

Fair treatment and easier switching for broadband and mobile customers

Implementation of the new European Electronic Communications Code

Openreach response

30 November 2020



Forward

On 27 October 2020, Ofcom published its statement and consultation document entitled “Fair treatment and easier switching for broadband and mobile customers”.

This response is provided by Openreach Limited - a wholly owned subsidiary of BT Group.

We’re the people behind the UK’s digital network and we connect homes and businesses, large and small, to the wider world.

We work every day to get faster broadband speeds, broader coverage and better service for everyone. We’re an open wholesale network provider.

Our customers are the 600+ Communications Providers (CPs) working in the UK – companies like BT, Sky, TalkTalk and Vodafone.

We connect people to their networks so they can sell them landline, mobile, broadband, TV and data services.

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I. Executive Summary

1. Openreach supports Ofcom's priority to achieve fairness for all parties in the UK telecommunications market. To this end enabling end customers to shop around with confidence, make informed choices and switch easily between providers are features of a competitive market and we therefore welcome the opportunity to respond to Ofcom's statement and consultation on "Fair treatment and easier switching for broadband and mobile customers " as published on 27th October 2020.
2. As a wholesaler a number of the areas covered in the statement and consultation document do not apply to Openreach. Therefore we have focused this response on switching and porting. We are happy to discuss any elements of our response in more detail with Ofcom, the Office of the Telecommunications Adjudicator (OTA) and industry as required.
3. We note that Ofcom will be carrying out a further consultation specifically on a new fixed switching process later this year and we will be happy to provide further input leading up to that consultation as well as in response to its publication.
4. Key points:

- Openreach supports a new process that is simple, efficient and delivers reliable switching.
- Openreach has lots of experience to contribute effectively to the switching debate.
- Openreach currently operates unified switching processes irrespective of whether the products are part of a bundle or not – this principle will apply to any new process.
- The OTA modelling (supported by Openreach) suggests that to reduce complexity and potential points of failure in the solution architecture, the switching hub must be positioned at the retailer level.
- For its full-fibre services (FTTP) Openreach already operates the Notification of Transfer process to enable a seamless switching service.
- Openreach is concerned that a big bang switch on of a new process could be disruptive in the market place and we therefore would recommend a more phased implementation approach allowing industry to capture issues in a more controlled manner.
- Openreach has many years' experience of enabling number porting.
- Openreach already operates a process that retains imported numbers for at least 31 days when those numbers are ceased as part of a contract termination. We are investing in our porting systems to allow the export of BT range numbers for up to 31 days following service cessation.
- In relation to the 24 month implementation timescale, this is dependent upon the solution being agreed in the very near future – we note that the timing of a final statement may only allow for 20 months for implementation. The new proposed switching process must be **simple and efficient** to allow an easier migration to the new process. Openreach highly recommends a delivery timescale that facilitates a robust testing of any new process before it is deployed. Should a less efficient and more complex variant be chosen this would make meeting an already challenging timescale incredibly risky and would not allow for sufficient testing before launch.

II. Switching

5. This Openreach submission builds upon that provided on 3 March 2020 in response to Ofcom's initial consultation issued on 17 December 2019.
6. Openreach recognises that end customers need to be able to switch providers easily to take advantage of the deals available to them. We support the principle that when end customers look to change provider, their new broadband provider should lead the switch and offer a seamless switching experience. Openreach has been involved in enabling switching between Communications Providers' customers for many years and therefore we consider we are well placed to contribute a wealth of experience to the debate on how an efficient and effective process may operate. Openreach currently facilitates circa 175,000 switches each month within the Openreach network – operating a process called the Notification of Transfer process - this works well as a pure Gaining Provider led process and its principles put the end customer's needs at the heart of the seamless process – as recognised by Ofcom (para 9.48):

"In relation to the Notification of Transfer process, we agree that it is consistent with the obligation that the gaining provider leads the switching and porting process on behalf of the customer."

Requirement for full-fibre switching

7. Ofcom states at para 1.10:

"There are currently no regulated processes in place for residential customers switching between providers on different fixed networks, or providers of full-fibre services."

8. Openreach observes that for its full-fibre services (FTTP) Openreach does operate the Notification of Transfer process to enable a seamless switching service for end customers wishing to switch supplier on the Openreach network. This is documented as follows:
9. Business Processes pages at:

[Redacted]

Requirement for cross platform switching

10. In relation to switches between different networks, Openreach supports and recognises the need for a single switching process to be implemented across networks and technologies. Openreach has been proactively contributing to the OTA facilitated process to enable industry to design a new pan industry switching process. Openreach has been working with both of the industry groups to inform the debate and to provide ideas on how a potential new switching solution could be enabled. In particular, any new process must be reliable and designed to avoid potential points of failure in its architecture. On this basis we urge Ofcom to consider reliability and complexity when deciding the correct process to take forward.
11. It is important to note that Openreach does not distinguish between business and residential uses on all of our products and therefore will require a seamless switching process to be implemented across

all of our copper and fibre product journeys (excluding our Ethernet portfolio) regardless of tariff.

12. Similarly as Openreach applies switching rules on a per product basis, this is irrespective of whether the product is part of a bundle or not. In this respect two important principles apply to switching:

- Where there is a dependency on one product by another, our processes identify a lead product for example where MPF and FTTC are provided, the lead product is MPF and for WLR and SMPF, the lead product is WLR. Therefore in these circumstances FTTC and SMPF are automatically ceased if the lead product is switched to another provider.
- Minimum lead times apply on a per product basis, for example an MPF new line provision has a minimum lead time of 3 working days due to physical engineering requirements. In any proposed switching process Openreach could reduce the existing Notification of Transfer timescales down to the minimum lead time of the provision of the gaining product.

13. We note Ofcom's reference at paragraph 9.67:

"As noted in the December Consultation, information from gaining providers regarding switching forms part of the key information that is to be provided at the point of sale to allow customers to consider the consequences of switching before consenting to the terms of the contract. We will consider whether there is a need for further specific requirements on how this information is provided by gaining providers as part of our forthcoming process consultation."

14. Openreach considers that all the proposed options as part of the OTA facilitated process meet the need for providing information at the point of sale to allow end customers to consider the consequences of switching.

New rules to make broadband switching easier and more reliable

15. As stated by Ofcom at paragraph 9.5:

*"Article 106(6) of the EECC specifies that Ofcom may establish the details of the switching and porting processes and, in addition, Article 106(1) requires Ofcom to ensure that all switching processes **are simple and efficient** [emphasis added]."*

16. Openreach supports a new process that is simple, efficient and delivers reliable switching. Openreach has been supporting the OTA in modelling the various switching options proposed to industry with complexity and reliability scoring to ensure the best option is put forward that will deliver the most reliable switching process possible. The complexity modelling is comprehensive and suggests that to reduce complexity and potential points of failure in the solution architecture, the switching hub should be positioned at the retailer level.

17. Specifically, the complexity modelling in Openreach's view means that any new switching process will require the implementation of a 'hub' to create the handshake between losing and gaining retail parties where products and services are supplied over different platforms. This hub must have direct

communication with the retailers that deliver the products and services to end customers and must not be deployed at the Access Network Providers level.

18. Openreach is concerned that a big bang switch on of a new process could be disruptive in the market place and therefore would recommend a more phased implementation approach allowing industry to capture issues in a more controlled manner.

Implementation Timeline

19. We note Ofcom's reference to the timing of the implementation of a new switching process as up and working by December 2022 so as to reflect the new requirements. Openreach stands ready to play its part to support the introduction of a new switching regime – however this is reliant on the need to minimise complexity and potential points of failure so as to facilitate the smooth introduction of a new process. The importance of these principles cannot be overstated. We note that at paragraph 3.25b) Ofcom states:

"...24 months from the final notification to implement the new requirements on switching, discussed in section 9. Therefore, providers will have until December 2022 to implement these requirements."

20. In order to meet the implementation timeline of December 2022, Openreach recommends that the solution be agreed across industry within the very near future. Openreach recommends a delivery timescale that facilitates a robust testing of any new process before it is deployed. The new proposed switching process must be **simple and efficient** to allow an easier migration to the new process. The Openreach and OTA assessment of complexities suggest that the implementation of a new process is easier where the switching hub is positioned at the retailer level. Should a less efficient and more complex variant be chosen this would make meeting an already challenging timescale incredibly risky and would not allow for sufficient testing before launch.
21. A solution which can be implemented in a phased way would provide a less risky solution as compared to a 'big bang' approach. We understand some options considered by industry could not be implemented in a phased way. We consider Ofcom should take such a principle into account as part of its next consultation.

III. Number Porting

22. Openreach has many years' experience of enabling number porting. Ofcom has confirmed its intention to implement new rules relating to the right for an end customer to port their number. This is summarised at paragraph 9.121:

"We have decided to proceed with our December proposals to implement the EECC requirements by introducing: a) a new general rule that providers must allow all customers to port their number for at least a month after the customer has terminated their contract unless they expressly agree otherwise when terminating that contract (GC C7.6(b)); and b) a new general prohibition on providers charging customers directly for providing number porting (GC C7.6(c))."

23. Openreach already operates a process that retains imported numbers for at least 31 days when those numbers are ceased as part of a contract termination. This enables any port order to be accepted during this period. We are also investing in our porting systems to allow the export of BT range numbers for up to 31 days following service cessation. We have shared the detail of this process with industry and the OTA. It is required that this new rule needs to come into force 24 months after publication of the revised GCs and our plans fit with this timescale.

24. In relation to the reference to 'a month' in paragraph 9.121 (see paragraph 22 above), Openreach interprets this as 31 calendar days.

25. Ofcom at paragraph 9.36c also requires CPs to:

"where a porting process fails, reactivate the number and the customer's relevant services until the port is completed successfully"

26. Openreach proposes fulfilling this requirement using the existing emergency restoration process which enables the end customers to get their number back.

IV. Openreach response to specific Ofcom questions

27. As a wholesaler Openreach is not impacted by the majority of the points made in the specific questions posed by Ofcom as part of the statement and consultation document. Our responses are provided below:

Question 1: Do you agree with our proposed amendments to terminology/definitions in the GCs set out in paragraphs 15.7-15.45 above?

28. Openreach notes the amendments to terminology / definitions Ofcom is proposing to make to the GCs. We have no specific comment on this question.

Question 2: Do you agree with the consequential changes we are proposing to make to the Metering and Billing Direction?

29. Openreach notes the consequential changes Ofcom is proposing to make to the Metering and Billing Direction. We have no specific comment on this question.

Question 3: Do you agree with the consequential changes we are proposing to make to the National Telephone Numbering Plan?

30. Openreach has no specific comment on this question.

Question 4: Do you have any comments on our proposed timing for implementing these changes?

31. As per our comments to questions 1, 2 and 3 above, we have no specific comment on this question.

Question 5: Do you agree with the modifications we are proposing to make to General Conditions A1 (general network access and interconnection obligations) and B4 (access to numbers or services) in light of the end of the transition period?

32. Openreach has no specific comment on this question.

Question 6: Do you agree with the modification we are proposing to make to the Numbering Plan in light of the end of the transition period?

33. Openreach has no specific comment on this question.