TELECOMMUNICATION ASSOCIATION
OF THE UK WATER INDUSTRY

Supported by
Atkins Ltd.,
200 Broomielaw, Glasgow, G1 4RU.
Tel: 0141 220 2000

RESPONSE TO OFCOM'S CONSULTATION
On

Copper Retirement – Conditions under which copper regulation could be completely withdrawn in ultrafast exchanges

(Supplementary consultation to the Wholesale Fixed Telecoms Market Review)

INTRODUCTION

This response is provided by the Telecommunications Association of the UK Water Industry (TAUWI) on behalf of its members:

Anglian Water Services Ltd
Black Sluice Internal Drainage Board
Bournemouth Water
Bristol Water
Cambridge Water
Dee Valley Water plc
Environment Agency
Essex & Suffolk Water
Hartlepool Water
Lindsey Marsh Drainage Board
Welsh Water
Northern Ireland Water Ltd
Scottish Water
Severn Trent Water Ltd
South Staffordshire Water
South West Water Services Ltd
States of Jersey
Sutton & East Surrey Water plc
Thames Water Utilities Ltd
United Utilities Water plc
Affinity Water
Wessex Water Services Ltd
Yorkshire Water Services Ltd
Natural Resources Wales
Northumbrian Water Ltd

BACKGROUND

The Telecommunications Association of the UK Water Industry was formed in 2004, replacing the Telecommunications Advisory Committee (TAC) which for the previous 14 years had acted as the focus for the Industry in relation to fixed and mobile communications and scanning telemetry from a technical and regulatory aspect. Over time, the scope of TAUWI has extended to ensure its members are able to capitalise on any new opportunities resulting from emerging technologies and regulatory changes. TAUWI is chaired by Mr Bob Ward of United Utilities Ltd.

The industry has made and continues to make considerable investment in Operational Technology to support the remote monitoring and control of its assets. All aspects of water management, including the recovery, treatment and distribution of water, the control and monitoring of water quality and operation of flood defence systems use Telemetry to ensure compliance with statutory requirements whilst maximising operational efficiency.

A long term, low risk approach is taken when investing in these systems and an operational life of at least 10-15 years is the norm. Subsequently, confidence in the continuing availability of the communications technologies on which the operation of these Telemetry systems depend, is a key factor in being able to realise this operating life.

The industry employs a wide range of wireline and wireless communication technologies and services to support its critical operations. These currently include PSTN, ADSL, VDSL, Satellite, UHF Radio, 2G, 3G and 4G public cellular mobile services.

Question 1

Do you agree with our proposals to set conditions under which remaining regulation of existing copper-based services would be withdrawn?

Response

Whilst the industry understands the reasoning behind Ofcom's proposal to set conditions under which the remaining regulation of existing copper-based services would be withdrawn, i.e. to promote fibre investment and support customer migration from copper to fibre based services, the Water Industry does not agree with Ofcom's proposal to remove the charge controls on the copper services the industry employ to support its telemetry operations.

As previously discussed, the PSTN (Public Switched Telephone Network) is one of several communication technologies used by the Water Industry to support the communication of telemetry data between remote outstations and centrally located Telemetry data concentrators. In 2018 the industry employed more than 25,000 PSTN lines in support of their operations. The popularity of PSTN is due to its universal availability, high reliability and low operating costs. This technology provides an attractive solution well suited to intermittent, low-bandwidth telemetry applications. However, as a result of Openreach's announcement in May 2018 of its plans to close the PSTN (Public Switched Telephone Network) by the end of 2025, TAUWI members began to consider alternative IP supporting technologies to replace the PSTN connections. For some members there has been a need to replace the telemetry outstation in order to support IP and many more have begun the replacement of their PSTN connections with copper-based IP compliant ADSL & VDSL circuits. This has been at considerable

cost to the industry. Consequently, we do not believe that 2 – 3 years after installing these circuits, the industry should be subjected to any increase in their operating costs as a result of Ofcom's decision to lift the charge controls on copper-based services.

In TAUWI 's response to Openreach's GEA FTTP for business consultation in September 2019, we provided feedback on data rates for two business products proposed by Openreach "1000 Symmetric" and "550 Symmetric" explaining that these data rates were far in excess of that required by the Telemetry systems that would potentially interface to an FTTP provided connection and that the availability of lower bandwidth, symmetric IP connections, e.g. 500Kbit/s ,1Mbit/s, 10Mbit./s would satisfy the industry's needs. In its response to the industry consultation, Openreach confirmed the launch of a new 500Kbps symmetric GEA-FTTP speed service in March 2020.

The availability at each of these ultrafast exchanges, of a low bandwidth GEA-FTTP service, priced at a level to provide equivalence with current copper based PSTN service they replace, is essential if the industry is to migrate to an FTTP technology solution. Further, there is a need to guarantee that FTTP would be supplied to all premises currently served by copper products, subject to Openreach obtaining way leaves, at no additional cost to the industry, including excess construction charges. We note your comments concerning the possibility "that price increases enabled by the removal of the copper charge control may not provide sufficient incentives for some CNIs to migrate services before all copper regulation is removed in an exchange". Again, it is our view that the industry should not have to bear any increase in operating costs in those circumstances where there is no suitable GEA-FTTP replacement service available in the ultrafast exchange. Currently, as far as we are aware, there are no CPs offering this type of service.

Question 2

Do you agree with our proposal that those conditions should take effect two years after Openreach has given notification, in respect of an exchange, notifying that fewer than 10% of relevant premises remain on copper-based services in the completed exchange, and only where measures are in place to support vulnerable consumers?

Response

Yes. We understand from the consultation document that Ofcom is proposing that the removal of the obligation to supply existing copper services by Openreach under the stated conditions above, "should not apply to Openreach products used by customers to support CNI services, such as the Utilities or emergency services". Subsequently this should have minimal impact on the Water Industry.

Question 3

Do you support the exclusion of services that support CNI from our proposals allowing for full copper deregulation?

Response

Yes. We note that Ofcom's recognise the fact that CNI organisations "may have complex communications needs" and as a result "may need more time from the start of fibre deployment in an exchange to identify a suitable replacement service". Subsequently, we understand that the removal of the obligation to supply existing copper services will exclude CNI customers such as the Utilities. (As per Fig 1 of the Consultation Document)

TAUWI would welcome the opportunity to engage in any future discussions with Ofcom concerning any of the points raised in this response.

Lawrence Mears
Principal Engineer
Atkins Ltd

Bob Ward
TAUWI Chairman
United Utilities