

Clarifications and corrections to the WLA Market Review consultation document of 31 March 2017

20th April 2017

Purpose of this document

This note sets out clarifications to:

- Volume 2 of the consultation document on the WLA Market Review published on 31 March 2017 (the “Consultation”), which can be found at: https://www.ofcom.org.uk/data/assets/pdf_file/0034/99637/Vol2-Charge-control.pdf;
- Annexes 1-19 of the Consultation, which can be found at: https://www.ofcom.org.uk/data/assets/pdf_file/0030/99642/Annex-23.pdf; and
- Annex 23 of the Consultation (Draft Legal Instruments), which can be found at: https://www.ofcom.org.uk/data/assets/pdf_file/0035/99638/Annexes1-19.pdf.

This note supplements the Consultation, and the Consultation should be read accordingly.

Clarifications to Volume 2

Following publication of the Consultation, BT requested that we clarify the base case for the proposed charge controls on Time Related Charges (TRCs) and Special Fault Investigations (SFIs) in the first year of the charge control period (2018/19).

The table below sets out the requested information for TRCs and SFIs:

Table: Proposed charge controls for TRCs and SFIs (base case)

Service	BT Charges at 13 April 2017 (£) ¹	Form of control	Charge control for 2018/2019	Charge control for 2019/20	Charge control for 2020/21
Standard Chargeable Visit (8am to 5pm on a Working Day)	£96.11	CPI-X	£84.57	CPI-8.7%	CPI-1.4%
Standard Chargeable Visit (Saturday or outside 8am to 5pm on a Working Day)	£117.76		£103.62		
Standard Chargeable Visit (Non-Working Day)	£139.40		£122.66		

¹ See Openreach price list for Time Related Charges (Including Shifts):

<https://www.openreach.co.uk/orgp/home/products/pricing/loadProductPriceDetails.do?data=pBzHTRfO4GXC12qz7DCzqUP54d5RrQ9TQD%2BRDuYwQUElMnGHsqdC0vzO163bJmh34D91D7M0q8u%2FIISgtIFAKw%3D%3D>.

Service	BT Charges at 13 April 2017 (£) ¹	Form of control	Charge control for 2018/2019	Charge control for 2019/20	Charge control for 2020/21
Additional Hour (8am to 5pm on a Working Day)	£43.29		£38.09		
Additional Hour (Saturday or outside 8am to 5pm on a Working Day)	£64.94		£57.14		
Additional Hour (Non-Working Day)	£86.60		£76.20		
Supplementary Charges (Per Visit) (Saturday or outside 8am to 5pm on a Working Day)	£26.40		£23.23		
Supplementary Charges (Per Visit) (Non-Working Day)	£52.80		£46.46		
Supplementary Charges (Per Hour) (Saturday or outside 8am to 5pm on a Working Day)	£26.40		£23.23		
Supplementary Charges (Per Hour) (Non-Working Day)	£52.80		£46.46		
Internal and External Shifts	£105.60		£92.92		
Additional Line Shifted	£52.80		£46.46		
MPF Special Fault Investigation 2 (SFI 2) – Hourly Charge	£52.82 ²		£46.46		

² The actual charge applied by BT for this service is not publicly available, as this is a component of bundled services. We have instead provided in this table the applicable charge control for 2016/17, which was £52.82 and expired on 31 March 2017.

Service	BT Charges at 13 April 2017 (£) ¹	Form of control	Charge control for 2018/2019	Charge control for 2019/20	Charge control for 2020/21
MPF Special Fault Investigation 2 (SFI 2) – Visit Charge	£52.82 ²		46.48		

Source: Output from the control module.

The above information is relevant to five distinct parts of the Consultation:

- Table 1.1 of the Consultation – which sets out the base case for the proposed LLU charge controls but does not set out the base case for individual TRCs and SFIs for the year 2018/19;
- Table A11.24 of Annex 11 of the Consultation – which provides the proposed X values for TRCs and SFIs;
- Draft condition 7C.1 of Schedule 1 within Annex 23 of the Consultation (read in conjunction with draft condition 7C.4) – which sets out the proposed charge control controlling percentage ranges for the individual TRCs for the years 2019/20 and 2020/21;
- Draft condition 7C.2 of Schedule 1 within Annex 23 of the Consultation – which sets out the proposed charge control ranges for the individual TRCs for the year 2018/19; and
- Draft condition 7C.6 of Schedule 1 within Annex 23 of the Consultation – which sets out the proposed charge control ranges for the individual SFIs for the year 2018/19 and the proposed charge control controlling percentage ranges for the individual SFIs for the years 2019/20 and 2020/21.

Corrections to Annexes 1-19

We have identified a small number of errors in the cross-referencing of various figures and annexes as well as formatting errors within Annexes 1-19 of the Consultation. These have been corrected in a new version of the Annexes 1-19 document, which has now been uploaded onto this website. For the avoidance of doubt, no substantive changes were made to Annexes 1-19 of the Consultation in this new version. The amended references are set out below

- A10.13: Reference to “Figure A6.1” changed to “Figure A10.2”
- A10.43: Reference to “Figure A6.3” changed to “Figure A10.4”
- A10.56: Reference to “Figure A6.5” changed to “Figure A10.6”
- A10.60: Reference to “Figure A10.6” changed to “Figure A10.7”
- A14.19: Reference to “Figures A14.5 to A14.9” changed to just “Figure A14.5”
- A14.34: Reference to “Table A14.13” changed to “Figure A14.12”
- A16.19: Reference to “Table A16.3” changed to “Figure A16.5”
- A16.33: Reference to “Table A16.4” changed to “Figure A16.7”
- A16.70: Reference to “Table A16.8” changed to “Figure A16.13”
- A16.72: Reference to “Table A16.3” changed to “Table A16.4”
- A16.93: Reference to “Figure A16.10” changed to “Figure A16.16”
- A16.174: Reference to “Table A16.33” changed to “Figure A16.34”

Corrections to Annex 23

The Draft Legal Instruments Proposals for SMP services conditions set out in Annex 23 of the Consultation included errors in the definition of *Hourly Charge* and *Visit Charge* in Condition 7C.6.

For the purposes of Condition 7C.6(a) and 7C.6(b), *Hourly Charge* should be read to mean:

- i. in the First Relevant Year, no more than £[45.4 to £48.1];
- ii. in the Second Relevant Year, no more than the Controlling Percentage as determined in accordance with condition 7C.4 for the service specified in condition 7C.1(d); and
- iii. in the Third Relevant Year, no more than the Controlling Percentage as determined in accordance with condition 7C.4 for the service specified in condition 7C.1(d).

For the purposes of Condition 7C.6(b), *Visit Charge* should be read to mean:

- i. in the First Relevant Year, no more than £[45.4 to £48.1];
- ii. in the Second Relevant Year, no more than the Controlling Percentage as determined in accordance with condition 7C.4 for the service specified in condition 7C.1(d); and
- iii. in the Third Relevant Year, no more than the Controlling Percentage as determined in accordance with condition 7C.4 for the service specified in condition 7C.1(d).