



## Ofcom's Telecoms Access Review consultation

Openreach's response to Ofcom's further consultation on Wholesale Local Access (WLA) pricing remedies

12 November 2025

**Contents**

Ofcom's Telecoms Access Review consultation .....	1
Summary .....	3
Responses to Questions.....	4
Contract Focussed Approach .....	4
Comparisons of Contract Focussed and Charge Control approaches.....	7
Amended Charge Control Approach.....	11
Geographic Prohibition Carve Out.....	15
Annex 1 Documents to be issued.....	17

This consultation is focussed on the approach to anchor pricing and its implementation on 1 April 2026 and does not cover other related points on WLA market definition or remedies, for which we would refer to previous submissions.

## Summary

1. We welcome this consultation, which addresses concerns we raised about Ofcom's proposed form of price regulation for 80M services in the March 2025 TAR consultation.
2. Ofcom's approach for the GEA anchor products to meet its regulatory objective of increased investment is pricing continuity, with protection against the potential competition concern of excessive prices.
3. Openreach's commercial arrangements (the **Contract Focussed Approach**) would secure pricing continuity, in line with Ofcom's objectives, and address the competition concern of excessive pricing. The contracts provide a binding commitment that we will maintain as a maximum the current discounted prices that Ofcom would otherwise seek to impose by way of a charge control, over the same proposed footprint. The Contract Focussed Approach would avoid the market distortion that would otherwise arise as a result of Ofcom's proposed approach by maintaining other terms and conditions in our commercially agreed contracts, including incentives for migration to FTTP.
4. Regulating through charge controls also [3]. Further, it would fix commercial discounts in the future regulation without the wider commercial terms and conditions that the prices are currently associated with, going beyond Ofcom's stated aims.
5. We agree with Ofcom's preliminary observation that the Contract Focussed Approach is a proportionate and "*less burdensome*" approach to achieve its regulatory objectives, consistent with its regulatory principle for the least intrusive regulation.
6. As Ofcom has observed that the Contract Focussed Approach could be a proportionate alternative to its TAR proposal, in the absence of other material concerns that cannot be addressed, a shift to a charge control-based approach would clearly result in unnecessary over-regulation. Notwithstanding this position, if Ofcom were to impose a charge control, Ofcom's alternative single item controls proposed for the connection charge control would better achieve pricing continuity than the basket control proposals in the March 2025 TAR consultation (subject to some amendments needed in the draft legal instrument).
7. We welcome the carve-out on seeking permission for geographic pricing already in place under Equinox for FTTP Connections in Area 2; it is a pragmatic way to provide pricing continuity and certainty.
8. If Ofcom has any remaining concerns, we would welcome the opportunity to discuss and address these.

## Responses to Questions

### Contract Focussed Approach

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

#### Summary

9. We agree with the proposals relating to the Contract Focussed Approach as it is the most proportionate approach to achieving Ofcom's aims, having regard to its legal duties and objectives of encouraging investment, competition and consumer protection, achieved through pricing continuity:
  - the relevant commercial agreements meet Ofcom's objectives, so additional regulation is not needed and would be disproportionate;
  - it allows the market the flexibility to determine prices and terms, reflecting the increasing levels of competition;
  - it is the only proposal which allows true continuity of prices, terms and Communications Provider (CP) expectations; and
  - it will best incentivise investment by Openreach and competing networks, such that end customers benefit from competition in the longer term.
10. The Contract Focussed Approach fully and proportionately replicates what would have been required under Ofcom's proposed regulation. To implement the Contract Focussed Approach, Openreach would launch an offer for FTTC and SOGEA 80M rentals and 80M PCP-only installs for the full TAR period (indexed from the current offer), and apply the existing Equinix offer 80M prices to all FTTP premises nationally (where no copper-based service is available).
11. [REDACTED].
12. In contrast, a charge control approach would go beyond Ofcom's stated aims, limit commercial flexibility and be more complex to operate. This would [REDACTED] (also reducing the benefits of competition for end customers).

### The Contract Focussed Approach achieves pricing continuity

13. Ofcom first introduced GEA anchor charge controls on the 40M FTTC product in the 2018 Wholesale Local Access (WLA) statement. This 'anchored' the prices of FTTP with a charge control on legacy products. The flexibility on higher bandwidth products and newer FTTP technology gave commercial flexibility to support investment.<sup>1</sup> FTTP has only been charge controlled at the same bandwidth, where FTTC 40M services were not

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<sup>1</sup> WLA Market Review: Statement Volume 2 para 2.32

available. This approach continued in the Wholesale Fixed Telecoms Market Review 2021 (WFTMR 21).

14. In the March 2025 TAR consultation, Ofcom considered the appropriate price to set the GEA 80M charge control at. Ofcom's concern is that, given a proposed finding of Significant Market Power (SMP), there is a risk that Openreach could price excessively.<sup>2</sup> Ofcom also states that any remedy must meet its objective to promote investment and competition.<sup>3</sup> Ofcom proposes to address this potential competition concern in a way that supports its objectives through pricing continuity, referencing continuity in both price level and in approach for non-charge controlled products.<sup>4</sup> It proposes to achieve this through setting the anchor charge control at the discounted prices paid for 80M GEA products as ...*"the discounted FTTC 80/20 price and FTTP 80/20 price are so broadly taken up that they more closely represent the actual price customers pay than the list price."*<sup>5</sup>

15. Openreach firmly continues to disagree with the proposal to set a charge control at the discounted rate for the following reasons:

- The potential competition concern of excessive pricing is already addressed for FTTP by the Equinox offer, which gives price protection beyond the TAR period, and across multiple bandwidths. The proposed regulation is therefore neither necessary nor proportionate as any theoretical competition concern has already been dealt with fully.<sup>6</sup> In any event, any theoretical risk of excessive pricing is immaterial, as dealt with in a specific section later in this response.
- Setting a charge control at discounted levels goes further than is necessary as it cuts across Openreach's existing commercial agreements. These prices have been set based on the terms and conditions of the relevant offers as freely negotiated and agreed with CPs. Absent these other terms and conditions being met, offer prices should not apply. This goes against the approach of pricing continuity as it is not true continuity if the prices are applied without their corresponding terms.<sup>8</sup> There is no justification for Ofcom intervening with these arrangements when there is no residual competition concern to address.
- Taking 80M outside of the conditional FTTP Equinox offer significantly risks dampening CPs' incentives to adopt FTTP through weakening the applicability of the Fibre Only measure, slowing the benefits of digital adoption for end customers.<sup>9</sup>
- [§].<sup>10</sup>

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<sup>2</sup> TAR Vol4 para 1.2

<sup>3</sup> TAR Vol4 para 1.5

<sup>4</sup> TAR Vol4 para 1.18

<sup>5</sup> TAR Vol4 para 1.32

<sup>6</sup> We appreciate that the offer on FTTC and SOGEA 80M was due to expire on 31 March 2025 and so these products did not have protection at the time the TAR consultation was published in March, but this is something we were willing to provide our CP customers.

<sup>7</sup> Openreach TAR Response Document 4 para 17

<sup>8</sup> Openreach TAR Response Document 4 para 12

<sup>9</sup> Openreach TAR Response Document 4 para 229 i)

<sup>10</sup> Openreach TAR Response Document 4 para 14

- We disagree in principle with setting a charge control at a discounted level as this simply fixes offer prices in the absence of other commercially agreed terms, strongly discouraging Openreach from innovating commercially and reducing incentives to invest in the future, to the detriment of network competition and end customers.<sup>11</sup>
- We also raised concerns with the design of the FTTP connections charge control baskets - these would create price instability and conflict with the aim of pricing continuity.<sup>12</sup>

16. We instead propose that Ofcom should allow Openreach to provide pricing continuity and protection against excessive prices through the Contract Focussed Approach. The necessary arrangements are already in place for FTTP and can easily be implemented for FTTC/SOGEA. This response provides a detailed proposal of the changes we would make to replicate Ofcom's policy approach and meet its objectives in their entirety.<sup>13</sup>

17. Openreach would:

- Issue an offer for FTTC and SOGEA 80M rentals plus 80M PCP installs. This will apply for the full TAR period and be CPI linked from the current offer price. Existing terms and conditions (including payment structure) would continue to apply.<sup>14</sup>
- Extend the existing 80M FTTP rental and connection prices nationally (where no copper-based service is available), to replicate the scope that would have applied under the proposed charge control.
- Confirm FTTP 80M Premium and Advanced connection prices will be CPI linked for the duration of the TAR.

18. To provide certainty on these prices, Openreach has offered to make the following contractual assurances:

- we will amend clause 15.2 in the Equinix contract that allows prices to be reviewed if there is a change in the 40M anchor; and
- we will waive the right to terminate contracts for convenience (except in the case of exchange closure).

19. This results in the same price levels and scope as Ofcom's proposed charge controls, achieving Ofcom's objectives in the least intrusive way in line with Ofcom's regulatory principles.<sup>15</sup> We note that Ofcom has recently shown a preference for a commercial agreement as the least intrusive form of regulation in the mobile market.<sup>16</sup>

20. This is the most proportionate way to deliver Ofcom's policy objectives and address any potential competition concerns:

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<sup>11</sup> Openreach TAR Response Document 4 para 229 iii)

<sup>12</sup> Openreach TAR Response Document 4 para 231

<sup>13</sup> [Openreach Letter to Ofcom on anchor proposals](#)

<sup>14</sup> The list prices would also be indexed and captured on the offer to provide certainty on rebate levels.

<sup>15</sup> [Policies and guidelines](#)

<sup>16</sup> Decision on Business Messaging, [Statement A2P SMS termination- non-confidential decision](#) paras 5.19-5.20

- The contractual pricing protection on 80M FTTP, FTTC, and SOGEA services nationally addresses any potential competition concern regarding excessive pricing, meeting Ofcom's objective of protecting consumers.
- There is true continuity on both pricing and terms. The Equinox offer is able to continue as expected, giving certainty to CPs. This continuity would be maintained even if further commercial arrangements were introduced in the future, as CPs would choose the arrangement that was most beneficial for them.
- [REDACTED].
- Regulation does not unnecessarily disrupt commercial arrangements between Openreach and its CPs, such that Openreach is better able to compete on the merits and end customers are more likely to see the benefits of competition through lower prices, and fast and sustained FTTP rollout.

### Comparisons of Contract Focussed and Charge Control approaches

21. When assessing stakeholder feedback, it is important to distinguish between potential concerns raised on the Contract Focussed Approach, as opposed to more general concerns with the proposed regulation or matters for commercial negotiation. As Ofcom references in its consultation, PXC has pushed for the lower Equinox 2 connection prices to apply to the larger TAR Area 2 footprint. Ofcom is right to disagree as this would not provide pricing continuity.<sup>17</sup>
22. PXC has also argued that the mechanism in Equinox to allow an up to £1 increase in monthly rental and up to £20 increase in connection prices should be prevented through regulated charge controls.<sup>18</sup> We disagree as this wouldn't represent pricing continuity and would [REDACTED]. We also disagree with the principle of CPs signing agreements and then subsequently asking the regulator to cherry pick from the agreed terms and conditions. CPs agreed to all terms, including conditionality and rebate structures, and these should be accepted as a package alongside the discounted pricing.
23. As Ofcom notes,<sup>19</sup> under the Contract Focussed Approach, in contrast with the charge control approach, CPs need to meet the conditions of the Equinox contract to benefit from the full discount, which it believes they "*are likely to meet*".
24. Under the Equinox contract, we assess the mix of connections on FTTP and other technologies within our FTTP footprint. If the 80% Fibre Only Threshold is met, rental discounts are applied and if the 90% Fibre Only Target is met, full connection discounts are given (with a tapering of discounts between these levels). This is a fundamental element of the offer and has driven a change in CP behaviour to adopt FTTP as their default product when purchasing from Openreach. This improves overall FTTP adoption, allowing Openreach to move towards a more efficient single network, and also benefits end customers (who have faster, more reliable broadband) and the UK more generally through increased productivity growth.

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<sup>17</sup> Further consultation on WLA pricing remedies paras 4.29

<sup>18</sup> PXC TAR consultation response, para 2.17

<sup>19</sup> Further consultation on WLA pricing remedies footnote 42

25. The Fibre Only Target [REDACTED]. Contract performance since the start of 2023 can be seen in Figure 1 below.

**Figure 1: Fibre only measure performance by CP<sup>20</sup>**

[REDACTED]

26. It is also clear that CPs will be able to maintain their Fibre Only performance as time progresses. Looking at data relating to connections in the FTTP footprint that first became available in 2018 (7 years ago), we see that [REDACTED]. This conditionality is crucial to encourage FTTP adoption in order to achieve the wider benefits as set out above.

27. The Equinix contract also contains a forecasting clause. This should not be seen as a reduction in the discount, but rather as an incentive to forecast accurately so that Openreach can deliver great customer service. If outside of the monthly forecasting tolerance, CPs may be liable to pay compensation which increases based on the scale and duration of the forecasting inaccuracy. If forecasting thresholds are not met by a CP in 3 consecutive quarters, we are entitled to recover "Forecasting Compensation" of £1 for each percentage point above or below 10%. This is a proportionate approach and provides a generous grace period and tolerance for inaccurate forecasting. The maximum impact is £12.50 for each connection, with no impact on rentals.

28. [REDACTED].

29. [REDACTED].

30. Neither the Contract Focussed Approach nor the charge control alternative set out in the March 2025 TAR consultation (and amended in this proposal for FTTP connections) affect the price for 80M in practice, such that there is no impact on altnets' ability to compete or incentives to invest.

## Excessive Pricing Concerns

31. As noted above, any potential excessive pricing concerns arising from a proposed SMP finding in the WLA market could be addressed by the contractual assurances under the Contract Focussed Approach. However, Ofcom states "... the Contract Focused Approach may provide less certainty for Openreach's customers than where a charge control approach is adopted". It then proposes that as "an additional safeguard" it amends the guidance set out in the March 2025 TAR consultation to state that the requirement to provide WLA services on fair and reasonable charges will also be used to address the risk that Openreach may set excessive pricing.<sup>21</sup>

32. We do not believe this change is necessary. The logic in the March 2025 TAR consultation was that continuity in the price of the 80M anchor service via CPI-0% charge controls at prevailing discounted levels would be sufficient to address the potential risk of excessive pricing. The Contract Focussed Approach would provide assurance on the same

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<sup>20</sup> Sourced from internal data prepared for the calculation of discount rebates.

<sup>21</sup> Further consultation on WLA pricing remedies para 3.37

prevailing 80M discounted prices as well as for the range of higher FTTP bandwidth services covered by the Equinox 2 offer for the full period of the TAR out to March 2031. The "*additional safeguard*" is neither necessary nor proportionate; introducing an additional way to interpret a fair and reasonable requirement on the anchor product creates complexity. It also doesn't appropriately reflect the level of competition in the market and the constraint this puts on increased prices.

33. Furthermore, existing competition law obligations serve to provide additional protection against this potential competition concern. It is therefore difficult to see what this proposed amendment adds and how it is consistent with the principle that regulatory activities should be targeted only at cases where action is needed.

34. We therefore urge Ofcom to maintain its approach in the March 2025 TAR consultation in relation to the fair and reasonable charges obligation to avoid unnecessary confusion over its position.

## Implementation Approach

35. Within the letter published alongside this consultation, Openreach has provided three documents that would need to be issued to provide full assurance on the Contract Focused Approach.<sup>22</sup> We have sought to provide complete assurance, such as waiving the right to terminate the full GEA Services contract for convenience in order to remove the offer on FTTC 80M when to do this is highly unlikely as it would be poor commercial practice in any event.

36. We understand that for Ofcom and other stakeholders to have confidence in these proposals, they would wish for them to be effective in time for the start of the TAR period (1 April 2026). Given a notification period of 90 days for the Equinox amendment<sup>23</sup> and at least 28 days for the FTTC and SOGEA offer,<sup>24</sup> this would require Openreach to publish notifications before the TAR final statement is published. Openreach understandably would not want to issue these commitments without some certainty that they will be needed for the Contract Focused Approach.

37. We therefore propose to issue the required documents with appropriate notice such that they can take effect for 1 April 2026, but on the condition that they are only effective if there is no charge control on the products in the scope of the document / offer. The implementation timetable is shown in Table 1 below and the updated documents are in the Annex.

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<sup>22</sup> [Openreach Letter to Ofcom on anchor proposals](#)

<sup>23</sup> Under SMP condition 8.6

<sup>24</sup> Under SMP condition 8.4

**Table 1: Contract Focused Implementation Timetable**

Document	Enables	Notification Date	Effective Date	Conditions for early notification
FTTC and SOGEA offer	List and offer price certainty for FTTC and SOGEA 80M over the TAR period	By 31 December 2025 (alongside Equinox amendment)	1 April 2026	Condition that offer is not applicable if any GEA anchor charge control is applied in the final statement.
GEA services contract waiver	Contractual certainty on offer prices over TAR period	By 31 March 2026	1 April 2026	N/A – this can be released on publication of the final statement as it takes effect as soon as it is issued.
Equinox contract amendment	Application of 80M pricing to national footprint where no copper based service is available, contractual certainty on offer prices over TAR period, removes right to amend prices if there is no charge control.	By 31 December 2025	1 April 2026 (or when signed if later)	Can notify ahead of final statement provided it is <u>"subject to there being no direction nor requirement to comply with charge control on the 80/20M variant effective from or after 1 April 2026"</u>

38. We have reviewed the changes to the legal instrument and have the following comments.

- It is appropriate that charge controls would continue for any product not covered by the commercial offers, such as the FTTC 80/20 Start of Stopped Line connection, as well as GEA Ancillaries and MPF.
- We have reviewed the draft legal instrument and believe the changes here are consistent with Ofcom's intent set out in this consultation. We also note that it significantly simplifies Condition 12C.
- We have reviewed the draft reporting Direction 2 and believe the changes here are consistent with Ofcom's intent set out in this consultation.

## Amended Charge Control Approach

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

### Summary

39. As discussed in our response to Question 1, we believe that the Contract Focussed Approach is the most proportionate approach to achieve Ofcom's objectives and deliver price continuity.
40. Conversely, the charge control approach (to which amendments are being proposed in this consultation) is disproportionate and unnecessary. Notwithstanding that, we have provided comments on our views on the amended proposals for FTTP connection charge controls (where copper-based services are not available).
41. We agree that these proposals would allow pricing continuity and protection from excessive prices, although we note below some details in the legal instrument that would need to be corrected to implement Ofcom's intent.
- We agree with the proposal to allow the up to £20 increase in connection charges as allowed under Equinox, which allows continuity of CP expectation and is consistent with Ofcom's approach on rental charges.
  - We agree that single service controls on all current connection types under Equinox 2 would be preferable to complex basket controls.
  - We do not object to the charge control on premium and advanced installations for business premises only.

### More Effective Regulation

42. In our response to the March 2025 TAR consultation, we argued against the FTTP connection basket controls both on principle and in design.<sup>25</sup> Our comments on the principles are more relevant to our response to Question 1 above. Our concerns on the design were that:
- Revenue weightings within the basket would require more than one price change a year, inconsistent with the pricing continuity policy. A change in weighting could also force price instability to comply.
  - Initial prices would require a weighting between Equinox Area 2 and Area 3 prices in the TAR Area 2 and 3. Volumes were not available, and a change in mix could easily lead to non-compliance outside of Openreach's control.
  - The up to £20 increase allowed under the Equinox contract was not taken into account, when it had been for rental which was inconsistent, but also meant that there wouldn't be true continuity in terms of expected pricing.
43. We appreciate that Ofcom has reflected our feedback in these new proposals.

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<sup>25</sup> Openreach TAR Response Document 4 paras 227 - 231

44. Unlike the previous basket controls, the single item controls on the standard connection list price and all Equinox connection prices will allow pricing continuity for all price points under Equinox.
45. Incorporating the up to £20 uplift in the charge control ceiling provides true continuity of price and corresponding terms that CPs have voluntarily agreed to. It also allows a consistent approach between connection and rental charges. Regulation would have been unnecessarily interfering with commercially agreed terms had the up to £20 uplift not been allowed for, with no justification.
46. However, there remains a flaw with the charge control approach, which is that by setting a charge control with a maximum ceiling on connection prices of different order journeys, Ofcom is interfering with commercial arrangements between Openreach and its CPs. By limiting and intervening in commercial innovation, Openreach is less able to compete on the merits and respond to CP requests. This is disproportionate and not objectively justifiable. The Contract Focussed Approach is the more proportionate means to meet Ofcom's objectives.
47. The Contract Focussed Approach also represents true pricing continuity for all CPs as [X].

## Business Premises

48. A potential competition problem that Ofcom was seeking to address in its March 2025 TAR consultation was to protect consumers from the risk of excessive pricing (for Area 2 this was in the short term while competition developed).<sup>26</sup> This protection was achieved through pricing continuity on 80M services, with FTTP only charge controlled where a copper-based service is not available. This resulted in all WLA premises having the price protection of a charge-controlled product.
49. Since this time, Openreach has launched business premises focussed connection products. In order to provide the right end customer experience, and reflect the higher costs to deliver, Openreach will only make available the right level of installation service to a premises based on its classification.<sup>27</sup> This means that the standard connection is not available to all premises.
50. By including FTTP 80/20 Premium connections and FTTP 80/20 Advanced connections within the scope of the single service charge controls, Ofcom is being consistent with its aim of protecting all consumers from the risk of excessive pricing.
51. We do not disagree with this proposal, however we do note that these services were launched very recently<sup>28</sup> and so we are still gaining learnings on the CP and end customer requirements and the cost to deliver to different premises types. Given the uncertainty on cost, it would not be appropriate to set a maximum charge ceiling for these products

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<sup>26</sup> TAR Vol4 paras 155 - 160

<sup>27</sup> Premises are classified by the Ordnance Survey. Openreach allocation premises types to the appropriate order journey and retains the ability to review the allocations.

<sup>28</sup> 1 June 2025

at this time. Nevertheless, Openreach is willing to do this in the Contract Focussed Approach as we understand Ofcom's need for pricing continuity and protection.

52. Given that Ofcom is only intending to give price protection of a single anchor product to all premises,<sup>29</sup> it is correct that in this consultation Ofcom only charge control premises that Openreach has categorised as business premises that are unable to order a lower service level connection type. As a matter of principle, if a CP chooses to purchase a higher service level product this should not be charge controlled. This is in line with the approach Ofcom has followed in the past that only the lowest service level should be charge controlled, with examples such as historically charge controlling WLR basic rental but not WLR premium rental and not previously charge controlling FTTP Premium connections or expedited connection charges.

## Implementation Approach

53. We have reviewed the changes to the legal instrument and have the following comments.

54. Ofcom intends that the charge control ceilings should be index-linked from current prices effectively paid under Equinox 2, with allowance for the up to £20 contractual increase. However, Ofcom has taken an incorrect 2025/26 price for two items and this should be corrected in the final statement:

- Standard Connection (list price) should be £122.84 not £122.81
- Standard Connection: Non New To BT Network – Residential Area 3 premises same CP regrades should be £83.45 not £83.46.

55. Within Annex 5, in the drafting of condition 12C we believe two definitions are not complete and do not reflect Ofcom's intent. The aim for Premium and Advanced connections is to offer price protection only to those business premises that have no option to purchase a standard connection. The definition as drafted in 12C.10(n) for Advanced and 12C.10(t) for Premium refer to the Openreach website. However, the Premium and Advanced products on our website have a far wider application that only business premises, as any premises can request a higher level of service if wished. The definitions here should be clear that:

- Premium should only relate to those premises where this is the minimum connection product;<sup>30</sup> and
- Advanced should only relate to those premises where this is the minimum connection product.

56. With regard to the Financial Reporting direction, we refer Ofcom to the BT Group submission on financial reporting (section 4) where it was argued that the level of granularity proposed is unnecessary and disproportionately complex where it requires data from outside the financial reporting systems.<sup>31</sup> The proposals here raise a similar

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<sup>29</sup> Further consultation on WLA pricing remedies paras 4.34 – 4.46

<sup>30</sup> Classifications are documented on the Openreach portal here:

[https://www.internal.openreach.co.uk/cpportal/content/dam/cpportal/logged-in/images-and-documents/home/products/fibre-broadband/fttp-secure/product-and-commercial/Business\\_Standard\\_Mapping\\_to\\_Ordnance\\_Survey\\_site\\_types\\_Jun\\_25\\_New.xlsx](https://www.internal.openreach.co.uk/cpportal/content/dam/cpportal/logged-in/images-and-documents/home/products/fibre-broadband/fttp-secure/product-and-commercial/Business_Standard_Mapping_to_Ordnance_Survey_site_types_Jun_25_New.xlsx)

<sup>31</sup> Such as FTTP services between where there are or are not copper based services available.

issue as Ofcom propose that all FTTP Premium and Advanced rentals would be shown under "FTTP 80/20 Business Connections". However, we would not easily be able to separate out the Premium installations undertaken at a business premises rather than a residential premises. With this in mind, it would be prudent and proportionate to break out and present "FTTP 80/20 Premium and Advanced Rentals".

57. We notice that in Annex 5 Condition 12C.7 text relating to Agreed Upon Procedures (AUPs) has been removed. This is also the case in condition 12C.7 in Annex 7. As the rationale for this has not been explained in this consultation, we would welcome clarification from Ofcom on this point. We would remind Ofcom of our comments on AUPs in our June consultation response on their limited value.<sup>32</sup>

58. Separately, we remind Ofcom of our previous comments<sup>33</sup> made on the definition of where copper-based Network Access is available (Condition 12 of Volume 7 of the March consultation). No change has been proposed in the draft legal instrument in Annex 5 of this consultation, but we have used alternative phrasing in our draft Equinox Amendment that we believe better conveys Ofcom's intent of where to regulate.

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<sup>32</sup> Openreach TAR Response Document 4 paras 399 - 401

<sup>33</sup> Openreach TAR Response Document 4 paras 362 - 365

## Geographic Prohibition Carve Out

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?

### Summary

59. We agree with Ofcom's proposals to carve out the Equinox contract connection prices from the requirement to seek consent for geographic pricing.
60. This proposal best supports Ofcom's approach of pricing continuity. We also agree with the proposed drafting of the legal instrument.
61. This would be required whether Ofcom followed the Contract Focussed Approach or charge control approach for anchor pricing as set out in this consultation.

### Pricing Continuity

62. Ofcom's approach to pricing remedies in TAR is for pricing continuity.<sup>34</sup> In the context of Equinox prices, Ofcom intended for them to continue applying to the current Area 2 and Area 3 locations for connection prices.<sup>35</sup>
63. However, in the March 2025 TAR consultation, Ofcom proposed a requirement to seek consent for geographic connection pricing for the first time,<sup>36</sup> with the notice period increasing to a proposed 120-day period. Openreach continues to disagree with these changes as previously stated,<sup>37</sup> but responds here to the specific matter within the scope of this consultation.
64. Given that the requirement to seek consent to geographic connection pricing doesn't exist under the WFTMR 21, if Ofcom were to extend the regime it would not be possible to seek consent for the existing pricing structure in advance, such that it would apply from 1 April 2026. If consent was sought as soon as any requirement came into place, then assuming 120 days' notice would be required, the current prices would only be able to resume from August 2026. In the interim Openreach would need to change connection prices. This would clearly not represent pricing continuity and would be damaging for CPs.<sup>38</sup> To force a change in prices while consent is sought would be unnecessary and disproportionate to Ofcom's aims.

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<sup>34</sup> TAR Vol4 para 1.17-1.18

<sup>35</sup> TAR Vol4 para 5.43-5.44, TAR Vol4 para 6.101

<sup>36</sup> TAR Vol3 para 9.26b

<sup>37</sup> Openreach TAR Response Document 4 paras 472 - 492 and 494 - 497

<sup>38</sup> See also Openreach TAR Response Document 4 paras 509 - 514

65. Openreach therefore agrees with the proposal, which provides pricing certainty and clarity for Openreach and its CPs.

66. As Ofcom notes, this pricing continuity is likely to be to the advantage of altnets as the alternative position would be Openreach applying current Equinix Area 2 prices to the larger TAR Area 2, resulting in lower connection prices in areas of altnet competition.<sup>39</sup> For this reason Openreach CPs may push against this but Ofcom should retain the pricing continuity approach and balance the needs of all stakeholders in this regard.

67. While not relevant to this consultation, we separately remind Ofcom of our position in our June response that geographic pricing restrictions are not justified and that Openreach should be allowed to innovate commercially so that consumers can benefit from competition.<sup>40</sup>

### Implementation Approach

68. Ofcom's proposed wording for Condition 4 of the legal instrument is a pragmatic and effective way to achieve its aim.

69. While this is narrower than the proposed drafting from Openreach to apply to any existing pricing,<sup>41</sup> Openreach's intention was always to allow the FTTP connection prices under Equinix. Therefore, we agree with Ofcom's specific phrasing proposed for Condition 4.5b.

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<sup>39</sup> Further consultation on WLA pricing remedies para 5.11

<sup>40</sup> Openreach TAR Response Document 4 paras 449 - 492

<sup>41</sup> Openreach TAR Response Document 4 para 514

## Annex Documents to be issued

### Price list entries

Please note all prices shown here are the current 2025/26 prices, but would be replaced with the price for 2026/27 at the point of notification (when CPI for indexation would be known).

Price list		openreach		
Product line:	Special Offers			
First level product:	Full Fibre & Part-Fibre Access			
Second level product:	Special offer on GEA-FTTC and SOGEA 80M			
Version	N/A			
Special offer on GEA-FTTC and SOGEA 80M				
GEA-FTTC and SOGEA 80M Rental offer 1 April 2026 to 31 March 2031				
Feature	Note	Operative date	Until	Annual Rental £ Exc VAT
GEA FTTC Up to 80Mbit/s downstream and up to 20Mbit/s upstream - Full Price		01/04/2026		149.04
GEA FTTC Up to 80Mbit/s downstream and up to 20Mbit/s upstream discounted		01/04/2026		89.08
SOGEA 80/20 Mbit/s - Full Price		01/04/2026		255.36
SOGEA 80/20 Mbit/s discounted		01/04/2026		195.59
GEA-FTTC 80M PCP Install price 1 April 2026 to 31 March 2031				
Feature	Note	Operative date	Until	Annual Rental £ Exc VAT
GEA FTTC PCP Only Install 80Mbit/s / 20Mbit/s - Full Price		01/04/2026		58.43
<b>Notes:</b>				
1) These prices will be made available for the duration of the special offer from 1 April 2026 to 31 March 2031.				
2) Prices will be subject to annual indexation from 1 April each year, using the CPI for the 12 months to 31 October of the previous year or 0% whichever is the highest.				
3) Charges will be raised at the Full Price shown in this price list. Where a discount is available (such as within this price list), Openreach will, within 30 days of the end of each 6 monthly cycle, calculate and pay to the Communications Provider a rebate equal to the difference between the Full Prices listed here paid by the Communications Provider for the service and for that 6 monthly cycle and the discounted price, with rebates made payable in April and October billing months. Any rebate is subject to the standard terms and conditions for the service.				
4) Prices will not apply in areas where Threshold 2 has been notified and the minimum 12 month notice period has completed for premises that have been passed by FTTP.				
5) For avoidance of doubt, in opting to take this special offer, any applicable service level guarantees will be calculated on the Special Offer Price being paid by the Communication Provider under the terms of this special offer.				
6) This offer will not apply if a charge control is implemented on any of the products within this period, and instead the list price would apply.				
7) These prices are only available to premise where no copper-based 80M service is available.				

<b>openreach</b>				
<b>Price list</b>				
Product line:	<b>Special Offers</b>			
First level product:	<b>Full Fibre &amp; Part-Fibre Access</b>			
Second level product:	<b>Committed List prices for GEA-FTTP 80M</b>			
Version	<b>N/A</b>			
<b>Committed List prices for GEA-FTTP 80M</b>				
<b>GEA-FTTP 80M price 1 April 2026 to 31 March 2031</b>				
<b>Feature</b>	<b>Note</b>	<b>Operative date</b>	<b>Until</b>	<b>Annual Rental £ Exc VAT</b>
FTTP Data Product Variant Rental Up to 80Mbit/s / 20Mbit/s - Full Price		01/04/2026		259.20
<b>GEA-FTTP 80M conection prices 1 April 2026 to 31 March 2031</b>				
<b>Feature</b>	<b>Note</b>	<b>Operative date</b>	<b>Until</b>	<b>Annual Rental £ Exc VAT</b>
Standard Connection 80Mbit/s / 20Mbit/s- Full price		01/04/2026		122.84
Premium Connection 80Mbit/s / 20Mbit/s- Full price	3	01/04/2026		152.84
Advanced Connection 80Mbit/s / 20Mbit/s- Full price	3	01/04/2026		297.84
<b>Notes:</b>				
<p>1) These prices will be made available for the duration of the period 1 April 2026 to 31 March 2031.</p> <p>2) Prices will be subject to annual indexation from 1 April each year, using the CPI for the 12 months to 31 October of the previous year or 0% whichever is the highest.</p> <p>3) Five year commitment price valid for non-residential premises only.</p> <p>4) For avoidance of doubt, in opting to take this special offer, any applicable service level guarantees will be calculated on the Special Offer Price being paid by the Communication Provider under the terms of this special offer</p> <p>5) These prices will not apply if a charge control is implemented on any of the products within this period, and instead the list price would apply.</p> <p>6) These prices are only available to premise where a Legacy Service is unavailable at the Premise. For the purposes of this offer a Legacy Service is unavailable at a Premise if either of the following conditions are satisfied: (i) Openreach cannot provide Legacy Services because it does not have an active connection for copper services at the Premise; or (ii) where Openreach is not required to provide Legacy Services at that Premise for new orders under SMP Conditions 1 and/or 2 (as set in Ofcom's Telecoms Access Review 2026).</p> <p>7) Where these products benefit from a price discount, such as under Equinox, these prices will be charged initially, and rebates will be made based on the difference between these prices and the discounted price.</p>				

## Draft waiver to rights to terminate and change price unilaterally for GEA FTTC/SOGEA

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To: Customers of the GEA-FTTC, SOGEA Date: TBC

### WAIVER

#### 1. INTERPRETATION

- 1.1 Terms used but not otherwise defined in this letter ("Letter") shall have the same meanings as in the relevant product contracts namely contract for Generic Ethernet Access for GEA-FTTC and SOGEA contract for SOGEA ("Primary Contracts").

#### 2. WAIVER

- 2.1 We published a special offer on FTTC/SOGEA 80/20 ("the Offer Products"). The terms of this special offer are set out in Openreach reference GEN[INSERT] and Openreach pricing reference ACCN [INSERT] ("the Special Offer"). The Special Offer is for the period [INSERT] ("Offer Period"). We may, under the terms of the Primary Contracts and during the Offer Period, increase the price for the Offer Products and/or terminate the Primary Contracts for convenience on 12 months' notice. This letter is to confirm that, subject to paragraph 2.2 and 2.3 below and the terms of this Letter, we hereby waive our rights under the Primary Contracts to:

- (a) increase the price for the Offer Products under Clauses 19.1 or 19.7 (SOGEA) and 18.1 or 18.6 (GEA-FTTC);
- (b) terminate for convenience under Clause 2.3 (SOGEA and GEA-FTTC); and
- (c) rely on the entire agreement clause at Clause 20 (GEA-FTTC) and Clause 21 (SOGEA) to the extent that it is inconsistent with our intention to implement the Waiver

during the Offer Period (the "Waiver").

- 2.2 Notwithstanding the Waiver above we reserve our rights under the Primary Contracts to:

- (a) increase the prices for the Offer Products as set out in or referred to from the terms of the Special Offer; and/or
- (b) terminate for convenience under Clause 2.3(e) where the Offer Products are being provided to, from, in, on or at an exchange which is subject to closure.

- 2.3 The Waiver is subject to conditions, and Openreach reserves the right to terminate it by providing the Communications Provider with no less than 28 days' written notice if, at any time, due to any regulatory change effective from or after 1 April 2026, there is a direction or requirement to comply with a charge control on any of the Offer Products.

- 2.4 For the avoidance of doubt and under the terms of the Special Offer the Communications Provider must continue to pay the current prevailing standard price, i.e. without the benefit of the Special Offer, for the periods September-February and March-August ("6 monthly cycle"). Once we receive this payment we will, within 30 days of the end of each 6 monthly cycle, calculate and pay to the Communications Provider a rebate equal to the difference between the standard prices paid by the Communications Provider for the Offer Products for that 6 monthly cycle and the Special Offer price, with rebates made payable in April and October billing months. Any rebate is save as set out above subject to standard terms and conditions set out in the Primary Contracts.
- 2.5 This Waiver is subject to the condition that save as set out above all other terms and conditions of the Primary Contracts and the Special Offer shall remain unchanged and in full force and effect.
- 3. RESERVATION OF RIGHTS**
- 3.1 This Waiver is without prejudice to any rights or remedies we may have now or in the future with respect to any other matters, and in each case the Waiver is limited to the specific circumstances to which it refers.
- 3.2 Nothing in this Letter shall:
- (a) be, or be construed as, a waiver, consent, amendment or agreement in respect of any of the provisions of the Primary Contract except the specific Waiver set out in paragraph 2.1 of this Letter; or
  - (b) imply, or be taken to imply, that any further waiver or consent in respect of any matter will be forthcoming at any time in the future.

**4. GOVERNING LAW**

- 4.1 This Letter and any dispute or claim (including any non-contractual dispute or claim) arising out of or in connection with it or its subject matter shall be governed by and construed in accordance with the law of England and Wales.
- 4.2 The 'Escalation and Dispute Resolution' terms of the Primary Contracts apply to any dispute or claim (including any non-contractual dispute or claim) which arises out of or in connection with this Letter or its subject matter.

If you have issues with the contents of this Letter, then please notify me in writing within 7 days of the date of this Letter setting out your concerns and issues.

Yours faithfully,

Bertrand Mazieres  
Commercial Director

## Draft Equinox Amendment

[COMMUNICATIONS PROVIDER]

[ADDRESS]

[DATE]

Dear [COMMUNICATIONS PROVIDER] ("the Communications Provider"),

### Amendment of the 'Equinox FTTP Offer Contract'

On 1 October 2021 Openreach launched an offer to discount Openreach's GEA-FTTP product in return for a commitment from the Communications Provider to place a proportion of the Communications Provider's orders for various products on GEA-FTTP ("Equinox 1"). Openreach then launched an amendment to this offer on 1 April 2023 ("Equinox 2"). This amendment applies to Equinox 1 as amended by Equinox 2 (together the "Equinox Offer").

The Communications Provider has signed the Equinox Offer and Openreach is now willing to extend and amend the Equinox Offer.

Expressions defined in the Equinox Offer and used in this letter have the meaning set out in the Equinox Offer unless otherwise defined.

With effect from 1 April 2026 or the date that this letter is signed if later, the parties agree to amend the Equinox Offer as shown in the Appendix 1 of this letter, where deletions to the Equinox Offer are shown in struck through text and additions are shown in red and underlined text.

To the extent of any conflict between the terms of the Equinox Offer and this letter, the terms of this letter will prevail. This letter and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation is governed by, and will be interpreted in accordance with, the law of England and Wales and is subject to the exclusive jurisdiction of the courts of England and Wales.

Please sign and return a copy of this letter to acknowledge your agreement to the amendment of the Equinox Offer.

Yours faithfully,

[name]

22

Openreach Non-Confidential: 12/11/2025

SIGNED

For and on behalf of Openreach by:

For and on behalf of Communications  
Provider by:

Signature: \_\_\_\_\_

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Job Title: \_\_\_\_\_

Job Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

## APPENDIX 1. AMENDMENTS TO THE EQUINOX OFFER

## 1) Clauses

- 1.1) Clause 4.6 will be amended to read "The 'Offer Area' means (i) those Premises made RFS by Openreach prior to December 2026 ("Initial Build Date"); and (ii) those Premises made RFS by Openreach after the Initial Build Date and prior to 31 March 2031 but in the case of those Premises in category (ii) of this Clause the Offer Area will only include the 80/20M variant of the Primary Service where the Premise is a Legacy Service Unavailable and there is no direction or requirement to comply with any form of charge control on the Primary Service effective from or at any time after 1 April 2026. ~~provided that~~ Openreach may (except in the case of the 80/20M variant of the Primary Service) exclude any set and/or category of Premises from the Offer Area prior to the RFS for the Premises where the network to provide the Primary Service to the Premises was funded directly or indirectly and/or in whole or in part using any amounts of public money including the U.K. Government's 'Project Gigabit', via BDUK or other public source. If Openreach wants to exclude any Premises pursuant to this clause 4.6 from the Offer Area then it will provide details on the set and/or category of the Premises on or via the Openreach Website three (3) months prior to the RFS of the Premises.
- 1.2) Insert new Clause 4.7 to read as follows: "BT will not prior to 31 March 2031 and solely in respect of the 80/20M variant of the Primary Service exercise rights under the Primary Contract at clause 2.3(e) to terminate the Primary Contract (except in the case of exchange closure) and/or clause 18.1(b) to increase the Connection Charges and Rental Charges except as set out in or referred to from Schedule 1".

## 2) Year 6 Review

- 2.1) Paragraph 15.2 of Schedule 1 will be amended to read "If, as a result of a regulatory change and where such change has effect no earlier than 1 April 2026 Openreach is directed or required to comply with a charge control on any variant of the Primary Service then Openreach may, at any time, amend the Connection Charges and/or Rental Charges under this Offer Contract" ~~the anchor service (as defined by Ofcom) changes from 40/10 to another variant of the Primary Service and/or that regulation no longer applies CPI to the 40/10 variant of the Primary Service, Openreach reserves the right to amend the indexation and price change mechanism in paragraphs (14) and/or (15.1) with effect from no earlier than 1 April 2026, and at its discretion to vary the Rental Charges accordingly.~~

## 3) Definitions

- 3.1 Insert a new definition at Clause 1.1 as follows: "Legacy Service Unavailable" means where at the Premise either of the following conditions are satisfied: (i) Openreach cannot provide Legacy Services because it does not have an active connection for copper services at the

Premise; or (ii) where Openreach is not required to provide Legacy Services at that Premise for new orders under SMP Conditions 1 or 2 (as set in Ofcom's Telecoms Access Review 2026).