



March 2014

BT's Response to Ofcom's 20 February 2014 Consultation – Review of the Metering and Billing Direction

We would welcome any comments on the contents of this document which is also available electronically at

<http://www.btplc.com/Thegroup/RegulatoryandPublicaffairs/Consultativeresponses/>

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Executive Summary

BT is pleased to respond to Ofcom's second consultation on proposed changes to the Metering and Billing Direction, issued as part of General Condition 11 of the General Conditions of Entitlement set under section 45 of the Communications Act 2003.

In particular, BT fully supports Ofcom's move towards a process based approach, utilising the compliance and business controls already existing within CP organisations. This will allow a 'business as usual' approach to be adopted whilst still providing the protection customers would expect.

BT also acknowledges that the revised approach will be more flexible to adopt and will therefore enable CPs to apply for a wider range of services covered by the mandatory and voluntary scope for fixed line, mobile and data.

This response is based on a review of the documentation provided and does not take into account all points raised and actions agreed at the MABABF meeting of 14 March 2014.

In the light of potential changes required to the Direction, BT would like to see the final version of the Direction prior to publication so as to allow a final review to take place.

General

BT attended the open MABABF (Metering and Billing Approval Body Forum) on 14 March 2014 and a further meeting with Ofcom on 19 March 2014 and has some additional comments following this meeting.

1. BT fully supports the holding of open MABABF sessions as a way of clarifying CP issues and of obtaining a clear understanding of Ofcom's and Approval Bodies' proposals. BT believes that the meeting on 14 March 2014 resolved a number of potential issues with the draft Direction and will speed its introduction.
2. BT does not support the proposal from one CP that value/ CP size banded performance targets should be considered for consumer and business customers. BT feels this would be a backward step from the process based approach that Ofcom is proposing. Any attempt to re-introduce targets is likely to open up significant work to gain agreement and the likely need to consult for a third time.
3. BT suggests that all defined terms in the body of the document should be placed in the 'Annex A' definitions section, including a reference for data / VOIP services.
4. BT fully supports the exclusion of wholesaler billing from Annex C given the lack of any 'line of sight link' between wholesale billing and any retail billing of end-users.

BT's responses to the questions in the consultation

Question 1: We invite stakeholders' views on the proposed removal of target-based requirements across all retail services and evidence to support their views

BT supports the proposed removal of target based requirements across all retail services and welcomes Ofcom's move towards this approach as mentioned in paragraphs 4.9 to 4.14 and 4.18 of the consultation document.

However, the revised Direction and in particular the tables contained within Annexes B and C do not currently align with the proposals. A clear definition and indication of how to interpret the tables and how they fit in with the measurement requirements expected by the Approval Bodies should be provided.

The inclusion of templates with generic headings will help to overcome any ambiguity.

This approach will allow all CPs regardless of size, products or services to apply for approval.

Question 2: We invite stakeholders' views and evidence on the practicality of the proposed new timeframe for approval as set out in paragraph 5.1 of the draft new Direction.

Based on the assumption that question 1 changes will be adopted, BT agrees with Ofcom's timescale proposals for new applications for approval.

Question 3: We invite stakeholders' views on whether the proposed revised definition of EPF would be workable. We also welcome any alternative suggestions for the definition.

Based on the assumption that question 1 changes will be adopted, BT believes that the existing 12 month rolling average view of performance will highlight any significant deviations to report.

BT supports the inclusion of operating guidance within a template to assist CPs agree requirements with their Approval Body.

Question 4: We invite stakeholders' views on the proposed timeframe for delivery of CDRs as set out in paragraphs 7.1 of the Direction. If you do not agree, please provide evidence to support an alternative approach or timeframe.

BT has no strong opposition to the call usage age limit of 60 days being proposed given the controls at the wholesale level it already has in place to monitor accuracy.

BT does, however question how a multi-wholesaler TMBS would operate and how the 60 day tolerance would be apportioned between wholesalers to maintain controls for retail CPs. This appears to be the same as the 'inter-working' problem raised with the 2008 Direction that led to further Direction updates to try and resolve it.

If Ofcom confirms that the allowance applies to each wholesaler in a delivery chain, then BT fails to see how the retailer age limits can be met. If targets are to be maintained, then BT suggests that this scenario needs to be covered in one of the planned worked example templates being provided by the Approval Bodies as agreed at the MABABF on 14 March 2014.

Question 5: We invite stakeholders' views on the proposed non-material changes to the Direction?

BT believes that the section on 'Measurement Limits' referring to the tables in Annexes B and C and their use needs to be more explicit. At present the adoption of a process based approach is not consistent with the use of the tables in Annexes B and C

The section for 'Description of Service' should refer to all performance targets not just the 1:50k usage target and £600 limit for greater clarity.

Question 6: We invite suggestions on these and other ways in which awareness of the Scheme can be promoted.

BT supports Ofcom's proposals for promoting the scheme. BT further proposes that the accreditation should cover all approvals to the 2014 Direction, not just voluntary applications. BT suggests that Ofcom makes any agreed logo available for use by any CP who gains approval to the 2014 Direction.