

## **ERICSSON'S RESPONSE TO THE OFCOM NGN CONSULTATION OF 31<sup>ST</sup> JULY 2009**

### **Introduction**

Ericsson welcomes the opportunity to respond to this consultation. A short discussion of Ericsson's views on general issues arising from recent developments in NGN evolution in the UK is set out below, followed by more detailed responses to Ofcom's specific questions.

### **General comments**

As Ofcom recognises, the economic downturn has reduced the attractiveness of NGN investment and also raised levels of uncertainty resulting in a shortening of operators' planning horizons.

In the event that this is a relatively short term situation, it does not give particular cause for concern, however, a prolonged period with planning horizons that are considerably shorter than network modernisation roll-outs, would have serious implications for the evolution and efficiency of the UK fixed communications infrastructure.

### **Responses to specific consultation questions**

Question 1: How do you envisage the model of competition changing over the next 3-5 years, and what sort of input products will be needed to support this competition?

It seems likely that the implementation of a universal broadband service of at least 2Mbit/s, together with a widespread deployment of considerably higher broadband speeds, will challenge previous assumptions about how existing services, including voice, are delivered.

Question 2: Do you agree with our analysis of the requirement for xMPF?

Widespread deployment of fibre to the cabinet "super fast broadband" will mean that unbundled DSL will become much less competitive whereas "unbundled voice" may remain viable using sunk assets whilst copper backhaul is retained.

Question 3: What additional technical standardisation work is required to support NGN deployment?

Further work is required on SIP UNI and NNI, including those based on 3GPP standards.

Question 4: What policy positions do you believe Ofcom ought to adopt in relation to interconnection between IP and TDM networks?

Ofcom identifies the risk that a competitive market may not adopt a more efficient new technology if first mover interworking costs outweigh benefits. Ofcom suggests that once a new technology is a proven success, it may become appropriate for interconnection charges to be set on the basis of the new technology even where regulated firms have not adopted the new technology. It is important that, when assessing the “success” of the new technology, evidence is considered from global, rather than just UK, experience.

Question 5: Do you have any comments on our analysis of investment uncertainty in relation to BT's 21CN plan?

No comment.

Question 6: How do you think Ofcom should take forward considerations relating to switching involving next generation access and core networks, and which areas should we focus on?

Given that Ofcom is undertaking a separate project as part of its migrations work, this topic would be better addressed at a later date in the light of that work.

Question 7: Do you agree that the consumer protection principles and our approach to addressing consumer protection issues are still valid?

No comment.

Question 8: Do you agree with our assessment of how the alarm equipment incompatibility problem should be addressed?

There is an underlying issue here that results from the lack of a minimum specification for fixed terminals leading to the deployment of equipment which may not necessarily work under all network conditions, particularly as networks evolve. By contrast this problem does not arise in mobile networks where terminals are designed and tested to specific minimum standards.

Question 9: What will be the impact on vulnerable consumers of replacing telecare and other alarm equipment?

No comment.

Question 10: Would it be appropriate to agree a common set of terminal equipment compatibility tests? What would be the most appropriate forum to develop these tests?

Yes, it would be appropriate to agree a common set of terminal equipment compatibility tests, preferably in line with the guidelines developed by NICC. However there is, at present, no requirement for terminal equipment (other than mobile phones) to be submitted to such tests.

Question 11: What other steps could be taken to help manufacturers ensure terminal equipment is compatible with the QoS parameters of NGNs?

It would be helpful to specify levels of packet loss to enable terminal manufacturers to ensure compatibility with the QoS parameters of NGNs.

Question 12: Do you have any other comments about compatibility of terminal equipment with NGNs and how they should be addressed?

There is an underlying issue resulting from the lack of a minimum specification for fixed terminals leading to the deployment of equipment which may not necessarily work under all network conditions, particularly as networks evolve. By contrast this problem does not arise in mobile networks where terminals are designed and tested to specific minimum standards. As the process of fixed-mobile convergence continues, consideration should be given to the possible asymmetry that could arise from regulation of terminals which is not technology neutral.

Question 13: Do you think there is risk of terminal equipment incompatibility that warrants further SIP UNI standardisation? How should this be progressed?

Yes, without further SIP UNI standardisation there will be no certainty that terminal equipment will perform satisfactorily or that it will continue to function when switching service providers. Such further standardisation should be based upon ETSI standards.

Question 14: Do you have any other comments about compatibility of terminal equipment with NGNs and how they should be addressed?

In addition to the need for SIP UNI standardisation (discussed above) there is also a need for SIP NNI standardisation to ensure that services are correctly conveyed across multiple networks and that functionality is maintained when switching service providers. Such standardisation should be based upon ETSI standards for business services.

Question 15: Will a slower transition from TDM to NGN networks pose a risk to voice quality of service? How should such risks be addressed?

A slower transition from TDM to NGN networks poses a risk of multiple IP/TDM and TDM/IP translations giving rise to unpredictable levels of delay and also signal distortion where different codecs are used. In particular this may mean that conveyance of Dual Tone Multi-frequency signaling and some modem tones cannot be guaranteed.

Question 16: Do you have any comments on the long-term trends in the evolution of networks to next-generation architectures?

Previously BT's plans for NGN deployment set a timescale and a technology framework for the evolution of UK networks to next generation architectures and Consult21 gave a forum for debate, albeit limited by the absence of equipment manufacturers.

Given that this is no longer the case, it may be necessary to institute some alternative form of developing an industry consensus on timescales and architectures, otherwise we would seem to be entering an era of uncertainty which could put both NGN investment and UK network integrity at risk.