

Ofcom's 'Wholesale Local Access Market Review Initial proposals to develop an effective PIA remedy'

Response from Fermanagh and Omagh District Council

i. Introduction

Fermanagh and Omagh District Council welcomes the opportunity to respond to Ofcom's '*Wholesale Local Access Market Review Initial proposals to develop an effective PIA remedy*' consultation. The Council continues to lobby for a better broadband access and champions the need for the further extension of broadband access especially in relation to the needs of rural Fermanagh and Omagh District Council businesses, residents and communities. The Council has long highlighted rural disadvantage and the need for rural areas to have full and equitable access to appropriate broadband infrastructure.

Developing an effective PIA remedy

Question 3.1: Do you agree with our aim of ensuring that other telecoms providers are not at a material disadvantage compared to BT's own internal consumption of duct and pole access?

Yes; the Council agrees with this approach which will enable further competition and efficiency within the markets particularly prevalent in such a rural area as Fermanagh and Omagh District council.

Question 3.2: Do you agree with our approach to focus on two main areas of equivalence, processes and costs?

We agree with the focus on the two main areas so as to encourage other providers to invest and expand the extent of ultrafast broadband network which is of urgent need in rural areas such as our district.

Question 3.3: Do you agree that when BT installs ultrafast broadband services itself at scale it should use the same processes and systems as those used by other telecoms providers that consume PIA as far as is practicable?

We agree that this should be the approach as currently other providers are at a significant disadvantage.

PIA Scope

Question 4.1: Do you agree with our assessment that broadening the uses of the PIA remedy could allow telecoms providers to design their networks flexibly, respond better to changes in consumer demand and provide innovative services?

We agree that this is the approach which should be taken to allow greater flexibility, encouraging investment and promote greater innovation in the marketplace.

Question 4.2: Do you agree with our definition of economies of scope? Do you agree with our overall assessment on the economies of scope and their likely sources?

We agree with the definition and the overall assessment in the economies of scope.

Question 4.3: In relation to your fibre deployments plans, if any, can you provide us with any evidence regarding the economies of scope your company is likely to achieve if leased lines are allowed as part of a fibre-based broadband deployment?

N/A

Question 4.4: Do you agree with our assessment on the potential options to relax usage restrictions, their benefits, risks and challenges? Is there any additional option we should consider? What do you consider to be the best option?

We agree with the assessment on the potential options to provide a more robust marketplace and we consider the best option would be the 'mixed usage' option which we feel would be beneficial for our rural location.

PIA process

Question 5.1: Have we correctly identified the problems currently faced by telecoms providers using PIA in relation to planning and surveys?

We are generally content with the identification of the problems highlighted.

Question 5.2: Do you agree with our initial views around how the planning and survey systems and operational processes should be improved under PIA?

We agree that this approach should show improvement and increase the scale of which other providers can access and provide services.

Question 5.3: Do you agree with our initial views around how systems development costs should be recovered?

We agree that the development costs should be recovered by applying the principle of equivalence in which recovery is across all users of its physical infrastructure.

Question 5.4: Have we correctly identified the problems currently faced by telecoms providers using PIA in relation to the network deployment stage?

We would be content that it appears that the problems have been correctly identified and that the current set up through Openreach acts as a barrier to competitive network investment and hinders further development and investment in rural areas where the need is the most prevalent.

Question 5.5: Do you agree that the PIA remedy will be ineffective if Openreach is not required to make adjustments to its infrastructure?

We agree that for the PIA remedy to be effective then it is important that Openreach will be required to make adjustments to its infrastructure otherwise other telecoms providers may not be encouraged to invest.

Question 5.6: If so, do you have any views on how the limit on Openreach's requirement to make adjustments should be specified?

In general terms, the Council believes that Openreach should be required to take all reasonable steps to make adjustments and there should be as much flexibility as possible to allow the necessary adjustments to be made.

Question 5.7: How should certainty about delivery of build works be improved?

We would suggest there is merit in adopting both approaches for certainty about delivery of build works. As a rural area we see benefit in self-provision for providers to deliver investment in networks in particular circumstances whilst recognising that Openreach continues to build network infrastructure.

Question 5.8: Could a self-provision model work in practice? Are the benefits of self-provision sufficiently large to warrant adopting this approach or would it be better to improve the delivery of build works by Openreach through, for example, introducing a set of SLAs and SLGs?

We suggest in certain circumstances especially for rural areas like Fermanagh and Omagh that a self-provision model could work to incentivise providers to deliver infrastructure in areas currently deemed financially unviable for BT. We are aware of the B4RN Project which demonstrated the success and sustainability of an appropriate self provision model.

Question 5.9: Would there be merit in adopting both approaches (i.e. Openreach required build and self-provision), perhaps allowing self-provision for specific types of build works where close coordination is required?

Yes; please see response to Question 5.7

Question 5.10: Do you agree with our initial views relating to improving the process for enabling works by allowing telecoms providers greater opportunity to carry out these activities?

We agree with the initial views as this will provide more efficiency and faster deployment of works to be carried out.

Question 5.11: What, if any, SLAs and SLGs should apply to the process for enabling works?

We suggest that the telecoms provider are able to complete the enabling works (at its own expense) immediately and without any intervention from Openreach.

Question 5.12: Do you agree with our initial views relating to the relaxation of cable joints restrictions? Are there other technical specifications that we should consider to ensure telecoms providers are able to deploy access networks in an efficient manner and on an equivalent basis to BT?

We agree that there should be a relaxation of cable joints restrictions to encourage more efficient usage.

Question 5.14: Have we correctly identified the particular problems for telecoms providers using PIA where there are overhead lead-ins?

We agree that the particular problems identified could affect telecoms providers expanding the networks.

Question 5.16: Do you agree with our initial view that a dropwire upgrade approach could provide an effective and viable remedy for overhead lead-ins?

We would agree that this could be an effective and viable remedy.

Pricing of the PIA

Question 6.1: Do you think that the flexibility afforded to BT under the current basis of charges condition is a concern?

We would agree that under the current basis of charges there is a concern that this could be exploited to deter further completion and expand networks particularly in a rural environment such as Fermanagh and Omagh District council area.

Question 6.2: Do you agree with our assessment of the challenges of undertaking our own charge control modelling at this stage?

We agree that complexities exist in addressing the challenges of developing a charge control model currently.

Question 6.3: What are your views on setting a charge control based on the current methodology? Do you have alternative suggestions for how we might set a charge control?

We would suggest some form of charge control as it is necessary for other providers to get some degree of certainty in relation to investing in the networks,

Question 6.4: What do you think about the option of supplementing the existing basis of charges condition with guidance? What do you think the guidance should cover?

The Council would not be opposed to the option of supplementing the existing basis of charges condition with guidance.

Question 6.5: Are there other options for providing greater certainty which we have not identified?

The identified options appear to be appropriate.

Question 6.6: Do you agree with our proposed approach to upfront costs?

We agree with the proposal for upfront costs to be apportioned across all users including BT.

Question 6.7: Do you agree with our proposed approach to per order costs? What do you think is the most appropriate approach to the recovery of these costs?

We agree with proposed approach to per order costs and apportioned across all users.

Question 6.8: Do you agree with our initial views around deferring rental charges for PIA? Should the deferral mechanism be bounded and what would be an appropriate way(s) of doing this?

We agree that providers should only be paying rental charges once the infrastructure is in place and ready to use. The deferral mechanism should be bounded at an agreed level which will not be to the detriment of either Openreach or the provider.

Question 6.9: Do you think the current basis of charges condition is sufficient for regulating ancillary charges?

We agree that the current basis of charges condition seems sufficient for regulating ancillary charges.

Question 6.11: Are there any other issues with PIA pricing which we have not identified?

None that we are aware of.

Concluding Comments

Fermanagh and Omagh District Council welcome the opportunity to respond to Ofcom's *Wholesale Local Access Market Review Initial proposals to develop an*

effective PIA remedy consultation. As per the Council's response, access to quality, value for money, effective and efficient telecoms is critical to the sustainability and the growth of local businesses and our communities. It is the Council's view that the access to quality telecoms has genuine implications on rural disadvantage within the District. Therefore the Council would welcome the opportunity for further discussion on the consultation and to be considered into the future with central government on pilot telecomm initiatives.