

Representing the Communication Services Industry



Price controls for wholesale ISDN30 services
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Introduction

The [Federation of Communication Services](#) represents over 300 businesses delivering products and services via wireless, copper and fibre technology. This response has been prepared on behalf of the Fixed Service Providers Group within the Federation. More than 150 FCS members consume WLR and related wholesale products to deliver services to end user customers. A list of FCS members can be found on the FCS website.

Response

We welcome the opportunity of providing a brief response to this consultation on Ofcom's review of price controls for ISDN30 services.

Many FCS fixed service provider members supply services to business customers and ISDN30 remains an important means of doing so and competing effectively in the market. It is, therefore important that the cost of consuming these wholesale services remains competitive with, for example, emerging IP based alternatives.

We have restricted our comments to the broad approach adopted by Ofcom, since we do not have any significant contributions to make on the detail of Ofcom's cost modelling.

We agree with the key findings of Ofcom's market review of retail and wholesale ISDN30 services,

- that Openreach has SMP in the provision of wholesale ISDN30 services,
- that IP based services are not in the same market as ISDN30 and
- that Openreach should continue to provide ISDN30 services on terms which do not discriminate between BT businesses and their competitors.

We also agree with Ofcom's analysis that a large base of ISDN30 channels will remain for at least the life of the new control.

On this basis, we support Ofcom's approach to setting charge controls and the specific proposals to reduce prices during the life of the charge control period. We believe that a glidepath based on RPI-X is an appropriate form of price control.