



17 November 2025

nexfibre response to TAR WLA pricing mini consultation

nexfibre welcomes the opportunity to provide this response to Ofcom's further consultation on Wholesale Local Access (WLA) pricing remedies under the Telecoms Access Review 2026–31 (TAR).

About nexfibre

nexfibre is a wholesale fibre network operator in the UK, focussed on building and maintaining a high-quality, technologically advanced full-fibre infrastructure platform. It is a joint venture between InfraVia Capital Partners, Liberty Global and Telefónica and is financed with £4.5 billion of equity and debt investment, and is, therefore, well-capitalised and well-positioned to become a long-term, national scale, sustainable competitor to Openreach. As of 30 September 2025, nexfibre's network passed 2.44 million premises ready for service (RFS) and is expected to reach 2.5 million by the end of 2025.

Proposal to shift to contract-based approach for 80/20 product pricing

We welcome Ofcom's proposed overall approach in the TAR which ensures a stable regulatory framework and pricing continuity. A stable regulatory framework is essential for both network operators and investors. It is fundamental to ensure that the 2026-2031 regulatory period does not undermine the framework to date which enabled the emergence of competition in this market. The upcoming regulatory period ought to enable the continued investment and effective establishment of sustainable competition.

No problem to solve

The anchor mechanism is well established and has worked without issue for a number of years. No concerns have been raised or identified with the manner in which the anchor has been used as a charge control within the current regulatory framework, and we cannot see a reason for any change at this point in time.

Premature deregulation

The proposed shift from charge control to contract-based approach effectively amounts to a form of deregulation which is premature and lacks any credible justification. Deregulation should not be fast-tracked without robust evidentiary and analytical reasoning, and before sustainable competition to Openreach has been established.

No policy or evidentiary basis for deregulation

There is an absence of viable or comprehensive reasoning for the changes proposed by Openreach to shift the 80/20 anchor from a charge control to a contract-based approach at this stage. We have not seen any analysis by Ofcom of the impact of such a change on industry, or potential avenues Openreach may be able to take once this has been actioned.

One of the key policy rationales for a mandated copper cap was to manage potential concerns regarding copper to fibre migrations via copper prices. Ofcom's ability to effectively manage this transition and prevent anti-competitive outcomes prior to establishment of sustainable competition will be greatly diminished with the removal of the charge control.

The market is at a critical juncture. Sustainable competition has not yet been established, and network operators are ever more focused on the take-up of services on their networks to drive return on investment. As Ofcom has rightly acknowledged in the TAR, Openreach has the ability and incentive to engage in anti-competitive behaviour. Any premature deregulation must be underpinned by robust evidence and consistent with Ofcom's policy principles. This is not the case here.

Ofcom's regulatory power

Premature deregulation of charge control mechanism from an SMP operator will strip off Ofcom's ability for effective oversight, monitoring of wider market impacts and ability to act should anti-competitive behaviour occur.

As we have already stated in our main submission on the TAR consultation, Ofcom must continue to play a key role in assessing Openreach's pricing schemes and other commercial terms to ensure that they do not have an anti-competitive effect, and that the burden of proof for demonstrating this must fall on Openreach as the SMP operator. Such a role is already complex and burdensome without further premature deregulation of the 80/20 anchor charge control. Removal of the charge control would only make Ofcom's oversight more complex and less effective should any cross-industry issues emerge as a result. Moreover, a contractual approach would render the industry unable to respond effectively to negative consequences and would leave competitors no better off than under general competition law.

No benefit to ISPs, consumers, or wider industry

It is unclear from the proposal what benefit, if any, there is to ISPs, consumers and the wider industry from a move to a contract-only approach in this instance. The burden should fall on Openreach to prove sufficient evidence of benefits, and for Ofcom to underpin its decision with robust analysis demonstrating significant positive outcomes to the wider market prior to deregulating. Evidence of any positive impact is currently absent.

Negative signal to investors

Premature deregulation of Openreach at this point in time will send a negative message to investors, further disincentivising investment in this market and resulting in potential negative effects to the long-term viability of sustainable competition.

Consultation Questions

Question 1: Do you agree with our proposals relating to the Contract Focused Approach?

No, Nexfibre does not support the adoption of the Contract Focused Approach.

Question 2: Do you agree with our proposals relating to charge controlling FTTP connections (where copper-based services are not available)?

Yes, Nexfibre supports the proposal to maintain charge controls for FTTP connection where copper based services are not available during the review period.

Question 3: Do you agree with our proposal to amend the proposed geographic discrimination prohibition by introducing a carve-out that would permit geographic differences in connection charges, where such differences reflect the terms of the Equinox 1 or Equinox 2 contracts (as applicable) and also align with WFTMR21 geographic market boundaries?

Yes, Nexfibre supports the proposal to introduce a carve-out in this instance, on the basis of it being an exceptional measure in this review period.