

18 May 2011

## Correction: Charge Control Review for LLU and WLR services

Ofcom has today issued a revised version of its consultation on the Charge Control Review for LLU (Local Loop Unbundling) and WLR (Wholesale Line Rental) services, which was published on 31 March 2011.

The revisions correct:

- an entry in the Regulatory Asset Value (RAV) model; and
- the estimate of one element of the costs covered by the WLR rental charge.

The correction of these errors has resulted in changes to the Base Case 'X' and the 'X' ranges included in the original consultation.

### Changes to proposed charge controls

The revisions affect the proposed charge controls for MPF rental, by reducing the proposed range and base case, and WLR rental, by slightly increasing the proposed range and base case. There is no change to our proposed SMPF charge controls.

The changes to MPF and WLR charge controls are as follows:

#### MPF rental

	Original Consultation	Revised Consultation
Ranges for charge controls	RPI-1.2% - RPI-4.2%	<b>RPI-2.0% - RPI-5.0%</b>
X Base Case	RPI-2.7%	<b>RPI-3.5%</b>
Range for charge in the first period (to 31 March 2012)	£89.40 - £92.00	<b>£88.70 - £91.30</b>
Base Case for charge in first period (to 31 March 2012)	£90.70	<b>£90.00</b>

#### WLR Rental

	Original Consultation	Revised Consultation
Ranges for charge controls	RPI-3.1% - RPI-6.1%	<b>RPI -3.0% -RPI-6.0%</b>
X Base Case	RPI-4.6%	<b>RPI -4.5%</b>
Range for 1 <sup>st</sup> period charge (start to 31 March 2012)	£102.00 - £105.10	<b>£102.10 - £105.20</b>
Base Case for 1 <sup>st</sup> period charge (start to 31 March 2012)	£103.60	<b>£103.70</b>

#### Reissuing models

Ofcom will reissue the non-confidential charge control models to those stakeholders that have previously requested access to them. These will include updated versions of the RAV model and Cost Allocation model. The Cost Forecast model is unaffected.

**Extension to Consultation Period**

Ofcom has extended the consultation until 8 July 2011. This is in recognition of the additional analysis that may be required by stakeholders.

**Outline of changes to the consultation**

The revised consultation document and a list of the tables that have been modified to correct for the errors can be accessed at the link below:

<http://stakeholders.ofcom.org.uk/consultations/wlr-cc-2011/>