



23 June 2014

BT'S RESPONSE TO OFCOM'S CONSULTATION

Review of the Metering and Billing Direction

The application of the Relevant Turnover threshold under General Condition
11 to providers of wholesale services

FYI – Consultation link below

<http://stakeholders.ofcom.org.uk/binaries/consultations/metering-billing-may14/summary/m-and-b-may14.pdf>



Executive summary

1. BT supports Ofcom's proposal to include wholesale turnover in the calculation of the £40m threshold under General Condition 11.
2. Since the approval of wholesalers will be mandated in the revised Direction, it makes sense for the associated turnover to be included in the calculation. With a move to a principles- based approach for approval in the revised Direction, expected in summer 2014, we believe it should be easier for all CPs to gain approval or prove compliance using their existing processes.
3. Overall, we do not consider it necessary to maintain a threshold at all. Customers should expect to receive accurate bills, whatever the size of their CP.
4. The inclusion of wholesale turnover will likely increase the number of CPs coming within the ambit of the Direction, meaning that this protection will be extended to more consumers.
5. With a move to a principles-based approach for approval in the revised Direction, we believe it should be easier for all CPs to gain approval or prove compliance using their existing processes.

BT's Answers to the questions in the consultation:

Q1 Do you agree with our assessments of the impacts? If not, please explain your reasons why.

Yes, for the reasons stated above.

Q2. Do you agree with our proposed change and the wording of the Direction? If not, please explain your reasons why.

Yes, BT agrees with the proposed changes to clarify the inclusion of wholesaler relevant turnover in the £40m assessment.

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