

PRODUCT FORUM PROCESSES FOR THE ULTRAFAST BROADBAND PRODUCT FORUM

12 February 2014
Final

1. Establishment and Membership of UFB Product Forum

- 1.1. The industry has agreed to establish a multi-party UFB Product Forum (**Product Forum**).
- 1.2. LFCs, including Chorus, (together referred to as **LFCs**) have each agreed in their respective wholesale agreements for UFB (each referred to as a **WA**) that they will establish and participate in the Product Forum to facilitate dialogue between LFCs and Retail Service Providers (**RSPs**), as well as other industry stakeholders (where relevant) on certain UFB product issues.
- 1.3. The Product Forum aims to provide an industry-wide forum for technical and operational level discussions in respect of current UFB wholesale services, UFB wholesale ancillary services and the development of new UFB wholesale services (together, **products**).
- 1.4. The Product Forum will be required to work in conjunction with and provide input into the Change Management Forum established by each LFC, in each case as agreed in the relevant WA and as detailed in these Product Forum Processes (**PFPs**).
- 1.5. Membership

- 1.5.1. Principle: Membership of the Product Forum is intended to be broad to enable a range of key industry stakeholders to participate. In particular, Product Forum membership will comprise the following parties (collectively referred to as the **Product Forum Parties**):

Product Forum Parties:	
LFCs (Regular Members)	Chorus, Enable Networks, Northpower and Ultrafast Fibre.
RSPs (Regular Members)	All signatories to a WA with one or more LFCs.
Observers	CFH, MBIE, the Commerce Commission and also the TCF as Forum Administrator (see clause 3.2 below)

- 1.5.2. The Product Forum is to be a single industry-wide forum. Other working groups may be established by the Product Forum (in accordance with these PFPs) to assist with its function.
 - 1.5.3. Regular Members:
 - a. LFCs and RSPs which are and remain current signatories of a WA with any LFC will be regular members of the Product Forum (**Regular Members**).
 - b. Upon becoming a signatory to a WA an RSP will automatically become a Regular Member of the Product Forum.
 - c. The termination of a WA by an RSP will result in the immediate termination of that RSP's membership of the Product Forum as a Regular Member (unless that RSP remains a signatory to a WA with another LFC).
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- 1.5.4. Observers: Crown Fibre Holdings Limited (**CFH**), the Ministry of Business Innovation and Employment (**MBIE**) and the Commerce Commission will have an open invitation to attend and participate in the Product Forum meetings as observers (**Observers**). The TCF (as Forum Administrator) will also be considered an Observer.
- 1.5.5. Invited Guests: Other industry stakeholders including potential signatories to a WA, may be invited to attend one or more Product Forum meetings from time to time (**Invited Guests**), subject to the Ordinary Agreement of Regular Members of the Product Forum (as defined in clause 3.10 below). Any party (who is not a Regular Member or an Observer) wishing to attend a Product Forum meeting will notify the Forum Administrator at least 7 days before the scheduled meeting. The Forum Administrator must notify all Regular Members of this request to attend and will, at the same time, require Regular Members to vote (by email or such other method as the Forum Administrator determines) on whether they wish to invite the new interested party to attend. The vote must be concluded at least 48 hours prior to the relevant Product Forum meeting and the Forum Administrator will notify the interested party and the Regular Members of the decision as soon as possible thereafter. An Invited Guest's right to attend each Product Forum meeting will usually be by separate invitation (and, on each occasion, subject to the Ordinary Agreement of Regular Members), such that an invitation to one meeting does not automatically entitle an Invited Guest to attend further meetings. However, the Regular Members may agree by Ordinary Agreement an Invited Guest may attend any number of additional meetings, and the Forum Administrator will notify that Invited Guest of such rights to attend.

2. Purpose

- 2.1. The key purpose of the Product Forum is to discuss and consult on UFB product related issues, which may include matters of a technical and operational nature, or a LFC's product development plans, technology changes and innovations that may impact RSPs. The Product Forum's role is to review these issues and make recommendations in accordance with these PFPs¹.
- 2.2. The Product Forum will be a consultation forum as contemplated in the relevant clauses of each WA. If required, at the end of such consultation the Product Forum will submit to the relevant Change Management Forum(s) a resolution or issue paper setting out, amongst other things, the Product Forum's conclusions and (if relevant) any proposed changes, and the level of support within the Product Forum for such changes.
- 2.3. Other purposes of the Product Forum are:
- 2.3.1. For any RSP or LFC to raise UFB product related issues. The Product Forum will then outline any desired resolutions to the issue. Where the issue relates to LFCs, LFCs will be requested to present solution options back to the Product Forum. Issues that require a wider industry solution will need to be dealt with on a case by case basis.
- 2.3.2. For any RSP to raise suggested UFB product improvements that they would like the LFCs to consider. The Product Forum can then endorse any suggested improvements and the LFC can respond to the Product Forum with product improvement options.

¹ For clarity at the Product Forum meeting held 6 June 2013 it was agreed that template changes and new templates under the current specifications are not required to be brought to the Product Forum but price changes, withdrawal or replacement changes should be.

- 2.3.3. For the LFC to introduce new UFB products for consultation and feedback to determine whether other Product Forum Parties believe a new product satisfies the requirements of the industry. The LFC may then choose whether to make the new product commercially available.
- 2.3.4. For the LFC to raise and discuss with Product Forum Parties advancements in technology that will or may influence future UFB products.
- 2.3.5. For the LFC to present any proposed solutions for UFB product related issues. Once the Product Forum has reached Broad Agreement (as defined in clause 3.10 below) that a proposed solution is suitable, the LFC will then commit to a timetable for delivering it, provided that, where required under a WA, implementation of any such proposed solution or change will be subject to approval by the relevant Change Management Forum(s).
- 2.3.6. For the LFC to present UFB product improvement options. Once the Product Forum has reached Broad Agreement that the improvements meet the requirements of the industry, the LFC may choose whether to make the improvements commercially available.

2.4. Excluded Matters:

- 2.4.1. Regular Members of the Product Forum are aware of the provisions of the Commerce Act 1986 and in particular the prohibitions contained in sections 27-30. The activities of the Product Forum will at all times comply with the Commerce Act.
- 2.4.2. By way of example, rather than a complete list of matters that may not be discussed at the Product Forum, in order to comply with the provisions of the Commerce Act 1986, the business of the Product Forum will not include discussion of the following matters:
 - a. pricing, price caps or features that relate to price (including, but not limited to, UFB pricing); or
 - b. the development of new retail services based on UFB wholesale services.
- 2.4.3. The Product Forum is not a forum for dealing with disputes between Regular Members.

2.5. Other meetings: The Product Forum has no role or responsibility in respect of other meetings between LFCs and RSPs.

3. **Operation and Administration**

- 3.1. Forum Administrator: A Forum Administrator will provide administrative services to the Product Forum including:
 - 3.1.1. Acting as Chair of Product Forum meetings;
 - 3.1.2. Maintaining a register of Regular Members and their respective contact details;
 - 3.1.3. Coordinating Product Forum communications;
 - 3.1.4. Circulating meeting agendas (to include the information referred to in clause 3.5 below) and minutes to Product Forum Parties in a timely manner; and
 - 3.1.5. Facilitating the Product Forum in a way that complies with these PFPs.
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- 3.2. Initial Forum Administrator: The New Zealand Telecommunications Forum (**TCF**) will be the initial Forum Administrator. In performing this role the TCF will:
- 3.2.1. Comply with its own internal governance processes;
 - 3.2.2. Provide the administrative services and other functions outlined in these PFPs to the Product Forum; and
 - 3.2.3. Endeavour to be solely responsible for the costs of providing these administrative services within its current budgets.
- 3.3. Change of Forum Administrator: The Product Forum may change the Forum Administrator from time to time by Broad Agreement. The Regular Members will establish a process for determining how to appoint an alternative Forum Administrator as and when required (but the default method of appointment (and establishment of any prior process) will be by Broad Agreement).
- 3.4. Operating Principles: The Regular Members and Forum Administrator will each use their best endeavours to ensure the Product Forum is conducted in accordance with the following principles:
- 3.4.1. The Product Forum will be a consultation forum where parties engage in open communication and should aim to achieve consensus on issues where possible;
 - 3.4.2. Regular Members will work cooperatively and collaboratively to address issues presented to the Product Forum; and
 - 3.4.3. Regular Members will endeavour to raise matters in the Product Forum that are likely to have broader industry relevance and generally avoid using it as a forum for dealing with matters that are generally immaterial or which are relevant only to a single party. For the sake of clarity, a change to a single product would usually have broader industry relevance even if only a one RSP actually purchases or is expected to purchase the product.
- 3.5. Meetings/Agenda:
- 3.5.1. Any Product Forum Party may submit specific issues/items to the Forum Administrator for inclusion on a Product Forum meeting agenda at least 8 days prior to the relevant meeting.
 - 3.5.2. The Forum Administrator will place that new issue/item on the agenda unless it identifies it as a matter for a Change Management Forum.
 - 3.5.3. The Forum Administrator will ensure each agenda item raised by a Product Forum Party is described clearly and is accompanied by appropriate background and supporting information/detail (to be circulated with the meeting agenda).
 - 3.5.4. Matters may also be referred to the Product Forum by a Change Management Forum where the matter is identified as appropriate for discussion, consultation and/or determination by the Product Forum and where it is not an Excluded Matter.
 - 3.5.5. The Forum Administrator will send out a standard agenda for each Product Forum meeting to the Product Forum Parties at least 7 days prior to the meeting.
 - 3.5.6. The Forum Administrator will organise the venue and/or means for the meeting to take place and will notify members thereof at the same time as it provides the agenda. The Forum Administrator will endeavour to rotate the physical venue between the various LFC regions and will also ensure Product Forum Parties can always attend meetings by teleconference.
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3.5.7. The Regular Members will work with the Forum Administrator to provide meeting rooms and other facilities to host meetings.

3.5.8. Regular Members are expected to:

- a. Ensure a representative attends all of the Product Forum meetings, or send apologies to the Forum Administrator prior to a meeting;
- b. Observe the Operating Principles set out in clause 3.4 above;
- c. Review all documents for discussion in advance of the meeting;
- d. Actively and constructively participate in the Product Forum;
- e. Confirm in writing (including by email) to the Forum Administrator its vote on any voting matters listed in the agenda for a particular meeting in the event it cannot attend a meeting (such notice to be provided to the Forum Administrator at least 48 hours in advance of the relevant meeting); The Forum Administrator will confirm such vote at the meeting on behalf of the absent Regular Member. If a Regular Member cannot attend a meeting and does not issue such notice of its vote to the Forum Administrator its vote will not be considered at the meeting and this will not invalidate any such vote taken by the balance of the Regular Members during the meeting; and
- f. Complete agreed action points on time.

3.6. Frequency of meetings

3.6.1. Product Forum meetings will be held monthly unless Regular Members agree otherwise by Ordinary Agreement.

3.6.2. In addition to these monthly meetings, if an LFC or RSP identifies or raises a matter that requires specific or urgent consultation then more frequent additional consultation meetings could be held (e.g. weekly for a period of 4 weeks consultation).

3.6.3. Additional ad hoc meetings may be held as required.

3.7. Interaction with a Change Management Forum:

3.7.1. The Product Forum will work within its scope as set out in each relevant WA, and will interact with a Change Management Forum either by:

- a. raising a UFB product-related matter or issue of a technical or operational nature including issues of provisioning, billing and maintenance, via the Product Forum. Once the Product Forum reaches Broad Agreement on a particular product-related matter, its recommendations will be submitted to the relevant Change Management Forum(s) for a final decision (if required under the relevant WA); or
- b. dealing with any actions assigned to it by a Change Management Forum.

3.7.2. In each case, when submitting a matter to a Change Management Forum, either the Product Forum itself (or a sub-committee established by the Product Forum) will draft a concise resolution paper setting out the issue, the Product Forum's considerations, proposed solutions, agreed actions and recommendation(s) for action by that Change Management Forum (**resolution paper**). The Product Forum must reach Broad Agreement on the substance of a resolution paper prior to submitting it to a Change Management Forum.

- 3.7.3. If the Product Forum cannot reach Broad Agreement on a resolution paper, e.g. where only a simple majority agree, or a deadlock on further progress exists, the matter may be referred to the relevant Change Management Forum(s) for a decision and/or further direction. In this case, the Product Forum will draft an issue paper clearly setting out the following:
- a. Issue;
 - b. Resolution proposed by the majority (**the proposal**);
 - c. Issues, concerns, and any alternative solutions raised by the minority; and
 - d. Decision and/or direction required from the relevant Change Management Forum(s) (**issue paper**).

The issue paper should be submitted to the relevant Change Management Forum(s) for action by each LFC and its RSP customers.

- 3.7.4. Whenever an issue being dealt with by the Product Forum requires a contract change to a WA it must be submitted to the relevant Change Management Forum(s) for a decision, irrespective of whether there is or is not Broad Agreement for the change in the Product Forum (see also 2.3.5 above).

3.8. Referral to another body

- 3.8.1. In most cases the Product Forum will engage with UFB technical work-streams, including work-streams dealing with detailed provisions under the supporting documents relating to the WA of each LFC. An example work-stream is the existing OSS/BSS work-stream. The Product Forum may request representatives of one or more such work-streams to address or update it on progress in regard to various matters.
- 3.8.2. There will likely be a standing slot at Product Forum meetings for updates from various technical work-streams.
- 3.8.3. The Product Forum may express a view on the matters addressed to it by technical work-streams, including any proposed course of action, and may express a view on the priorities, time frame and other matters to resolve any such issues. The Product Forum may establish a sub-group to work with the relevant technical work-stream to facilitate a resolution of any issue if it considers it beneficial to do so.

3.9. Sub-groups

- 3.9.1. The Product Forum shall be entitled to establish and manage work-streams or sub-groups which must operate under the same rules set out in these PFPs. Sub-groups may be established to address a range of issues including:
- a. Technology issues;
 - b. Process issues;
 - c. Customer issues; and/or
 - d. Commercial issues.
- 3.9.2. Wherever a sub-group is established a Product Forum representative of that sub-group will be responsible for:
- a. Reporting to the Product Forum on progress of the work of that sub-group; and

b. Drafting a resolution paper or issue paper as required.

3.9.3. A sub-group will be established to review UFB OSS/BSS matters and will operate under the rules of this PFP.

3.10. Governance

3.10.1. The Product Forum will generally seek to achieve Broad Agreement or consensus on matters.

3.10.2. **Ordinary Agreement:** Where these PFPs stipulate that approval is required or a decision is to be made “by Ordinary Agreement”, that means approval by majority vote (being greater than 50%) of all Regular Members of the Product Forum who are in attendance at the relevant meeting (including by proxy vote notified to the Forum Administrator in accordance with clause 3.5.8e).

3.10.3. **Broad Agreement:** Where these PFPs stipulate that approval is required or a decision is to be made “by Broad Agreement”, that means approval by at least 75% of all Regular Members of the Product Forum who are in attendance at the relevant meeting (including by proxy vote notified to the Forum Administrator in accordance with clause 3.5.8e).

3.10.4. Non-binding decision-making: Any decisions made by the Product Forum are not contractually binding on Product Forum Parties. However Product Forum voting is contemplated in these PFPs in order to decide on a particular direction or any recommendations of the Product Forum, and other administrative matters.

3.10.5. Equal voting power: There will be equality of voting power amongst Regular Members, i.e. one vote per Regular Member (i.e. per LFC / RSP), but no voting rights for Observers, Invited Guests or the Forum Administrator.

3.10.6. If the Product Forum reaches Ordinary Agreement in favour of a proposal, that proposal should enter a work-stream. The Product Forum can establish its own priorities and work-streams.

3.10.7. Type of majority required to transfer a Product Forum matter to the Change Management Forum:

a. Broad Agreement: for a resolution paper.

b. Ordinary Agreement: for an issue paper.

3.10.8. Single Submission: Exceptionally, individual Regular Members or a minority of Regular Members may submit a paper to a Change Management Forum for consideration and/or direction despite being unable to obtain majority support for the issue in the Product Forum. These should be kept to a minimum but the option is available where it may be an issue that is pertinent to only a limited number of parties.

3.10.9. Any Regular Member may call for a vote on a matter. The Forum Administrator will formulate the matter to be voted on in conjunction with the relevant parties and: (i) if the proposed vote is communicated to the Forum Administrator in time, the vote will be notified to Product Forum Parties in the relevant meeting agenda; or (ii) if the proposed vote is notified to the Forum Administrator after the agenda has been distributed, or is raised during a Product Forum meeting then, in each such case, that vote will be deferred to the next meeting unless there is Broad Agreement that the vote is urgent in which case the Forum Administrator will arrange for a round robin email vote of Regular Members to occur promptly following the meeting.

3.10.10. A vote can be submitted by the party present at the meeting or by proxy vote (see 3.5.8.e).

3.10.11. Where there is Ordinary Agreement (but not Broad Agreement), then an issue may be submitted to a Change Management Forum for consideration in the form of an issue paper, or the Product Forum may consider an alternative course of action.

3.10.12. Where neither Broad Agreement nor Ordinary Agreement can be achieved the proposed direction/decision/motion will usually fail and an alternative course of action should be considered by the Product Forum.

3.11. Timeframes

3.11.1. The Product Forum will work to consider and discuss issues, and resolve matters quickly and efficiently.

3.11.2. Each work-stream will seek to establish reasonable timeframes for resolution of issues and report on its performance against such timeframes.

3.11.3. Timeframes will be agreed for consultation on specific issues brought to the Product Forum. Reasonable timeframes for consultation will be discussed with the Forum Administrator and the Regular Members and set by the Forum Administrator.

3.12. Budget

3.12.1. The general budget of the operation of the Product Forum will be funded by the Regular Members of the Product Forum.

3.12.2. The Forum Administrator will endeavour to ensure that the services it provides are funded out of its budget for the provision of member services.

3.12.3. The budget for specific work-streams that falls outside of the day-to-day management or that may be of a capital-intensive nature must be agreed to by the relevant Change Management Forum(s).

3.12.4. Each Party is responsible for their own costs for attending and participating in the Product Forum.

4. Recommendation

It is recommended that the TCF UFB working party:

1. **Approve** this Draft Product Forum Processes for the industry-wide UFB Product Forum; and
 2. **Agree** a date for the establishment and first meeting of the Product Forum.
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Appendix One

This is a list of topics which would be considered by the Product Forum as part of phase one. This list is not intended to be exhaustive:

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