

## Waiver of BT's price notification requirements for certain of BT's PPC and RBS backhaul prices

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

**Final statement** 

Issued: 28 September 2005

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#### Section 1

### Summary

- 1.1 On 8 August 2005, BT wrote to Ofcom requesting that it consent to BT introducing price changes to certain of its partial private circuits ("PPCs") products, without it having to comply with the notification requirements imposed on BT under SMP Conditions G6 and GG6 in respect of above-mentioned price changes on this occasion only. BT submitted a similar request in relation to its prices for radio base station ("RBS") backhaul products on 10 August.
- 1.2 The price changes that BT wishes to introduce to its PPC products are to assist in complying with the PPC Price Control, which operates from 1 October to 30 September each year and sets the amount that BT must reduce certain of its PPC prices by during each year of the price control period<sup>1</sup>.
- 1.3 As a result of regulation imposed on BT following the leased lines market review<sup>2</sup>, BT is obliged, pursuant to the above-mentioned SMP conditions, 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 existing PPC and RBS backhaul products. BT, however, wishes now to introduce the price changes from 1 October 2005, so it would be unable to provide 90 days' advance notice.
- 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 94(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.
- 1.5 On 8 September 2005, Ofcom published a notification of its proposals to give a consent to BT to enable it to introduce the PPC and RBS backhaul price changes without the need to give advance written notice of its intention to do so. Interested parties were given until 5pm on 22 September 2005 to comment on the matter.
- 1.6 Following consideration of every representation about the proposed consent made in response to the notification, Ofcom has concluded that it is appropriate for it to give consent to BT's request.

<sup>&</sup>lt;sup>1</sup> Details of the *Partial Private Circuits Price Control* can be found at:

http://www.ofcom.org.uk/consult/condocs/ppc\_charge\_control/statement/?a=87101 <sup>2</sup> 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/

#### 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").
- 2.2 The leased lines market review defined, amongst others, separate markets for low bandwidth traditional interface symmetric broadband origination ("TISBO") circuits (for bandwidths up to and including 8Mbit/s) and for high bandwidth TISBO circuits (for bandwidths above 8Mbit/s up to and including 155Mbit/s) and concluded that BT held SMP in these markets.
- 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. The SMP Conditions in the low and high bandwidth TISBO markets are identical.
- 2.4 SMP Conditions G1 and GG1 require that BT provide Network Access on reasonable request from Third Parties and where Ofcom directs it to do so. Partial Private Circuits ("PPCs") and Radio Base Station ("RBS") backhaul circuits are types of Network Access that enable communications providers to provide end-to-end solutions to their customers. They are wholesale leased lines products that fall within the low and high bandwidth TISBO markets. As a result of the findings of SMP in the low and high bandwidth TISBO markets, Ofcom directed<sup>3</sup> BT to provide Network Access in the form of PPCs and RBS backhaul circuits.
- 2.5 In addition to requiring that BT provide PPCs, Ofcom also imposed a PPC Price Control on PPC prices, which operates from 1 October to 30 September each year and sets the amount that BT must reduce certain of its PPC prices by during each year of the price control period<sup>4</sup>. The price changes that BT wishes to introduce to its PPC products are to assist in complying with the price control. The price control splits PPC charges into three baskets and requires that the level of prices in each basket be reduced by a fixed level each price control period. The three baskets and the associated level of reductions that must be made are as follows:
  - (i) PPC terminating segment equipment charges (RPI-8.9%);
  - (ii) low bandwidth connection, rental and maintenance charges (RPI-4.0%); and
  - (iii) high bandwidth connection, rental and maintenance charges (RPI-6.5%).
- 2.6 Given that PPCs and RBS backhaul circuits share a number of common inputs, BT is obliged to ensure that where reductions in the costs of these common inputs result in PPC price reductions, similar price reductions must also be made to the prices of RBS backhaul circuits so as to ensure that BT complies with its obligation not to unduly discriminate. The proposed price changes to

<sup>&</sup>lt;sup>3</sup> See Annex E of the leased lines market review

<sup>&</sup>lt;sup>4</sup> Details of the PPC Price Control can be found at:

http://www.ofcom.org.uk/consult/condocs/ppc\_charge\_control/statement/#content

the PPC and RBS backhaul products therefore need to be made at the same time so Ofcom has treated BT's requests as one single request that it will either consent to or not.

2.7 SMP Conditions G6 and GG6 require BT is to publish its charges for low and high bandwidth TISBO 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 PPCs or RBS backhaul. 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 94 of the Act.

#### BT's request for consent to waive the price publication obligations

- 2.8 On 8 August 2005, BT wrote to Ofcom requesting that it consent to BT introducing changes to certain of the prices of its partial private circuits ("PPC") products without it having to comply with the notification requirements imposed on BT under SMP Conditions G6 and GG6. All of the price changes are price reductions, with the exception of the charge for one piece of equipment<sup>5</sup>, which BT is increasing due to an administrative error.
- 2.9 BT wishes to introduce the relevant PPC price changes from 1 October 2005 but would be unable to provide the required 90 days' advance notice. On 10 August, BT made a similar approach to Ofcom in relation to its prices for RBS backhaul circuits, with the price changes again planned for 1 October. Details of the price changes that BT is proposing to make can be found in Annex 6 below.
- 2.10 Given that BT would be unable to provide 90 days' advance written notice and introduce the price changes on 1 October, BT requested that Ofcom use its powers under SMP Conditions G6 and GG6, which are to be exercised in accordance with section 94 of the Act, and consent to waive the requirement to provide the 90 days' advance written notice so that it could still introduce the price changes from 1 October.
- 2.11 BT advised that it was unable to notify the price changes with sufficient time to provide 90 days' advance written notice and have them become effective from 1 October due to delays in obtaining internal sign-off for the price changes. BT further advised that for future price control changes it will endeavour to include additional contingency within its plans in order to try to avoid the need for further consent requests.
- 2.12 BT suggested that a reduced notification period would benefit the industry in that it will enable lower prices to be made available earlier than would otherwise be the case and meet industry expectations that price changes will be made from 1 October. Enabling price changes to be introduced from 1 October would align with the price control year and would coincide with the billing cycle.

<sup>&</sup>lt;sup>5</sup> The annual rental for SMA-4 ADM with no trib interfaces (dual fibre working 1300nm) (existing site) increases from £944.72 to £958.92 – see page 29 below.

#### Statutory requirements to be met before giving a consent

- 2.13 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 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.
- 2.14 Ofcom wrote to the industry on 11 October 2004<sup>6</sup> setting out the approach it proposed to take when dealing with requests for consent to introduce prices with a reduced notification period.
- 2.15 Ofcom identified three scenarios in which it might be asked to consent to reduced notice 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.
- 2.16 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.
- 2.17 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.
- 2.18 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 notice period.
- 2.19 Ofcom invited the industry to comment on its proposed policy but received no responses on the matter, other than from BT.

#### Notification of Ofcom's proposal to give consent

- 2.20 Before a consent can be given under section 49 of the Act, Ofcom is required by section 49(4) to publish a notification:
  - (i) stating that there is a proposal to give, modify or withdraw it;
  - (ii) identifying the person whose proposal it is;
  - (iii) setting out the direction, approval or consent to which the proposal relates;

<sup>&</sup>lt;sup>6</sup> See Annex 3 for a copy of the letter

- (iv) setting out the effect of the direction, approval or consent or of its proposed modification or withdrawal;
- (v) giving reasons for the making of the proposal; and
- (vi) specifying the period within which representations may be made about the proposal to the person whose proposal it is.
- 2.21 Ofcom published a notification on 8 September 2005, setting out its proposals to give a consent to BT to introduce the specified prices without the need to give 90 days' advance written notice, and giving interested parties 10 working days in which to comment on the proposals.
- 2.22 Ofcom noted that the price reductions proposed by BT were designed to assist BT in fulfilling its price control obligations by reducing charges from 1 October. If BT is unable to reduce prices from 1 October, the subsequent reductions that it does make to the PPC process will need to be larger in order to ensure that the value of the basket is reduced by the requisite amount in the period 1 October 2005 to 30 September 2006.
- 2.23 Ofcom's main reason for imposing SMP Conditions G6 and GG6 was to enable both Ofcom and BT's competitors to monitor BT's prices for possible anti-competitive behaviour. Ofcom concluded that imposing SMP Conditions G6 and GG6 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 TISBO services and promoted competition in the TISBO market<sup>7</sup>.
- 2.24 Ofcom expressed the view in the notification that allowing BT to introduce the PPC and RBS backhaul set out in Annex 6 in this instance, 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. Ofcom noted that BT's competitors are aware of the requirements of the PPC Price Control and the implications that it will result in a reduction of the prices in the individual baskets over the period 1 October 2005 to 30 September 2006. BT advised Ofcom that expectation had been raised with the industry that there would be price reductions from 1 October 2005.
- 2.25 Ofcom therefore considered that the criteria set out in section 49(2) of the Act were satisfied in that there is an objective justification for allowing BT to introduce the PPC price changes from 1 October 2005 as the price reductions would appear to be expected by industry and would be beneficial to them, whilst still remaining consistent with Ofcom's duties under sections 3 and 4 of the Act.
- 2.26 Ofcom further considered that it would not be unduly discriminatory to allow BT to introduce the price changes early as they would benefit all purchasers of PPCs.
- 2.27 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 communications providers 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

<sup>&</sup>lt;sup>7</sup> See paragraphs 6.165 and 6.166 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/

leased lines products. Ofcom therefore expressed the view in the notification that whether or not it is proportionate to allow BT to introduce the PPC price changes without giving the full 90 days' advance written notice appeared to depend largely on whether the industry considered that the benefits of having the price reductions introduced earlier than otherwise outweighed any potential costs of doing so. Ofcom's initial view was that the industry in general was likely to regard the benefits as outweighing the potential costs and that the giving of a consent would thus be proportionate.

- 2.28 Ofcom also considered that the proposed consent was transparent in that it made clear that BT was not required to comply with the 90 days price notification requirements under SMP Conditions G6 and GG6 in respect of the proposed prices set out in Annex 6 of this document.
- 2.29 Ofcom was also satisfied that issuing a consent in such circumstances appeared 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.
- 2.30 Ofcom was therefore minded to conclude that it was appropriate to consent to BT introducing the price changes in Annex 6 from 1 October 2005, without giving the required 90 days' advance written notice and set this view out in the notification of 8 September. Ofcom made clear, however, that it was interested in obtaining the views of the rest of the industry, particularly as to whether the benefits of having the price changes introduced with a reduced notification period were outweighed by any potential costs of having less time to consider the impact of the price changes and make any necessary amendments to the prices of their own retail products.

#### **Responses to the Notification**

- 2.31 Ofcom has received four responses to the proposals that it set out in the Notification, from Cable & Wireless, Energis, UKCTA and T Mobile. Copies of the responses can be found in the annexes below.
- 2.32 Both UKCTA and Energis expressed the view that delaying the introduction of the PPC and RBS backhaul price changes until after 1 October would result in greater cost and complexity for the industry than a reduced notification period. Both therefore supported the proposal to allow BT to implement the price changes from 1 October without the need to give 90 days' advance written notice in this instance. Cable & Wireless and T Mobile advised that on this occasion they did not object to the price reductions taking effect from 1 October but that this should be a one off.
- 2.33 All respondents were keen to ensure that by giving consent on this occasion, Ofcom did not create a precedent for future price changes. UKCTA made clear that the preference of its members was always to receive the full 90 days' notice of PPC price changes and that it expected BT to take steps to ensure that it could comply with its regulatory obligations in future, a point that was echoed by Cable & Wireless. T Mobile advised that it would object if BT repeated the request as further requests could distort competition in the market.

- 2.34 Cable & Wireless suggested that BT should commit to provide appropriate advanced notice in the future and that BT should provide to industry (and Ofcom) the planned dates of future PPC price changes to comply with the price controls and confirm that it has appropriate resources and processes in place to ensure that future price changes are accompanied by appropriate advanced notification. Cable & Wireless also emphasised that it expected invoices raised from 1 October to reflect the new prices, in order to minimise any administrative burden arising from the need to backdate and reconcile PPC prices.
- 2.35 Ofcom is of the view that each request for consent to waive price publication obligations should be looked at on a case by case basis and assessed on the merits of each request. Ofcom does not, therefore, consider that giving a consent on this occasion will set a precedent for future price changes.
- 2.36 Ofcom does not consider that it is necessary to obtain further assurances from BT as regards its ability to meet the price publications obligations. The SMP Conditions are clear that BT should give 90 days' advance written notice before introducing PPC price changes and that BT may only deviate from this obligation with the consent of Ofcom. Ofcom will only give such consent where there are good reasons for doing so and further commitments from BT will not alter this position. Ofcom however notes the reassurances provided by BT that it will seek to include additional contingency within its plans to cater for similar situations in the future and confirms that it will assess future consent requests in the light of these reassurances.
- 2.37 Ofcom agrees with Cable & Wireless that any invoices raised by BT from 1 October should reflect the new PPC prices set out in Annex 6 below and would be concerned if this was not the case. BT has advised Ofcom that the new prices will be invoiced from 1 October.

#### Conclusions

2.38 Having taken into consideration all of the comments received in response to its Notification of 8 September 2005, and noting in particular the lack of opposition to its proposals, Ofcom has concluded that it is appropriate for it to give a consent to BT to enable it to introduce the PPC and RBS backhaul prices set out in Annex 6 below from 1 October 2005, without the need to give advance written notice.

### Section 3

### Consent

# Consent under Conditions G6 and GG6 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 to this Consent and set certain SMP conditions on BT, such as Conditions G6 and GG6;
- (B) this Consent concerns matters to which Conditions G6 and GG6 relate;
- (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 8 September 2005, 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 Conditions G6 and GG6, OFCOM give the following Consent:

 For the purposes of complying with its obligations under Conditions G6 and GG6, OFCOM consents that BT shall not be obliged to provide an Access Charge Change Notice in respect of the prices (as specified in Annex 6 of the Explanatory Statement accompanying the publication of this Consent) before these amendments come into force on the dates specified in the said Annex 6.

- 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 6 of the Explanatory Statement accompanying the publication of this Consent shall form part of this Consent.

Goreth Davis

#### **Gareth Davies**

#### **Competition Policy Director**

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

28 September 2005

#### Schedule

1. The market for traditional interface symmetric broadband origination with a bandwidth capacity of up to and including eight megabits per second in which British Telecommunications plc has been found to have significant market power.

2. The market for traditional interface symmetric broadband origination with a bandwidth capacity of above eight megabits per second and up to and including one hundred and fifty five megabits per second in which British Telecommunications plc has been found to have significant market power.

### Annex 1 Energis response

#### Emma McFadyen

Ofcom Riverside House 2A Southwark Bridge Road London SE1 9HA

Date 27 September 2005

### Energis response to Consultation on waiver of BT's price notification requirements for certain of BT's PPc and RBS backhaul prices

On 8 September Ofcom issued a consultation requesting feedback on its proposal to allow BT to alter PPC and RBS backhaul prices without having given the required 90 days written notice.

Energis supports Ofcom's proposal to allow BT to implement the price changes from 1 October. We believe that introducing price changes after 1 October will result in greater cost and complexity for Energis than a short notification period. We are concerned, however, to ensure that Ofcom consent on this occasion does not set a precedent for future price changes.

Yours sincerely,

Abbie Reynolds Regulatory Manager (Contracting)

### Annex 2 UKCTA response

UK COMPETITIVE TELECOMMUNICATIONS ASSOCIATION

> 59-60 Russell Sq London WC1B 4HP W: www.ukcta.com E: info@ukcta.com T: 0870 801 8000 F: 0870 801 8001



Emma McFadyen Competition and Markets 4th Floor Ofcom Riverside House 2A Southwark Bridge Road London SE1 9HA

21 September 2005

Dear Emma,

### Re: UKCTA response to Consultation on Waiver of BT's Price Notification Requirements for Certain of BT's PPC and RBS Backhaul Prices

On 8 September Ofcom issued a consultation requesting industry feedback on its proposal to allow BT to alter PPC and RBS backhaul prices without giving the required 90 days written notice.

UKCTA members' preference is always to receive the full 90 days notice of PPC price changes. However, on this occasion we believe that introducing price changes after 1 October is likely to result in greater cost and complexity for UKCTA members than a shortened notice period.

For this reason we support Ofcom's proposal to waive BT's notification requirement. We must stress that this should not set a precedent, and that we expect BT to take steps to ensure it can comply with its regulatory obligations in the future.

Yours sincerely,

Abbie Reynolds UKCTA Symmetric Broadband Subgroup

## Annex 3 T Mobile response



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> Direct Line: Direct Fax:

01707 313553 01707 319033

Emma McFadyen Competition and Markets 4th Floor Ofcom Riverside House 2A Southwark Bridge Road London SE1 9HA

22 September 2005

Dear Emma,

#### Waiver of BT's price notification requirements for certain of BT's PPC and RBS backhaul prices

T-Mobile welcomes the opportunity to comment on this consultation.

T-Mobile considers that BT should give notice in line with the regulation that followed the lease lines market review. The notice periods were introduced in order to ensure that BT could not abuse its market position in that market.

However, on this, one-off, occasion T-Mobile does not object to the price reductions taking effect on 1st October 2005. We would object if BT were to repeat the request, further requests would distort competition in this market where many alternative suppliers are dependent on BT and where BT has very significant geographical reach.

If you have any questions please contact me.

Yours sincerely

Leley Sudly.

Lesley Swindley Manager, UK Regulatory Policy

### Annex 4 Cable & Wireless response

Emma McFadyen Ofcom Riverside House 2a Southwark Bridge Road London SE1 9HA

22 September 2005

Dear Emma,

## Waiver of BT's price notification requirements for certain of BT's PPC and RBS backhaul prices

Advanced notification for the change in price of wholesale products provided by BT to competitors is not just a regulatory requirement but a necessary part of the service provided by BT. We are therefore disappointed that having set the expectation that price changes for PPCs would be effective from 1 October 2005, BT was unable to commit sufficient resources to deliver the price change on time with sufficient advanced notice.

Wholesale products are by their nature, used by competitors to BT to supply a range of retail services. Accordingly, competitors such as C&W maintain a variety of databases, pricing tools, literature and billing systems which are populated with, and rely upon, PPC pricing information. The new prices must be fed through these systems and hence BT must provide sufficient notice before the prices become effective. It may be possible for C&W to have resources available to implement PPC price changes more quickly, however as a matter of course we should not have to make resources available at speed to overcome BT's administrative problems.

C&W, as with other competitors to BT, will be in the process of submitting bids for complex retail customers solutions at the point in time when prices change. It is therefore necessary to be able to factor into the bid the new prices. However a complete re-pricing exercise, potentially leading to different solutions being used, is a time consuming and resource intensive activity and one that can upset sensitive commercial negotiations – competitors to BT must be able to rely on stable cost base information, especially as the price of internal PPCs do not necessarily change at the same time as PPCs.

On balance we believe that BT should be granted a waiver of its obligation to publish 90 days in advance new prices for PPCs in this instance. However we must be assured this is a one off, and that BT will commit to provide appropriate advanced notice in the future. BT must provide to industry and Ofcom the planned dates of future PPC price changes to comply with the price controls and confirm that it has appropriate resources and processes in place to ensure that future price changes are accompanied by appropriate advanced notification.

To minimise the administrative burden on operators such as C&W, PPC invoices issued from 1 October must be rated with the new prices to minimise any need for backdating or reconciliation.

Yours sincerely

**Karen Wray** 

### Annex 5 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 6

## BT's proposed price changes

#### 11.01 Radio Base Station Backhaul – Point of Connection

For terms and conditions applicable to these charges payable to BT see the Contract for Radio Base Station Backhaul Service.

#### 11.01.1 Customer Sited Connection (CSC)

CSC Configuration SMA-16	Connection	Rental	Effective Date
	(fixed)	(per annum) (Note 3)	
SMA-16 ADM with no trib interfaces (single fibre working) - existing site	£83,493.97	£1,501.79	01/10/05
SMA-16 ADM with no trib interfaces (dual fibre working 1300nm) – existing site	£83,602.55	£1,455.75	01/10/05
SMA-16 ADM with no trib interfaces (dual fibre working 1550nm) – existing site	£88,548.29	£1,547.83	01/10/05
Additional charge for new site (Note 1)	£2,014.26	£0.00	01/10/05
Standby batteries if required	£453.41	£8.25	01/10/05
STM-1 electrical trib interface (2 ports)	£2,604.03	£48.64	01/10/05
STM-1 optical (1300nm) trib interface (1 port)	£3,368.38	£62.54	01/10/05
STM-1 electrical trib card (2 ports), required for 1+1 card protection	£1,302.01	£23.89	01/10/05
STM-1 optical (1300nm) trib card (1 port), required for MSP protection	£764.36	£13.90	01/10/05
STM-4 optical (1300nm) trib interface (1 port)	£8,581.66	£158.95	01/10/05
STM-4 optical (1300nm) trib card (1 port), required for MSP protection	£3,374.47	£62.54	01/10/05
CSC Configuration SMA-4	Connection (fixed)	Rental (per annum)	Effective Date
		(Note 3)	
SMA-4 ADM with no trib interfaces (single fibre working) - existing site	£52,872.74	£885.96	01/10/05
SMA-4 ADM with no trib interfaces (dual fibre working 1300nm) - existing site	£54,270.30	£958.92	01/10/05
SMA-4 ADM with no trib interfaces (dual fibre working 1550nm) - existing site	£60,830.75	£1,032.75	01/10/05
Additional charge for new site (Note 1)	£2,014.26	£0.00	01/10/05
Standby batteries if required	£453.41	£8.25	01/10/05
STM-1 electrical trib interface (1 port)	£1,837.06	£13.03	01/10/05
STM-1 optical (1300nm) trib interface (1 port)	£1,988.20	£37.35	01/10/05
STM-1 electrical trib card (1 port), required for 1+1 card protection	£611.48	£11.29	01/10/05
STM-1 optical (1300nm) trib card (1 port), required for MSP protection	£764.36	£13.90	01/10/05
STM-4 optical (1300nm) trib interface (1 port)	£8,268.10	£153.74	01/10/05
STM-4 optical (1300nm) trib card (1 port), required for MSP protection	£3,374.47	£62.54	01/10/05
CSC Configuration SMA-1	Connection (fixed)	Rental (per annum)	Effective Date
		(Note 3)	04/42/27
SMA-1ADM with no trib interfaces (single fibre working) - existing site	£23,889.66	£434.29	01/10/05
SMA-1 ADM with no trib interfaces (dual fibre working 1300nm) - existing site	£24,810.37	£400.42	01/10/05
SMA-1 ADM with no trib interfaces (dual fibre working 1550nm) - existing site	£27,056.54	£446.46	01/10/05
SMA-1 ADM with no trib interfaces (dual fibre working 1300+1550nm) – existing site	£24,642.73	£423.00	01/10/05
SMA-1 ADM with no trib interfaces (single fibre working + dual fibre working 1300nm) - existing site	£24,619.28	£423.00	01/10/05
SMA-1 ADM with no trib interfaces (single fibre working + dual fibre working 1550nm) - existing site	£27,033.09	£445.59	01/10/05

Additional charge for new site (Note 1)	£2,014.26	£0.00	01/10/05
Standby batteries if required	£453.41	£8.25	01/10/05
STM-1 electrical trib interface (1 port)	£764.36	£13.90	01/10/05
		£39.09	01/10/05
STM-1 optical (1300nm) trib interface (1 port)	£2,094.17		
STM-1 electrical trib card (1 port), required for 1+1 card protection	£644.49	£12.16	01/10/05
STM-1 optical (1300nm) trib card (1 port), required for MSP	£805.18	£14.77	01/10/05
protection		<b>_</b>	
CSC Configuration MSH51	Connection	Rental	Effective Date
	(fixed)	(per annum)	
		(Note 3)	
MSH51 ADM with no trib interfaces (single fibre working) - existing site	N/A	£826.03	01/10/05
MSH51 ADM with no trib interfaces (dual fibre working 1300nm) - existing site	N/A	£814.74	01/10/05
MSH51 ADM with no trib interfaces (dual fibre working 1550nm) - existing site	N/A	£836.45	01/10/05
Per km from serving exchange to MSH node - single fibre working	N/A	£0.83	01/10/05
Per km from serving exchange to MSH node - dual fibre working	N/A	£2.43	01/10/05
Standby batteries if required	£453.41	£8.25	01/10/05
STM-1 electrical trib interface (4 ports)	£2,994.90	£55.59	01/10/05
STM-1 optical (1300nm) trib interface (2 ports)	£3,331.04	£148.53	01/10/05
STM-1 electrical trib card (4 ports), required for 1+1 card protection	£998.88	£17.37	01/10/05
STM-1 optical (1300nm) trib card (2 ports), required for MSP protection	£1,335.02	£24.32	01/10/05
STM-4 optical (1300nm) trib interface (1 port)	£3,065.25	£56.90	01/10/05
STM-4 optical (1300nm) Trib card (1 port), required for MSP protection	£1,069.23	£19.98	01/10/05
	Connection	Rental	
2Mbit/s Bearer Access - required for access to DPCN	(fixed)	(per annum)	Effective Date
		(Note 3)	
2Mbit/s Bearer from PoC BT Serving Node to DPCN Node	£1,611.23	£389.13	01/10/05

Spread connection charge options (Note 2)	Annual payment as percentage of connection charge	Effective Date
Spread over two years	59.12%	30/11/04
Spread over four years	36.29%	30/11/04

#### 11.01.2 Grandfathering Charges for Customer Sited Connection

Customer Sited Connection (CSC)	Rental (per annum)	Effective Date
Grandfathered SMA-16 ADM	£2,423	30/11/04
Grandfathered SMA-4 ADM	£1,406	30/11/04
Grandfathered SMA-1 ADM	£445	30/11/04
Grandfathered MSH51ADM	£1,350	30/11/04
Grandfathered 16 x 2	£571	30/11/04
Grandfathered 4 x 2	£234	30/11/04

#### Notes:

- To obtain the total New Site connection charge, this additional charge must be added to the relevant 'Existing Site' connection charge. The price covers the installation of duct from the Mobile Network Operator PoC, to their nearest serving exchange.
- 2) Available on charges for new SMA1, 4, or SMA16 PoC payments due quarterly in advance in addition to rental. If a customer cancels during a period or defaults on the payment of the infrastructure spread connection charge, the outstanding balance shall become payable.
- 3) Quarterly billing of this item is available

#### 11.02 Radio Base Station Backhaul – Circuit Connection Charges and Cell Site Infrastructure

For terms and conditions applicable to these charges payable to BT see the Contract for Radio Base Station Backhaul Service.

#### 11.02.1 Connection of a New Circuit

Provision charge per circuit	Single charge	Effective Date
128Kbit/s – 960Kbit/s	£499.94	01/10/05
2Mbit/s	£1,726.99	01/10/05

#### 11.02.2 Cell Site Infrastructure

Cell Site infrastructure	Charge	Effective Date
NTU 128Kbit/s – 256Kbit/s on existing copper (Note 1, 6 & 9)	£437.35	01/10/05
NTU 128Kbit/s – 256Kbit/s on new copper (Note 1, 7 & 9)	£713.88	01/10/05
NTU 320Kbit/s – 640Kbit/s on existing copper (Note 1, 6 & 9)	£541.13	01/10/05
NTU 320Kbit/s – 640Kbit/s on new copper (Note 1, 7 & 9)	£832.98	01/10/05
NTU 128Kbit/s – 640Kbit/s on 2Mbit infrastructure (Note 1)	£776.53	01/10/05
NTU 704Kbit/s – 960Kbit/s all delivery options (Note 1)	£776.53	01/10/05
2Mbit/s circuit delivered by HDSL on existing copper (Note 6)	£1,221.24	01/10/05
2Mbit/s circuit delivered by HDSL on new copper (Note 7)	£1,988.20	01/10/05
Provide 4 x 2Mbit/s Access at existing fibre site (Notes 5)	£4,292.57	01/10/05
Provide 16 x 2Mbit/s Access at existing fibre site (Notes 5)	£7,257.93	01/10/05
Provide 4 x 2Mbit/s Access to New Fibre Site (Notes 4)	£6306.83	01/10/05
Provide 16 x 2Mbit/s Access to New Fibre Site (Notes 4)	£9272.19	01/10/05
Subsequent 2Mbit/s circuit on existing Radio Base Station Backhaul 4 x	No infrastructure	01/10/05
2 or 16 x 2 (provided after 10/01/05)	charge	
Provision of 4 x 2Mbit/s Radio Access system (Note 8)	£17,806.00	01/10/05
Provision of 16 x 2Mbit/s Radio Access system (Note 8)	£20,227.00	01/10/05

#### 11.02.3 New Circuit on Spare Capacity (Note 1, 2 & 3)

Charge for a new Radio Base Station Backhaul circuit provided on spare tributary on infrastructure, where such infrastructure was installed before 28/09/05:

Bandwidth	Charge	Effective Date
2Mbit/s	£2,275	30/11/04

#### Notes:

- For bandwidths 704 -960Kbit/s 2Mbit/s infrastructure is required. For bandwidths of 128-640Kbit/s, 2Mbit/s infrastructure may exceptionally be required for technical reasons, or if explicitly requested by Mobile Network Operator. In this case the appropriate 2Mbit/s infrastructure prices will apply in addition to the NTU price.
- To obtain the total charge when providing new Radio Base Station Backhaul bandwidth on existing spare capacity, these charges are to be added to the circuit provision charge (see 'Connection of New Circuit' charges).
- 3) The 2Mbit/s charge also applies to a bearer supplied on old infrastructure to carry new sub-2Mbit/s Radio Base Station Backhaul circuits. There is no separate price for sub-2Mbit/s circuits since it is envisaged that a new NTU would always be required in such cases.
- 4) To obtain the total new fibre site connection charge, an additional charge must be added to the relevant connection charge for a new 4 x 2 or 16 x 2. The price covers the augmentation of existing BT Network required to provide service from the Mobile Network Operator site, to their nearest serving exchange. A new fibre site is one whereby service is provided to a site where there is no

available fibre termination. Excess Construction charges (see part 05) will be charged where applicable.

- 5) These charges apply for provision of fibre infrastructure termination equipment at a location adjacent to existing fibred NTE; this is known as an existing fibre site.
- 6) Existing Copper is where a BT copper termination point already exists. If significant customer premises wiring is required (usually more than 20 meters), excess construction charges will also apply.
- 7) New Copper is where both a new BT copper termination point and new cable are to customer equipment location are required. Excess Construction charges may also apply.
- Provision of access via Radio technology is not available as a choice to customers, but will be utilised by BT planners, where constraints prevent provision of the Radio Base Station Backhaul service via standard methods.

Radio access can be provided at a Cell Site. The Radio Base Station Backhaul Radio Access connection charge does not include the cost of the Radio Base Station Backhaul circuit ordered. Annual rental for  $4 \times 2$  and  $16 \times 2$  installations at the end will be as per the rental detailed in part 03 for the bandwidth ordered.

9) Timeslot mapping is not available on this infrastructure alone, a 2Mbit/s path would be required.

#### 11.03 Radio Base Station Backhaul – Circuit Rental Charges

For terms and conditions applicable to these charges payable to BT see the Contract for Radio Base Station Backhaul Service.

	Circuit Rental per Annum (Notes 2 & 4)							
Bandwidth (Note 1)	Metro	0 - 15 Km	16 - 35 Km	36 - 75 Km	76 - 150 Km	151 - 300 Km	301 Km+	Effective Date
128Kbit/s	£391.26	£489.07	£636.71	£925.60	£1,401.78	£2,535.77	£4,986.77	01/10/05
192 Kbit/s	£454.82	£568.52	£789.76	£1,222.76	£1,936.38	£3,636.25	£7,310.58	01/10/05
256 Kbit/s	£519.22	£649.02	£944.12	£1,521.62	£2,473.45	£4,740.45	£9,640.45	01/10/05
320 Kbit/s	£583.68	£729.60	£1,098.64	£1,820.75	£3,011.03	£5,845.42	£11,971.45	01/10/05
384 Kbit/s	£686.58	£858.23	£1,310.16	£2,188.36	£3,642.95	£7,073.21	£14,463.91	01/10/05
448 Kbit/s	£756.16	£945.20	£1,472.17	£2,496.30	£4,192.48	£8,193.11	£16,813.13	01/10/05
512 Kbit/s	£827.41	£1,034.26	£1,636.69	£2,807.38	£4,746.39	£9,319.17	£19,171.56	01/10/05
576 Kbit/s	£897.83	£1,122.29	£1,800.02	£3,117.03	£5,298.40	£10,442.80	£21,526.86	01/10/05
640 Kbit/s	£967.50	£1,209.37	£1,962.39	£3,425.74	£5,849.45	£11,565.48	£23,881.20	01/10/05
704 Kbit/s	£1,039.36	£1,299.20	£2,127.34	£3,736.73	£6,402.28	£12,688.93	£26,234.33	01/10/05
768 Kbit/s	£1,109.07	£1,386.34	£2,289.86	£4,045.69	£6,953.82	£13,812.36	£28,589.78	01/10/05
832 Kbit/s	£1,180.16	£1,475.20	£2,454.01	£4,356.17	£7,506.66	£14,936.82	£30,945.91	01/10/05
896 Kbit/s	£1,250.72	£1,563.40	£2,617.59	£4,666.18	£8,059.27	£16,061.32	£33,302.42	01/10/05
960Kbits	£1,320.33	£1,650.41	£2,779.73	£4,974.37	£8,609.28	£17,181.96	£35,652.74	01/10/05
1024Kbit/s								01/10/05
(Note 3)	£1,389.99	£1,737.48	£2,942.01	£5,282.80	£9,159.79	£18,303.36	£38,004.17	04/40/05
2048Kbit/s	£1,468.65	£1,791.04	£3,089.24	£5,382.65	£9,075.11	£16,437.00	£28,757.88	01/10/05

#### 11.03.1 Radio Base Station Backhaul - Annual Circuit Rentals

All part KMs will be rounded up

#### 11.03.2 Radio Base Station Backhaul Assured Resilience

	Annual Monitoring Charge		
Circuit Type	Full Main Link/ End to End Diversity £ (pa) per circuit	Basic Diversity £ (pa) per circuit	Effective Date
128Kbit/s to 960Kbit/s	£938.00	£473.00	30/11/04
2Mbit/s	£1491.00	£746.00	30/11/04

#### 11.03.3 Multiple Diversity Monitoring

Multiple Diversity Monitoring	Annual Monitoring Charge £ (pa)	Effective Date
Charge per circuit 128Kbit/s to 960Kbit/s and 2Mbit/s only.	£1139.00	30/11/04

#### Assured Resilience Performance Scheme.

If a pair of diversely routed circuits suffer one or more co-incident failure (simultaneous failure of both circuits) during a 12-month billing period the customer will receive a refund of 100% of the annual monitoring charge on both circuits.

#### Notes:

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- 1) For 128Kbit/s 1024Kbit/s circuits, the circuit length is measured from the BT Exchange nearest the Cell Site to the SDH Node that is nearest to the Mobile Network Operator PoC.
- 2) Quarterly billing of this item is available.
- 3) 1024Kbit/s circuits are not available for new supply, shifts or re-arrangements.
- 4) Enhanced Care is included within tariff.

#### 11.04 Radio Base Station Backhaul – Migration

For terms and conditions applicable to these charges payable to BT see the Contract for Radio Base Station Backhaul Service.

#### 11.04.1 Migration Charges (Note 1)

	Bandwidth (Note 2)	Reclassification Charge (per Circuit)	Effective Date
Successful Migration to Radio Base Station Backhaul status	128Kbit/s – 2Mbit/s	£37	30/11/04
Failed Migration to Radio Base Station Backhaul status	128Kbit/s – 2Mbit/s	£36	30/11/04

#### Notes:

- 1) All orders submitted for migration, including bearers, (whether subsequently found to be valid or invalid migration requests) are subject to the Re-classification charge applicable to the bandwidth migrated.
- 2) For migration purposes where an existing Retail circuit has undergone a shift, at the customers request, at the Cell Site end, the CDD date for such a circuit will be the date that the most recent shift was completed by BT. Where an existing Retail circuit has undergone a shift at the PoC the CDD will be considered as the previous completion date of the circuit.

#### 11.05 Radio Base Station Backhaul – Other Charges

For terms and conditions applicable to these charges payable to BT see the Contract for Radio Base Station Backhaul Service.

#### 11.05.1 Bandwidth Regrade and Change of Interface Presentation Charges

#### 11.05.1.1 Regrade of Bandwidth (Note 3)

Bandwidths (Note 9) Charge per Regrade					
128Kbit/s – 960Kbit/s	Charged at the connection charge of the bandwidth required				

#### 11.05.1.2 Change of Interface (Note 4)

Bandwidths (Note 9)	Change of Interface Charge per circuit				
128Kbit/s - 960 Kbit/s and 2Mbit/s	£94				

#### 11.05.2 Cell Site Internal and External Moves (Note 2)

#### 11.05.2.1 Internal Move of a Circuit at Cell Site End (Note 9)

Bandwidth	Mon - Fri (Note 1)
128Kbit/s – 640Kbit/s	£225
320Kbit/s – 960Kbit/s delivered over 2Mbit/s path	£433
2Mbit/s	£1562

Saturday, Sunday, Public Holiday and Bank Holiday working attracts additional Timescale charges Refer to Part 11.05.5

#### 11.05.2.2 External Move of a Circuit to another Cell Site (Note 9)

Bandwidths	Mon - Fri (Note 1)				
128Kbit/s - 960Kbit/s	£386.23				
2Mbits	£1334.21				

Saturday, Sunday, Public Holiday and Bank Holiday working attracts additional Timescale charges Refer to Part 11.05.5

#### 11.05.3 Point of Connection Internal and External Moves (Note 2)

#### 11.05.3.1 Internal Move of a Circuit at within a Point of Connection (Note 9)

All Bandwidths	Mon - Fri (Note1)
Shift Charge per Circuit	£91

Saturday, Sunday, Public Holiday and Bank Holiday working attracts additional Timescale charges Refer to Part 11.05.5

#### 11.05.3.2 External Move of a Circuit to another Point of Connection (Note 9)

All Bandwidths	Mon – Fri (Note 1)					
128Kbit/s - 960Kbit/s	£386.23					
2Mbit/s	£1334.21					

Saturday, Sunday, Public Holiday and Bank Holiday working attracts additional Timescale charges Refer to Part 11.05.5

#### 11.05.4 Survey Charges

	Normal Working Hours
All Bandwidths	£371.64

Surveys completed outside of Normal Working Hours attract additional Timescale charges Refer to Part 11.05.5

#### 11.05.5 Visits and Time Related Charges

Where required Visit and Time Related Charges will be charged at the applicable prices contained within section 15 of the BT Price List

#### 11.05.6 Excess Construction Charges (Note 5) (Note 6)

Description	Charge
Breaking/Drilling through a Wall	
Each external wall	£270.00
Each internal concrete wall	£150.00
Each internal non-concrete wall	£60.00
Provision of Each Pole	£400.00
Connection Charge per metre or part thereof	
Cable (fibre or copper) including any jointing required	£11.20
New Ductwork	
Mole ploughing of fibre in sub-duct per metre	£20.00
Soft surface or other mole ploughed per metre	£44.00
Footway per metre	£78.00
Carriageway per metre	£125.00
Trunking and tray work within customer's curtilage per metre	£40.00
Radio Provision	
Customer Cabinet	£876.74
Radio Monopole	£9531.93
Elevated Platform Usage (charge per day)	£454.03

#### 11.05.7 Cancellation Charges (Note 8)

### 11.05.7.1 Cancellation charges for Circuits and associated Cell Site Infrastructure with a Lead Time of 10 Working Days

Working days before Committed Delivery Date	% of Connection Charge
1 or less	90
2-3	75
4 - 5	60
6 or more	30

### 11.05.7.2 Cancellation Charges for Circuits and associated Cell Site Infrastructure with a Lead Time of 30 Working Days

Working days before Committed Delivery Date	% of Connection Charge
2 or less	90
3 - 15	75
16 - 22	60
23 or more	30

Working days before Committed Delivery Date	% of Connection Charge
2 or less	90
3 - 19	75
20 - 22	60
23 or more	30

### 11.05.7.3 Cancellation charges for all other Circuits and associated Cell Site Infrastructure plus CSC Infrastructure

#### Notes:

- 1) Charge covers out-of-hours working.
- 2) This charge is only applicable where all infrastructure and access exists at the new terminating point.
- There will be no penalty charge when upgrading bandwidth within the minimum term of the circuit. Charge does not cover the cost of infrastructure changes incurred as a result of upgrading.
- 4) The Radio Base Station Backhaul Change of Interface charge is applicable where the customer requests a Change of Interface presentation from either BNC (75 ohm) to RJ45 (120 ohm) or from a G703 to an X21 interface or vice versa at the Cell Site. The charge does not cover new equipment if a Change of Interface cannot be achieved on existing equipment. Changes from a low bit-rate individual interface Circuit to an aggregate interface (as per Retail KiloStream offerings) and vice versa are not allowed as the Radio Base Station Backhaul product only supports the Cell Site end as a single interface and the PoC end as an aggregate interface.
- 5) Excess Construction charges will be raised in addition to normal connection charges where additional infrastructure is provided to give new or extended service at a customer's site or other requested location where BT would otherwise not choose to extend its network on the basis of normal commercial criteria. Excess charges apply to situations of extended reach, including provision to a new location within the customer's site, but does not apply to situations where existing capacity needs to be increased. No charges for copper or fibre will be raised for standard routing. Where customers request non standard access routing for business continuity purposes (eg. diversity), full excess construction charges apply for the fibre, cable and duct on the second route. There is no 'within tariff' allowance the full value of any applicable charge is payable.
- 6) These prices include jointing boxes and any wayleave costs
- 7) Rental commences on the Completion Date
- 8) All days will be calculated as Working Days, i.e. ignoring weekends and public holidays. The cancellation date must be given in writing by the Mobile Network Operator. Cancellation charges will be raised only if the Mobile Network Operator has accepted the Committed Delivery Date offered by BT. If BT fails to meet the Committed Delivery Date and the customer cancels the order, cancellation threshold rules will apply as per the Contract for Radio Base Station Backhaul Service. The full cost of any Excess Construction Charges, which have been specifically incurred for the order by the time of the cancellation, will be recovered in addition to the cancellation charge. Should a Mobile Network Operator request amendments to the Committed Delivery Date and subsequently cancel the order, the cancellation charge will be calculated on the days between the date the Mobile Network Operator notified BT of the first amendment and the original Committed Delivery Date.
- 9) 1024Kbit/s Radio Base Station Backhaul circuits are not available for new supply or any other changes

#### 1 PARTIAL PRIVATE CIRCUITS - POINT OF HANDOVER

For Terms and conditions applicable to these charges payable to BT see the Standard PPC Handover Agreement.

1.1 CUSTOMER SITED HANDOVER (All prices in this section are covered by Ofcom Price Cap - POC end and third party end equipment

charges - unless indicated by a \*)

	CONNECTION				1	RENTAL				
Customer Sited Handover (CSH)	Effective from	Connection (fixed) (Note 6)	Effective from	Connection fixed		Effective from	Rental (per annum) (Note 5) (Note 6)	Effective from	a (	
CSH Configuration SMA-16							(			
SMA-16 ADM with no trib interfaces (single fibre working) - existing site	01/01/05	£89,031.90	01/10/05	£83,493.97		01/01/05	£1,601.40	01/10/05	£1	
SMA-16 ADM with no trib interfaces (dual fibre working 1300nm) - existing site	01/01/05	£89,147.68	01/10/05	£83,602.55		01/01/05	£1,552.31	01/10/05	£1	
SMA-16 ADM with no trib interfaces (dual fibre working 1550nm) - existing site	01/01/05	£94,421.46	01/10/05	£88,548.29		01/01/05	£1,650.49	01/10/05	£1	
*Protected Path enabled SMA-16 ADM with no trib interfaces (single fibre working) - existing site.	01/01/05	£131,214.00	01/10/05	£113,339.51		01/01/05	£2,684.00	01/10/05	£2	
*Protected Path enabled SMA-16 ADM with no trib interfaces (dual fibre working 1300nm) - existing site.	01/01/05	£131,203.00	01/10/05	£112,836.28		01/01/05	£2,684.00	01/10/05	£2	
*Protected Path enabled SMA-16 ADM with no trib interfaces (dual fibre working 1500nm) - existing site.	01/01/05	£136,898.00	01/10/05	£117,874.94		01/01/05	£2,800.00	01/10/05	£2,	
STM-1 electrical trib interface (2 ports)	01/01/05	£2,776.75	01/10/05	£2,604.03		01/01/05	£51.87	01/10/05	£	
STM-1 optical (1300nm) trib interface (1 port)	01/01/05	£3,591.80	01/10/05	£3,368.38		01/01/05	£66.69	01/10/05	£	

		CONNE	CTION		7	RENTAL					
Customer Sited Handover (CSH)	Effective from	Connection (fixed) (Note 6)	Effective from	Connection fixed		Effective from	Rental (per annum) (Note 5) (Note 6)	Effective from	Rental (per annum) (Note 5)		
STM-1 electrical trib card (2 ports), required for 1+1 card protection	01/01/05	£1,388.37	01/10/05	£1,302.01		01/01/05	£25.47	01/10/05	£23.89		
STM-1 optical (1300nm) trib card (1 port), required for MSP protection	01/01/05	£815.06	01/10/05	£764.36		01/01/05	£14.82	01/10/05	£13.90		
STM-4 optical (1300nm) trib interface (1 port)	01/01/05	£9,150.86	01/10/05	£8,581.66		01/01/05	£169.49	01/10/05	£158.95		
STM-4 optical (1300nm) trib card (1 port), required for MSP protection	01/01/05	£3,598.29	01/10/05	£3,374.47		01/01/05	£66.69	01/10/05	£62.54		
CSH Configuration SMA-4											
SMA-4 ADM with no trib interfaces (single fibre working) - existing site	01/01/05	£57,869.90	01/10/05	£52,872.74		01/01/05	£1,022.52	01/10/05	£885.96		
SMA-4 ADM with no trib interfaces (dual fibre working 1300nm) - existing site	01/01/05	£56,379.65	01/10/05	£54,270.30		01/01/05	£944.72	01/10/05	£958.92		
SMA-4 ADM with no trib interfaces (dual fibre working 1550nm) - existing site	01/01/05	£64,865.49	01/10/05	£60,830.75		01/01/05	£1,101.25	01/10/05	£1,032.75		
*Protected Path enabled SMA-4 ADM with no trib interfaces (single fibre working) - existing site	01/01/05	£76,954.00	01/10/05	£69,224.72		01/01/05	£1,579.00	01/10/05	£962.50		
*Protected Path enabled SMA-4 ADM with no trib interfaces (dual fibre working 1300nm) - existing site	01/01/05	£75,200.00	01/10/05	£67,331.08		01/01/05	£1,470.00	01/10/05	£889.26		
*Protected Path enabled SMA-4 ADM with no trib interfaces (dual fibre working 1500nm) - existing site	01/01/05	£84,364.00	01/10/05	£75,376.60		01/01/05	£1,648.00	01/10/05	£1,036.61		
STM-1 electrical trib interface (1 port)	01/01/05	£1,958.91	01/10/05	£1,837.06	1	01/01/05	£13.89	01/10/05	£13.03		
STM-1 optical (1300nm) trib interface (1 port)	01/01/05	£2,120.07	01/10/05	£1,988.20		01/01/05	£39.83	01/10/05	£37.35		

		CONNE			1		RE	NTAL	
Customer Sited Handover (CSH)	Effective from	Connection (fixed) (Note 6)	Effective from	Connection fixed		Effective from	Rental (per annum) (Note 5) (Note 6)	Effective from	Rental (per annum) (Note 5)
STM-1 electrical trib card (1 port), required for 1+1 card protection	01/01/05	£652.04	01/10/05	£611.48		01/01/05	£12.04	01/10/05	£11.29
STM-1 optical (1300nm) trib card (1 port), required for MSP protection	01/01/05	£815.06	01/10/05	£764.36		01/01/05	£14.82	01/10/05	£13.90
STM-4 optical (1300nm) trib interface (1 port)	01/01/05	£8,816.50	01/10/05	£8,268.10		01/01/05	£163.94	01/10/05	£153.74
STM-4 optical (1300nm) trib card (1 port), required for MSP protection CSH	01/01/05	£3,598.29	01/10/05	£3,374.47		01/01/05	£66.69	01/10/05	£62.54
Configuration SMA-1									
SMA-1ADM with no trib interfaces (single fibre working) - existing site	01/01/05	£25,474.20	01/10/05	£23,889.66		01/01/05	£463.10	01/10/05	£434.29
SMA-1 ADM with no trib interfaces (dual fibre working 1300nm) - existing site	01/01/05	£26,455.98	01/10/05	£24,810.37		01/01/05	£426.98	01/10/05	£400.42
SMA-1 ADM with no trib interfaces (dual fibre working 1550nm) - existing site	01/01/05	£28,851.13	01/10/05	£27,056.54		01/01/05	£476.07	01/10/05	£446.46
SMA-1 ADM with no trib interfaces (dual fibre working 1300+1550nm) - existing site	01/01/05	£26,277.22	01/10/05	£24,642.73		01/01/05	£451.06	01/10/05	£423.00
SMA-1 ADM with no trib interfaces (single fibre working + dual fibre working 1300nm) - existing site	01/01/05	£26,252.21	01/10/05	£24,619.28		01/01/05	£451.06	01/10/05	£423.00
SMA-1 ADM with no trib interfaces (single fibre working + dual fibre working 1550nm) - existing site	01/01/05	£28,826.12	01/10/05	£27,033.09		01/01/05	£475.14	01/10/05	£445.59
*Protected Path enabled SMA-1 ADM with no trib interfaces (single fibre working) - existing site	01/01/05	£35,188.00	01/10/05	£30,678.02		01/01/05	£656.00	01/10/05	£571.92

		CONNE			7		RE	NTAL	
Customer Sited Handover (CSH)	Effective from	Connection (fixed) (Note 6)	Effective from	Connection fixed		Effective from	Rental (per annum) (Note 5) (Note 6)	Effective from	Rental (per annum) (Note 5)
*Protected Path enabled SMA-1 ADM with no trib interfaces (dual fibre working 1300nm) - existing site	01/01/05	£36,248.00	01/10/05	£31,602.17		01/01/05	£617.00	01/10/05	£537.92
*Protected Path enabled SMA-1 ADM with no trib interfaces (dual fibre working 1550nm) - existing site	01/01/05	£38,833.00	01/10/05	£33,855.85		01/01/05	£670.00	01/10/05	£584.13
*Protected Path enabled SMA-1 ADM with no trib interfaces (single fibre + dual fibre working 1300nm) - existing site	01/01/05	£36,027.00	01/10/05	£31,409.50		01/01/05	£643.00	01/10/05	£560.59
*Protected Path enabled SMA-1 ADM with no trib interfaces (single fibre + dual fibre working 1550nm) - existing site	01/01/05	£37,011.00	01/10/05	£32,267.37		01/01/05	£663.00	01/10/05	£578.02
*Protected Path enabled SMA-1 ADM with no trib interfaces (dual fibre working 1300nm +1550nm) - existing site	01/01/05	£37,541.00	01/10/05	£32,729.44		01/01/05	£644.00	01/10/05	£561.46
STM-1 electrical trib interface (1 port)	01/01/05	£815.06	01/10/05	£764.36		01/01/05	£14.82	01/10/05	£13.90
STM-1 optical (1300nm) trib interface (1 port)	01/01/05	£2,233.07	01/10/05	£2,094.17		01/01/05	£41.68	01/10/05	£39.09
STM-1 electrical trib card (1 port), required for 1+1 card protection	01/01/05	£687.24	01/10/05	£644.49		01/01/05	£12.97	01/10/05	£12.16
STM-1 optical (1300nm) trib card (1 port), required for MSP protection CSH	01/01/05	£858.59	01/10/05	£805.18		01/01/05	£15.75	01/10/05	£14.77
Configuration MSH51	0.4/0.4/2 =	050 22112	04/20/2=			04/04/25		0.1/10/5-	
MSH51 ADM with no trib interfaces (single fibre working) - existing site	01/01/05	£50,224.12	01/10/05	£47,100.10		01/01/05	£880.82	01/10/05	£826.03

		CONNE	CTION		1		RE	NTAL	
Customer Sited Handover (CSH)	Effective from	Connection (fixed) (Note 6)	Effective from	Connection fixed		Effective from	Rental (per annum) (Note 5) (Note 6)	Effective from	Rental (per annum) (Note 5)
MSH51 ADM with no trib interfaces (dual fibre working 1300nm) - existing site	01/01/05	£52,334.00	01/10/05	£49,078.74		01/01/05	£868.78	01/10/05	£814.74
MSH51 ADM with no trib interfaces (dual fibre working 1550nm) - existing site	01/01/05	£53,618.64	01/10/05	£50,283.47		01/01/05	£891.93	01/10/05	£836.45
Per km from serving exchange to MSH node - single fibre working	01/01/05	£2,261.78	01/10/05	£2,121.09		01/01/05	£0.88	01/10/05	£0.83
Per km from serving exchange to MSH node - dual fibre working	01/01/05	£4,522.63	01/10/05	£4,241.31		01/01/05	£2.59	01/10/05	£2.43
STM-1 electrical trib interface (4 ports)	01/01/05	£3,193.54	01/10/05	£2,994.90		01/01/05	£59.28	01/10/05	£55.59
STM-1 optical (1300nm) trib interface (2 ports)	01/01/05	£3,551.98	01/10/05	£3,331.04		01/01/05	£158.38	01/10/05	£148.53
STM-1 electrical trib card (4 ports), required for 1+1 card protection	01/01/05	£1,065.13	01/10/05	£998.88		01/01/05	£18.52	01/10/05	£17.37
STM-1 optical (1300nm) trib card (2 ports), required for MSP protection	01/01/05	£1,423.57	01/10/05	£1,335.02		01/01/05	£25.93	01/10/05	£24.32
STM-4 optical (1300nm) trib interface (1 port)	01/01/05	£3,268.56	01/10/05	£3,065.25		01/01/05	£60.67	01/10/05	£56.90
STM-4 optical (1300nm) Trib card (1 port), required for MSP protection	01/01/05	£1,140.15	01/10/05	£1,069.23		01/01/05	£21.30	01/10/05	£19.98

**1.2** In Span Handover (All prices in this section are covered by price control - POC end and third party end equipment charges - unless indicated by a \*)

		CONNE	CTION			REN	ITAL	
In Span Handover (ISH) (Note 4)	Effective from	Connection (fixed) (Note 6)	Effective from	Connection (fixed)	Effective from	Rental (per annum) (Note 5) (Note 6)	Effective from	Notified Rental (per annum) (Note 5)
ISH Configuration SMA-16								
SMA –16 ADM with single STM-16 handover (1300nm)	01/01/05	£64,432.96	01/10/05	£60,425.12	01/0105	£1,196.65	01/10/05	£1,122.22

		CONNECTION				RENTAL				
In Span Handover (ISH) (Note 4)	Effective from	Connection (fixed) (Note 6)	Effective from	Connection (fixed)		Effective from	Rental (per annum) (Note 5) (Note 6)	Effective from	Notified Rental (per annum) (Note 5)	
Optional STM-16 1550nm handover	01/01/05	£2,636.89	01/10/05	£2,472.87		01/01/05	£49.09	01/10/05	£46.04	

		CONN	ECTION			RE	NTAL	
ISH Configuration SMA-4								
SMA-4 ADM with single STM-4 handover (1300nm)	01/01/05	£30,245.99	01/10/05	£28,364.64	01/01/05	£562.20	01/10/05	£527.23
Optional STM-4 1550nm handover	01/01/05	£4,242.92	01/10/05	£3,979.00	01/01/05	£78.73	01/10/05	£73.83
Also Available: -								
SMA-4 ADM with single STM-1 handover (1300nm)	01/01/05	£17,895.11	01/10/05	£16,782.00	01/01/05	£332.51	01/10/05	£311.83
Additional cost for STM-1 1550nm handover	01/01/05	£1,921.87	01/10/05	£1,802.33	01/01/05	£36.12	01/10/05	£33.87
Additional STM-1 handovers (1300nm) – max 3	01/01/05	£2,692.46	01/10/05	£2,524.98	01/01/05	£50.01	01/10/05	£46.90
Additional STM-1 handovers (1550nm) – max 3	01/01/05	£4,857.92	01/10/05	£4,555.75	01/01/05	£90.77	01/10/05	£85.12
ISH Configuration SMA-1								
SMA-1 ADM with single STM-1 Handover (1300nm)	01/01/05	£15,086.87	01/10/05	£14,148.44	01/01/05	£195.43	01/10/05	£183.27
SMA-1 ADM with Single STM-1 handover (1550nm)	01/01/05	£16,565.09	01/10/05	£15,534.71	01/01/05	£239.89	01/10/05	£224.97
ISH Configuration MSH51								
MSH51 ADM with single STM-16 handover (1300nm)	01/01/05	£27,429.41	01/10/05	£25,723.26	01/01/05	£509.41	01/10/05	£477.72
Optional STM-16 1550nm handover	01/01/05	£641.86	01/10/05	£601.94	01/01/05	£12.04	01/10/05	£11.29
Note: MSH51 ISH is provided at nearest MSH node to customer								

#### 1.4 In Span Handover Extension

		CONNE			1	RENTAL					
PPC In Span Handover Extension	Effective from	Connection (fixed) (Note 6)	Effective from	Connection (fixed)		Effective from	Rental (per annum) (Note 5) (Note 6)	Effective from	Notified Rental (per annum) (Note 5)		
ISH Extension Configuration STM-16											
SMA –16 ADM with single STM-16 handover (1300nm)	01/01/05	£69,583.00	01/10/05	£69,583.00		01/01/05	£1,418.00	01/10/05	£1,418.00		
Optional STM-16 1550nm handover	01/01/05	£2,848.00	01/10/05	£2,848.00		01/01/05	£58.00	01/10/05	£58.00		
ISH Extension Configuration STM-4											
SMA-4 ADM with single STM-4 handover (1300nm)	01/01/05	£31,102.00	01/10/05	£31,102.00		01/01/05	£634.00	01/10/05	£634.00		
Optional STM-4 1550nm handover	01/01/05	£4,582.00	01/10/05	£4,582.00		01/01/05	£93.00	01/10/05	£93.00		
Also Available: -											
SMA-4 ADM with single STM-1 handover (1300nm)	01/01/05	£19,279.00	01/10/05	£19,279.00		01/01/05	£393.00	01/10/05	£393.00		
Optional STM-1 1550nm handover	01/01/05	£1,293.00	01/10/05	£1,293.00		01/01/05	£26.00	01/10/05	£26.00		
Additional STM-1 handovers (1300nm) – max 3	01/01/05	£3,459.00	01/10/05	£3,459.00		01/01/05	£70.00	01/10/05	£70.00		
Additional STM-1 handovers (1550nm) – max 3	01/01/05	£5,015.00	01/10/05	£5,015.00		01/01/05	£102.00	01/10/05	£102.00		
ISH Extension Configuration STM-1											
SMA-1 ADM with single STM – 1 handover (1300nm) ISH Extension	01/01/05	£11,405.00	01/10/05	£11,405.00		01/01/05	£232.00	01/10/05	£232.00		
Configuration MSH51	04/04/05	000.000.00	04/40/05	000 000 00		04/04/05	0004.00	04/40/05	0004.00		
MSH51 ADM with single STM-16 handover (1300nm)	01/01/05	£29,623.00	01/10/05	£29,623.00		01/01/05	£604.00	01/10/05	£604.00		
Optional STM-16 1550nm handover	01/01/05	£693.00	01/10/05	£693.00		01/01/05	£14.00	01/10/05	£14.00		
Note: MSH51 ISH is provided at nearest MSH node to customer											

#### 1.5 Miscellaneous Generic Equipment

		CONNE		1		REN	ITAL		
PPC Miscellaneous Generic Equipment	Effective from	Connection (fixed) (Note 6)	Effective from	Connection (fixed)		Effective from	Rental (per annum) (Note 5) (Note 6)	Effective from	Notified Rental (per annum) (Note 5)
Additional charge for new site (Note 1)	01/01/05	£2,147.86	01/10/05	£2,014.26		01/01/05	£0.00	01/10/0 5	£0.00
Standby batteries if required	01/01/05	£483.48	01/10/05	£453.41	]	01/01/05	£8.80	01/10/0 5	£8.25
2M Bearer Access - required for access to DPCN	01/01/05	£1,718.10	01/10/05	£1,611.23		01/01/05	£414.94	01/10/0 5	£389.13
Plus rental per km from POH BT Serving Node to DPCN node						01/01/05	£45.38	01/10/0 5	£42.56

# Important Note: The PPC ISH Extension Product is <u>ONLY</u> available to customer sites where the BT serving exchange is a nominated BT SDH Node (or MSH Node if that is the type of transport required)

Notes:

- 1. To obtain the total New Site connection charge, this additional charge must be added to the relevant 'Existing Site' connection charge. The price covers the installation of duct from the Operators PoH, to their nearest serving exchange.
- 2. Available on charge for new SMA4, SMA16 or MSH51 POH only payments due quarterly in advance in addition to rental. If a customer cancels during a period or defaults on the payment of the infrastructure spread connection charge, the outstanding balance shall become payable.
- 3. Re-designation to a PPC ADM is at the request of the operator and with the agreement of BT. The annual rental charge will become effective from the date the nominated ADM is re-designated to a PPC ADM on the BT planning system.
- 4. ISH prices are the same for standard PPC and PPC Protected Path.
- 5. Quarterly billing of this item is available.
- 6. This price remains effective until a new price supersedes it in the right hand 'Effective from' column from the date shown.

# 1 Partial Private Circuits – Circuit Connection Charges and Third Party Infrastructure

For terms and conditions applicable to these charges payable to BT see the Standard PPC Handover Agreement.

**CONNECTION OF A NEW CIRCUIT** (all prices in this section are covered by Ofcom Price Cap – Low & High Bandwidth connection and rental and maintenance charges

Provision charge per circuit (Note 1)	Effective from	Single charge (Note 15)	Effective from	Single charge (Note 15)
64 Kbit/s – 960 Kbit/s	01/04/05	£505.04	01/10/05	£499.94
1 Mbit/s (from 23/10/2001)	01/04/05	£1,744.62	01/10/05	£1,726.99
2 Mbit/s	01/04/05	£1,744.62	01/10/05	£1,726.99
34 Mbit/s – 45 Mbit/s	01/01/05	£1,786.31	01/10/05	£1,723.33
140 Mbit/s – 155 Mbit/s (Note 13)	01/01/05	£1,870.67	01/10/05	£1,804.72

# CONNECTION OF A NEW 'PROTECTED PATH VARIANT TWO' CIRCUIT - NB Not covered by Ofcom Price Control

Provision charge per circuit	Effective from	Single charge (Note 15)	Effective from	Single charge (Note 15)
Protected Path Variant Two 2 Mbit/s	01/01/05	£8,397.00	01/10/05	£7,382.86
Protected Path Variant Two 34 Mbit/s - 45 Mbit/s	01/01/05	£8,490.00	01/10/05	£7,574.00
Protected Path Variant Two 140 Mbit/s - 155 Mbit/s	01/01/05	£8,582.00	01/10/05	£7,952.70

# THIRD PARTY CUSTOMER LINK INFRASTRUCTURE (all prices in this section are covered by Ofcom Price Cap – third party equipment & PoH infrastructure - unless indicated by \*)

Third party customer link infrastructure	Effective from	Single charge (Note 15)	Effective from	Single charge (Note 15)
NTU 64k – 256k on existing copper (Note 7)	01/01/05	£466.36	01/10/05	£437.35
NTU 64k – 256k on new copper (Note 8)	01/01/05	£761.23	01/10/05	£713.88
NTU 320k – 640k on existing copper (Note 7)	01/01/05	£577.02	01/10/05	£541.13
NTU 320k – 640k on new copper (Note 8)	01/01/05	£888.23	01/10/05	£832.98
NTU 128k – 640k on 2Mbit infrastructure (Note 2)	01/01/05	£828.02	01/10/05	£776.53
NTU 704k – 960k all delivery options (Note 2)	01/01/05	£828.02	01/10/05	£776.53
1Mb/s circuit on existing copper (Note 7)	01/01/05	£992.89	01/10/05	£931.13
1Mb/s circuit on new copper (Note 8)	01/01/05	£1,378.19	01/10/05	£1,292.46
2Mbit/s circuit delivered by HDSL on existing copper (Note 7)	01/01/05	£1,302.24	01/10/05	£1,221.24
2Mbit/s circuit delivered by HDSL on new copper (Note 8)	01/01/05	£2,120.07	01/10/05	£1,988.20
Provide a 2Mbit/s 4x2 at existing fibre site (Notes 5 & 6)	01/01/05	£4,577.28	01/10/05	£4,292.57
Provide a 2Mbit 16x2 at existing fibre site (Notes 5 & 6)	01/01/05	£7,739.33	01/10/05	£7,257.93
Subsequent 2Mbit/s circuit on existing PPC 4x2 or 16x2 (provided after 01/08/01)	No infrastructure charge			
*34/45Mbit/s ASDH NTE (Notes 5, 10 & 11) existing fibre site	01/01/05	£14,982.36	01/10/05	£14,982.36
*34/45Mbit/s ASDH NTE Expansion Unit (note 11)	01/01/05	£9,851.24	01/10/05	£9,851.24
Additional Charge to provide new fibre infrastructure at a new site (Note 5)	01/01/05	£2,147.86	01/10/05	£2,014.26
Third party customer sited SMA-16 ADM	Effective from	Single charge (Note 15)	Effective from	Single charge (Note 15)
SMA-16 with no trib interfaces (single fibre working) - existing site	01/01/05	£84,433.32	01/10/05	£79,181.43

SMA-16 ADM with no trib interfaces (dual fibre working 1300nm) - existing site	01/01/05	£84,549.09	01/10/05	£79,290.00
SMA-16 ADM with no trib interfaces (dual fibre working 1550nm) - existing site	01/01/05	£89,821.95	01/10/05	£84,234.88
*Protected Path enabled SMA-16 ADM with no trib interfaces (single fibre working) - existing site	01/01/05	£135,409.00	01/10/05	£116,627.31
*Protected Path enabled SMA-16 ADM with no trib interfaces (dual fibre working 1300nm) - existing site	01/01/05	£135,400.00	01/10/05	£115,927.83
*Protected Path enabled SMA-16 ADM with no trib interfaces (dual fibre working 1500nm) - existing site	01/01/05	£141,094.00	01/10/05	£120,995.53
2Mbit/s trib cards (32 ports)	01/01/05	£3,840.03	01/10/05	£3,601.17
34Mbit/s trib card (3 ports)	01/01/05	£1,103.10	01/10/05	£1,034.49
45Mbit/s trib card (3 ports)	01/01/05	£1,103.10	01/10/05	£1,034.49
STM-1 electrical trib card (2 ports)	01/01/05	£1,387.45	01/10/05	£1,301.15
STM-1 optical (1300nm) trib card (1 port)	01/01/05	£815.06	01/10/05	£764.36
140Mbit/s electrical trib card (1 port)	01/01/05	£879.89	01/10/05	£825.16
STM-4 optical (1300nm) trib card (1 port)	01/01/05	£3,598.29	01/10/05	£3,374.47

Third party customer sited SMA-4 ADM	Effective from	Single charge (Note 15)	Effective from	Single charge (Note 15)
SMA-4 ADM with no trib interfaces (single fibre working) - existing site	01/01/05	£52,251.57	01/10/05	£49,001.44
SMA-4 ADM with no trib interfaces (dual fibre working 1300nm) - existing site	01/01/05	£50,760.39	01/10/05	£47,603.01
SMA-4 ADM with no trib interfaces (dual fibre working 1550nm) - existing site	01/01/05	£59,247.16	01/10/05	£55,561.89
*Protected Path enabled SMA-4 ADM with no trib interfaces (single fibre working) - existing site	01/01/05	£91,559.00	01/10/05	£80,536.87
*Protected Path enabled SMA-4 ADM with no trib interfaces (dual fibre working 1300nm) - existing site	01/01/05	£91,542.00	01/10/05	£78,656.95
*Protected Path enabled SMA-4 ADM with no trib interfaces (dual fibre working 1500nm) - existing site	01/01/05	£97,237.00	01/10/05	£84,048.58
2Mbit/s trib cards (32 ports)	01/01/05	£3,840.03	01/10/05	£3,601.17
34Mbit/s trib card (3 ports)	01/01/05	£1,103.10	01/10/05	£1,034.49
45Mbit/s trib card (3 ports)	01/01/05	£1,103.10	01/10/05	£1,034.49
STM-1 electrical trib card (1 port)	01/01/05	£652.04	01/10/05	£611.48
STM-1 optical (1300nm) trib card (1 port)	01/01/05	£815.06	01/10/05	£764.36
140Mbit/s electrical trib card (1 port)	01/01/05	£879.89	01/10/05	£825.16
STM-4 optical (1300nm) trib card (1 port)	01/01/05	£3,598.29	01/10/05	£3,374.47

Third party customer sited SMA-1 ADM	Effective from	Single charge (Note 15)	Effective from	Single charge (Note 15)
SMA-1 ADM with no trib interfaces (single fibre working) - existing site	01/01/05	£18,839.83	01/10/05	£17,667.96
SMA-1 ADM with no trib interfaces (dual fibre working 1300nm) - existing site	01/01/05	£19,668.78	01/10/05	£18,445.35
SMA-1 ADM with no trib interfaces (dual fibre working 1550nm) - existing site	01/01/05	£23,514.37	01/10/05	£22,051.74
*Protected Path enabled SMA-1 ADM with no trib interfaces (single fibre working) - existing site	01/01/05	£20,198.00	01/10/05	£17,733.93

*Protected Path enabled SMA-1 ADM with no trib interfaces (dual fibre working 1300nm) - existing site	01/01/05	£21,724.00	01/10/05	£18,514.22
*Protected Path enabled SMA-1 ADM with no trib interfaces (dual fibre working 1500nm) - existing site	01/01/05	£24,310.00	01/10/05	£22,134.08
2Mbit/s trib card (32ports) (Note 12)	01/01/05	£3,840.03	01/10/05	£3,601.17
2Mbit/s trib card (16 ports) (Note 12)	01/01/05	£2,140.45	01/10/05	£2,007.31
34Mbit/s trib card (3 ports)	01/01/05	£1,103.10	01/10/05	£1,034.49
45Mbit/s trib card (3 ports)	01/01/05	£1,103.10	01/10/05	£1,034.49
STM-1 electrical trib card (1 port)	01/01/05	£652.04	01/10/05	£611.48
STM-1 optical (1300nm) trib card (1 port)	01/01/05	£815.06	01/10/05	£764.36
140Mbit/s electrical trib card (1 port)	01/01/05	£879.89	01/10/05	£825.16

Third party customer sited MSH-51C ADM	Effective from	Single charge (Note 15)	Effective from	Single charge (Note 15)
MSH51 with no trib interfaces (single fibre working) - existing site	01/01/05	£56,763.09	01/10/05	£53,232.33
MSH51 with no trib interfaces (dual fibre working 1300nm) - existing site	01/01/05	£55,271.91	01/10/05	£51,833.91
MSH51 with no trib interfaces (dual fibre working 1550nm) - existing site	01/01/05	£63,757.76	01/10/05	£59,791.92
Per km from serving exchange to MSH node - single fibre working	01/01/05	£2,261.78	01/10/05	£2,121.09
Per km from serving exchange to MSH node - dual fibre working	01/01/05	£4,522.63	01/10/05	£4,241.31
STM-1 electrical trib card (4 ports)	01/01/05	£1,065.13	01/10/05	£998.88
STM-1 optical (1300nm) trib card (2 ports)	01/01/05	£815.06	01/10/05	£764.36
140Mbit/s electrical trib card (1 port)	01/01/05	£1,065.13	01/10/05	£998.88
STM-4 optical (1300nm) trib card (1 port)	01/01/05	£3,598.29	01/10/05	£3,374.47

### **1 PARTIAL PRIVATE CIRCUITS - CIRCUIT RENTAL CHARGES**

For terms and conditions applicable to these charges payable to BT see the Standard PPC Handover Agreement

Circuit rental per annum (Note 2)	Sta	indard maint	tenance (Note 9	i)	maintenance from		Effective Circuit from rental per Date annum (Note 2)			rd maintenanc	Enhar maintei (Note	Effective from Date			
Bandwidth (Note 1)	Local end fixed charge per annum (third party customer link)	Main link fixed charge per annum (Note 5)	Terminating Segment charge (per km p.a.)	Trunk Segme nt Charge (per km p.a.) *	Fixed p.a. (Note 6)	Per km p.a.		Bandwidt h (Note 1)	Local end fixed charge per annum (third party customer link)	Main link fixed charge per annum (Note 5)	Terminating Segment charge (per km p.a.)	Trunk Segment Charge (per km p.a.) *	Fixed p.a. (Note 6)	Per km p.a.	
2.4k-64k (Note 4)	£292.63	£63.45	£1.77	£5.36	£40.72	£0.01	01/01/05	2.4k-64k (Note 4)	289.67	62.81	1.75	£5.36	£40.31	£0.01	01/10/05
128k	£292.63	£114.59	£3.18	£14.32	£41.67	£0.02	01/01/05	128k	289.67	113.43	3.15	£14.32	£41.25	£0.02	01/10/05
192k	£292.63	£171.41	£4.77	£21.48	£42.62	£0.02	01/01/05	192k	289.67	169.68	4.72	£21.48	£42.19	£0.02	01/10/05
256k	£292.63	£229.18	£6.36	£28.64	£43.56	£0.03	01/01/05	256k	289.67	226.86	6.30	£28.64	£43.12	£0.03	01/10/05
320k	£292.63	£286.95	£7.97	£35.80	£44.51	£0.04	01/01/05	320k	289.67	284.05	7.89	£35.80	£44.06	£0.04	01/10/05
384k	£292.63	£385.43	£10.63	£42.96	£47.35	£0.06	01/01/05	384k	289.67	381.53	10.52	£42.96	£46.87	£0.06	01/10/05
448k	£292.63	£448.89	£12.39	£50.12	£48.30	£0.06	01/01/05	448k	289.67	444.35	12.26	£50.12	£47.81	£0.06	01/10/05
512k	£292.63	£513.28	£14.17	£57.28	£50.19	£0.07	01/01/05	512k	289.67	508.09	14.03	£57.28	£49.68	£0.07	01/10/05
576k	£292.63	£577.68	£15.94	£64.44	£51.14	£0.08	01/01/05	576k	289.67	571.84	15.78	£64.44	£50.62	£0.08	01/10/05
640k	£292.63	£641.12	£17.71	£71.60	£52.09	£0.09	01/01/05	640k	£289.67	£634.64	£17.53	£71.60	£51.56	£0.09	01/10/05
704k	£292.63	£706.47	£19.48	£78.76	£53.98	£0.09	01/01/05	704k	£289.67	£699.33	£19.28	£78.76	£53.43	£0.09	01/10/05
768k	£292.63	£769.92	£21.25	£85.92	£54.92	£0.10	01/01/05	768k	£289.67	£762.14	£21.04	£85.92	£54.36	£0.10	01/10/05
832k	£292.63	£834.32	£23.02	£93.08	£56.70	£0.11	01/01/05	832k	£289.67	£825.89	£22.79	£93.08	£56.13	£0.11	01/10/05
896k	£292.63	£898.71	£24.80	£100.24	£57.77	£0.12	01/01/05	896k	£289.67	£889.63	£24.55	£100.24	£57.19	£0.12	01/10/05

Circuit rental per annum (Note 2)	Sta	Standard maintenance (Note 9)			Enhanced Effect maintenance from (Note 9) Date		-	Circuit rental per annum (Note 2)		Standard maintenance (Note 9)					Effective from Date
Bandwidth (Note 1)	Local end fixed charge per annum (third party customer link)	Main link fixed charge per annum (Note 5)	Terminating Segment charge (per km p.a.)	Trunk Segme nt Charge (per km p.a.) *	Fixed p.a. (Note 6)	Per km p.a.		Bandwidt h (Note 1)	Local end fixed charge per annum (third party customer link)	Main link fixed charge per annum (Note 5)	Terminating Segment charge (per km p.a.)	Trunk Segment Charge (per km p.a.) *	Fixed p.a. (Note 6)	Per km p.a.	
960k	£292.63	£962.16	£26.56	£107.39	£58.72	£0.13	01/01/05	960k	£289.67	£952.44	£26.29	£107.39	£58.13	£0.13	01/10/05
1024k <b>(Note 4)</b>	£292.63	£1,025.62	£28.33	£114.54	£59.66	£0.14	01/01/05	1024k <b>(Note 4)</b>	£289.67	£1,015. 26	£28.04	£114.54	£59.06	£0.14	01/10/05
1M	£712.16	£424.26	£46.66	£102.24	£136.37	£1.53	01/04/05	1M	£704.96	£419.97	£46.19	£102.24	£134.99	£1.51	01/10/05
2M	£712.16	£424.26	£46.66	£102.24	£136.37	£1.53	01/04/05	2M	£704.96	£419.97	£46.19	£102.24	£134.99	£1.51	01/10/05
2M CLZ	£403.86	£424.26	£46.66	£102.24	£136.37	£1.53	01/04/05	2M CLZ	£399.78	£419.97	£46.19	£102.24	£134.99	£1.51	01/10/05
34/45M	£3,548.96	£3,186.73	£500.35	£552.16	£217.34	£2.46	01/04/05	34/45M	£3,423.84	£3,074. 38	£482.71	£552.16	£209.68	£2.37	01/10/05
34/45 Metro London (Note 10)	£2,058.40	£3,186.73	£500.35	£552.16	£217.34	£2.46	01/07/05	34/45 Metro London (Note 10)	£1,985.83	£3,074. 38	£482.71	£552.16	£209.68	£2.37	01/10/05
140/155M	£15,956.5 6	£10,771.5 9	£1,259.31	£260.00	£392.49	£5.60	01/01/05	140/155M	£15,394.0 2	£10,391 .84	£1,214.91	£260.00	£378.65	£5.40	01/10/05

### 1.2 PARTIAL PRIVATE CIRCUIT 155 MSH – MSH

(All prices in this section are covered by Ofcom Price Cap - Low & High Bandwidth connection and rental and maintenance charges - unless indicated by \*)

Circuit rental per annum (Note 7)	Standard	Note 9)	Enhanced Effectiv maintenance e Date (Note 9)			Circuit rental per annum (note 7)	Standard	maintenance	(Note 9)	Enhan mainter (Note	Effectiv e Date		
Bandwidt h	Local end fixed charge per annum (third party customer link)	Main link fixed charge per annum	Core Transportat ion Link Per km	Fixed p.a.	Per km p.a.		Band width	Local end fixed charge per annum (third party customer link)	Main link fixed charge per annum	Core Trans port ation Link Per Km	Fixed p.a.	Per km p.a.	
155M MSH – MSH	£15,956.56	£10,771.59	£255	£392.49	£5.60	01/01/0 5	155M MSH - MSH	£15,394.02	£10,391.8 4	£255	£378.65	£5.40	01/10/05

#### 1.3 PROTECTED PATH VARIENT 1 AND 2 RENTAL

Circuit rental per annum (Note 2)	Enhanced maintenance (Note 9)				Effectiv e Date	Circuit rental per annum (Note 2)	Enhanced maintenance (Note 9)				Effective Date
Bandwidth	Local end fixed charge per annum (third party customer link)	Main link fixed charge per annum	Terminating Segment charge per km p.a.	Trunk Segment Charge per km p.a.		Bandwidth	Local end fixed charge per annum (third party customer link)	Main link fixed charge per annum	Terminating Segment charge per km p.a.	Trunk Segment Charge per km p.a.	
2M	£1,190.00	£590.00	£54.00	£110.32	01/01/0 5	2M	£1,058.54	£525.31	£48.51	£102.24	01/10/05
34/45M	£6,116.00	£4,576.00	£578.00	£615.11	01/01/0 5	34/45M	£5,139.17	£3,845.19	£507.14	£552.16	01/10/05
140/155M	£27,494.00	£15,468.00	£1,453.00	£1,367.48	01/01/0 5	140/155M	£23,105.03	£12,997.45	£1,287.94	£260.00	01/10/05

# 1.2 INFRASTRUCTURE TARIFF CONVERSIONS (Note 1 &3)

# 1.2.1 Charges for BT Retail Private Circuits Installed up to and including 31<sup>st</sup> December 2001

Circuit Bandwidth	Age of Circuit at Migration	Effective from	Charge	Effective from	Charge
2.4-960Kbit/s	1 month or under	01/08/01	£189.00	01/10/05	£189.00
	1month and over	01/08/01	No Charge	01/10/05	No Charge
1 Mbit	1 month or under	01/08/01	£2,621.00	01/10/05	£2,621.00
	2 months	01/08/01	£2,369.00	01/10/05	£2,369.00
	3 months	01/08/01	£2,113.00	01/10/05	£2,113.00
	4 months	01/08/01	£1,885.00	01/10/05	£1,885.00
	5 months	01/08/01	£1,594.00	01/10/05	£1,594.00
	6 months	01/08/01	£1,330.00	01/10/05	£1,330.00
	7 months	01/08/01	£1,064.00	01/10/05	£1,064.00
	8 months	01/08/01	£795.00	01/10/05	£795.00
	9 months	01/08/01	£522.00	01/10/05	£522.00
	10 months	01/08/01	£247.00	01/10/05	£247.00
	11 months and over	01/08/01	No Charge	01/10/05	No Charge
2Mbit/s	Any age	01/08/01	No Charge	01/10/05	No Charge
34 & 45Mbit/s	1 month or under	01/08/01	£21,673.00	01/10/05	£21,673.00
	2 months	01/08/01	£19,067.00	01/10/05	£19,067.00
	3 months	01/08/01	£16,433.00	01/10/05	£16,433.00
	4 months	01/08/01	£13,772.00	01/10/05	£13,772.00
	5 months	01/08/01	£11,082.00	01/10/05	£11,082.00
	6 months	01/08/01	£8,364.00	01/10/05	£8,364.00
	7 months	01/08/01	£5,617.00	01/10/05	£5,617.00
	8 months	01/08/01	£2,841.00	01/10/05	£2,841.00
	9 months	01/08/01	£35.00	01/10/05	£35.00
	10 months and over	01/08/01	No charge	01/10/05	No charge
140 – 155Mbit/s (Note 4)	Up to 1 month	02/09/04	£49,593.00	01/10/05	£49,593.00
	2 months	01/08/01	£48,618.00	01/10/05	£48,618.00
	3 months	01/08/01	£47,633.00	01/10/05	£47,633.00
	4 months	01/08/01	£46,637.00	01/10/05	£46,637.00
	5 months	01/08/01	£45,631.00	01/10/05	£45,631.00

Circuit Bandwidth	Age of Circuit at Migration	Effective from	Charge	Effective from	Charge
	6 months	01/08/01	£44,614.00	01/10/05	£44,614.00
	7 months	01/08/01	£43,587.00	01/10/05	£43,587.00
	8 months	01/08/01	£42,549.00	01/10/05	£42,549.00
	9 months	01/08/01	£41,499.00	01/10/05	£41,499.00
	10 months	01/08/01	£40,439.00	01/10/05	£40,439.00
	11 months	01/08/01	£39,367.00	01/10/05	£39,367.00
	12 months	01/08/01	£38,284.00	01/10/05	£38,284.00
	13 months	01/08/01	£37,189.00	01/10/05	£37,189.00
	14 months	01/08/01	£36,083.00	01/10/05	£36,083.00
	15 months	01/08/01	£34,965.00	01/10/05	£34,965.00
	16 months	01/08/01	£33,835.00	01/10/05	£33,835.00
	17 months	01/08/01	£32,693.00	01/10/05	£32,693.00
	18 months	01/08/01	£31,539.00	01/10/05	£31,539.00
	19 months	01/08/01	£30,373.00	01/10/05	£30,373.00
	20 months	01/08/01	£29,194.00	01/10/05	£29,194.00
	21 months	01/08/01	£28,003.00	01/10/05	£28,003.00
	22 months	01/08/01	£26,799.00	01/10/05	£26,799.00
	23 months	01/08/01	£25,583.00	01/10/05	£25,583.00
	24 months	01/08/01	£24,353.00	01/10/05	£24,353.00
	25 months	01/08/01	£23,111.00	01/10/05	£23,111.00
	26 months	01/08/01	£21,855.00	01/10/05	£21,855.00
	27 months	01/08/01	£20,586.00	01/10/05	£20,586.00
	28 months	01/08/01	£19,304.00	01/10/05	£19,304.00
	29 months	01/08/01	£18,008.00	01/10/05	£18,008.00
	30 months	01/08/01	£16,698.00	01/10/05	£16,698.00
	31 months	01/08/01	£15,374.00	01/10/05	£15,374.00
	32 months	01/08/01	£14,036.00	01/10/05	£14,036.00
	33 months	01/08/01	£12,685.00	01/10/05	£12,685.00
	34 months	01/08/01	£11,318.00	01/10/05	£11,318.00
	35 months	01/08/01	£9,938.00	01/10/05	£9,938.00
	36 months	01/08/01	£8,542.00	01/10/05	£8,542.00
	37 months	01/08/01	£7,132.00	01/10/05	£7,132.00
	38 months	01/08/01	£5,707.00	01/10/05	£5,707.00
	39 months	01/08/01	£4,267.00	01/10/05	£4,267.00
	40 months	01/08/01	£2,811.00	01/10/05	£2,811.00
	41 months	01/08/01	£1,340.00	01/10/05	£1,340.00
	42 months and over	01/08/01	No Charge	01/10/05	No Charge

# 1.2.2 Charges for BT Retail Private Circuits Installed after 31<sup>st</sup> December 2001

Circuit Bandwidth	Age of Circuit at Migration	Effective from	Charge	Effective from	Charge
2.4-960kbit/s	1 month or under		£270.00	01/10/05	£270.00

Circuit Bandwidth	Age of Circuit at Migration	Effective from	Charge	Effective from	Charge
	2 months		£45.00	01/10/05	£45.00
	3 months and over		No Charge	01/10/05	No Charge
1 Mbit	Any age		No charge	01/10/05	No charge
				01/10/05	
2Mbit/s	Any age		No Charge	01/10/05	No Charge
04.0.45Mb:://-	<b>4</b> m = m th = m		000 700 00	01/10/05	000 700 00
34 & 45Mbit/s	1 month or under		£20,762.00	01/10/05	£20,762.00
	2 months		£18,147.00	01/10/05	£18,147.00
	3 months		£15,503.00	01/10/05	£15,503.00
	4 months		£12,832.00	01/10/05	£12,832.00
	5 months		£10,132.00	01/10/05	£10,132.00
	6 months		£7,404.00	01/10/05	£7,404.00
	7 months		£4,647.00	01/10/05	£4,647.00
	8 months		£1,860.00	01/10/05	£1,860.00
	9 months and over		No charge	01/10/05	No charge
140 – 155Mbit/s <b>(Note 4)</b>	Up to 1 month	02/09/04	£49,593.00	01/10/05	£49,593.00
	2 months		£48,618.00	01/10/05	£48,618.00
	3 months		£47,633.00	01/10/05	£47,633.00
	4 months		£46,637.00	01/10/05	£46,637.00
	5 months		£45,631.00	01/10/05	£45,631.00
	6 months		£44,614.00	01/10/05	£44,614.00
	7 months		£43,587.00	01/10/05	£43,587.00
	8 months		£42,549.00	01/10/05	£42,549.00
	9 months		£41,499.00	01/10/05	£41,499.00
	10 months		£40,439.00	01/10/05	£40,439.00
	11 months		£39,367.00	01/10/05	£39,367.00
	12 months		£38,284.00	01/10/05	£38,284.00
	13 months		£37,189.00	01/10/05	£37,189.00
	14 months		£36,083.00	01/10/05	£36,083.00
	15 months		£34,965.00	01/10/05	£34,965.00
	16 months		£33,835.00	01/10/05	£33,835.00
	17 months		£32,693.00	01/10/05	£32,693.00
	18 months		£31,539.00	01/10/05	£31,539.00
	19 months		£30,373.00	01/10/05	£30,373.00
	20 months		£29,194.00	01/10/05	£29,194.00
	21 months		£28,003.00	01/10/05	£28,003.00
	22 months		£26,799.00	01/10/05	£26,799.00
	23 months		£25,583.00	01/10/05	£25,583.00
	24 months		£24,353.00	01/10/05	£24,353.00
	25 months		£23,111.00	01/10/05	£23,111.00

Circuit Bandwidth	Age of Circuit at Migration	Effective from	Charge	Effective from	Charge
	26 months		£21,855.00	01/10/05	£21,855.00
	27 months		£20,586.00	01/10/05	£20,586.00
	28 months		£19,304.00	01/10/05	£19,304.00
	29 months		£18,008.00	01/10/05	£18,008.00
	30 months		£16,698.00	01/10/05	£16,698.00
	31 months		£15,374.00	01/10/05	£15,374.00
	32 months		£14,036.00	01/10/05	£14,036.00
	33 months		£12,685.00	01/10/05	£12,685.00
	34 months		£11,318.00	01/10/05	£11,318.00
	35 months		£9,938.00	01/10/05	£9,938.00
	36 months		£8,542.00	01/10/05	£8,542.00
	37 months		£7,132.00	01/10/05	£7,132.00
	38 months		£5,707.00	01/10/05	£5,707.00
	39 months		£4,267.00	01/10/05	£4,267.00
	40 months		£2,811.00	01/10/05	£2,811.00
	41 months		£1,340.00	01/10/05	£1,340.00
	42 months and over		No Charge	01/10/05	No Charge

#### Notes:

- 1. Where applicable the Infrastructure Tariff Conversion charge is payable in addition to the Migration charge.
- 2. All orders submitted for migration, (whether subsequently found to be valid or invalid migration requests) are subject to the re-classification charge applicable to the bandwidth migrated.
- 3. For migration purposes where an existing retail circuit has undergone a shift, at the customers request, at the third party site the CCD date for such a circuit will be the date that the most recent shift was completed by BT. Where an existing retail circuit has undergone a shift at the POH the CCD will be considered as the previous completion date of the circuit. For circuits that were under 10months old on the 1<sup>st</sup> August 2001, the charge will comprise the re-classification charge plus the Infrastructure Tariff Conversion Charge.
- 4. With effect from 2<sup>nd</sup> September 2004, existing Retail 622Mbit/s circuits are no longer eligible for Migration.

## 8.06 PARTIAL PRIVATE CIRCUITS - OTHER CHARGES

For terms and conditions applicable to these charges payable to BT see the Standard PPC Handover Agreement.

## 1 BANDWIDTH UPGRADE AND CHANGE OF INTERFACE PRESENTATION CHARGES

#### 1.1 Change of speed within 320Kbit/s – 1024Kbit/s bandwidths (Note 1)

Bandw	idth	Effective from	Change of Speed Charge per circuit	Effective from	New Change of Speed Charge per circuit	Effective from
1M	oit	01/08/2001	£94.00			

#### 5 Excess Construction charges (Note 7)

Description	Effective date	Charge	Effective date	Charge
Breaking/Drilling through a Wall				
Each external wall		£270.00		
Each internal concrete wall		£150.00		
Each internal non-concrete wall		£60.00		
Provision of Each Pole		£400.00		
Connection Charge per metre or part thereof				
Cable (fibre or copper) including any jointing required		£11.20		
New Ductwork (Note 7)				
Mole ploughing of fibre in sub-duct per metre		£20.00		
Soft surface or other mole ploughed per metre		£44.00		
Footway per metre		£78.00		
Carriageway per metre		£125.00		
Trunking and traywork within customer's curtilage per metre		£40.00		
Radio Provision				
Customer Cabinet		£876.74		
Radio Monopole		£9,531.93		
Elevated Platform Usage (charge per day)		£454.03		