

Question 2.1: What do you consider to be the appropriate goals for a new Pricing Framework?:

Question 2.2: To what extent do you think that the existing framework has supported the achievement of these goals, and when has it worked against them?:

Question 3.1: What do you see as the key developments in the provision of access and line rental services since 2005 and how have these affected customers and consumers?:

Seems to me the growth in LLU is being subsidised by those still on WLR services.

On over 3000 exchanges there are no LLU services so this is price discrimination in a non-competitive market.

Some consumers now have a lot of choice, others have no more choice and are paying higher prices to give a return to Openreach that LLU doesn't provide.

Question 3.2: Within the context of the overall package of changes instituted by the TSR, to what extent has the current pricing structure for LLU and WLR contributed to market developments and how sensitive do you believe future developments will be to changes in the pricing of those wholesale access services?:

Question 4.1: Do you accept that the evidence presented by BT on movement in costs provide a compelling case for a review of the price controls? Are the cost movements consistent with broader industry trends?:

Question 6.1: What weight would you give to international benchmarks in comparing LLU prices? What other factors should we take into account in considering the comparison of prices?:

Question 6.2: Our initial analysis on the potential for efficiency gains is set out in Annex 8. Please provide your views on the appropriate efficiency projections that should be assumed for Openreach over the period, given the evidence collected so far and your own experience in this sector. Please provide any additional evidence that may be relevant in assessing these projections.:

Question 6.3: In Annex 7 we discuss the options with respect to the scope of services to be included within this review. Please provide your views on the appropriate scope for consideration within this review and the appropriate treatment of non core services.:

Question 6.4: Should we consider greater or lesser use of price controls for SMP non-core services? How should price controls deal with this in terms of charge controls and recovery of common costs?:

Question 6.5: To what extent should we incorporate the revenues and contributions to costs from non-SMP services in the review?:

Question 6.6: Please review the other cost assumptions set out in Annex 7. What are your views on the assumptions made and adjustments proposed?:

Question 6.7: Please review the volume assumptions set out in Annex 9. What are your views on future MPF and WLR growth? What factors are likely to be most important in determining the future level balance of demand for wholesale access services?:

Question 6.8: Is it appropriate to update our assessment of Openreach's cost of capital? If so, what are your views on the key parameters that should inform that review and what account should be taken on the current uncertainties in corporate and global financial markets? To what extent should we take account of the implications of (and for) new infrastructure investment?:

Question 6.9: In the context of the current markets for WLR and LLU what do you consider to be the key challenges for ensuring allocative, productive and dynamic efficiency in the context of the revision of charges?:

Question 6.10: How would price increases for MPF, SMP and WLR affect Communications Providers and the roll-out of LLU? How would this vary if the relative balance of WLR, MPF and SMPF prices were to change?:

Question 6.11: How will price changes at the wholesale level impact on consumers, taking account of network roll out and the potential impact on retail prices? :

Question 6.12: What are the implications of a new pricing framework for incentives to new infrastructure investment by BT and other Communication Providers?:

Question 7.1: Do you agree that it is appropriate to include an allowance for compensation payments in Openreach's cost base for the purposes of determining Openreach's service costs? If so, what level

would you consider consistent with the level likely to be incurred by an efficient operator?:

Question 8.1: Do price controls in the form of an RPI-X adjustment provide an appropriate basis for setting charges? If not, what alternative would you propose and why would this provide a more suitable basis? To the extent that adjustments in the current charge controls are required, should those adjustments be implemented immediately or spread over the term of the control?:

Question 8.2: Should charge controls continue to be set separately for each of the individual services (WLR, MPF and SMPF) or would it be more appropriate to set an aggregate control covering some or all of these services?:

Question 8.3: Do you have any views on the appropriate structure of a control over all or any individual non-core service? :

Question 8.4: What are your views on the appropriate duration for a revised framework? Should Ofcom retain the flexibility to undertake a mid period review, and what do you consider should be the appropriate triggers for such as review? :

Question 8.5: Do you consider that it would be appropriate to consider automatic mechanisms for modifying the charge controls in the event of substantial volume change? Do you have any specific views on the start date for the new charge control framework?:

Question 8.6: How should the Pricing Framework respond to new service offerings from Openreach? We would welcome examples of new services offerings which your would consider should be encouraged?:

Question 8.7: How would you suggest Ofcom be involved, if at all, in an assessment of the charges for these services? Do you agree that Ofcom should only consider regulating the prices of these services where issues of SMP arise or distortions might occur in respect of the recovery of fixed and common costs (between SMP and non-SMP services)?:

Comments:

I have a simple point to make as a consumer - I should not be penalised financially for being a BT WLR customer, especially if I have no LLU options.

The information presented shows that Openreach are making a loss on both MPF and SMPF which means I am effectively subsidising the users of services that aren't available to me, a position which I find grossly unfair.

The MPF and SMPF charge ceilings should be increased at the earliest to give the same return to Openreach as WLR.

Failing that the WLR ceilings should be reduced to give the same negative return as the xMPF charges.