

BEREC WORK PROGRAMME 2010
Comments by Vodafone

Overall, Vodafone thinks the BEREC work programme addresses the principal issues for 2010. We have a small number of additional comments:

- We urge BEREC to include consideration of infrastructure renewal accounting (as applied by some UK utility regulators) in the regulatory accounting project (1.5). Vodafone believes that current accounting policies, which assume periodic replacement, lead to systematic over-charging for assets such as ducts which are maintained indefinitely rather than replaced.
- We hope the study of convergence (2.2), and bundling in particular, will continue to wrestle with the challenge of implementing and operationalising price squeeze rules for bundles involving products consisting of SMP and non-SMP inputs. This is a key issue going forward, and one on which the Commission and/or BEREC needs to consider further guidance.
- We believe that BEREC should devote specific attention to the non-price obstacles facing LLU users. This should include benchmarking of SMP providers' performance on non-price metrics. We attach an internal study undertaken by Vodafone which illustrates how we think such a project might be approached by BEREC. Whilst much of the current focus is on NGA, the non-performance of existing LLU provision should continue to be a focus of concern for BEREC. Benchmarking has an important role to play here – and can only be undertaken by BEREC.
- BEREC's project on switching providers (3.4) is likely to be too narrow in conception. Barriers to switching increasingly arise not simply between network operators, but because of lack of interoperability between, for example, applications platforms and device OS. At present, iPhone users cannot 'port' their portfolio of apps to a non-Apple device with the result that, even if they can switch networks, they cannot readily switch device providers. We think BEREC (and the European Commission) will need to give this matter serious thought in the coming year.