

Upgrading broadband customers to superfast products

Openreach response

NON-CONFIDENTIAL

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Summary

This is the Openreach response to the Ofcom consultation "*Upgrading broadband customers to superfast products*" ("the Consultation") that was published on 25 November 2019.

Openreach supports the Ofcom proposals, as set out in the Consultation, to provide regulatory waivers for orders placed using the Openreach Bulk Grouping provision capability.

As set out in Openreach's written request to Ofcom dated 18 October 2019, the Bulk Grouping provision capability will be of benefit to end customers and Communication Providers ("CPs"), by enabling end customers to be moved to higher speed / better quality broadband service with minimal disruption and at reduced cost.

Openreach considers that the provision of waivers specifically in relation to orders placed using the Bulk Grouping provision capability is objectively justified and will in no way undermine the effectiveness of the wider regulatory Quality of Service ("QoS") remedies that are in place.

As noted by Ofcom in the Consultation, Openreach will continue to make information available that will enable stakeholders to monitor performance in relation to orders placed using the Bulk Grouping provision capability.

Further comments

In the "*Overview*" section of the Consultation Ofcom states (in relation to the Bulk Grouping provision capability) that "*Reducing costs in this way would require Openreach to delay completing some jobs until there is a sufficient volume from a given provider at a given cabinet.*" Openreach is concerned that this description could be interpreted in a way which is misleading, and so in order to avoid confusion with stakeholders would like to make the following two points of clarification:

1. The cost reduction that is available to CPs who use the Bulk Grouping provision capability instead of alternative singleton processes does not arise from any "delay" to the order. The cost reduction is based on the engineering efficiencies created by bulking jobs at a cabinet level.
2. Orders that are placed using the Bulk Grouping provision capability are not delayed by Openreach. The process used is that CPs will bulk existing end customer orders and give Openreach the details when they are ready to place orders. It should also be noted that the transaction is CP rather than end customer driven, and so the concept of an end customer having to wait longer is somewhat beside the point.

In line with this, Openreach suggests that Ofcom should make changes to the Bulk Grouping process definition that is contained within the proposed Direction (see page 14 of the Consultation). Openreach suggests that Ofcom adopt the definition proposed below.

"Bulk Grouping process" means the process (known as the 'Bulk Grouping Provision Capability process' or similar names) under which a Third Party requests the provision of multiple GEA-FTTC services at a given street cabinet to be provisioned by the Dominant Provider on the same day when a single engineering visit to that cabinet can be arranged by the Dominant Provider.