



## **JRC Response to the Ofcom consultation on the Business Connectivity Market Review.**

**Very low bandwidth leased lines.**

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### **KEY POINTS**

- JRC welcomes the opportunity to respond to this consultation.
- JRC acknowledges that BT has given significantly more than the required one year's notice by extending its support of VLB leased lines until 31 March 2020.
- Electricity and gas distribution and transmission network operators use these types of circuits for critical applications, i.e. monitoring, protection and control of electricity and gas networks, and are still likely to be using them during the next BCMR period.
- Electricity and gas distribution and transmission operators responsible for managing critical national infrastructure have plans to migrate in a timely manner to self-managed resilient radio-based or other systems, but it is important that these CNI sectors are not exposed by early termination of VLB services, or subject to significant price increases for this service.
- Availability of suitable UHF Band channels is becoming increasingly scarce. There will also be potential interference issues with using the 1.4 GHz Band after the supplemental downlink (SDL) systems in the adjacent band are rolled out.
- JRC advises that some licensed utility operators responsible for managing critical national infrastructure are limited to only migrating to the Ethernet systems supplied by BT. There is some concern regarding their use for resilient machine to machine (RM2M) networks.
- The ability of the utilities to migrate mission critical application off BT's VLB LL platform (where not being switched to private radio circuits) is directly dependent on BT's ability to provide the replacement EAD products. At the current run rate, one distribution network operator (DNO) forecasts that it would not be able to exit the VLB LL platform until 2025. It would therefore be desirable to seek assurances from BT that in exceptional cases, BT will continue to maintain mission critical VLB LL services subject to BT Openreach undertaking the provision of the EAD services.
- JRC observes that some customers have seen a significant deterioration in the availability of the BT VLB LL. In the past 3 years the average repair time for a BT VLB LL has increased 3 fold and is now greater than 24 hours. This decline in fault rectification has been most prominent in the past 12 months in that the average repair time has extended by 13 hours in 2014/15. Where there is a substantial delay in repairing a VLB LL circuit, an electricity operator is unable to clear or detect a related power system fault during such service outages: in these circumstances, the network operator may be compelled to operate a significant section of the network at risk for prolonged periods pending repair of the respective VLB LL circuit.
- JRC advises that the proposed EADs, etc, links may not be suitable as a replacement if they require mains powered junctions anywhere between the link ends or mains power is required at the remote end.

## Consultation Questions

**Question 3.1: Do you know of other CNI operators that will be affected by the withdrawal of VLB services that we have not considered above? If so, please provide details of these CNI operators, and, if possible, please outline their awareness and preparedness for the withdrawal.**

The consultation document, in relation to the Energy Sector, only mentions electricity distribution. JRC is aware that electricity transmission together with gas distribution are affected by the withdrawal of VLB services.

**Question 3.2: Are there any other developments since the last BCMR or prospective developments that may be relevant to our review of this market? Please identify specific developments, explaining why they may be relevant.**

JRC is not aware of any other developments since the last BCMR or prospective developments that may be relevant to our review of this market

**Question 4.1: Are there industry associations among the CNI community that you consider we need to contact to increase awareness of the withdrawal of these services?**

JRC is not aware of any other industry associations among the CNI community that it considers needing to be contacted.

**Question 4.2: Do you know of any other category of CNI operator that will be affected by the withdrawal, but that would not become aware of it through our programme of engagement? If so, please provide details of the category of CNI operator and your view on how best to raise awareness with them.**

Although we have noted in answer to Question 3.1 that electricity transmission and gas distribution are not mentioned in the consultation document, JRC understands that these CNI sectors are aware of the withdrawal of VLB services.

**Question 5.1: Do you agree with our conclusion that the VLB TI retail market no longer satisfies the EC's three criteria test? If not, please explain your view.**

JRC agrees with Ofcom's conclusion because the three criteria test cannot be performed on a product that is not in, or being withdrawn from, the market.

**Question 6.1: Do you know of any CNI operators that rely on retail VLB leased lines provided by KCOM? If so, please provide information about the CNI operator and contact information.**

JRC is not aware of any CNI operators that rely on retail VLB leased lines provided by KCOM.

## **Background**

JRC Ltd is a wholly owned joint venture between the UK electricity and gas industries specifically created to manage the radio spectrum allocations for these industries used to support operational, safety and emergency communications. JRC also represents gas and electricity interests to government on radio issues.

JRC manages a significant number of 1.4 GHz links and is keen for their protection and the on-going access to this band.

JRC also manages blocks of VHF and UHF spectrum for Private Business Radio applications, telemetry & tele-control services and network operations. JRC created and manages a national cellular plan for co-ordinating frequency assignments for a number of large radio networks in the UK.

The VHF and UHF frequency allocations managed by JRC support telecommunications networks to keep the electricity and gas industries in touch with their network assets and field engineers throughout the country. The networks provide comprehensive geographical coverage to support the operation, installation, maintenance and repair of plant in all weather conditions on a 24 hour/365 days per year basis.

JRC's Scanning Telemetry Service is used by radio-based System Control and Data Acquisition (SCADA) networks, which control and monitor safety critical gas and electricity industry plant and equipment throughout the country. These networks provide resilient and reliable communications at all times to unmanned sites and plant in remote locations to maintain the integrity of the UK's energy generation, transmission and distribution.

JRC works with the Energy Networks Association's Future Energy Networks Groups assessing the ICT implications of Smart Networks, Smart Grids and Smart Meters.