

David Clarkson
Competition Policy Director
Riverside House
2a Southwark Bridge Road
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22 January 2018

Dear David,

Re: Business Connectivity Markets, Temporary SMP conditions statement – Legal Instrument, Schedule 3: Direction in relation to the provision and publication of Key Performance Indicators (KPIs)

Paragraph 7 of the Direction made by Ofcom under section 49 and 49A(2) of the Communications Act 2003 and Temporary SMP condition 7 setting requirements in relation to the provision and publication of Key Performance Indicators in respect of the Relevant Ethernet Services¹ (the “KPI Direction”), requires that Openreach must begin reporting against the KPI reports required under to paragraphs 4 and 5 of the KPI Direction (the “Ofcom KPI Report”) and the KPI reports required under paragraph 6 of the KPI Direction as and when requested (the “CP KPI Reports”) from the 15th working day in January 2018.

The KPI Direction reflects changes made to the product and geographic market definitions in Ofcom’s Temporary Conditions Statement. As such the Ofcom KPI Reports and the CP KPI Reports are different to the KPI reports which Openreach was previously required to provide under the 2016 Business Connectivity Market Review.

As discussed with the Ofcom BCMR Project Team, including in a meeting on 3 January 2018, in order to reflect the changes to the market definitions in the KPI reports, technical and systems changes are required. As a result, the new KPI requirements set out in the KPI Direction cannot be reported in the timescales currently mandated (i.e. by the 15th working day of January 2018) and must be

¹ Ofcom’s Business Connectivity Market Review, Temporary Conditions Statement dated 23 November 2017 (the “Temporary Conditions Statement”), Annex 1 (Legal Instruments) Section 1 (Temporary SMP services conditions and directions for BT), Schedule 3.

Mark Shurmer
Managing Director, Regulatory Affairs

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amended. Our current estimate is that both the Ofcom KPI Reports and the CP KPI Reports as and when requested will be fully developed and ready to be published in May 2018.

We therefore request Ofcom's agreement to provide the backdated Ofcom KPI Reports and any CP KPI Reports requests by the 15th working day in May 2018, once development and testing is finalised.

In the interim period, BT will provide to Ofcom on a voluntary basis, indicative reports against the Minimum Service Levels (MSLs) shown at an overall level, by region and by provision category where applicable. These indicative reports will be provided on a monthly basis using a manual process (similar to that which we use to produce reports for the Openreach Executive) to provide a view of performance against the MSLs for the period December 2017 – May 2018. This data will be provided on a best endeavours basis whilst the strategic reports are built and will not be formal submissions.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Mark Shurmer', written in a cursive style.

Mark Shurmer
Managing Director of Regulatory Affairs
Openreach