

3<sup>rd</sup> September 2020

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

By email only: [wftmr@ofcom.org.uk](mailto:wftmr@ofcom.org.uk)

Dear Sir/Madam

**Copper retirement – process for determining when copper regulation can be removed.**

BUUK has been providing gigabit ready full fibre broadband connections to the new build housing sector since 2008. Our fibre networks are often chosen by developers in preference to the solutions offered by the monopoly incumbent. We also operate a wholesale business, Open Fibre Networks (Wholesale) Limited, offering wholesale services to Communication Providers across the UK.

In this letter BUUK sets out its response to Ofcom's supplementary consultation to the wholesale fixed telecoms market review, focusing on copper retirement and the process for determining when copper regulation can be removed.

While BUUK supports Ofcom's approach to copper retirement to drive investment in Openreach deployment of fibre, we agree that the proposal should wait until after the publication of the WFTMR statement. This will avoid the creation of any unintended consequences relating to the defining of circumstances in which premises can be excluded. In particular, further work is required on the circumstances in which premises can be excluded from the definition of a completed ultrafast exchange.

One area that needs further clarification relates to assessing the impact of availability of 3rd party infrastructure providers offering ultrafast open access service. While it is less likely to impact on the 75% ultrafast coverage trigger point, it could impact on the 100% target where Openreach penetration of ultrafast connectivity is measured by exchange connectivity to each premise. It is not currently clear how this measure will take account of existing 3rd party connectivity in these areas that already meet Ofcom's ultrafast broadband requirements.

Given that premises excluded from the definition regarding ultrafast exchanges has not been finalised, Ofcom's 100% Openreach build out requirement is not explicitly clear regarding connectivity to new housing developments, where it is common practice for developers to access fibre services through a competitive procurement process. The Department for Digital,

Culture, Media and Sport are already consulting on new legally binding requirements to ensure all new homes are fitted with Gigabit broadband and a duct infrastructure to support more than one Communication Provider (CP).

Requiring Openreach to obtain 100% penetration, including new housing developments which are already open access and gigabit capable fibre served, by one, two or more network providers would serve no useful purpose. It will add to consumers costs through network duplication, undermine the competitive procurement process with developers and potentially strand the asset of investors who have already provided gigabit fibre. Gigabit capable fibre fed new housing developments and existing 3rd party CP fibre access networks should be recognised as alternatives to the incumbent and excluded from the penetration target as this could encourage anti-competitive behaviour by Openreach.

We believe our proposed approach would still align with government full fibre objectives, which do not require all fibre penetration to come from Openreach. It would also be in the consumers best interest for Openreach to focus on copper retirement as this would restrict any unnecessary expenditure on fibre areas that can access a competitive fibre market and stop any avoidable capital costs being passed on to consumers.

We would be happy to provide any further clarification to our responses if that would be helpful.

Yours sincerely



Keith Hutton  
Regulation Director