

Entered by Board Secretary

Chorus Britomart Agreement

For decision:

For noting:

Te tūhunga / Recommendation

That the Auckland Transport Board (board):

- a) Approve that Auckland Transport enter into an agreement with Chorus for the provision of a demarcation point for fibre into Britomart for 10 years;
- b) Delegate authority to the Chief Executive to sign the agreement; and
- c) Note that AT will be responsible for management of cabling from the Chorus demarcation point to individual tenancy sites.

Te whakarāpopototanga matua / Executive summary

1. This paper requests board approval for Auckland Transport to enter into a contract with a term of 10 years with Chorus for the provision of a demarcation point for Chorus services, such as data, voice and associated data connections. The term length of the contract requires board sign off. The term length is standard to Chorus for the provision of services over third party infrastructure, and enables Chorus to invest in more fibre capacity on site immediately, knowing that services will be taken for 10 years.
2. Entering a contract with Chorus enables other third-party service providers to still provision the actual services over the cabling and infrastructure, i.e. Vodafone, Spark, 2degrees or any other Internet Service Provider (ISP).

Ngā tuhinga ō mua / Previous deliberations

Date	Report Title	Key Outcomes
		There have been no previous board or committee discussions

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Te horopaki me te tīaroaro rautaki / Context and strategic alignment

3. Chorus currently delivers internet services directly to end points within Britomart using their own fibre structure end-to-end. There are few controls over the fibre installation and there is no documentation as to the fibre builds and accompanying infrastructure. A single point of demarcation within Britomart where all Chorus services terminates will enable better control of the building network. The delivery of services over AT fibre from the demarcation point to end termination points provides complete information about services provision.
4. This aligns strategically, as AT is more agile in provisioning requirements to third parties within Britomart due to the extensive already-installed fibre cabling.
5. This provides AT with control of network assets within Britomart which reduces the overall risk of service interruption due to mistakes by multiple third parties.
6. This enables AT to provide Retail Service Provider products directly to Britomart retailers and service organisations in future, and provides procedural certainty around network ownership and management and enhances site security.
7. This aligns with AT's internal strategy as to the delivery of telecommunications within and to AT assets.

Ngā matapakinga me ngā tātaritanga / Discussion and analysis

8. Considerable investment has been made in the rebuild of Britomart. Core to this has been the re-architecture of how digital services are cabled and delivered. Consolidation into a single location of the demarcation between internal fibre networks and external providers is key to securing Britomart network infrastructure.
9. Preliminary investment is required by Chorus to provide enough aggregated infrastructure to support future requirements of all potential third-party occupiers of Britomart.
10. An agreement length of 10 years is standard for Chorus in comparable situations (such as Westfield malls). The AT legal team have reviewed the proposed Agreement and agreed contract terms and conditions.
11. Infrastructure consolidation fits with the strategic direction of AT's Business Technology unit with regards to ownership of capability.

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Ngā tūraru matua / Key risks and mitigations

Key risk	Mitigation
If AT were to fail to provide any telecommunications services, or poor services using this infrastructure, this would result in operational and reputational damage.	These are standard services which AT already provides as a matter of course in day-to-day operations. AT's normal operational excellence, with tight process controls should minimise this risk.
If AT were to fail to consistently provide services to tenants due to third-party outages, this would result in financial risk.	AT will institute back-to-back contracts which pass on conditions from service providers, thus limiting liability.
If third-party and AT operational internet traffic is intermingled over transmission, this could be a potential cyber-security risk.	Separate physical fibre will be installed end-to-end, separating AT traffic from all other users.
Legal: contract terms and conditions are restrictive or unfavourable.	AT legal team have already reviewed and agreed the contract terms and conditions.

Ngā ritenga-ā-pūtea me ngā rauemi / Financial and resource impacts

12. The agreement with Chorus will form a small part of the process of the refurbishment of the Britomart complex as part of City Rail Link Phase 1. There are no cost implications to AT for this since the renovations are already being met under the rebuild. The future delivery of telecommunication services over AT cabled building fibre to third parties within the Britomart complex will be met by AT and can be rebilled to either the end tenant as part of the tenancy, or the service provider who has requested access. Ultimately this has the potential to form a new revenue stream as part of the delivery of a suite of services to retailers within Britomart if Auckland Transport decide to fully invest in becoming a Retailer Service Provider for Chorus products and services. It is noted that AT has received government permission in 2019 to act as an internet service provider, similar to an established Telco.

Ngā whaiwhakaaro ō te taiao me te panonitanga o te āhuarangi / Environment and climate change considerations

13. There are no direct environmental or climate change impacts related to the contract request.

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14. Chorus will only need to deliver service infrastructure once to Britomart and terminate this into a single location. This means a single site visit and a single requirement for road works. This will reduce carbon costs of multiple visits with multiple vehicles as well as multiple disruptions for the provisioning of services on a per customer basis inside Britomart. There will be reduced street works to bring individual circuits into Britomart to service individual tenancies.

Ngā reo o mana whenua rātou ko ngā mema pooti, ko ngā roopu kei raro i te maru o te Kaunihera, ko ngā hāpori katoa / Voice of mana whenua, elected members, Council Controlled Organisations, customer and community

15. There are no direct mana whenua, elected member, Council Controlled Organisation, customer or community impacts related to the contract request.
16. The customer experience for retailers and service providers in Britomart should improve, due to the clear service demarcation and service provisioning process for the delivery of telecommunications to the locations that require these services
17. Stakeholder perspectives were considered as part of the rebuild of Britomart, in that complex delivery mechanisms, uncertainty of access and ownership of services have now all been addressed. The provision of simplified processes, ownership, and service delivery models that can now be distributed from a single point, over an end-to-end managed environment has been welcomed by all.

Ngā whaiwhakaaro haumaruru me ngā whaiwhakaaro hauora / Health, safety and wellbeing considerations

18. Only AT-owned infrastructure will be allowed to be used inside Britomart for telecommunications. This means only AT staff and approved contractors will be able to access this infrastructure, in a controlled manner, as there will be single entry site for all cabling and associated data circuits. Reduced access to infrastructure by multiple third parties means a reduced likelihood of health and safety events.

Ā muri ake nei / Next steps



19. Approval of this contract means AT can confirm a termination point for all Chorus-provisioned services within Britomart (immediate) for City Rail Link Limited.
20. AT can start to decommission existing legacy cabling services and replace with fibre (on-going).
21. A contract agreement will be finalised for the Chief Executive to approve.

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Te whakapiringa / Attachment

Attachment number	Description
No Attachments	

Te pou whenua tuhinga / Document ownership

Submitted by	Andrew Carr BT Telecommunications Lead	
Recommended by	Roger Jones Executive General Manager Business Technology	
Approved for submission	Shane Ellison Chief Executive	