

Mr David Clarkson Ofcom Riverside House 2a Southwark Bridge Road London SE1 9HA

2 July 2012

Dear Dave,

The Business Connectivity Market Review consultation makes it clear that Ofcom expects the Leased Lines Charge Control to be published and come into force early in the new year of 2013. As the current control ends on 30 September, we recognise that our customers may be concerned that there will be uncertainty over what will happen to our prices between then and when the new control starts.

We would like to help remove any such uncertainty. Accordingly, I am writing to inform you that Openreach will shortly be announcing price reductions for Ethernet Products to take effect 90 days after notification. We expect the effective date to be on or about 1 October. When we announce those price changes, we will make it clear that we intend that the prices will apply until 31st March 2013 unless superseded by the Leased Lines Charge Control.

We believe that this will provide a period sufficient for the completion of the consultation process, but if it appears likely that the conclusion will stretch beyond March we will make further announcements in good time.

We trust that Ofcom agrees our approach is fair and reasonable in the circumstances and gives customers greater certainty over pricing whilst Ofcom's consultation on the Ethernet charge control renewal remains ongoing but please let me know if you have any concerns.

Yours sincerely

Jon Hurry MD, Strategy, Commercial, Portfolio & Policy Openreach