

Metering & Billing Systems Approval Scheme

Annual Open Forum 2

*“Consumer Protection, Revenue Assurance, Regulation
- Is the balance right?”*

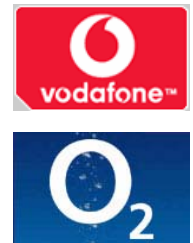
20th October 2004

Metering and Billing Compliance

Specific challenges of the Service Provider model

CPW business model - SP

- SP relationship with customer networks:
 - Vodafone: >140k customers
approx. 150 current and legacy tariffs
 - O2: >330k customers
approx. 100 current and legacy tariffs



Vodafone and O2 managed bases in scope for CPW compliance

- Other VNO customer bases
 - Fresh: CPW's branded MVNO service
 - Sainsbury's MVNO and VNO services

All other customer bases currently ruled out of scope under the terms of the M&B Compliance materiality clause

CPW Business Model – Telco

- CPW & Opal Telecom relationship

Opal telecom is a wholly owned, independently managed company within the CPW UK group. The Opal leased network underpins the group's fixed line CPS service – TalkTalk.

- TalkTalk

TalkTalk provides residential customers with the option of cheaper UK and international calls, based on a CPS service:

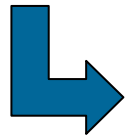
- TalkTalk: 650k customers
3 main tariffs + derivatives



The TalkTalk customer base is the third and final group of customers in scope for the current phase of CPW compliance

SP relationships - issues

- SLAs
 - accuracy and timeliness of EDRs
 - accuracy and timeliness of provisioning
 - Barring
 - Services
 - accuracy and timeliness of information
- Tariffing – who owns the prices?
- Customer Service – who owns the customer?



What is the customer's perception?

SP issues - SLAs

- Apportionment of error
 - Accuracy via MABABF framework
 - Implications of errored usage records
 - Commerciality vs. Compliance
 - Ignorance as a compliance tool
- Timeliness?
 - Apportionment?
 - Who can establish a framework for timeliness apportionment?
 - Commercial impact of failing to meet agreed SLAs
 - Commerciality vs. Compliance (2)

SP issues - Tariffing

- CPW's commercial obligation
- Tariff publication
 - Implications of errors in communication to customers
- Customer perception of their 'master tariff'
 - CPW vs. network web-sites
 - CPW Buyer's Guide vs. network pricing documentation
- Tariff testing
 - 80 live and >200 legacy tariffs in the CPW rating engine

SP issues – The Customer

- ‘Customer Portability’
- Terms and Conditions
 - Customer visibility of network Ts and Cs
 - Tariffs
 - Charging mechanisms
- Billing
 - Meeting ‘customer’ expectations
- Customer and Complaint management
 - Replicating the ‘network experience’
 - Consistency of approach
 - Policy documentation

TalkTalk

- The easy life...
 - Opal vs. TalkTalk compliance
- The later strife...
 - Wholesale Line Rental
 - Bundled Services
 - Broadband



The future...?

- New and more complex network tariffs
 - New service types
 - New bundling rules
- Billing for 3G services?
 - New products
 - New billing mechanisms
- WLR?
 - A new field of operation for the CPW group
 - Increased reliance on 3rd party service provision and charging

Summary

- CPW flexibility in supporting the needs of network partners and their customers
- +
- Requirements for business growth: SP expansion, TalkTalk, broadband, etc.
- +
- Internal dependencies for system design and management
- =

A complicated and changeable environment for compliance activity...

Carphone Warehouse

...for a better mobile life



Questions
or
Comments?