



Flomatik Network Services

Ofcom, Wholesale Local Access  
Market Review, Consultation on  
pricing proposals for Duct and Pole  
Access remedies

Version	Date	Amendment	Author
V1.0	12/09/2017		Bill Mackenzie

[www.flomatik.co.uk](http://www.flomatik.co.uk)



## Introduction

Flomatik is an industry recognised and results-driven Network Services company, working with clients who are under pressure to deliver extraordinary technological and operational change; clients that value a partner that can respond quickly and achieve optimal results.

The company provides its clients with right-sized solutions for each project, from key personnel, to whole teams, and turnkey services, through to full functional outsourcing. Complex projects are delivered by developing shared understanding to generate efficient and effective solutions that reduce project complexity and uncertainty, saving clients both time and money.

At our heart lies a passion for quality and success, embodied by a team of outstanding and committed specialists. The organisation blends the experience and wisdom of long-standing professionals, with the hunger and excitement of new talent.

### Flomatik are PIA Accredited

Flomatik have an extensive understanding of the Openreach infrastructure and the complex end to end DPA application process; valuable prerequisites when undertaking DPA survey and analysis for CPs.

To realise each project, Flomatik provides its clients with a dedicated Openreach Accreditor and accredited team of Survey and Planning Engineers.

Each turnkey project is delivered within a PMO framework and supported by specialist Project Managers. The team handles all DPA activities and surveys, starting with the DPA mapping applications, Openreach portal applications and through to the submission of meticulously completed survey sheets, to ultimately deliver detailed PIA use case and network designs.

### We're experienced

With our unique, practical experience of network planning with various technologies, architectures and business models, Ofcom acknowledges and consults with Flomatik as a leading player in the DPA movement. Working alongside Ofcom with CPs, construction companies and technology tool suppliers, Flomatik continually develops its knowledge, processes and service offerings in this area, to bring valuable competitive advantage for its clients.

### We use tools and automation

With a bespoke development of the LatLonGO® mobile GIS software, integrated to our core QGIS application and loaded with Ordnance Survey (OS) base maps, we acquire the existing BTOR network records, cleanse them and augment this inventory view with real-world survey data. This efficient, automation-led process enables Flomatik to realise high quality, repeatable surveys, backed up by clear, image-rich and geo-tagged network records.



Following detailed analysis clients are provided with a combination of map-based utilisation diagrams, highlighting both the usable and non-usable routes in each area or design, along with fuller summary reports that identify the overall DPA usage opportunities and other key network build information.

#### **We optimise design**

To take maximum advantage of existing Openreach DPA capacity, Flomatik can create the network design proposals from scratch, or optimise existing client designs as required.

#### **We deliver a business case**

Full technical business cases are offered to ambitious CSPs that seek to make swift decisions within time-pressured implementations. These might be for DPA exclusively, or combine a part-DPA build with elements of more traditional construction.

## **Response to the Consultation Questions**

### **Question 3.1: Do you agree with our proposals for setting the level of the cap on PIA rental charges?**

Flomatik is in broad support of the methodology that Ofcom has used in determining the cap proposal for PIA rental charges and the quantum of the illustrative cap levels, in most cases.

We would advocate that further component pricing simplification is required in order to reduce administration costs for all parties and, also, the removal of doubt as to what is, and what is not, a chargeable rental item. We believe that this can be achieved within the bounds and principles of this consultation.

#### **Joint Box / Manhole Rentals**

In the case of a CP deploying a Fibre DP within an Openreach joint box/manhole, there are proposed rental charges for each sub duct that ingresses/egresses a chamber. This volume will change with each customer connected at the service fulfilment stage (L2C). There is also a per-splice charge for the DP facility in the chamber, which will introduce additional administrative complications, as this 'growth' continues perpetually beyond the initial network build phase. We therefore recommend that a simpler per fibre joint charge is considered, i.e. per joint facility within a chamber. For subsequent L2C microducts radiating from the CP's fibre joint, a predetermined multiple (1-X) can be equated to the rental charge of a 25mm sub-duct.

#### **Pole Rentals**

The current rental structure for PIA Pole use cases may be misinterpreted. For example, a Pole Mounted DP at the mid pole space envelope will have overhead lead-in cables going up the pole to the ring-head and could be interpreted as attracting rentals for both a single end-user attachment as well as 'a cable up a pole'



rentals. Equally, an ADSS Carrier cable coming down a pole to feed a mid-pole positioned Fibre DP and then coming back up the pole to go onto the next pole, via an aerial span, could be construed to count as two 'cable up a pole' rentals. We would advocate a simpler and potentially less ambiguous rental scheme, with a per-pole facility (Fibre DP) and per-cable attachment.

#### Question 4.1: Do you agree with our proposals for setting a financial limit for network adjustments?

Flomatik agrees with the proposal and believes that the financial limit should be at the upper level of the range calculated by Ofcom. It is our view, based upon industry experience, that the average incidence of duct blockages (1– 2 per Km) and congested ducts will be a little higher than that used within the calculation.

However, our primary concern around the success of PIA is now in the time and difficulty that Openreach and Industry will have in reaching a workable and industrialised processes for PIA usage within FTTx Network Build, L2C and T2R. Recent history demonstrates that without exacting SLA/SLG's, strict milestone targets for agreement on processes and strong leadership from an empowered OTA2, PIA may sit in an underused state for years, in the same way that LLU did less than two decades ago.

#### Question 4.2: Do you agree with our proposals for ancillary charges?

Flomatik welcomes the removal of PIA charging for productisation related ancillary activities and supports the 'basis of charge' approach in regulating all other ancillary Openreach PIA charges.

Flomatik believes that Openreach's pricing for ancillary services (congestion relief and network augmentation) is significantly higher than that which CPs could achieve if undertaking those activities directly. With CPs able to deliver more capacity / congestion relief per KM, they are likely to opt to undertake this work themselves.

A pragmatic costing, delivery, acceptance and cost recovery mechanism is required if CPs are to be able to undertake these works. As the PIA pricing consultation proposes that Openreach and Industry should be left to sort this out between them, a timescale for agreement should be set. Should a solution not be found in good time, Ofcom intervention will be required.

Whether Openreach or a CP undertakes congestion relief or capacity augmentation tasks, SLAs are vital. The earlier DPA consultation set out that Openreach and Industry are to agree the details and operation of the SLA. Flomatik do not believe that this approach will achieve a timely and acceptable outcome, therefore, similarly, Ofcom should set a milestone for SLA/SLGs to be agreed, prior to an Ofcom intervention.



---

Question 5.1: Do you agree with our proposals for BT's regulatory financial reporting in relation to PIA services?

Flomatik agrees with Ofcom's proposals for regulatory financial reporting in relation to PIA Services.

We note that PIA related network adjustments, both below the financial limit and above the financial limit, will be reported within the RFS that BT will report confidentially to Ofcom. We welcome the strategic intent shown by Ofcom in advancing how BT reports its physical infrastructure within the RFS, particularly with respect to the granularity of information that is recorded.