

Corrections to the consultation entitled Mobile Call Termination – proposals for consultation – published 13 September 2006

On 13 September 2006, Ofcom published the statement entitled *Mobile Call Termination*. Ofcom has noticed errors in Section 2, Section 9, Annex 5 and Annex 16. These have been corrected in the document currently published on Ofcom's website.

1. **Section 2 - Figure 2.1** O2's underlying 2G weekend charge was stated to be 6.31ppm. This is incorrect. The correct figure is 3.14ppm.
2. **Paragraph 2.18** Retail revenues were stated to be around £3.6m. This is incorrect. The correct figure is £3.6b
3. **Section 9, Figure 9.4** The glide path "*H3G – one-off cut plus glide path*" was shown starting from a charge of 8.3ppm and falling in 3 further equal percentage reductions to 6ppm. This was incorrect. The glide path should have started from 8.5ppm, and the subsequent 3 equal percentage reductions to 6ppm should therefore have been to 7.6ppm, 6.7ppm and 6.0ppm
4. **Section 9, Figure 9.6** The "*Target charge in 2007/8 (nominal)*" in respect of "*H3G Option 2 (Immediate cut plus glide path)*" was stated as 8.5ppm. This was incorrect. The figure should have read 8.7ppm. The subsequent "*% reduction 2008/9 – 2010/11 (RPI-X)*" was stated as 10.5%. This was incorrect. The correct figure is 11.2ppm.
5. **Section 9 Question 5.** Under Option 2 reference was made to a one-off partial cut to 8.5ppm and the charge level was specified as "2006/6 prices". This should have read "2006/7 prices".
6. **Annex 5 paragraph A5.25.** The text referred to IDC, alongside WCIS, as a source of data. This was incorrect. Reference to IDC, in this paragraph only, should be deleted.
7. **Annex 16 paragraph A16.61** The text referred to a price of 8.8ppm. This was incorrect. The correct figure is 8.6ppm.
8. **Figure A16.4 and Figure A16.5** The results given were incorrect. The corrected figures are shown below:

Figure A16.4 Results

Scenario	Estimated optimal termination surcharge (ppm)
Scenario 1 R-G=1.3 perfect price discrimination no leakage	0.01
Scenario 2 R-G=1.7 no price discrimination	0.25

75% leakage	
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Figure A16.5 Sensitivity analysis (low traffic)

Scenario	Estimated optimal termination surcharge (ppm)
Scenario 1 R-G=1.3 perfect price discrimination no leakage	0.02
Scenario 2 R-G=1.7 no price discrimination 75% leakage	0.36

Ofcom
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