the report, and congratulate the Forum on the high level of consensus that has been achieved.

In particular we affirm our strong commitment to the design principles which are very well defined and documented in the Report.

We urge the Forum to continue down the current path with a view to bringing the 21st century TSO into play as soon as possible.

TUANZ is concerned that the review does not become derailed politically by any late resistance to contestability and technological neutrality. This could happen if there was substantial adverse criticism from customers who depend on the TSO for their phone service, but who might become unnecessarily concerned about the potential replacement of the familiar Telecom fixed line by a less familiar wireless or satellite service from a different service provider.

We believe in recognition of the time TCF members are investing in this project, the government should at an early stage commit publicly to these key principles as a fundamental component of the review. We will be making that request to the Minister accordingly.

We look forward to reviewing the next iteration of the document.

Yours sincerely

Ernie Newman
Chief Executive