

Mr David Clarkson
Ofcom
Riverside House
2a Southwark Bridge Road
London
SE1 9HA

Date: 19th March 2014

Dear Dave

The current control on IPStream prices concludes on 31st March and we understand that the WBA Statement is unlikely to be published before June, with the next control commencing on 1st July 2014. In order to provide continuity and remove uncertainty for our customers, BT Wholesale will leave prices unchanged between 1st April and the 30th June 2014.

The overall principle is for BT Wholesale and its customers to be in the same position as if the control had started on 1st April 2014 rather than 1st July 2014.

It has been our practice to introduce new charges for IPStream from 1st July each year and that remains our intention. We will set prices on 1st July 2014 for IPStream such that the weighted average price for these services over the Financial Year 2014/15 would be the same as if the Charge Control had become effective on 1 April 2014.

Given that we will be unaware of the precise requirements of the Charge Control until June, we will need to act quickly to implement the new prices and we would request that Ofcom allow the first price change of the control period to occur on 1st July in order to avoid delays which would lead to excessive fluctuations in prices.

If it appears likely that the conclusion of the review will stretch beyond 1 July we will make further announcements in good time.

Yours sincerely



Steve Best

MD Products, Portfolio Strategy and Regulation BTWholesale

BT Wholesale
pp
Faraday Building
1 Knightrider Street
London EC4V 5BT

Telephone : +44 (0)20 0000 0000
Fax : +44 (0)20 0000 0000
Mobile : +44 (0)70 0000 0000
Email : an.other@bt.com

**British Telecommunications
plc**
Registered Office:
81 Newgate Street, London
EC1A 7AJ
Registered in England and
Wales no. 1800000