

[X]  
Senior Regulatory Manager  
Vodafone Ltd  
**By email**

Warwick Izzard  
Competition Policy Manager  
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9 March 2020

Dear [X],

### Wholesale fixed telecoms market review, consultation clarification

I refer to your email of 28 February 2020 to my colleague [X]. You sought clarification regarding descriptions of Area 2 in Section 7 of Volume 2 of the above review.<sup>1</sup> Your request for clarification has been passed to me to reply.

We are proposing to include in Area 2 postcode sectors where there is already some material commercial deployment by rival multi-service networks to BT or where this could be economic (as set out in paragraph 7.9c(ii)).

In paragraphs 7.33-7.35, we were seeking to explain our proposed approach for identifying areas where material commercial deployment could be economic. However, on reflection, there was an inconsistency in our drafting.

In our early thinking, which we consulted with stakeholders on in 2018<sup>2</sup>, we proposed to identify areas where material commercial deployment could be economic based on:

- Operator's actual build plans; and
- Our 'cluster analysis', which was intended to identify geographic areas of sufficient size and density of premises to support potential material commercial deployment.

We are now proposing only to rely on operator's actual build plans when identifying areas where material commercial deployment could be economic. This is because we think it could be speculative to base our view of 'economic' areas on our cluster analysis (see paragraph 7.34).

The last sentence of paragraph 7.34 should therefore read as follows:

*"As such, we have not included in our assessment areas where there is no planned build, but which were previously identified by our cluster analysis."*

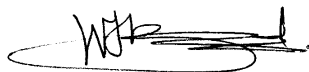
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<sup>1</sup> Section 7 concerns geographic market definition which is part of our market assessment set out in [Volume 2 of the Wholesale Fixed Telecoms Market Review 2021-26](#) which we published for consultation on 8 January 2020.

<sup>2</sup> See [Approach to geographic markets](#) which we published for consultation on 11 December 2018.

We intend to publish this response on our website alongside other [corrections and clarifications](#) which we have made in respect of this consultation.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'W Izzard', written over a horizontal line that has been scribbled out.

Warwick Izzard