



SUBMISSION

Draft National Infrastructure Plan

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Tuatahi First Fibre submission to the New Zealand Infrastructure Commission | Te Waihanga

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Introduction

1. Tuatahi First Fibre (Tuatahi) is pleased to have the opportunity to provide a response to the Draft National Infrastructure Plan (DNIP) from the New Zealand Infrastructure Commission | Te Waihanga (the Infrastructure Commission).
2. Tuatahi is a fibre telecommunications network operator and supplier of wholesale fibre access services. Formed in 2010 as part of the ultra-fast broadband (UFB) initiative tender process run by the Crown, we were created to deliver UFB using a public private partnership (PPP) model. The fibre network of Tuatahi spans over 7,000km across the Auckland, Waikato, Bay of Plenty, Taranaki, Manawatū, Whanganui, Hawke's Bay, Rotorua, Taupō and Wellington regions, serving over 40 towns and cities.
3. Tuatahi is broadly supportive of the proposed approach to infrastructure as outlined in the DNIP. However, we submit that the critical role of fibre as a foundational enabler for national productivity, safety, and wellbeing—all of which are underpinned by infrastructure—is significantly understated within the Plan.
4. We urge the Infrastructure Commission to better incorporate the role of fibre and consider how it can provide guidance to regulatory impediments and data gaps that hinder efficient infrastructure development and deployment.
5. Our submission is set out as follows:
 - a. Opportunities to improve the DNIP
 - b. Government's role in infrastructure
 - c. Telecommunications sector-specific feedback
 - d. Asset management and resilience.

Opportunities to improve the DNIP

6. As an essential infrastructure provider with a substantial network footprint, Tuatahi submits that New Zealand's digital infrastructure is a crucial component of a prosperous future. High quality digital infrastructure is just as important to this conversation as the other infrastructure categories.
7. Fibre is a foundational enabler for national productivity, safety, and wellbeing—all of which are underpinned by infrastructure. We would like to see the DNIP better address the following:
 - a. the strategic role fibre plays
 - b. outdated telecom regulations
 - c. the pathway to improve the digital divide.

The strategic role fibre plays

8. The DNIP significantly underplays the economic impact of fibre broadband. While it acknowledges telecommunications as a whole, the DNIP does not fully articulate fibre's foundational role as a strategic enabler for national productivity and economic growth.

9. For example, the report *Unleashing Fibre: The future of digital fibre infrastructure in New Zealand*¹ outlines fibre's immense contribution to New Zealand's gross domestic product (GDP) and its ongoing potential.² The substantial state investment in the UFB programme has wide-reaching benefits, enabling New Zealanders to thrive in business, trade, and tourism while also supporting home education, social connections, business productivity, and even improving public safety through enhanced connectivity (particularly in rural areas).
10. To ensure New Zealand continues to build on the productivity gains already delivered by the UFB roll out, it is important that fibre networks are considered essential telecommunications infrastructure where practical for private investment, and co-investment is considered where roll out is non-economical but the benefits significant.

Outdated telecom regulations

11. The DNIP doesn't adequately address existing outdated telecommunications regulations that hinder efficient fiber deployment and market evolution. Specifically, it ignores barriers like local fibre company (LFC) activity restrictions, which limit LFCs' ability to innovate and expand services.
12. While the government's current Telecommunications Regulatory Review offers a promising way to begin to address these long-standing issues, we'll have to wait to see if it provides a definitive, long-term solution. We agree that the review is a crucial step toward modernising New Zealand's telecommunications regulatory framework and reducing the impact of regulations to ensure it remains fit for purpose.

The pathway to improve the digital divide

13. The DNIP could be improved by additionally addressing ways in which infrastructure development could reduce the persistent connectivity gaps for historically underserved communities including Māori and other rural communities.
14. This is particularly critical for aligning with the objectives of the 2023 *Rural Health Strategy*, which identifies digital connectivity as a "building block" to support healthier futures.³ A lack of digital connectivity not only limits rural communities' access to online health and social services but also isolates them from a range of online activities, such as connecting with family and streaming services. Furthermore, the lack of reliable internet in some areas can deter people, including the health workforce, from living there.⁴

Government's role in infrastructure

15. We agree with the Infrastructure Commission's conclusions regarding the need for a stable policy environment. Both central and local governments need to ensure a

¹ Deloitte (2024) *Unleashing fibre - the future of digital fibre infrastructure in New Zealand*.

² Ibid., p. 5

³ Ministry of Health (2023) *Rural Health strategy 2023*, p. 5

⁴ Ibid., p. 31

predictable policy environment. However, our experience shows that New Zealand's complex, overlapping and congested regulatory system often creates uncertainty and inefficiencies. For example:

- a. regulatory settings implemented to protect the Crown's investment risk at the conception of the UFB PPP model remain in effect, even after Tuatahi repaid Crown funding in 2016, and the UFB network builds were completed in 2019.
- b. regulatory restrictions were replicated and extended beyond those in the Part 4AA Undertakings of the *Telecommunications Act 2001* when the new fibre regulatory regime in Part 6 of the *Telecommunications Act 2001* came into effect.

16. We anticipate that the suite of work currently being progressed by the government to improve settings across the board (*Regulatory Standards Bill* and *Resource Management Act*) as well as in telecommunications specifically (the aforementioned Telecommunications Sector Regulatory Review led by the Ministry for Regulation) will go some way in addressing the regulatory maze that currently exists.

17. However, with long term, strategic planning a priority in the DNIP, Tuatahi submit that the Infrastructure Commission does have a role in ensuring the government (both central and local) exercises regulatory vigilance regarding infrastructure. This may be through education or advocacy and advice, or both. Without an impartial voice guiding the wide range of government agencies (both central and local), we will continue to see inconsistent approaches.

18. One of the biggest opportunities we see for the government is to establish well placed utility corridors. The current regulatory frameworks enable electrical transmission across the country, but fibre networks are encouraged to be laid within the road reserve. This is both inefficient, and not the best approach for network resiliency. Roads and bridges are main failure points in significant weather events, so it would be logical to avoid these in at risk locations. Establishment of multi-utility corridors would be a huge step forward for New Zealand's infrastructure deployment.

19. Against this backdrop, we consider it important to commend the Infrastructure Commission on the manner in which the DNIP addresses the considerable influence that the Crown has on infrastructure development with respect to its partnership obligations under the Treaty of Waitangi.

20. With this in mind, Tuatahi does not consider it appropriate for us to provide specific comment on how te ao Māori should be incorporated into DNIP, if at all. Rather, that responsibility lies with the Crown and its willingness to uphold its duty to iwi/hapū Māori under the Treaty of Waitangi. In short it is for the Crown and iwi/hapū Māori to first, and for us second.

21. We also commend the DNIP's approach to Maori-Crown Relationships, which supports "early, enduring partnerships" with Māori built on trust and the recognition of *mātauranga Māori* as a factor that can add value to projects.⁵ As a cross-country

⁵ New Zealand Infrastructure Commission/Te Waihanga (2025), Draft National Infrastructure Plan, pp. 60-61

telecommunications network operator, we have responsibility to a wide range of mana whenua as our network crosses different regions. These relationships are diverse, and manifest differently. We consider it advantageous when the less prescriptive the government is, the more responsive to mana whenua we can be.

Telecommunications sector-specific feedback

22. At the outset we wish to place on record that Tuatahi is supportive of all government-led efforts to ensure a clear and coordinated pipeline of infrastructure investment. Tuatahi commends the DNIP for acknowledging the telecommunications sector's importance and submitting that the plan's analysis of sector challenges and investment outlook could be strengthened by a more nuanced understanding of fibre's unique contributions and the specific barriers it faces.
23. Despite the DNIP stating that "we don't get enough for our infrastructure dollar" the UFB rollout is a success story that effectively utilised the PPP model for large-scale infrastructure investment. The rollout of a completely new fibre network to 87% of New Zealand's population (at the time) over a short period is an incredible national achievement.
24. The Infrastructure Commission could look further into the likes of the LFCs, and our experience delivering the fibre network—we are willing to share what worked well and what could be improved. We have many practical examples of effective delivery and management of a large-scale infrastructure investment, as well as quality asset management practices. Tuatahi delivered 13.7% of the nation's UFB network ahead of schedule and within budget.
25. Outside of the incredible success of the UFB PPP delivery, we have concerns regarding the regulatory settings that linger. The regulatory frameworks that were utilised for the UFB rollout were highly effective for a time but are slow to fall away. In practice this means many of the regulatory instruments that were put in place to ensure efficient delivery of the roll out have served their purpose but remain in place. This creates a complicated operating environment now the roll out is complete, which is increasingly inflexible given the rate of change in the telecommunications sector.
26. We emphasise the importance of regulatory instrument removal once they are no longer achieving their purpose. The Infrastructure Commission should consider the role it plays in providing advice to other parts of the policy system (such as government ministries and departments) regarding regulatory impediments that hinder infrastructure growth.
27. The DNIP's analysis of the telecommunications sector⁶, while generally positive about fibre coverage in urban areas, understates the ongoing challenges in extending high-speed connectivity to all New Zealanders, particularly in rural and remote regions. It also does not fully consider the impact of alternative, lower-quality technologies on the market, which can disincentivise fibre uptake.

⁶ New Zealand Infrastructure Commission/Te Waihanga (2025), Draft National Infrastructure Plan, pp. 144-147

28. Our experience highlights that while the UFB rollout was successful, the "stable outlook" for telecommunications investment (Table 7.5.6)⁷ may not adequately account for the investment required to close remaining digital divides and support future data demands. It is unclear whether the modelling undertaken considers further expansion of services to close the digital divide). Our primary concern is the lack of stable, supportive regulations that specifically promote and incentivise fibre optic cable deployment. Without this clear framework, we fear current policies unintentionally favour cheaper, lower-quality alternatives. This could leave new developments and rural areas with internet that won't be sufficient for their long-term needs.
29. In Section 3.3⁸ of the DNIP, it discusses the changing investment mix and drivers of future infrastructure demand. We submit the plan understates fibre's foundational role in enabling decarbonisation, productivity (from 2011 to 2023, the overall economic impact on GDP from productivity was an estimated \$31 billion)⁹, and rural equity.
 - a. *Decarbonisation*: Supporting smart grids, remote work, and reduced commuting/travel, all of which contribute to lower carbon emissions.
 - b. *Productivity*: Providing the high-speed, reliable connectivity essential for modern businesses, innovation, and digital transformation.
 - c. *Rural Equity*: Bridging the digital divide for underserved communities, enabling access to essential services (e.g., telehealth, online education) and fostering regional economic development.
30. Tuatahi also supports the explicit recognition of fibre as essential network infrastructure, a designation that is missing from the DNIP's oversimplified framework of "network/social infrastructure." While many—ourselves included—do not disagree that fibre should primarily operate on a "user-pays" model, Tuatahi advocates for combining this approach with targeted co-investment for areas where commercial viability is a challenge but social and economic benefits are significant, such as in rural and Māori communities.¹⁰
31. The DNIP endorses "best-practice pricing" principles for network infrastructure.¹¹ Tuatahi fully supports applying these principles to telecommunications, ensuring that pricing mechanisms encourage efficient use, sustainable investment, and the best consumer outcomes.
32. The DNIP also discusses spatial planning and coordination mechanisms.¹² We believe coordination is a significant efficiency opportunity for New Zealand infrastructure roll out. Integrating telecommunications infrastructure into these processes, and identifying opportunities with other infrastructure providers for co-location and shared trenching will result in significant cost savings and less disruption for communities.

⁷ New Zealand Infrastructure Commission/Te Waihanga (2025), Draft National Infrastructure Plan, p. 145

⁸ New Zealand Infrastructure Commission/Te Waihanga (2025), Draft National Infrastructure Plan, pp. 41-43

⁹ Deloitte 2024 *Unleashing fibre - the future of digital fibre infrastructure in New Zealand*. p. 22

¹⁰ New Zealand Infrastructure Commission/Te Waihanga (2025), Draft National Infrastructure Plan, p. 71 (Recommendation 6)

¹¹ New Zealand Infrastructure Commission/Te Waihanga (2025), Draft National Infrastructure Plan, p. 68

¹² New Zealand Infrastructure Commission/Te Waihanga (2025), Draft National Infrastructure Plan, p. 72-74

33. A tangential, but practical application where this DNIP recommendation could make a significant impact is where inconsistency across local governments results in dilution of policy intent.
34. For example, we are seeing issues emerge across various councils regarding the telecommunications requirements for new subdivisions. We are increasingly seeing the costs of infrastructure in greenfield developments drive some developers to persuade councils that fibre is not needed to fulfil telecommunications requirements specified in the local plans.
35. Instead, councils are being persuaded that fixed wireless access is an appropriate alternative. In some instances, fibre infrastructure is passing the gate, but remains unutilised in favour of the lower quality alternative, undermining the UFB policy intent. This is both inefficient and ignores the fact that fibre deployment is generally a minimal cost if completed during a subdivision. It is far more efficient to install fibre at the time of development, rather than subsequent to the properties being built. Which is a scenario we often see as fibre alternatives do not offer the same transmission rates as a fibre network.
36. To avoid this inconsistency and inefficiency Tuatahi would like to see mandated fibre infrastructure in all new developments, mirroring the Australian Government's national policy regarding telecommunications in new developments.¹³
37. This kind of policy would make central government's intention clear, and would go some way to preserve the significant public investment made in fibre provision to date. It would also ensure that new developments have ready access to modern fixed telecommunications services from the outset, avoiding costly retrofits and ensuring future-proof connectivity leading to significant long-term cost savings and improved societal outcomes.
38. In addition, the DNIP highlights the National Infrastructure Pipeline (NIP) as a tool for visibility across sectors and regions and understanding future demand and investment.¹⁴ Tuatahi supports using the NIP to create a transparent national view of current and planned infrastructure projects to help coordinate investment.¹⁵ We believe it will also help establish a formal process for sharing lessons learned from successful public-private partnerships, like the UFB rollout. By learning from these past successes, we can better coordinate future investments and ensure projects are delivered more effectively.¹⁶

Asset management and resilience

39. As an essential service provider for the telecommunications sector, Tuatahi wishes to emphasise the need for robust asset management and resilient infrastructure to ensure continuous service, particularly during emergencies.

¹³ Australian Government: [Telecommunications in new developments policy \(17 February 2024\)](#)

¹⁴ New Zealand Infrastructure Commission/Te Waihanga (2025), Draft National Infrastructure Plan, pp.109

¹⁵ New Zealand Infrastructure Commission/Te Waihanga (2025), Draft National Infrastructure Plan, pp.112

¹⁶ New Zealand Infrastructure Commission/Te Waihanga (2025), Draft National Infrastructure Plan, pp. 100 (Recommendation 17)

40. The DNIP highlights the importance of budgeting for maintenance, renewals, and resilience, and notes that New Zealand lags behind (fourth to last in the OECD) for asset management governance for infrastructure.¹⁷ To address these issues Tuatahi supports a requirement for transparent and comprehensive asset registers across all central government agencies and publicly funded infrastructure providers including detailed information on asset condition, risk exposure, and planned maintenance/renewal spending.¹⁸
41. Our experience with the UFB PPP model demonstrates the value of using outcome-based contracts that embed ongoing asset management and service level obligations from the outset of a project.¹⁹ We recommend applying this successful model across all infrastructure sectors and encourage the adoption of advanced digital tools, predictive analytics, and a whole-of-life approach to asset management. Doing so will likely enhance asset efficiency, reduce costly reactive maintenance, and extend the lifespan of critical infrastructure.
42. Tuatahi also supports reviewing the regulatory settings that encourage the fibre footprint to be laid in the road reserve, as these settings have both cost and resiliency implications. Roads are often weak points in significant weather events, as was illustrated by Cyclone Gabrielle. An alternative mechanism would be to form infrastructure corridors in locations that are assessed as lower risk in extreme weather events.
43. We note that the Infrastructure Commission has already recommended the use of infrastructure corridors to reduce costs, which we strongly encourage, and urge this work be progressed. This would improve not just resiliency, but build efficiency, as the most direct pathways for the network are not always taken when built in road reserves. If addressed, this would revolutionise our network build.

Conclusion

44. Tuatahi views the release of the draft National Infrastructure Plan as a much-needed step towards building broad consensus for New Zealand's infrastructure future. We are particularly excited about the prospect of bringing greater certainty to the industry, and value the Infrastructure Commission's willingness to engage and seek feedback at every stage.
45. Well-planned fibre and related telecommunications infrastructure is critical for lifting productivity, boosting economic growth, and living standards. By incorporating the insights and recommendations outlined in this submission, the final plan can be further strengthened to ensure New Zealand's fibre and related infrastructure is future-proofed, resilient, and effectively supports a more equitable nation.

¹⁷ New Zealand Infrastructure Commission/Te Waihanga (2025), Draft National Infrastructure Plan, p.102

¹⁸ New Zealand Infrastructure Commission/Te Waihanga (2025), Draft National Infrastructure Plan, p.101

¹⁹ New Zealand Infrastructure Commission/Te Waihanga (2025), Draft National Infrastructure Plan, pp. 60-61 p. 93-100

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