

Question 1: When do you consider it would be timely and efficient for next generation access investment to take place in the UK?:

Within 1-2 years, because:

- significant investments and progress being made elsewhere
- no signs to an end in growth of bandwidth requirements
- crucial for UK's knowledge economy & society
- long lead times in rolling out infrastructure
- businesses are already finding connections are limited, and leased lines not an option in most cases due to costs.

Question 2: Do you agree with the principles outlined for regulating next generation access?:

Principles seem sensible, but there will be grey areas when implementing. Contestability leading to duplicated infrastructures in major cities, and market failure in rural areas would be an issue for Cornwall. I think contestability would be better at a wholesale level, and infrastructure should be seen as crucial for UK plc.

Question 3: How should Ofcom reflect risk in regulated access terms?:

Regulate wholesale charges to reflect risk, allowing the private sector to profit if the risk pays off.

Avoid regulatory holiday as the benefits of competition at retail level in terms of price and innovation are huge.

Investments made by LLU operators at exchanges should not prevent NGA investments going ahead, but a framework should exist for providers to make similar investments in an NGA network.

Question 4: Do you agree with the need for both passive and active access remedies to promote competition?:

Yes, as LLU has widened choice and driven prices down.

Question 5: Do you consider there to be a role of direct regulatory or public policy intervention to create artificial incentives for earlier investment in next generation access?:

Yes. The potentially large investments required would be best facilitated with a partnership where all beneficiaries (private and public sectors, businesses and households) somehow share the cost.

Market failure may need addressing in some areas.

Additional comments:

1. Consider a consultation on a USO on broadband services ? there are areas in rural areas placed at a growing disadvantage as a result of coverage in some areas. Broadband is increasingly seen as a utility ? and people increasingly expect to be able to get connected.

2. USO and an open retail market should not result in needing to run copper to an address where fibre is available.
3. Investment in NGA is crucial in building a low carbon economy, and different technologies impact differently Eg. a FTTP solution is considerably more environmentally sustainable than an FTTC solution (lower power, lower truck rolls with less maintenance needed at cabinets and in copper network) ? more encouragement needed for FTTP somehow.
4. Address users expectations with the ?up to 8Mb/s? type of selling.
5. There is the opportunity to use UK Convergence funding (eg. in Cornwall) to share the investment risk, test the market and demand and assess the economic impact.