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RESPONSE TO COMPETITION & INVESTMENT IN FIBRE NETWORKS
INITIAL PROPOSALS - APPROACH TO REMEDIES

Section 2 – Proposed remedies in potentially competitive areas.

I would agree that the objectives as set out in 2.3 items a) to d) in promoting competition.

2.6 – States the remedies has been developed against the background that rival networks will have unrestricted access to Openreach's duct and pole infrastructure.

I note that some network providers have increased their 'reach' to more premises by usage of sharing Openreach's duct and pole infrastructure. Has Ofcom introduced any special reporting measures to determine any major service disruptions to consumers as a result of damage to these shared ducts / poles? I would consider that mobile operators would be at considerable risk if their network lines to mobile masts were included in any shared infrastructure. Particularly, 4 G and 5G in rural areas where they could be used as an alternative network when internet and VoIP services are disrupted.

2.7 – Table 1.

In general agreement with regulation proposals.

Why is 'Dark Fibre' not considered to have some form of regulation?

2.8 to 2.13 – Agree.

2.16 to 2.21 – Ofcom proposals from 2021.

Generally agree. Item 2.20 d) - refer also to comments for paragraph 2.6 above.

2.22 to 2.32 – Leased lines. Network access and charge controls.

Refer to comments for paragraph 2.6 above.

2.33 to 2.34 – Other regulatory remedies.

Agree.

2.35 to 2.39 – Strategic network development.

Generally in agreement.

RESPONSE TO COMPETITION & INVESTMENT IN FIBRE NETWORKS

Overall, Ofcom's proposals are based on unrestricted access to Openreach's ducts and poles infrastructure. I regard this as a retrograde policy from a network resilience issue (too many major networks in shared infrastructure). This leaves the consumer at increased risk from disruption of services, especially the small businesses in rural areas. In these areas it would be essential for the mobile networks infrastructure to be completely separate from broadband internet providers thus ensuring a means for these businesses to continue to service their business in the event of voice and internet disruption in shared network infrastructure.

Without up to date postcode data on the number of operators active in a postcode area, it is extremely difficult to provide any reasonable estimate on the impact of "Investment and Competition of fibre networks" in Scotland.

To gauge the extent, within Scotland, of the areas most likely to become fully competitive, the following situation was considered:-

The three cities (Dundee, Edinburgh and Glasgow) have Virgin Media (VM) cable network (note Aberdeen and Inverness have no cable network). Plus the five cities (Aberdeen, Dundee, Edinburgh, Glasgow and Stirling) with Cityfibre network.

In addition, the VM network covers town areas surrounding the main cities and some of the 'new towns') Cumbernauld, East Kilbride, Glenrothes and Livingston).

In total, cable networks are active in 122 exchange areas.

The exchange areas considered above could only be assumed as "potentially competitive area" and would depend on Cityfibre expanding into the towns surrounding the main cities.

Otherwise, the whole of Scotland would be totally "non-competitive".

The other major future issue is the migration to full Voice over Internet Protocol (VoIP).

The exchange areas enabled with LLU and 21 Century network equipment is 281 (out of 1070).

Sky, TalkTalk and Vodafone are active in all main cities and towns (note Vodafone only active in 90 of these areas). In Scotland, LLU was implemented where at least 1,500 premises existed.

Scotland has a major challenge to achieve migration to full VoIP requiring massive investment.

The areas outwith the 281 exchanges is huge and would be totally "NON-COMPETITIVE" in VoIP. The area has about 780 exchanges that are not enabled with 21Century network equipment and should be prioritised to install FTTP first in the planning for "Investment and Competition in Fibre networks" in preparation for the migration to full VoIP.

As of mid 2018 the total exchanges in Scotland can be classified in terms of availability of fibre in their area:-

Without a fibre presence – 484, of these 472 were rated as Ofcom Market Classification 1 (OMC 1).

FTTC only – 258, of these 171 were rated as OMC 1.

FTTC and some FTTP -315, of these 100 were rated as OMC 1.

Where Sky, TalkTalk and Vodafone have a presence there are a 'cluster of exchanges' surrounding these 'nodes' that could be considered for public funding to extend their networks into these 'cluster exchanges' to provide improved broadband and increase competition.

Consultation Questions

Q 2.1 – Agree in general with reference to comments in paragraph 2.6 and above.

Q 2.2 – Agree in general with reference to comments in paragraph 2.6 and above.

Q 2.3 – Agree in general with reference to comments in paragraph 2.6 and above.

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Section 3 – Proposed remedies in Non-competitive areas.

3.3 – Objectives.

Agree with items a) and b). In c) Promoting retail competition. What type of Internet Service Provider (ISP) does Ofcom mean by ‘Retail’? Are these the companies that utilise Openreach’s equipment at exchanges (for example - ADSL for copper based broadband services) ? Providers such as Sky, TalkTalk and Vodafone have their own network into exchanges and have installed their own separate ADSL units to connect to the BT copper cables utilising the LLU procedures. Are they also classified as ‘Retail’? A clear distinction between these ISPs’. Refer also to the comments in Section 2 before the Questions 2.1 to 2.3 on page 2.

3.5 “ A key consideration ----- and preserving BT’s incentives to invest in fibre”. Surely, BT already have a large incentive to replace high maintenance cost copper broadband services and to migrate the increasing costly PSTN to VoIP with full FTTP.

3.7 Table 2 – Agree in principle to these proposals.

3.9 – Wholesale local access services.

Agree that this is a very necessary requirement.

Providers such as Sky, TalkTalk and Vodafone would need to change their ADSL equipment to a fibre interface to be able to use Openreach’s FTTP infrastructure.

3.10 to 3.14 – Charge control framework for non-competitive areas.

Knowledge of these issues are essential to understand BT’s likely approach.

Refer also to comments in 3.3, 3.5 and 3.9 above.

3.15 to 3.24 Regulated Asset Base framework.

Agree with the overall aims of these statements.

3.25 Table 3 – Illustrative example of how RAB could be designed.

The details set out will provide sufficient information for providers to discuss and agree a robust scheme.

3.30 Leased lines – Agree.

3.31 to 3.41 Dark Fibre issues.

In addition to BT, there other suppliers of Dark Fibre that need to be considered.

3.42 to 3.43 Other regulatory remedies. Agree.

Questions

3.1 – Agree subject to comments above.

3.2 – Agree subject to comments above.

3.3 - Industry companies are best placed to provide their views.

3.4 – Agree. Refer to comments in 3.31 to 3.41 above.

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Section 4.

4.1 to 4.2 Introduction to QoS. As a consumer, I agree to the requirement for a good standard of QoS.

4.3 to 4.22 – Industry companies are best placed to comment on Ofcom proposals.

Question.

4.1 – Refer to comment above.

Section 5 Retirement of the copper network.

5.5 and 5.6 – Agree.

5.12 and 5.13 – Agree.

5.30 to 5.33 – The importance of consumer protection. Agree.

Questions.

5.1 – Agree.

5.2 – Agree.

None of my comments are confidential.