



Waiver of BT's price notification requirements for certain of BT's WES and BES prices

Explanatory Statement and Consent
to affect the operation of BT's price
notification requirements

Statement

Publication date:

12 July 2006

Contents

Section		Page
1	Summary	1
2	Explanatory statement	2
3	Responses to the consultation and Ofcom's decision	6
Annex		Page
1	Ofcom's letter of 11 October 2004	8
2	Consent	11
3	BT's price changes	14

Section 1

Summary

- 1.1 The purpose of this document is to publish the conclusions of Ofcom's consultation regarding consent for BT to introduce the price changes set out in Annex 3 without requiring BT to comply with the 90 days' advance written notice as required under the relevant significant market power (SMP) condition imposed upon it following the leased lines market review.¹
- 1.2 On 25 May 2006 BT requested that Ofcom consent to BT introducing price changes to certain of its Wholesale Extension Services (WES) and Backhaul Extension Services (BES) products, without it having to comply with the 90 days' advance written notification requirement imposed on BT under SMP Condition HH5 in respect of the above-mentioned price changes on this occasion only.
- 1.3 As a result of regulation imposed on BT following the leased lines market review, BT is obliged, pursuant to the above-mentioned SMP condition, to send to Ofcom and to every person with which it has entered into a certain contract (known as an 'access contract') a written notice at least 90 days in advance of introducing price changes to WES and BES products. Industry, however, requested BT to reduce the advance written notification period from 90 days to 28 days in order to receive the benefits of lower prices sooner. In response, BT wrote to Ofcom indicating it was in agreement with the request from industry and requesting consent from Ofcom to the reduced notification period.
- 1.4 Ofcom may under the said SMP conditions give a consent in writing to affect the operation of the price notification requirements. However, before doing so, Ofcom must be satisfied that the giving of such consent would be objectively justified, non-discriminatory, proportionate and transparent, in accordance with section 49(2) of the Communications Act 2003 ("the Act"). In addition, Ofcom must publish a notification setting out its proposals to give a consent and must provide an opportunity for interested parties to comment on the matter. Such notice was given in Ofcom's consultation published on 27 June 2006.²
- 1.5 Ofcom explained in its consultation of 27 June 2006 why it believed the introduction as quickly as possible of the price changes would be of benefit to industry and consumers and why, in Ofcom's opinion, consent should be given and the price notification requirements should be waived (as opposed to reduced).
- 1.6 Ofcom received three responses to the consultation, all of which were in favour of the proposal. Ofcom has, therefore, decided to waive the notification requirements on this occasion in respect of the price changes shown in Annex 3. The consent to do so is published in Annex 2 of this document and is effective from 12 July 2006.

¹ See the *Review of the retail leased lines, symmetric broadband origination and wholesale trunk segments markets*: <http://www.ofcom.org.uk/consult/condocs/llmr/statement>

² See *Waiver of BT's price notification requirements for certain of BT's WES and BES prices*: <http://www.ofcom.org.uk/consult/condocs/btwesbes/>

Section 2

Explanatory statement

The leased lines market review

- 2.1 On 24 June 2004, Ofcom published the conclusions of its review of the retail leased lines, symmetric broadband origination and wholesale trunk segments markets ("the leased lines market review").³
- 2.2 The leased lines market review defined, amongst others, a market for wholesale alternative interface symmetric broadband origination (AISBO) for all bandwidths and concluded that BT held Significant Market Power (SMP) in this market.
- 2.3 As a result of these findings of SMP, Ofcom imposed regulation on BT in the form of a series of conditions ("the SMP Conditions") made under section 45 of the Communications Act 2003 ("the Act") in each of the two markets.
- 2.4 SMP Condition HH1 requires BT to provide Network Access on reasonable request from Third Parties and where Ofcom directs it to do so. Backhaul Extension Services (BES) and Wholesale Extension Services (WES) are high speed, point-to-point data circuits that are permanently connected and available 24 hours a day, 365 days a year. These services are part of the AISBO market.
- 2.5 BES are types of Network Access services that enable Local Loop Unbundling (LLU) operators to provide a secure link between their Digital Subscriber Line Access Multiplexer (DSLAM) equipment at BT's Main Distribution Frame (MDF) site and a site within an LLU operator's applicable system connected to an appropriate BT node within a radial distance of 25km.⁴
- 2.6 WES are types of Network Access services that enable a Communications Provider (CP) to provide a secure link between a third party customer site and the CP's network at a CP's site within a radial distance of 25km.⁴
- 2.7 SMP Condition HH5 requires BT to publish its charges for AISBO products by sending to Ofcom and all purchasers of the products "a written notice of any amendment to the charges, terms and conditions on which it provides Network Access ... not less than 90 days before any such amendment comes into effect for existing Network Access". BT is therefore required to provide 90 days' advance written notice of any changes that it wishes to make to its prices for WES and BES products. The exception to that requirement is a case in which Ofcom has, pursuant to its powers under those SMP Conditions, given a consent in writing to affect the operation of the price notification requirements after consulting duly on such a proposed consent in accordance with section 49 of the Act.

BT's request for consent to a change in price publication obligations

- 2.8 On 25 May 2006, BT wrote to Ofcom requesting a consent to a reduction of the notification period required under SMP Condition HH5 for changes to certain of the prices of its WES and BES products from 90 days to 28 days. All the price changes

³ See the *Review of the retail leased lines, symmetric broadband origination and wholesale trunk segments markets*: <http://www.ofcom.org.uk/consult/condocs/llmr/statement>

⁴ Note that future variants may extend this range.

are price reductions (see Annex 3). BT stated in its request that the proposed prices had all been agreed with the industry and that the industry had requested the change in notification period.

- 2.9 BT informed Ofcom that the proposed BES price reductions result from industry requests for a review of BES pricing at the BES Industry Forum on 12 May 2005. BES prices were proposed to the industry on 12 August 2005 via email and agreed with the industry at the BES Industry Forum on 16 September 2005.
- 2.10 Similarly, WES price reductions result from industry requests for a review of WES pricing at a meeting on 2 February 2005. WES prices were proposed to the industry on 13 March 2006 at the WES Industry Forum and agreed with the industry at the Ethernet Forum on 10 May 2006.⁵
- 2.11 Additionally, BT proposed to backdate the BES price changes to 16 September 2005 (the date upon which they were agreed). BT did not propose to backdate the WES price changes as these were agreed with the industry only recently (10 May 2006).
- 2.12 BT requested that Ofcom uses its powers under SMP Condition HH5, which are to be exercised in accordance with section 49 of the Act, and consent to waive the requirement to provide 90 days' advance written notice and accept a 28 days' advance written notice instead. BT informed Ofcom that the request for a shortened notification period originated with industry (specifically, with Cable & Wireless). Cable & Wireless subsequently informed Ofcom that it raised the issue of a shortened notification period at the Ethernet Forum on 10 May 2006.
- 2.13 Subsequent to receiving BT's request Ofcom sought clarification as to why a reduction in the notification period, as opposed to a waiver of it, had been requested. This clarification was sought as previously in the case of certain changes to Partial Private Circuit (PPC) and Radio Base Station (RBS) backhaul charges BT had requested a waiver.⁶ BT indicated that the request had originated with industry and that it had no objection to a waiver as opposed to a reduction in the notification period. Cable & Wireless indicated that it was supportive of a waiver and that it had canvassed opinion amongst the UK Competitive Telecommunications Association (UKCTA), receiving six responses also supportive of a waiver. It is Ofcom's view that a waiver is preferable to a change in the notification period as it ensures that the benefits of any price reductions are passed on as quickly as possible and avoids the need to determine, on a case-by-case basis, what an appropriate notification period should be.
- 2.14 Note that any consent by Ofcom to a waiver of, or change to, the notification period required by SMP Condition HH5 does not indicate that Ofcom has approved the pricing proposed by BT.

Statutory requirements to be met before giving a consent

- 2.15 Section 49 of the Act applies where Ofcom proposes to give a consent to affect the operation of a condition made under section 45 of the Act (including SMP

⁵ See the minutes and accompanying presentation in the WES Industry Forum Minutes & Issues documentation pack available on the BT website:

<http://www.BT.co.uk/orpg/downloads/zip/notes/notes.zip>

⁶ See the *Waiver of BT's price notification requirements for certain of BT's PPC and RBS backhaul prices*: http://www.ofcom.org.uk/consult/condocs/bt_waiver/

Conditions). In order to give such a notice, Ofcom must first satisfy itself that the criteria set out in section 49(2) are satisfied, namely the giving of a consent:

- i) must be objectively justifiable in relation to the networks, services, facilities, apparatus or directories to which it relates;
- ii) must not discriminate unduly against particular persons or against a particular description of persons;
- iii) must be proportionate to what it is intended to achieve; and
- iv) must be, in relation to what it is intended to achieve, transparent.

2.16 Ofcom wrote to the industry on 11 October 2004 setting out the approach it proposed to take when dealing with requests for consent to introduce prices with a reduced notification period. The letter is reproduced in Annex 1.

2.17 Ofcom identified three scenarios in which it might be asked to consent to reduced notification periods for price changes, namely:

- i) where Ofcom had directed a provider to alter its prices forthwith;
- ii) where a price notification might be considered to be advantageous to consumers; and
- iii) where the provider had made an administrative error which requires correction.

2.18 In the case of directions to alter prices forthwith, Ofcom advised that it would generally consult on the implementation arrangements (including the reduced notice period) when consulting on the substance of the direction itself.

2.19 In the case of price reductions proposed by an SMP provider, Ofcom recognised that there was the potential for such price reductions to cause anti-competitive effects where the full notification period was not provided. Ofcom concluded that it would be appropriate to consult with interested parties before consenting to early implementation of price reductions.

2.20 In the case of administrative errors, Ofcom advised that where an SMP provider had made a genuine error in maintaining its price list or notifying price changes, Ofcom would conduct a short consultation exercise before considering whether to consent to a reduced notification period.

2.21 Ofcom invited the industry to comment on its proposed policy but received no responses on the matter, other than from BT.

2.22 Ofcom's main reason for imposing SMP Condition HH5 was to enable both Ofcom and BT's competitors to monitor BT's prices for possible anti-competitive behaviour. Ofcom concluded that imposing SMP Condition HH5 was consistent with its duties under sections 3 and 4 of the Act in that the conditions encouraged transparency, promoted the interests of the purchasers of AISBO products and promoted long-term competition in the AISBO market.⁷

⁷ See paragraphs 7.93, 7.94 and 7.95 of the *Review of the retail leased lines, symmetric broadband origination and wholesale trunk segments markets*: <http://www.ofcom.org.uk/consult/condocs/llmr/statement>

- 2.23 Ofcom is satisfied that allowing BT to introduce the WES and BES price changes set out in Annex 3, without giving the required advance written notice, would still enable competitors to monitor BT's prices and remain consistent with Ofcom's duties under sections 3 and 4 of the Act.
- 2.24 Ofcom therefore considers that the criteria set out in section 49(2) of the Act are satisfied in that there is an objective justification for allowing BT to introduce the BES and WES price changes from the date of this statement to that effect as the price reductions would appear to be expected by the industry and would be beneficial to it, whilst still remaining consistent with Ofcom's duties under sections 3 and 4 of the Act.
- 2.25 Ofcom further considers that it would not be unduly discriminatory to allow BT to introduce the price changes early as they would benefit all purchasers of WES and BES.
- 2.26 As discussed above, the main reasons for imposing the requirement to provide 90 days' advance written notice of price changes was to provide protection to the rest of the industry by enabling other CPs to monitor BT's prices for possible anti-competitive effects and give them sufficient time to adjust their downstream prices to enable competition with BT's own retail leased lines products. Whether or not it is proportionate to allow BT to introduce the BES and WES price changes without giving the full 90 days' advance written notice would therefore appear to depend largely on whether the industry considers that the benefits of having the price reductions introduced earlier than otherwise outweighs any potential costs of doing so. Ofcom's view is that the industry in general regards the benefits as outweighing the potential costs and the giving of a consent would thus be proportionate.
- 2.27 Ofcom also considers that the proposed consent is transparent in that it is clear from it that BT is not required to comply with the 90 days price notification requirements under SMP Condition HH5 in respect of the proposed prices set out in Annex 3 of this document.
- 2.28 Ofcom is also satisfied that issuing a consent in these circumstances would appear to be consistent with its obligations under sections 3 and 4 of the Act in that it would further the interests of consumers and encourage the availability and use of high speed data transfer services throughout the UK by making the price reductions available at an earlier date. The giving of the consent would ultimately also promote competition.

Section 3

Responses to the consultation and Ofcom's decision

Introduction

- 3.1 On 27 June 2006 Ofcom published a consultation ("the BES/WES price changes consultation") on a proposed consent to affect the price notification requirements in respect of BES and WES products in respect of the price changes shown in Annex 3 of this document.⁸
- 3.2 In the BES/WES price changes consultation Ofcom stated its reasons for believing that the introduction of the proposed price changes is beneficial to industry and consumers and that, therefore, the price changes should be introduced as quickly as possible (see Section 2 of this document). Ofcom therefore proposed to consent to affect the relevant price notification requirements in this case and proposed to waive them, as opposed to effect a reduction in the notification period, in order to ensure the benefits of the price changes were enjoyed as quickly as possible.

Responses to the consultation

- 3.3 By the consultation closing date of 4 July 2006 Ofcom had received three responses from the following:
- Opal Telecom Ltd (a wholly owned subsidiary of The Carphone Warehouse);
 - THUS plc; and
 - Cable & Wireless plc.
- 3.4 In the BES/WES price changes consultation Ofcom asked the following questions:

Question 1: *What is your view of a waiver of the price notification requirements as opposed to a reduction in the notification period? Please explain your answer.*

Question 2: *What is your view of whether the benefits of having the proposed WES and BES price changes introduced without advance notification outweigh any potential costs due to having less time to consider the impact on, and make any necessary amendments to, your own retail products?*

- 3.5 In response to Question 1, Cable & Wireless indicated that the notification period is in practice valuable as unexpected price changes can cause problems in the planning and operation of the business. However, in this case the fact that the price changes were already widely known within industry and had been discussed meant that Cable & Wireless felt a waiver was more appropriate. THUS also felt that a waiver was more appropriate.
- 3.6 In response to Question 2, both Cable & Wireless and THUS felt that adequate time had already been given to industry to consider the impact of the price changes and

⁸ See *Waiver of BT's price notification requirements for certain of BT's WES and BES prices*: <http://www.ofcom.org.uk/consult/condocs/btwesbes/>

that they felt in this case the benefits of early introduction outweigh any other potential costs.

3.7 Opal Telecom did not specifically answer the questions responding:

In response to the "Waiver of BT's price notification requirements for certain of BT's WES and BES prices" consultation published by Ofcom on 27 June 2006, I would like to take this opportunity to voice the support of The Carphone Warehouse for Ofcom's proposals.

The proposed price changes will have a significant effect in lowering our backhaul costs, and therefore a reduction in notification period would definitely be welcome in this instance.

3.8 Although not directly addressing the questions asked in the BES/WES price changes consultation, Ofcom interprets the response of Opal Telecom as supporting both the change to the price notification requirements in this case and to the waiver of them – as opposed to a reduction in the notification period – as indicated by its desire to see the price changes take effect as quickly as possible.

3.9 Having received no responses against Ofcom's proposals Ofcom has therefore decided:

- i) to consent to affect the relevant price notification requirements in this case; and
- ii) that the substance of that consent is to waive them in this case.

3.10 The consent is published in Annex 2 of this document and is effective from 12 July 2006.

Annex 1

Ofcom's letter of 11 October 2004

11 October 2004

To BT, Kingston, UKCTA, the 5 MNOs, ISPA, FCS

MICHAEL RICHARDSON
Competition and Markets

Direct line: 020 7783 4157

Direct fax:

michael.richardson@ofcom.org.uk

Consent to reduced price change notice periods

As you will know, providers with SMP are obliged to provide advance notice of changes to prices in wholesale markets, unless Ofcom consents otherwise. The notice period varies from market to market and is generally either 90 days or 28 days. (In retail markets where there is SMP, price changes have to be notified within 24 hours of the change taking effect, so the concept of advance notice does not apply.)

There have been occasions when it has been appropriate to give consent to a reduced notice period, enabling price changes to take effect more quickly than usual. Under the pre July 2003 telecoms regime, Oftel was able to consent to reduced notice periods without consulting interested parties. Under the Communications Act this is not possible, as Ofcom is required to consult for a minimum of 1 month, unless there are exceptional circumstances justifying the use of a shorter period and the proposals do not have an affect on trade between EC Member States. Ofcom is setting out in this letter how it expects to operate under the new regime.

There appear to be a limited set of scenarios when Ofcom might be asked to consent to price changes taking effect more swiftly than is normally permitted.

- Ofcom might direct a provider to alter its prices forthwith, either to offer a price specified by Ofcom or to comply with a formulation, such as a margin squeeze test, under which a range of pricing permutations would be compliant with the direction.
- A price reduction which the provider proposes to introduce at short notice might be considered advantageous to customers (it is much less likely that Ofcom would agree to consult on a price increase being introduced at short notice although, in theory, that is possible).

- The provider may have made an administrative error which needs to be corrected by altering a published price swiftly.

Price changes directed by Ofcom

In the case of price changes which follow some kind of intervention, Oftel had generally consented (without first consulting) to revised prices being introduced without the usual notice being given. In future Ofcom will generally consult on the implementation arrangements (including a possible consent to a reduced notice period) when it consults on the substance of a direction. Consultation at an early stage should ensure that any issues are addressed and, if appropriate, notice of the price change is given.

Price reductions (and, in theory, increases) which the SMP provider wishes to implement

Ofcom recognises that price reductions are generally perceived to be advantageous to customers and, as such, that there may be an argument that price reductions should be implemented without delay imposed by regulation. However in the circumstances of a wholesale market where a vertically integrated supplier has SMP, the advantages are not so clear cut, and the reasons for imposing an obligation to give advance notice of price changes generally, which were explained in the relevant market review statements, remain valid. Ofcom does not believe SMP conditions should be modified to permit price reductions without notice. Furthermore, the damaging effects of leakage of advance information between the wholesale and retail arms of the dominant operator may be amplified where the wholesale provider is able to introduce price reductions at very short notice. The potential for anti competitive effects is perhaps even greater where the dominant wholesale supplier introduces a "special offer" with limited duration and at short notice. Ofcom will consult interested parties before consenting to early implementation of price reductions, so that their views on the specific case may be taken into account.

In the circumstances of a proposed consent to a waiver of a 28 day notice period, it would not be appropriate to consult on the proposition for 1 month, and unhelpful even in the context of a 90 day notice period. In such cases Ofcom will take into consideration its duties under Sections 3 and 4 of the Communications Act, in particular the promotion of competition, in deciding whether a case is justified. Ofcom also notes that proposals to implement a price change with shorter than usual notice may not be likely to affect trade between member states. The period for consultation may vary according to the significance or complexity of the proposed price change, but in most of these particular cases, Ofcom will consult for 5 working days only, unless there are particular reasons for allowing a longer period. Ofcom will endeavour to adopt a very concise and standardised format for such consultations, to minimise the time which it will take for interested parties to consider the proposition. Ofcom will also aim to consider responses and publish its consent, or a refusal, within a few days of the consultation period ending unless, the nature of the responses received requires more extended analysis.

In the event that Ofcom believes there may be merit in consenting to a reduced notice period applying to a price increase, it will adopt a similar approach.

Administrative errors

Where an SMP provider had made a genuine error in maintaining its price list or in notifying customers of a price change, Oftel generally gave formal consent (without first consulting) to prices being corrected without advance notice being given. Ofcom will conduct a short consultation exercise before consenting to prices being changed without the usual lengthy notice.

Next steps

Ofcom is not planning to consult formally on these new processes, and expects to adopt these from now on. However, if you have any comments on how these systems can be made fairer and more efficient, Ofcom would be interested to read these. Please do not hesitate to let me have your views.

Yours sincerely

Michael Richardson

Competition Policy Manager

Annex 2

Consent

Consent under Condition HH5 imposed on BT as a result of the analysis of symmetric broadband origination markets listed in the Schedule to this Consent in which BT has been found to have significant market power

WHEREAS:

- (A) as a result of a market analysis carried out by OFCOM, OFCOM issued a Notification on 24 June 2004 in accordance with section 79 of the Act that BT has significant market power in the symmetric broadband origination markets listed in the Schedule and set certain SMP conditions on BT, such as Condition HH5;
- (B) this Consent concerns matters to which Condition HH5 relates;
- (C) for the reasons set out in the Explanatory Statement accompanying this Consent, OFCOM are satisfied that, in accordance with Section 49(2) of the Act, this Consent is:
 - (a) objectively justifiable in relation to the networks, services, facilities, apparatus or directories to which it relates;
 - (b) not such as to discriminate unduly against particular persons or against a particular description of persons;
 - (c) proportionate to what it is intended to achieve; and
 - (d) in relation to what it is intended to achieve, transparent.
- (D) for the reasons set out in the Explanatory Statement accompanying this Consent, OFCOM are satisfied that they have acted in accordance with the relevant duties set out in sections 3 and 4 of the Act;
- (E) on 27 June 2006, OFCOM published a notification of the proposed Consent in accordance with section 49 of the Act;
- (F) OFCOM have considered every representation about the proposed Consent duly made to them; and

NOW, therefore, pursuant to Condition HH5, OFCOM gives the following Consent:

1. For the purposes of complying with its obligations under Condition HH5, OFCOM consents that BT shall not be obliged to provide an Access Charge Change Notice in respect of the prices (as specified in Annex 3 of the Explanatory Statement accompanying the publication of this Consent) before these amendments come into force on the dates specified in the said Annex 3.
2. For the purposes of interpreting this Consent, the following definitions shall apply:

- (a) **“Act”** means the Communications Act 2003
 - (b) **“BT”** means British Telecommunications plc, whose registered company number is 1800000, and any British Telecommunications plc subsidiary or holding company, or any subsidiary of that holding company, all as defined by Section 736 of the Companies Act 1985 as amended by the Companies Act 1989;
 - (c) **“Notification”** means the Notification referred to in recital (A) of this Consent above, as published on 24 June 2004; and
 - (d) **“OFCOM”** means the Office of Communications
3. Except insofar as the context otherwise requires, words or expressions shall have the meaning assigned to them in paragraph 2 above and otherwise any word or expression shall have the same meaning as it has in the Notification as appropriate.
4. For the purpose of interpreting this Consent:
- (a) headings and titles shall be disregarded; and
 - (b) the Interpretation Act 1978 shall apply as if this Consent were an Act of Parliament.
5. This Consent shall take effect on the day it is published.
6. Annex 3 of the Explanatory Statement accompanying the publication of this Consent shall form part of this Consent.

Gareth Davies

Competition Policy Director

A person duly authorised in accordance with paragraph 18 of the Schedule to the Office of Communications Act 2002

12 July 2006

Schedule

1. The market for alternative interface symmetric broadband origination at any speeds in which British Telecommunications plc has been found to have significant market power.

Annex 3

BT's price changes

BES Price List Entry

Connection and Rental Charges

Description (Prices are per end except Main Link Element – Note 3)	Effective Date	Until	Connection (£) (Note1)		Annual Rental (Note 3) (£)
			Is site served by fibre from serving exchange (Note 2)		
			Served	Not Served	
BES 10 – per Local End	11/05/2005		2,700	4750	1,170
BES 100 – per Local End	12/07/2006		2,750	5,550	2,480
BES 155 – per Local End	12/07/2006		4,500	7,500	4,700
BES 622 – per Local End	12/07/2006		5,200	8,200	9,300
BES 1000 – per Local End	12/07/2006		5,200	8,200	8,900
Main link per metre or part thereof (> 0m)	11/05/2005		0.0	0.0	0.50

Description (Prices are per end except Main Link Element – Note 3)	Effective Date	Until	Connection (£) (Note1)		Annual Rental (Note 3) (£)
			Is site served by fibre from serving exchange (Note 2)		
			Served	Not Served	
BES 10 – per Local End	11/05/2005		2,700	4750	1,170
BES 100 – per Local End	11/05/2005	11/07/2006	2,750	5,550	2,920
BES 155 – per Local End	11/05/2005	11/07/2006	4,500	7,500	5,600
BES 622 – per Local End	11/05/2005	11/07/2006	5,200	8,200	11,200
BES 1000 – per Local End	11/05/2005	11/07/2006	5,200	8,200	10,800
Main link per metre or part thereof (> 0m)	11/05/2005		0.0	0.0	0.50

Annual rental price changes shown effective on 12/07/2006 will be backdated to 16/09/05.

WES Price List Entry

Connection and Rental Charges

Description (Prices are per end except Main Link Element – Note 2)	Effective Date	Until	Connection (£)		Annual Rental (Note 3) (£)
			Is site served by fibre from serving exchange (Note 1)		
			Served	Not Served	
WES 10 – (Local Reach) per End	24/03/2005		2,700	4750	780
WES 10 – per End	24/03/2005		2,700	4750	1,170
WES 100 – per End	12/07/2006		2,750	5,550	2,750
WES 155 – per End	12/07/2006		4,500	7,500	5,210
WES 622 – per End	12/07/2006		5,200	8,200	10,300
WES 1000 (LAN Extension) – per End	12/07/2006		5,200	8,200	9,830
Main link per metre or part thereof (> 0m)	24/03/2005		0.0	0.0	0.50

Description (Prices are per end except Main Link Element – Note 2)	Effective Date	Until	Connection (£)		Annual Rental (Note 3) (£)
			Is site served by fibre from serving exchange (Note 1)		
			Served	Not Served	
WES 10 – (Local Reach) per End	24/03/2005		2,700	4750	780
WES 10 – per End	24/03/2005		2,700	4750	1,170
WES 100 – per End	24/03/2005	11/07/2006	2,750	5,550	2,920
WES 155 – per End	24/03/2005	11/07/2006	4,500	7,500	5,600
WES 622 – per End	24/03/2005	11/07/2006	5,200	8,200	11,200
WES 1000 (LAN Extension) – per End	24/03/2005	11/07/2006	5,200	8,200	10,800
Main link per metre or part thereof (> 0m)	24/03/2005		0.0	0.0	0.50