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By email only

21 June 2016

Dear Marina

**Re: Business Connectivity Market Review (BCMR), Legal Instrument, Section 2, Schedule 2 – Key Performance Indicators (KPIs)**

Schedule 2 of the BCMR Legal Instrument states that “for the purposes of complying with paragraphs 4, 5 and 6 above, and subject to Ofcom agreeing otherwise, May 2016 shall be the first relevant month<sup>1</sup>.”

As previously discussed with the Ofcom BCMR project team, a number of the KPIs required by Ofcom that were published in the BCMR Final Statement on 28 April 2016 could not be reported on time (i.e. for May 2016) as there has not been sufficient time to develop the new reporting capability. In addition, Ofcom set out several new variants for the KPIs that will require additional time to publish due to development timescales.

**Impacted KPIs**

<i>KPI Number</i>	<i>KPI Name</i>
(v)	Monitoring the TTP Lower Percentile performance (MTTP)
(vi)	Monitoring the TTP Lower Percentile composition (vol)
(x)	Monitoring the percentile TTP of the tail extremities
(xi)	Monitoring the composition of the tail extremities

<sup>1</sup> Legal instrument, Section 2, Schedule 2, p172

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(xiii)	Monitoring the order validation tails
(xviii)	Average delay due to CDD changes
(xix)	Mean customer caused delay
(xxiv)	Order volume forecast from CPs
(xxv)	Order volume forecast by BT
(xxvi)	Monitoring traffic management notices
(xxvii)	Monitoring wayleave applications
(xxviii)	Size of the installed base

We are seeking Ofcom's agreement to publish the above KPIs in subsequent months, when development and testing is finalised. Our current estimate is that these KPIs will be fully developed and ready to be published in October 2016, therefore reporting September's KPI data. This is because it takes several months to design, build, develop and test a new KPI. However, if the KPI is ready to be published earlier than this date, BT will provide it to Ofcom. Once the additional KPIs are ready to be published, BT will provide the backdated report to May 2016. We will be in a position to provide the backdated data (back to May 2016) in full for all KPIs in October 2016. This will apply to the Ofcom KPI report and the CP reports as and when requested.

### **Additional KPI variants**

The addition of "Relevant WDM Services" to the KPIs was not indicated prior to the Final Statement being issued, and subsequently the reporting capability to include these products within the report have not been finalised in time to submit the report for May, due to the fact that the report had been built and tested for the "Relevant Ethernet Services". The KPIs relating to the Relevant WDM Services will be fully developed, built into the report and ready to be published in October 2016, therefore reporting September's KPI data. However, if the KPIs are ready to be published earlier than this date, BT will provide it to Ofcom, and as soon as possible. At this point, BT will be able to include these additional KPIs into the report and will also provide the backdated report for WDM products to May 2016.

Ofcom also requested a number of the KPIs to be split by a new variant, to show the split between "BT" and "non-BT" Third Party Customers. For the same reasons set out above, the automated reporting capability to report by BT and non-BT customers will be fully developed, built into the report and ready to be published in October 2016, therefore reporting September's KPI data. However, if the KPIs are ready to be published earlier than this date, BT will provide it to Ofcom, and as soon as possible. At this point, BT will be able to include this additional KPI variant into the report and will also provide the backdated report to show the split from May 2016.


### **Public KPIs**

Schedule 2, paragraph 2.a. refers to the KPIs that are required to be published on a website available to the public, operated or controlled by the Dominant Provider. Schedule 2 does not state that these public KPIs (KPIs (i), (ii), (iii), (iv) and (vii)) should be reported according to the 'adjustments' set out in paragraphs 4.c. and 4.d. Ofcom have confirmed that this was an omission and that the publicly published KPIs should, in fact, align with the Ofcom KPIs and Minimum Standards and that this requires the adjusted figures to be reported. BT seeks confirmation from Ofcom that this is the requirement.

### **Drafting error relating to KPIs (vii) and (ix)**

The wording in the legal instrument relating to KPIs (vii) (upper percentile) and (ix) (monitoring the tail) should refer to "more than 118/159 working days" as opposed to "118/159 working days or more." Ofcom has already amended this in Schedule 1 which relates to the Minimum Standards, but the wording needs to also reflect the applicable KPIs in Schedule 2 and 3.

Yours sincerely,

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

Alan Lazarus  
Director of Regulatory Affairs  
Openreach