



Regulatory Financial Statements

2021

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BT Regulatory Financial Statements 2021

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Ofcom Statement on BT's Regulatory Financial Statements 2021

Introduction

BT's reporting obligations are imposed under SMP conditions and directions related to regulatory reporting set as part of market reviews conducted by Ofcom.¹ Under these SMP conditions, BT is required to publish alongside the RFS any written statement made by Ofcom and provided to BT commenting on the data in, the notes to or any presentation of any or all the audited Regulatory Financial Statements (RFS), the reconciliation report and/or the AMD (Accounting Methodology Documents).

New reporting requirements in the 2020/21 RFS

This year's RFS has additional service level reporting in Section 6 (Physical Infrastructure market) as a result of regulatory financial reporting decisions we made in our July 2019 Regulatory Reporting Statement.²

Methodology changes in the 2020/21

As required under the SMP conditions, BT published its Change Control Notification (CCN) for the 2020/21 RFS in March 2021. This sets out the methodology changes it planned to make to the RFS this year. In Appendix 4, the RFS includes a reconciliation report setting out the impact of the methodology changes included in the CCN and the effect of correcting any material errors identified during the year.

New format of AMD

BT has changed the format of the AMD this year to with the aim of improving the structure of the document and increasing the transparency of its attribution methodologies. Part 1 provides an introduction to the RFS, which BT says is intended to be accessible to all users. For the first time this includes diagrams illustrating how costs flow through its cost allocation system. Part 2 contains the technical detail of BT's main methodologies in a standardised format, which BT says is for users with an in-depth knowledge of regulatory reporting and attribution methodologies.

¹ Some reporting also arises from the Commitments given by BT and Openreach which were notified to Ofcom under section 89C of the Communications Act 2003.

² [BT regulatory financial reporting, 12 July 2019.](#)

Changes to the RFS next year

In our Wholesale Fixed Telecoms Market Review Statement published on 18 March 2021 we introduced new reporting requirements aimed at ensuring published information is relevant and easy to understand.³ For example, operating cost categories reported in the RFS will be aligned to those published in BT's annual report.⁴ These changes will be reflected in the 2021/22 RFS.

³ [Promoting investment and competition in fibre networks – Wholesale Fixed Telecoms Market Review 2021-26](#)

⁴ Full details of BT's future regulatory reporting requirements can be found in Volume 6 of the Wholesale Fixed Telecoms Market Review Statement.

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Section 1

Introduction to the Regulatory Financial Statements

Section 1 – Introduction to the Regulatory Financial Statements

1.1 Regulatory Financial Reporting Obligations

The ultimate holding company of British Telecommunications plc (‘the Company’) is BT Group plc. The terms ‘the Group’, ‘the Company’, ‘BT’, ‘we’, ‘us’ or ‘our’ refer collectively to BT Group plc and its subsidiary undertakings. The form and content of the Regulatory Financial Statements (RFS) are based on the reporting obligations set by Ofcom. We refer to these obligations as the Final Statements (see Section 2.1.4 Final Statements set out by Office of Communications (Ofcom)).

Openreach

We are required by Sections 20.5 and 20.6 of the Commitments to disclose the financial results of Openreach (OR) separately and to reconcile the financial results to the Openreach segmental information shown in BT Group plc’s Annual Report. We have included this information in Section 5 of these Regulatory Financial Statements.

BT Customer Facing Units and Markets with Significant Market Power (SMP)

In the 2020/21 RFS, we are required to report on the following Significant Market Power (SMP) Markets (in the UK excluding the Hull area, modified where stated below):

Market Review	Physical Infrastructure Access (PIMR)	Wholesale Local Access (WLAMR)	Business Connectivity (BCMR)	Narrowband (NMR)	Wholesale Broadband Access (WBAMR)
	PIA	WLA	CI Access Services – BT Only Areas	WFAEL	
			CI Access Services – BT Plus One Areas	ISDN2	
Openreach			High Network Reach Areas Outside CLA	ISDN30	
			Technical Areas (Non-Dark Fibre) Inter Exchange		
			Technical Areas (Dark Fibre) Inter Exchange		
Rest of BT				Call origination	WBA Market A
				Call termination	
				Technical Areas-Interconnect Circuits	

Section 1 – Introduction to the Regulatory Financial Statements

1.1 Regulatory Financial Reporting Obligations (continued)

Reporting Financial Performance

We are required to report the Financial Performance of all SMP Markets to which cost accounting and/or accounting separation obligations apply:

- Across all of the SMP Markets;
- At market review level encompassing individual SMP Markets; and
- At an individual SMP Market level.

BT SMP Markets

Physical Infrastructure Access Markets

Covers the physical infrastructure available to Communication providers (CPs), which facilitates the provision of network access and services to be provided to the end customer. The infrastructure is comprised of two main areas, duct and poles, which are used to carry cables used by a variety of different services within different downstream markets, such as WFAEL and WLA.

PIA (Physical Infrastructure Access)

Covers physical infrastructure, including underground ducts and telegraph poles.

Wholesale Local Access Markets

Copper and fibre fixed lines connecting end-users to access nodes in BT exchanges. CPs use these lines to provide telephone and broadband (BB) internet services (including superfast broadband) to residential and business consumers.

WLA (Wholesale Local Access)

Copper lines and fibre lines used by CPs to connect end-users to their voice or broadband nodes located in BT exchanges.

Business Connectivity Markets

Covers the provision of leased lines and dedicated circuits providing transmission capacity between fixed locations. There are two distinct product markets; Access services which provide connections to end-user business sites, and Inter-exchange services which provide backhaul connections between BT exchanges in different geographic areas.

CI Access services– BT Only Area

Covers the connections to end-user business sites, in geographic areas where only BT operate.

CI Access services– BT Plus One Area

Covers the connections to end-user business sites, where only BT and no more than one other CP currently operate.

High Network Reach (HNR) Areas Outside Central London Area (CLA)

Consists of access services in Birmingham, Bristol, Edinburgh, Glasgow, Leeds, Manchester and HNR areas in the Rest of UK (RoUK).

Technical Area - Inter-exchange Connectivity (Non-Dark Fibre Circuits)

Consists of the connections between BT exchanges at different geographical areas, such as between towns and cities, where BT Only and BT Plus One other CP are present.

Technical Area - Inter-exchange Connectivity (Dark Fibre Circuits)

Consists of providing network access to optical fibre suitable for the transmission of electromagnetic energy to convey signals, between BT exchanges at different geographical areas, limited to routes from BT Only exchange with no rival networks within 100m.

Section 1 – Introduction to the Regulatory Financial Statements

1.1 Regulatory Financial Reporting Obligations (continued)

BT SMP Markets (continued)

Narrowband Markets

Provision of products and services that underpin the delivery of fixed line telephone calls. Different wholesale charges are raised to CPs depending on how much of the call is carried on our network.

WFAEL (Wholesale Fixed Analogue Exchange Lines)

Copper lines connected to a line card in a BT telephony switch. Used by CPs to provide end-users with voice services. Is a prerequisite for WLA Shared Metallic Path Facilities (SMPF) services.

Call Termination (Wholesale Fixed Geographic Call Termination)

The wholesale charges for calls to BT fixed lines. These charges are for carrying the call to a BT terminating line from the nearest point in the network at which other CPs could interconnect.

ISDN2 (Wholesale ISDN2 exchange line services)

Two 64 Kbps channels provided over a single copper line, connected to a line card in a BT telephony switch. Used by CPs to provide business customers with voice and data services.

Call Origination (Wholesale call Origination on Fixed Narrowband Network)

The wholesale calls originating on our network between the originating fixed line to the first point in the network at which other CPs can interconnect.

ISDN30 (Wholesale business ISDN30 exchange line services)

Similar functionality to ISDN2 but provides up to 30 x 64 Kbps channels over a single circuit that can be provided over copper, fibre or radio.

Technical Areas (Interconnect Circuits)

Provision of the physical infrastructure that allows a CP to interconnect with our network. This enables calls to travel between the two networks.

Wholesale Broadband Access Markets

Access and backhaul services that allow CPs to provide their end-user customers with broadband over fixed lines. WBA offers products based on 20th Century Network and 21st Century Network platforms, both copper and fibre technologies.

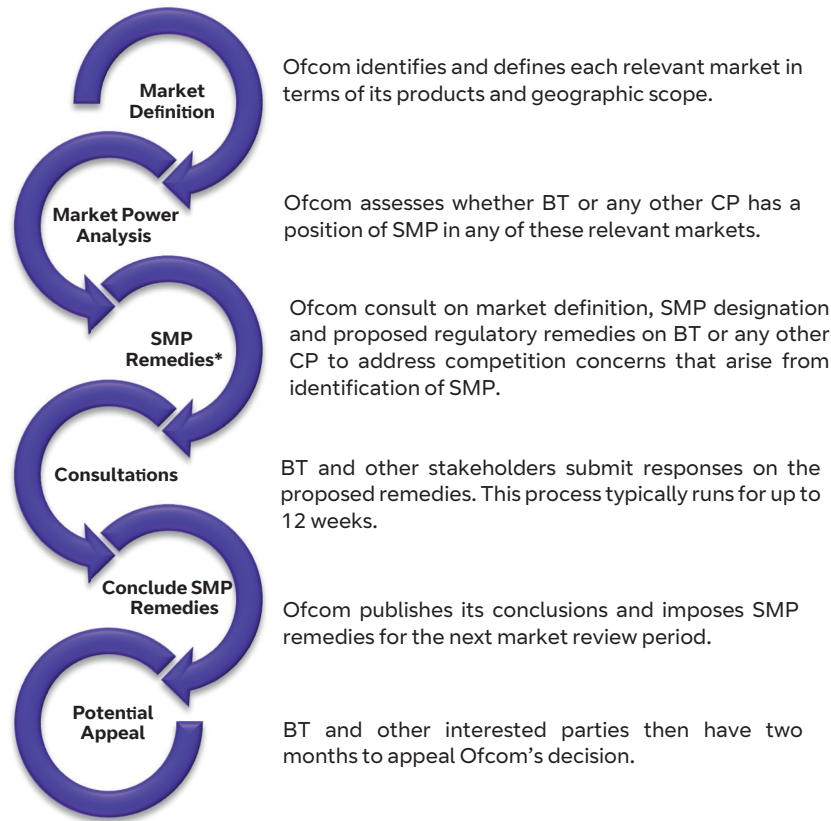
WBA (Market A) (Wholesale Broadband Access (WBA) Market A)

Market A covers exchange areas where BT and no more than one other CP are currently, or forecast to be, present.

Section 1 – Introduction to the Regulatory Financial Statements

1.2 Regulatory Market Review Cycle

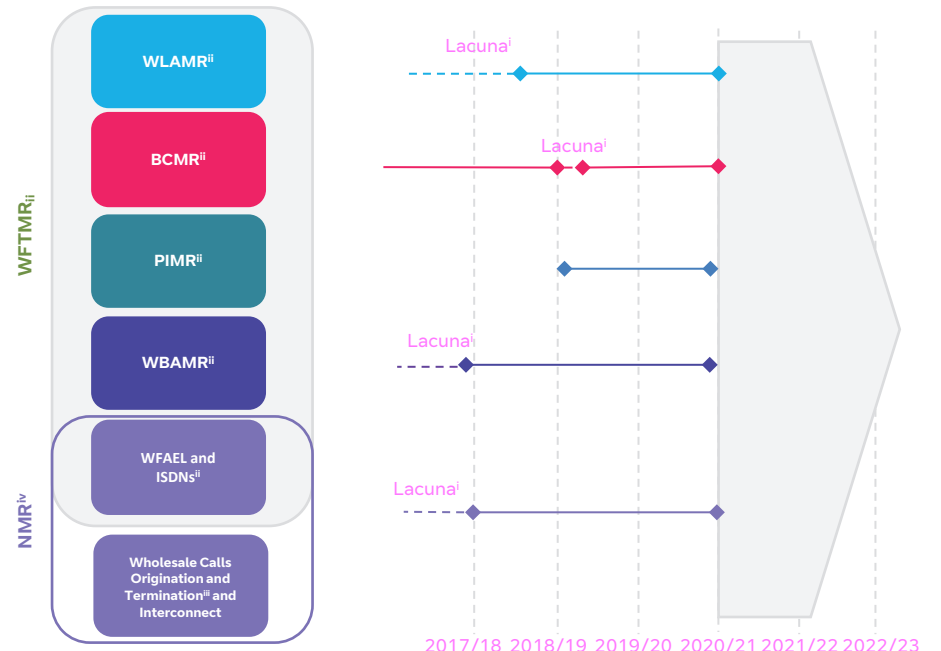
Ofcom reviews some communications markets periodically, in accordance with the Communications Act 2003, as amended. The process involves three analytical stages: Market Definition, Market Power Analysis and SMP Remedies. This is followed by consultations with stakeholders, after which Ofcom conclude and potentially impose SMP remedies for the next period. Prior to the expiry of the market review where the remedies are in place, the market review cycle will start again.



*Examples of SMP remedies are below:



Market Regulatory Period (BT’s Financial Year)



◆ Regulatory Period Beginning/Ending

- i Interim period between expired remedies and implementation of new price remedies.
- ii Ofcom has assessed regulation across all services in a combined Wholesale Fixed Telecoms Market Review (WFTMR) to take effect from 1 April 2021 until 31 March 2026.
- iii Markets have been reviewed in Wholesale Voice Market Review (WVMR) to take effect from 1 April 2021 to 31 March 2026, including the deregulation of the Calls Origination market.
- iv Markets reviewed under the Narrowband Market Review (NMR) which was in place until 31 March 2021.

Section 1 – Introduction to the Regulatory Financial Statements

1.3 Regulatory Market Review Cycle from 1 April 2021 to 31 March 2026

Wholesale Fixed Telecoms Market Review (WFTMR)

In March 2021 Ofcom published their final statement for ‘Promoting competition and investment in fibre networks: Wholesale Fixed Telecoms Market Review 2021-2026’. This statement covers the period from 1 April 2021 to 31 March 2026.

Ofcom’s statement sets out a clear and long term framework that promotes network investment by all parties. It also ensures that consumers continue to have access to affordable broadband as new networks and services become available.

Ofcom’s investment support takes a number of forms. The new regulatory framework will have five-year market review periods instead of three and looks across all wholesale fixed telecoms markets rather than considering business and residential connectivity separately. To support competitive investment, the prices for legacy services will remain stable in real terms across the country at least until 2031. Future regulation of full-fibre services may be even later – it will depend on prevailing customer outcomes, investment levels and competition.

Wholesale Voice Market Review (WVMR)

Similarly, in March 2021 Ofcom published their final statement for ‘Wholesale Voice Markets Review 2021-2026’. This statement sets out the regulation of the wholesale markets that underpin landline and mobile telephone calls in the UK for the period from 1 April 2021 to 31 March 2026. Changes were made to the regulation of Call Origination and Termination, and Ofcom switched their focus away from traditional interconnection services towards modern, IP-based solutions.

1.4 Risks to regulated activities

Our 2021 Annual report details how the Group manages risk, including identifying, management and oversight of principal risks and enhancing the risk framework in the Strategic Report.

No further risks were identified to our regulated activities or SMP markets, other than those identified in our Annual report.

1.5 Factors that may impact future performance

There are no known changes to accounting policies or business changes that may impact future performance for the 2021/22 RFS.

1.6 Overall Financial Performance

During the year Return on Capital Employed (ROCE) for total Openreach Markets decreased 2 percentage points to 7.3%. This was primarily driven by reduced CCA holding gains on duct and copper assets, combined with an increase in mean capital employed (MCE) driven by increased cash at bank and investment in the Access Fibre network.

ROCE for total Rest of BT SMP Markets increased by 6.6 percentage points to 21.7% driven primarily by increased bandwidth revenues in the WBA market.

Section 1 – Introduction to the Regulatory Financial Statements

1.7 Regulatory Market Changes

Physical Infrastructure Access Market

Key Market Regulation

Ofcom published the final statement of the Physical Infrastructure Access Market Review (PIMR) on 28 June 2019, covering the period 1 April 2019 to 31 March 2021.

Ofcom directs BT to use three published services; Physical Infrastructure (PI) for active services, PIA rentals, and PIA ancillary charges. Prices for all services were set as part of the 2018 WLA Market Review, with the price control remaining in place until 31 March 2021, indexed on Consumer Price Index (CPI).

Ofcom directs BT to provide more granular service reporting for the PIA market from the year ended 31 March 2021. PI for active services, PIA rentals and PIA ancillary charges groups of network services shall be split into the individual services (i) spine duct (ii) lead in duct (iii) poles (iv) manholes and (v) junction boxes where the combined internal and external revenues exceed £5m in any given financial year for the individual services.

There were no other regulatory changes to the PIA Market in the 2021 financial year.

The PIA market has been reviewed by Ofcom as part of the WFTMR, which has taken effect from 1 April 2021.

Summary of Market Financial Performance

Revenue increased to £712m and remains almost entirely internal (99.7%). This is an increase of £106m compared to the 2019/20 RFS results. This increase was driven by the increased costs and MCE detailed below, as internal revenue represents a recharge to the downstream markets at cost plus an allowable return (7.1% of MCE).

Costs increased to £344m as a result of decreased CCA holding gains.

MCE increased by 4.5% to £5,165m as a result of continued investment in local duct for optical fibre.

ROCE has stayed consistent year on year at 7.1%, as internal PIA revenue earns the allowable return of 7.1%, and less than 1% of PIA revenue is external.

Section 1 – Introduction to the Regulatory Financial Statements

1.7 Regulatory Market Changes (continued)

Wholesale Local Access Market

Key Market Regulation

Ofcom published the final statement of the WLA Market Review on 28 March 2018. This set out the Ofcom policy regarding WLA services and covers the period from 1 April 2018 to 31 March 2021.

A charge control was imposed on copper products with effect from 1 April 2018, whereby Ofcom calculated a cost of capital for copper services of 7.9%. The same review also imposed a charge control for the first time on the lower speed Openreach fibre Generic Ethernet Access (GEA) 40/10 services whereby prices would reduce over the period 1 April 2018 to 31 March 2021. Ofcom reallocated costs between GEA services with different speeds based on the different prices for these services, which results in a lower return for lower bandwidth GEA services and a higher return for higher bandwidth GEA services.

There were no regulatory changes to the WLA Market in the 2021 financial year.

The WLA Market has been reviewed by Ofcom as part of the WFTMR, which has taken effect from 1 April 2021.

Summary of Market Financial Performance

Revenue increased by 4.9% to £2,555m driven by increased demand for high speed GEA services, offset by reducing volumes for legacy copper services.

Costs increased by 10.3% to £2,320m as a result of reduced CCA holding gains, increased PIA recharges to this market driven by higher PIA costs and increased FTTP fibre assets, increased depreciation of Access Fibre assets supporting FTTP and increased allocation of overheads to this market.

MCE increased by 18.4% to £5,739m due to investment in the Access Fibre network, increased cash and the full-year impact of IRFS 16.

As a result, ROCE decreased 2.7 percentage points from 6.8% to 4.1%.

Section 1 – Introduction to the Regulatory Financial Statements

1.7 Regulatory Market Changes (continued)

Business Connectivity Markets

Key Market Regulation

Ofcom's published the final statement of the Business Connectivity Market Review (BCMR) in June 2019, covering the period from 1 April 2019 to 31 March 2021.

BT is required to provide access to dark fibre (on reasonable request) for inter-exchange connectivity circuits from and to BT Only exchanges. As such, Ofcom's Regulatory Financial Reporting (RFR) statement, dated 12 July 2019 (Direction 8 of the A1 Directions), directs BT to report Dark Fibre Revenues and Costs in respect of the 2019 Business Connectivity Markets for six new Services and two new Network Components.

There were no regulatory changes to the Business Connectivity Markets in the 2021 financial year.

The Business Connectivity Markets have been reviewed by Ofcom as part of the WFTMR, which has taken effect from 1 April 2021.

Summary of Market Financial Performance

ROCE for the Business Connectivity markets is up 3.6 percentage points, to 12.9%, driven by the Access Markets:

Access Markets

Revenue increased 14.3% to £646m as a result of continuing increases in demand for high bandwidth Ethernet and Optical products.

Costs only increased 2.6% to £522m, as volume-driven increases were offset by increased allocation of overheads to the WLA market.

MCE increased 18.6% to £1,388m as a result of investment in Access Fibre to support the additional volumes, as well as increased cash and the full-year impact of IFRS 16.

As a result, ROCE increased 4.1 percentage points to 8.9%.

Inter-exchange Markets

Revenue increased 11.0% to £172m, largely due to volume increases in Ethernet Backhaul Direct (EBD).

Costs increased 6.8% to £94m, largely due to volume increases.

MCE increased 22.0% to £183m, driven by increased cash and the full-year impact of IFRS 16.

As a result, ROCE decreased 2.0 percentage points to 42.6%.

Section 1 – Introduction to the Regulatory Financial Statements

1.7 Regulatory Market Changes (continued)

Narrowband Markets

Key Market Regulation

Ofcom's Narrowband Market Review (NMR) final statement, dated November 2017 covering the period to 31 March 2021, directs BT to report Integrated Services Digital Network (ISDN) Circuit Connections, ISDN30 Distributed Data Interface) DDI Connections, and ISDN30 DDI Planning services under 'Other ISDN' published services.

ISDN2 and ISDN30 Market charge controls have remained on existing lines, with ceiling price charge controls based on 2017/18 prices. Transition to deregulation for the provision and rental of new lines started on 1 December 2018. Openreach made a voluntary commitment to continue to support ISDN lines on the same commercial basis and quality of service for all customers wishing to continue to use them until their full withdrawal in 2025.

The WFAEL Market is subject to 'fair and reasonable' charge obligations.

Narrowband Markets also incorporates Calls Markets:

- Fixed Call Origination (CO)- subject to 'fair and reasonable' charge obligations
- Fixed Geographic Call Termination (CT) - charge controls are set at Long Run Incremental Cost (LRIC) to support competition between providers and prevent excessive pricing in call termination rates
- Technical Areas (Digital Local Exchange (DLE) Interconnect Circuits) (IC) - subject to SMP remedies, charge controlled of the interconnect services basket (ISB) at CPI + 0% annual charge and sub-caps on individual ISB services at +10% on top of the ISB cap (CPI + 0%).

WFAEL and ISDN have been reviewed by Ofcom as part of the WFTMR, which has taken effect from 1 April 2021, at which point the WFAEL and ISDN markets were deregulated.

CO, CT and IC Markets have been reviewed by Ofcom as part of the 2021 WVMR, which has taken effect from 1 April 2021, at which point much of the market level reporting for voice market results has fallen away. CO has been deregulated in exchange of a voluntary commitment for BT to continue to provide the service at similar terms, and public service-level reporting of revenues for Call Termination and TDM Interconnect will be required for the year ended 31 March 2022, as well as revenue and costs for the new IP Interconnect market.

Summary of Market Financial Performance

WFAEL and ISDN Markets

ROCE for the Openreach Narrowband Markets is down by 5.9 percentage points to 9.6% as revenues continue to decline, while costs have increased.

Revenue decreased by 5.6% to £1,638m, as customers continue to move to fibre-based products and mobile technology replaces copper fixed lines.

Cost increased by 3.5% to £1,378m, driven primarily by reduced CCA holding gains.

MCE increased 3.4% to £2,697, driven by increased cash and the full-year impact of IFRS 16.

Calls Markets

The ROCE for the Calls Markets continues to be negative at (14.6%) compared to (15.9%) in the 2019/20 RFS. The slight improvement in ROCE is driven by revenue increases.

Revenue increased by 4.5% to £138m, in contrast to historical market trends. This is driven by higher calls volume resulting from the Covid-19 pandemic.

Costs increased by 7.0% to £183m, driven by increased property and electricity costs compared to prior year.

MCE has increased by 26.1% to £309m, driven by increased cash and the full-year impact of IFRS 16.

Section 1 – Introduction to the Regulatory Financial Statements

1.7 Regulatory Market Changes (continued)

Wholesale Broadband Access Markets

Key Regulatory Changes

Ofcom published the Wholesale Broadband Access Market Review on 31 July 2018 covering the period to 31 March 2021.

WBA products are subject to 'fair and reasonable' charge obligations.

There have been no significant changes to the market during the 2021 Financial Year.

The withdrawal of IPStream began in 2020 as the Digital Subscriber Line Access Multiplexer (DSLAM) platform closes and customers migrate to Wholesale Broadband Connect (WBC) Copper or Fibre.

WBA has been reviewed by Ofcom as part of the WFTMR, which has taken effect from 1 April 2021, at which point this market has been deregulated.

Summary of Market Financial Performance

ROCE has increased by 67.0 percentage points to 218.0%. ROCE remains highly volatile in this market, following the transfer of the majority of asset base to the PIA market in 2020.

Revenues increased by 30.7% to £166m driven by an increase in bandwidth revenue.

Cost have decreased by 4.8% to £40m. MCE increased by 3.6% to £58m driven by increased cash.

Section 2

Basis of Preparation

Section 2 – Basis of Preparation

2.1 Basis of Preparation

2.1.1 Regulatory Accounting Framework

The Company has prepared the RFS in accordance with the Regulatory Accounting Principles (RAP) (as described in Section 2.1.2 below) and Accounting Methodology Document (AMD) (as described in Section 2.1.3 below), by disaggregating balances recorded in the general ledgers and other accounting records of the Group.

The RAP and AMD set out the framework under which the RFS are prepared.

In accordance with Section 435(1) of the Companies Act 2006, these RFS are not our statutory accounts.

The Group financial statements consolidate the financial statements of BT Group plc and its subsidiaries, and include its share of the results of associates and joint ventures using the equity method of accounting.

Our Annual Report details the basis of preparation and explains the accounting policies adopted by the Group. Our Annual Report 2021, on which the independent external auditors issued an unqualified report, did not contain a statement under Section 498(2) or 498(3) of the Companies Act 2006 and has been delivered to the Registrar of Companies.

2.1.2 Regulatory Accounting Principles

The RAP are the principles we apply or use in the preparation of the RFS. For example, we must attribute revenues, costs, assets and liabilities in accordance with the activities which cause the revenues to be earned, or costs to be incurred, or assets to be acquired, or liabilities to be incurred respectively.

Ofcom set out its conclusions in the Regulatory Financial Reporting Final Statement it issued on 20 May 2014 that, in preparing the RFS, BT shall comply with the RAP, including the requirement for consistency with regulatory decisions.

This requirement is reiterated in the RAP amended by Ofcom's SMP conditions imposed following market reviews, most recently within the 'Promoting competition and investment in fibre networks - review of the Physical Infrastructure and Business Connectivity Markets' Final Statement dated 28 June 2019: Annex 26, Schedule 1: PIMR SMP Conditions (BT) - condition 11.8; and Annex 26, Schedule 1: BCMR SMP Conditions (BT) - condition 11.8.

2.1.3 Documentation and Application of the Regulatory Accounting Framework

In adhering to the RAP, we prepare and annually update our methodology documentation, the AMD. This document covers:

- **Attribution Methods** - we explain how we attribute revenues, transfer charges, costs, assets and liabilities to activities.
- **Transfer Charge System Methodology** - we explain our approach to transfer charges within our regulatory costing system (CostPerform).
- **No Undue Discrimination** - we demonstrate an equivalent treatment for internal and external CPs. For each reported market, we disclose the average price of services sold to external CPs and the average price sold to internal CPs. Where a reported market is required to buy input services from an upstream reported market, the cost is shown as an Equivalence of Input (EOI) charge.
- **Accounting Policies** - the way we apply the requirements of the Companies Act 2006, Article 4 of the International Accounting Standards (IAS) Regulation, and our accounting policies, in line with the RAP. The AMD details the accounting policies adopted in preparing the underlying financial information.
- **Long Run Incremental Cost (LRIC) Methodology** - the long run incremental cost principles, procedures and processes form the framework we use to calculate long run incremental costs and standalone costs.
- **Current Cost Accounting (CCA)** - we prepare the RFS under the Financial Capital Maintenance (FCM) convention in accordance with the principles set out in the handbook "Accounting for the Effects of Changing Prices", published in 1986 by the Accounting Standards Committee. Under the FCM convention, we include changes in asset values in the RFS income statement as unrealised holding gains or losses. The CCA section also includes the Regulatory Asset Valuation (RAV) where Ofcom has directed an alternative methodology for valuing parts of the local access network.
- **Usage Factors** - we use usage factors in our costing methodology to reflect the different usage of network components by services.

Section 2 – Basis of Preparation

2.1.3 Documentation and Application of the Regulatory Accounting Framework (continued)

In addition to the AMD, we also publish a Wholesale Catalogue, which separately identifies and describes services which are internally, externally, or both internally and externally supplied, and those which are used in the course of supplying other wholesale services.

The product and geographic markets defined by Ofcom's Final Statements do not correspond to how the Group is organised for management and accounting purposes. The RFS are therefore produced by overlaying the requirements of the regulatory reporting framework on the management and accounting structure of the Group.

We reconcile the RFS to our statutory accounts (in Section 5 of this report) and we explain any differences.

For the purposes of the RFS, we calculate Fully Allocated Cost (FAC) for our network components including a Return on MCE attributed to that component.

Due to the complex nature of the RFS, figures in this report are individually rounded to the nearest relevant unit (e.g. £m or £0.1m). For values of less than £50,000 these round to a 0, and where there is no value this is shown as "-". Totals and sub-totals are calculated based on these rounded figures and percentages are based on unrounded figures. Where required by the Final Statements, rounding differences are shown on each individual schedule. Where rounding differences are not shown minor summation inconsistencies may arise between schedules.

2.1.4 Final Statements set out by Ofcom

Below are the Final Statements setting out the legal conditions and directions relevant to the RFS, to which we have complied with, for the year ended 31 March 2021:

- BT Regulatory Financial Reporting Statement 12 July 2019;
- Promoting competition and investment in fibre networks: review of the Physical Infrastructure and Business Connectivity Markets Final Statement 28 June 2019;
- Regulatory Financial Reporting Final Statement 20 March 2019;
- Wholesale Broadband Access Market Review Statement 31 July 2018;

- Wholesale Local Access Market Review Statement 28 March 2018; and
- Narrowband Market Review Statement 30 November 2017.

2.1.5 Changes to BT's Financial Reporting Obligations

There were no changes to BT's Financial Reporting Obligations between 1 April 2020 and 31 March 2021.

The changes resultant of the WFTMR, as set out in Section 1.2, will be implemented from 1 April 2021 and reflected in the 2021/22 RFS.

2.1.6 Comparability of Current and Prior Year Results

The 2020/21 results are prepared in accordance with the AMD issued on 30 July 2021.

The restated comparatives for the year ended 31 March 2020 reflect:

- methodology changes listed in the CCN 2021, as summarised in section 4.1.2 of Appendix 4; and
- all known errors above Ofcom's defined materiality threshold as described in section 4.1.3 of Appendix 4.

The impact of these changes is shown in section 4.1.4 of Appendix 4.

IFRS 16

As set out in the 2019/20 RFS, BT group adopted IFRS 16 on a modified retrospective basis in the 2020 Financial year. We report MCE in the RFS calculated as the arithmetic mean of the opening and closing capital employed in the year, as such this is the first full year adoption of IFRS 16 on reported MCE.

Section 3

Statement of Responsibility

Section 3 – Statement of Responsibility

3.1 Statement of Responsibility

British Telecommunications plc (the “Company”) is required to prepare the RFS in accordance with the Final Statements as described in Section 2.1.4 ‘Final Statements set out by Ofcom’.

The RFS include comparative information for the year ended 31 March 2020 originally published on 31 July 2020 (the “2019/20 RFS”). The 2019/20 RFS were subsequently subject to certain restatements and re-presentations detailed in section 2.1.6. The Reconciliation Report (Appendix 4) provides additional detail on the impact of these methodology changes and errors identified subsequent to publishing the 2019/20 RFS.

The directors confirm to the best of their knowledge that the RFS for the year ended 31 March 2021 have been prepared in accordance with the requirements of the Final Statements, the AMD and Wholesale Catalogue issued on 30 July 2021 and in accordance with the RAP.

The directors confirm to the best of their knowledge that the comparative information for the year ended 31 March 2020 included in the RFS have been prepared in accordance with the requirements of the Final Statements and the AMD issued on 31 July 2020 subject to certain restatements and re-presentations as detailed in Appendix 4.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company’s website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Openreach

The Company is also required in accordance with the Commitments to separately report the financial results of Openreach within the RFS as explained in Section 1.1.

The Commitments require the Company to report the financial results of Openreach, including the following:

- Openreach financial information such as headline revenue, operating costs disaggregated by major cost category, depreciation, revenues broken down into the broad product groups that Openreach Business Unit provides and further split between internal and external sales, and separately identified payments to other parts of BT for products that form inputs to Openreach Business Unit products (e.g. electronics); and

- Reconciliation of Openreach’s revenue, operating profit and return or profit before tax (and other such items as agreed between the Company and Ofcom) with financial information about Openreach shown in BT’s Annual Report.

The Openreach Financial Statements can be found in Section 5 and include comparative information for the year ended 31 March 2020. These comparatives were subject to certain restatements and re-presentations detailed in Appendix 4.

The form, content and basis of preparation of the financial results of Openreach follow those used in the preparation of the RFS as described above, except where differences are agreed with Ofcom.

The directors confirm to the best of their knowledge that the Openreach Financial Statements for the year ended 31 March 2021, have been prepared in accordance with the AMD and Wholesale Catalogue issued on 30 July 2021, and comply with the financial reporting requirements of the Commitments, most recently issued on 28 May 2021.

The directors confirm to the best of their knowledge that the comparative information for the Openreach Financial Statements for the year ended 31 March 2020 included in the RFS, have been prepared in accordance with the requirements of the Final Statements and the AMD issued on 31 July 2020 subject to certain restatements and re-presentations as detailed in Appendix 4, and comply with the financial reporting requirements of the Commitments, most recently issued on 28 May 2021.

Approved by the Board of Directors and signed on its behalf by:

Simon Lowth

Director, British Telecommunications plc

30 July 2021

Section 4

Audit Report

Section 4 – Report of Independent Auditors

4.1 Independent Auditor’s report to the Directors of British Telecommunications plc and the Office of Communications (“Ofcom”)

Opinion

We have audited the Summary of Market Performance, the Review of the Physical Infrastructure Markets, the Review of Wholesale Local Access Markets, the Review of Business Connectivity Markets, the Review of Narrowband Markets and the Review of Wholesale Broadband Access Markets and the Network Activity Statements as set out in sections 5 to 10 and Appendix 1 on pages 23 to 127 and the accounting policies in the Basis of Preparation on pages 12 to 14 together referred to as the “Market Financial Statements”, the Reconciliation Report – Impact of Methodology Changes and Errors (“Reconciliation Report”) set out in Appendix 4 on pages 132 to 143 of BT Group plc (the “Group”), together referred to as the “2021 Financial Statements”, contained within the Regulatory Financial Statements 2021.

The “Market Summary Statements”, within the Market Financial Statements, comprise the statements of financial performance for each market for the year ended 31 March 2021 shown within the Performance Summary by Market or Technical Area on page 24 and 25, including those listed below on which we express an opinion (the “PPIA Markets”):

- Physical Infrastructure Access;
- Wholesale Local Access;
- Contemporary Interface Access Services - BT Only;
- Contemporary Interface Access Services - BT +1;
- Technical Area – Inter-Exchange Connectivity (Non-Dark Fibre);
- Wholesale Fixed Analogue Exchange Lines;
- ISDN30;
- Fixed Call Origination;
- Fixed Geographic Call Termination; and
- Wholesale Broadband Access (Market A).

For the avoidance of doubt, we do not express separate audit opinions in respect of the statements of financial performance for:

- High Network Reach Areas outside Central London Area;
- Technical Area - Inter-Exchange Connectivity (Dark Fibre);
- ISDN 2; and
- Technical areas (DLE Interconnect Circuits).

The “Openreach Information”, within the Market Financial Statements, comprises the figures for “Total Openreach” within the Performance Summary by Market or Technical Area on pages 24 to 25, Attribution of Wholesale Current Costs on pages 26 to 29 and Attribution of Wholesale Current Cost Mean Capital Employed on pages 30 to 33 together with the reconciliation tables headed “Openreach” on pages 35 and 36 and the notes on page 34 where they relate to these tables.

The Market Financial Statements include comparative information for the year ended 31 March 2020 first published on 31 July 2020 which has been restated and re-presented, “Restated Financial Statements”, to comply with the Final Statements issued by Ofcom listed in Section 2.1.4 on page 14 (the “Final Statements”), and in accordance with the Accounting Methodology Documents and the Wholesale Catalogue dated 30 July 2021, as amended, where applicable, in accordance with “Comparability of Current and Prior Year Results” on page 14.

In our opinion:

- a) the Market Financial Statements as a whole, and the Market Summary Statements for each of the PPIA Markets for the year ended 31 March 2021 have been properly prepared, in all material respects, in accordance with the procedures defined in the Accounting Methodology Documents and the Wholesale Catalogue dated 30 July 2021 and comply with the disclosure requirements of the Final Statements;
- b) the Openreach Information for the year ended 31 March 2021 has been properly prepared, in all material respects, in accordance with the procedures defined in the Accounting Methodology Documents and the Wholesale Catalogue dated 30 July 2021 and complies with the disclosure requirements of Commitments of British Telecommunications plc and Openreach Limited to Ofcom made on 28 May 2021 (the “Commitments”);
- c) the Restated Financial Statements as a whole have been properly prepared, in all material respects, in accordance with the procedures defined in the Accounting Methodology Documents and the Wholesale Catalogue dated 31 July 2020 as amended, where applicable, in accordance with note 2.1.6 “Comparability of Current and Prior Year results” on page 14 and comply with the disclosure requirements of the Final Statements;
- d) for the Reconciliation Report, all Material Changes, as defined in the Final Statements, were included in the Change Control Notification published on 31 March 2021; the description of each of the Material Changes provided by BT in the Change Control Notification is accurate; BT included each and every Material Change in the Reconciliation Report and correctly calculated the

Section 4 – Report of Independent Auditors

impact of all changes presented in the Market Financial Statements; the description of each of the Material Errors, as defined in Final Statements, provided by BT in the Reconciliation Report is accurate; and the corrected figures for the year ended 31 March 2020 set out in the Reconciliation Report are properly prepared, in all material respects, in accordance with the Accounting Methodology Documents for the year ended 31 March 2020 had these Accounting Methodology Documents not included these Material Errors.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (“ISAs (UK)”), including ISA (UK) 800, the terms of our engagement letter dated 31 March 2021 and having regard to the guidance contained in ICAEW Technical Release 02/16AAF (Revised) Reporting to regulators on regulatory accounts. Our responsibilities under ISAs (UK) are further described in the Auditors’ responsibilities section of our report. We have fulfilled our ethical responsibilities under, and are independent of the Group in accordance with, UK ethical requirements including the FRC Ethical Standard as applicable to listed public interest entities. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We audited the statutory financial statements of BT Group plc (the “Statutory Financial Statements”) for the year ended 31 March 2021 (“the 2021 Statutory Financial Statements”) on which we expressed an unmodified audit opinion. Our audit report on the Statutory Financial Statements describes the scope of our Statutory Financial Statements audit. In conducting our subsequent audit of the 2021 Financial Statements, and in providing the opinions above, we have not performed any additional tests of the transactions and balances which are recorded in the general ledgers and other accounting records beyond those already performed for the purpose of the audit of the Statutory Financial Statements.

Emphasis of matter – special purpose basis of preparation

We draw attention to Section 2.1 in the 2021 Financial Statements which describes their basis of preparation. The 2021 Financial Statements have been prepared in accordance with a special purpose basis of preparation to allow the Group to comply with the requirements of the Final Statements issued by Ofcom. The nature, form and content of the 2021 Financial Statements are determined by Ofcom. It is not appropriate for us to assess whether the nature of the information being reported upon is suitable for Ofcom’s purposes. Accordingly, we make no such assessment.

The 2021 Financial Statements are separate from the Statutory Financial Statements of the Group and have not been prepared in accordance with

international accounting standards in conformity with the requirements of the Companies Act 2006 or in accordance with international financial reporting standards adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union. Financial information other than that prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006, or in accordance with international financial reporting standards adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union does not necessarily represent a true and fair view of the financial performance or financial position of the Group as shown in statutory financial statements prepared in accordance with the Companies Act 2006.

As a result, the 2021 Financial Statements may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Going concern

In relation to the 2021 Statutory Financial Statements issued on 13 May 2021, we had reported our conclusions in relation to going concern as follows:

- we considered that the Directors’ use of the going concern basis of accounting in the preparation of the 2021 Statutory Financial Statements is appropriate;
- we did not identify, and concurred with the Directors’ assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may have cast significant doubt on the Group’s ability to continue as a going concern for the going concern period;

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Group will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud (“fraud risks”) we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors, the audit committee and inspection of policy documentation as to the Group’s high-level policies and procedures to prevent and detect fraud, and the Group’s channel for “whistleblowing”, as well as whether they have knowledge of any actual, suspected or alleged fraud.

Section 4 – Report of Independent Auditors

- Reading Board and Executive Committee minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, and taking into account possible pressures to meet profit targets, recent revisions to guidance and our overall knowledge of the control environment, we perform procedures to address the risk of management override of controls, in particular the risk that Group may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because non-long-term contract revenues are not judgemental and consist of a high number of low value transactions, and long-term contracts are generally low in complexity with most having a revenue recognition profile aligned to billing.

We did not identify any additional fraud risks.

We performed procedures including identifying journal entries posted in the general ledgers, used for the preparation of the 2021 Statutory Financial Statements, based on risk criteria and comparing the identified entries to supporting documentation. These included those posted by senior finance management, those posted and approved by the same user and those posted to unusual or seldom used accounts.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the 2021 Financial Statements from our general commercial and sector experience, through discussion with the directors and other management (as required by auditing standards), and from inspection of the Group's regulatory and legal correspondence and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

As the Group is regulated, our assessment of risks involved gaining an understanding of the control environment including the entity's procedures for complying with regulatory requirements.

We communicated identified laws and regulations throughout our team and remained alert to any indications of noncompliance throughout the audit.

The potential effect of these laws and regulations on the 2021 Financial Statements varies considerably.

Firstly, the Group is subject to laws and regulations that directly affect the 2021 Financial Statements including the financial reporting aspects of the Ofcom regulations, and we assessed the extent of compliance with these regulations as part of our procedures on the related 2021 Financial Statement items.

Secondly, the Group is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the 2021 Financial Statements, for instance through the imposition of fines or litigation or the loss of the Group's licence to operate. We identified the following areas as those most likely to have such an effect: anti-bribery, regulations affecting telecommunication providers, and regulated nature of the Group's activities (including compliance with Ofcom regulation). Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the 2021 Financial Statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the 2021 Financial Statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Other information

The other information comprises all information in the Regulatory Financial Statements 2021 other than the 2021 Financial Statements and our auditors' report thereon.

The Directors are responsible for the other information. Our opinion on the 2021 Financial Statements does not cover the other information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon.

Section 4 – Report of Independent Auditors

Our responsibility is to read the other information and, in doing so, consider whether based on our 2021 Financial Statements audit work, the information therein is materially misstated or inconsistent with the 2021 Financial Statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

Respective Responsibilities

Directors' Responsibilities

As explained more fully in the Directors' Statement of Responsibility set out on page 16 the directors of British Telecommunications plc (the "Company") are responsible for the preparation of the 2021 Financial Statements, including the Market Financial Statements and the Reconciliation Report, in accordance with the Final Statements, as set out in Section 2 of this document, the Company's Accounting Methodology Document and the Wholesale Catalogue dated 30 July 2021.

The Directors are also responsible for the preparation of the Openreach Information in accordance with the Commitments, the Final Statements, as set out in Section 2 of this document, the Company's Accounting Methodology Document and the Wholesale Catalogue dated 30 July 2021.

The Directors are also responsible for the preparation of the Reconciliation Report under the current cost convention in accordance with: the Final Statements, as set out in Section 2 of this document, the Company's Accounting Methodology Document and the Wholesale Catalogue dated 30 July 2021 in respect of information for the year ended 31 March 2021; and in accordance with the Final Statements, as set out in Section 2 of this document, the Company's Accounting Methodology Document and the Wholesale Catalogue dated 31 July 2020, as amended, where applicable, in accordance with note 2.1.6 "Comparability of Current and Prior Year results" on page 14 in respect of information for the year ended 31 March 2020.

As explained in the "Basis of Preparation" on pages 13 and 14 the Company has, prepared the 2021 Financial Statements by disaggregating balances recorded in the general ledgers and other accounting records of the Group maintained in accordance with the Companies Act 2006 and used, in accordance with that Act, for the preparation of the Statutory Financial Statements for the years ended 31 March 2021 and 31 March 2020.

The Directors are also responsible for determining that the basis of preparation is acceptable in the circumstances and also for such internal control as they determine is necessary to enable the preparation of the 2021 Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the 2021 Financial Statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing as applicable matters related to going concern, and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so. In this regard the directors' assessment was made for the purposes of the preparation of the 2021 Statutory Financial Statements issued on 13 May 2021 and, therefore, covers a period of at least, but not limited to, twelve-month period from that date.

Auditors' responsibilities

Our objectives are to obtain reasonable assurance about whether the following are free from material misstatement, whether due to fraud or error, and whether:

- a) the Market Financial Statements as a whole, and the Market Summary Statements for each of the PPIA Markets for the year ended 31 March 2021 have been properly prepared, in all material respects, in accordance with the procedures defined in the Accounting Methodology Documents and the Wholesale Catalogue dated 30 July 2021 and comply with the disclosure requirements of the Final Statements;
- b) the Openreach Information for the year ended 31 March 2021 has been properly prepared, in all material respects, in accordance with the procedures defined in the Accounting Methodology Documents and the Wholesale Catalogue dated 30 July 2021 and complies with the disclosure requirements of the Commitments of British Telecommunications plc and Openreach Limited;
- c) the Restated Financial Statements as a whole have been properly prepared, in all material respects, in accordance with the procedures defined in the Accounting Methodology Documents and the Wholesale Catalogue dated 31 July 2020 as amended, where applicable, in accordance with note 2.1.6 "Comparability of Current and Prior Year results" on page 14 and comply with the disclosure requirements of the Final Statements; and
- d) for the Reconciliation Report, all Material Changes, as defined in the Final Statements, were included in the Change Control Notification published on 31 March 2021; the description of each of the Material Changes provided by BT in the Change Control Notification is accurate; BT included each and every Material Change in the Reconciliation Report and correctly calculated the impact of all changes presented in the Market Financial Statements; the description of each of the Material Errors, as defined in Final Statements, provided by BT in the Reconciliation Report is accurate; and the corrected figures for the year ended 31 March 2020 set out in the Reconciliation Report

Section 4 – Report of Independent Auditors

are properly prepared, in all material respects, in accordance with the Accounting Methodology Documents for the year ended 31 March 2020 had these Accounting Methodology Documents not included these Material Errors.

Our objective is also to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the 2021 Financial Statements.

As the preparation of the 2021 Financial Statements does not involve an assessment of the Group's going concern at the date of this report, we have no responsibilities to assess going concern at the date of this report.

A further description of our responsibilities is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities, except as set out as follows.

We have not assessed whether the accounting policies are appropriate to the circumstances of the Group where these are laid down in the Final Statements as set out by Ofcom. Where the Final Statements do not give specific guidance on the accounting policies to be followed, our audit includes an assessment of whether the accounting policies adopted in respect of the transactions and balances required to be included in the 2021 Financial Statements are consistent with those used in the preparation of the statutory financial statements of the Group.

The purpose of our audit work and to whom we owe our responsibilities

This report is made, on terms that have been agreed, solely to BT Group plc and Ofcom in order to meet the requirements of the Final Statements issued by Ofcom. Our audit work has been undertaken so that we might state to BT Group plc and Ofcom those matters that we have agreed to state to them in our report, in order (a) to assist BT Group plc to meet its obligation as specified in the Final Statements issued by Ofcom to procure a report and (b) to facilitate the carrying out by the Regulator of its regulatory functions, and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than BT Group plc and the Regulator, for our audit work, for this report or for the opinions we have formed.

Our opinion on the Regulatory Accounts is separate from our opinion on the statutory financial statements of BT Group plc for the year ended 31 March 2021 on which we reported on 13 May 2021, which are prepared for a different purpose. Our audit report in relation to the statutory financial statements of BT Group plc (our "Statutory audit") was made solely to the BT Group plc's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006.

Our Statutory audit work was undertaken so that we might state to BT Group plc's members those matters we are required to state to them in a statutory audit report and for no other purpose. In these circumstances, to the fullest extent permitted by law, we do not accept or assume responsibility for any other purpose or to any other person to whom our Statutory audit report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Engagement partner

The engagement partner on the audit resulting in this independent auditors' report is John Luke.

KPMG LLP
Chartered Accountants
15 Canada Square
London E14 5GL
30 July 2021

Section 5

Summary of Market Performance

Section 5 – Summary of Market Performance

Performance Summary by Market or Technical Area

For the year ended 31 March 2021

	Section	Internal Revenue £m	External Revenue £m	Total Revenue £m	Operating Costs £m	Depreciation £m	Holding (gain)/loss £m	Supp. Dep. £m	Other CCA Adjns. £m	Roundings £m	Total CCA Operating Costs £m	Return £m	Mean Capital Employed £m	Return on MCE %
Openreach														
Physical Infrastructure Markets														
	6.1	710	2	712	144	191	(92)	100	1	-	344	368	5,165	7.1 %
WLA														
	7.1	863	1,692	2,555	1,673	620	(31)	66	(8)	-	2,320	235	5,739	4.1 %
Business Connectivity Markets														
	8.1	213	202	415	207	152	(0)	3	(1)	(1)	360	55	968	5.7 %
	8.2	110	94	204	80	65	(0)	0	(0)	-	145	59	379	15.5 %
	8.3	14	13	27	9	7	(0)	0	(0)	1	17	10	41	24.6 %
	8.4	115	56	171	57	35	(1)	3	(1)	-	93	78	182	42.8 %
	8.5	-	1	1	1	0	(0)	0	(0)	-	1	0	1	14.1 %
Narrowband Markets														
	9.1	1,099	391	1,490	875	358	(32)	75	(5)	-	1,271	219	2,449	9.0 %
	9.2	22	32	54	24	12	(1)	1	0	1	37	17	69	24.9 %
	9.3	41	53	94	43	27	(0)	1	(0)	(1)	70	24	179	13.5 %
Total Openreach SMP Markets														
		3,187	2,536	5,723	3,113	1,467	(157)	249	(14)	-	4,658	1,065	15,172	7.0%
Openreach Residual		150	66	216	49	80	(1)	3	(1)	-	130	86	498	17.3 %
Eliminations		(678)	-	(678)	(678)	-	-	-	-	-	(678)	-	-	-
Total Openreach		2,659	2,602	5,261	2,484	1,547	(158)	252	(15)	-	4,110	1,151	15,670	7.3%
Rest of BT														
Narrowband Markets														
		104	21	125	54	30	(1)	1	1	-	85	40	145	27.1 %
	9.4	3	5	8	58	35	(1)	1	1	-	94	(86)	158	(54.7)%
	9.5	-	5	5	3	1	(0)	0	(0)	-	4	1	6	15.2 %
	10.1	165	1	166	29	12	(0)	0	(0)	(1)	40	126	58	218.0 %
Total Rest of BT SMP Markets														
		272	32	304	144	78	(2)	2	2	(1)	223	81	367	21.7%
Rest of BT Residual		1,957	18,699	20,656	16,928	2,624	(4)	8	(4)	-	19,552	1,104	22,580	4.9 %
Total Rest of BT		2,229	18,731	20,960	17,072	2,702	(6)	10	(2)	(1)	19,775	1,185	22,947	5.2%
Eliminations		(4,888)	-	(4,888)	(4,923)	(25)	1	(3)	1	(1)	(4,950)	62	(136)	-
Roundings		-	(2)	(2)	(1)	-	-	1	(1)	2	1	(3)	-	-
Total Markets		-	21,331	21,331	14,632	4,224	(163)	260	(17)	-	18,936	2,395	38,481	6.2%
Total SMP Markets														
		3,459	2,568	6,027	3,257	1,545	(159)	251	(12)	(1)	4,881	1,146	15,539	7.4%

Section 5 – Summary of Market Performance

Performance Summary by Market or Technical Area

Restated for the year ended 31 March 2020 (b)

	Section	Internal Revenue £m	External Revenue £m	Total Revenue £m	Operating Costs £m	Depreciation £m	Holding (gain)/loss £m	Supp. Dep. £m	Other CCA Adj. £m	Roundings £m	Total CCA Operating Costs £m	Return £m	Mean Capital Employed £m	Return on MCE %
Openreach														
Physical Infrastructure Markets														
	6.1	605	1	606	126	182	(155)	98	3	-	254	352	4,943	7.1%
	7.1	819	1,615	2,434	1,509	597	(55)	65	(13)	-	2,103	331	4,846	6.8%
Business Connectivity Markets														
	8.1	195	172	367	204	144	(1)	3	(1)	-	349	18	815	2.1%
	8.2	97	77	174	81	61	(0)	0	(0)	1	143	31	320	9.8%
	8.3	14	10	24	10	7	(0)	0	(0)	-	17	7	35	20.1%
	8.4	103	52	155	51	36	(1)	3	(1)	-	88	67	150	44.7%
	8.5	-	0	0	0	0	(0)	0	(0)	-	0	0	0	20.0%
Narrowband Markets														
	9.1	1,173	383	1,556	848	353	(59)	75	1	-	1,218	338	2,372	14.2%
	9.2	25	39	64	23	12	(1)	1	0	1	36	28	67	41.5%
	9.3	50	65	115	46	31	(1)	0	0	1	77	38	169	22.5%
Total Openreach SMP Markets		3,081	2,414	5,495	2,898	1,423	(273)	245	(11)	3	4,285	1,210	13,717	8.8%
		160	62	222	26	85	(2)	3	(1)	(1)	110	112	459	24.3%
		(575)	-	(575)	(575)	-	-	-	-	-	(575)	-	-	-
Total Openreach		2,666	2,476	5,142	2,349	1,508	(275)	248	(12)	2	3,820	1,322	14,176	9.3%
Rest of BT														
Narrowband Markets														
		92	27	119	49	32	(1)	0	1	-	81	38	116	33.1%
	9.4	3	5	8	50	36	(2)	0	1	1	86	(78)	124	(63.2)%
	9.5	-	5	5	3	2	(0)	0	(0)	(1)	4	1	5	15.5%
	10.1	126	1	127	28	14	(0)	0	(0)	-	42	85	56	151.0%
Total Rest of BT SMP Markets		221	38	259	130	84	(3)	0	2	-	213	46	301	15.1%
		1,868	20,391	22,259	17,916	2,608	(8)	8	(2)	-	20,522	1,737	23,013	7.5%
Total Rest of BT		2,089	20,429	22,518	18,046	2,692	(11)	8	(0)	-	20,735	1,783	23,314	7.6%
		(4,754)	-	(4,754)	(4,789)	(31)	2	(3)	1	1	(4,819)	65	(121)	
		(1)	-	(1)	1	1	(2)	3	1	(3)	1	(2)	(1)	
Total Markets		-	22,905	22,905	15,607	4,170	(286)	256	(10)	-	19,737	3,168	37,368	8.5%
Total SMP Markets		3,302	2,452	5,754	3,028	1,507	(276)	245	(9)	3	4,498	1,256	14,018	8.9%

Section 5 – Summary of Market Performance

Attribution of Wholesale Current Costs

For the year ended 31 March 2021

	EOI Input Prices £m	Provision/ Maintenance £m	Network Support £m	General Support £m	General Management £m	Accommodation £m	Other Costs £m	Total Operating Costs £m
Openreach								
Physical Infrastructure Markets	-	37	13	41	50	2	1	144
WLA	-	445	288	226	314	120	280	1,673
Business Connectivity Markets								
CI Access services - BT only	-	28	33	29	58	10	49	207
CI Access services - BT+1	-	14	12	12	27	4	11	80
High Network Reach Areas Outside CLA	-	2	1	1	3	1	1	9
Technical Areas (Non-Dark Fibre) Inter Exchange	-	4	6	4	11	11	21	57
Technical Areas (Dark Fibre) Inter Exchange	-	0	0	0	0	0	1	1
Narrowband Markets								
WFAEL	-	180	107	91	134	67	296	875
ISDN2	-	4	2	2	4	7	5	24
ISDN30	-	7	5	5	10	12	4	43
Total Openreach SMP Markets	-	721	467	411	611	234	669	3,113
Openreach Residual Eliminations	-	54	15	17	35	16	(88)	49
	-	-	-	-	-	-	(678)	(678)
Total Openreach	-	775	482	428	646	250	(97)	2,484
Rest of BT								
Narrowband Markets								
Fixed Call Origination	-	5	4	3	12	29	1	54
Fixed Geographic Call Termination	-	6	5	3	9	34	1	58
Technical Areas (DLE Interconnect Circuits)	-	0	0	0	0	1	2	3
WBA (Market A)	18	1	1	1	2	3	3	29
Total Rest of BT SMP Markets	18	12	10	7	23	67	7	144
Rest of BT Residual	1,037	417	38	3,429	9,718	411	1,878	16,928
Total Rest of BT	1,055	429	48	3,436	9,741	478	1,885	17,072
Eliminations	(1,055)	(11)	(2)	(4)	(8)	(10)	(3,833)	(4,923)
Roundings	-	(1)	2	(1)	(1)	1	(1)	(1)
Total Markets	-	1,192	530	3,859	10,378	719	(2,046)	14,632
Total SMP Markets	18	733	477	418	634	301	676	3,257

Section 5 – Summary of Market Performance

Land and Buildings £m	Duct, Access Copper and Access Fibre £m	Switch and Transmission £m	Other Related £m	Total Depreciation £m	Total HCA Operating Costs £m	Holding (gain)/loss £m	Supp. Dep. £m	Other CCA Adjs. £m	Roundings £m	Total CCA Operating Costs £m
0	155	12	24	191	335	(92)	100	1	-	344
21	430	11	158	620	2,293	(31)	66	(8)	-	2,320
2	80	43	27	152	359	(0)	3	(1)	(1)	360
1	30	23	11	65	145	(0)	0	(0)	-	145
0	3	3	1	7	16	(0)	0	(0)	1	17
3	-	23	9	35	92	(1)	3	(1)	-	93
0	-	0	0	0	1	(0)	0	(0)	-	1
12	252	1	93	358	1,233	(32)	75	(5)	-	1,271
2	4	0	6	12	36	(1)	1	0	1	37
3	12	1	11	27	70	(0)	1	(0)	(1)	70
44	966	117	340	1,467	4,580	(157)	249	(14)	-	4,658
4	35	18	23	80	129	(1)	3	(1)	-	130
-	-	-	-	-	(678)	-	-	-	-	(678)
48	1,001	135	363	1,547	4,031	(158)	252	(15)	-	4,110
7	-	1	22	30	84	(1)	1	1	-	85
8	-	2	25	35	93	(1)	1	1	-	94
0	-	0	1	1	4	(0)	0	(0)	-	4
1	0	3	8	12	41	(0)	0	(0)	(1)	40
16	0	6	56	78	222	(2)	2	2	(1)	223
69	413	444	1,698	2,624	19,552	(4)	8	(4)	-	19,552
85	413	450	1,754	2,702	19,774	(6)	10	(2)	(1)	19,775
(3)	(9)	(3)	(10)	(25)	(4,948)	1	(3)	1	(1)	(4,950)
-	-	-	-	-	(1)	-	1	(1)	2	1
130	1,405	582	2,107	4,224	18,856	(163)	260	(17)	-	18,936
60	966	123	396	1,545	4,802	(159)	251	(12)	(1)	4,881

Section 5 – Summary of Market Performance

Attribution of Wholesale Current Costs

Restated for the year ended 31 March 2020 (b)

	EOI Input Prices £m	Provision/ Maintenance £m	Network Support £m	General Support £m	General Management £m	Accommodation £m	Other Costs £m	Total Operating Costs £m
Openreach								
Physical Infrastructure Markets	-	31	12	39	37	3	4	126
WLA	-	420	260	216	224	120	269	1,509
Business Connectivity Markets								
CI Access services - BT only	-	32	33	32	51	9	47	204
CI Access services - BT+1	-	17	12	14	23	4	11	81
High Network Reach Areas Outside CLA	-	2	1	2	3	0	2	10
Technical Areas (Non-Dark Fibre) Inter Exchange	-	3	5	5	9	8	21	51
Technical Areas (Dark Fibre) Inter Exchange	-	0	0	0	0	0	0	0
Narrowband Markets								
WFAEL	-	183	117	109	110	63	266	848
ISDN2	-	4	3	2	4	6	4	23
ISDN30	-	10	6	6	9	10	5	46
Total Openreach SMP Markets	-	702	449	425	470	223	629	2,898
Openreach Residual	-	75	18	21	22	14	(124)	26
Eliminations	-	-	-	-	-	-	(575)	(575)
Total Openreach	-	777	467	446	492	237	(70)	2,349
Rest of BT								
Narrowband Markets								
Fixed Call Origination	-	5	5	3	13	23	0	49
Fixed Geographic Call Termination	-	6	5	3	8	27	1	50
Technical Areas (DLE Interconnect Circuits)	-	1	0	0	0	1	1	3
WBA (Market A)	16	2	1	1	2	4	2	28
Total Rest of BT SMP Markets	16	14	11	7	23	55	4	130
Rest of BT Residual	959	409	49	3,396	10,734	429	1,940	17,916
Total Rest of BT	975	423	60	3,403	10,757	484	1,944	18,046
Eliminations	(975)	(11)	(3)	(5)	(7)	(8)	(3,780)	(4,789)
Roundings	-	-	2	(1)	1	1	(2)	1
Total Markets	-	1,189	526	3,843	11,243	714	(1,908)	15,607
Total SMP Markets	16	716	460	432	493	278	633	3,028

Section 5 – Summary of Market Performance

Land and Buildings £m	Duct, Access Copper and Access Fibre £m	Switch and Transmission £m	Other Related £m	Total Depreciation £m	Total HCA Operating Costs £m	Holding (gain)/loss £m	Supp. Dep. £m	Other CCA Adj. £m	Roundings £m	Total CCA Operating Costs £m
0	149	13	20	182	308	(155)	98	3	-	254
20	413	14	150	597	2,106	(55)	65	(13)	-	2,103
2	72	47	23	144	348	(1)	3	(1)	-	349
1	27	24	9	61	142	(0)	0	(0)	1	143
0	3	3	1	7	17	(0)	0	(0)	-	17
3	-	26	7	36	87	(1)	3	(1)	-	88
0	-	0	0	0	0	(0)	0	(0)	-	0
10	252	8	83	353	1,201	(59)	75	1	-	1,218
1	5	1	5	12	35	(1)	1	0	1	36
2	13	5	11	31	77	(1)	0	0	1	77
39	934	141	309	1,423	4,321	(273)	245	(11)	3	4,285
4	36	23	22	85	111	(2)	3	(1)	(1)	110
-	-	-	-	-	(575)	-	-	-	-	(575)
43	970	164	331	1,508	3,857	(275)	248	(12)	2	3,820
6	-	7	19	32	81	(1)	0	1	-	81
6	-	8	22	36	86	(2)	0	1	1	86
0	-	0	2	2	5	(0)	0	(0)	(1)	4
1	0	4	9	14	42	(0)	0	(0)	-	42
13	0	19	52	84	214	(3)	0	2	-	213
73	416	505	1,614	2,608	20,524	(8)	8	(2)	-	20,522
86	416	524	1,666	2,692	20,738	(11)	8	(0)	-	20,735
(2)	(11)	(7)	(11)	(31)	(4,820)	2	(3)	1	1	(4,819)
1	(1)	1	-	1	2	(2)	3	1	(3)	1
128	1,374	682	1,986	4,170	19,777	(286)	256	(10)	-	19,737
52	934	160	361	1,507	4,535	(276)	245	(9)	3	4,498

Section 5 – Summary of Market Performance

Attribution of Wholesale Current Cost Mean Capital Employed

For the year ended 31 March 2021

	Land & Buildings £m	Access - Copper £m	Access - Fibre £m	Duct £m	Switch £m	Transmission £m	Other £m	Less Government Grants £m	Total Non-current Assets £m
Openreach									
Physical Infrastructure Markets	3	155	35	4,992	0	(0)	80	(162)	5,103
WLA	221	1,715	2,967	452	13	100	559	(429)	5,598
Business Connectivity Markets									
CI Access services - BT only	21	-	637	-	0	182	89	-	929
CI Access services - BT+1	9	-	235	-	0	86	39	-	369
High Network Reach Areas Outside CLA	1	-	23	-	0	11	5	-	40
Technical Areas (Non-Dark Fibre) Inter Exchange	33	-	0	-	0	113	28	-	174
Technical Areas (Dark Fibre) Inter Exchange	0	-	0	-	0	1	0	-	1
Narrowband Markets									
WFAEL	126	1,893	0	11	18	(0)	294	(0)	2,342
ISDN2	19	29	0	0	2	0	17	(0)	67
ISDN30	29	4	99	0	1	4	32	(0)	169
Total Openreach SMP Markets	462	3,796	3,996	5,455	34	497	1,143	(591)	14,792
Openreach Residual Eliminations	44	102	116	227	0	107	71	-	667
	-	-	-	-	-	-	-	-	-
Total Openreach	506	3,898	4,112	5,682	34	604	1,214	(591)	15,459
Rest of BT									
Narrowband Markets									
Fixed Call Origination	72	-	0	-	6	6	61	-	145
Fixed Geographic Call Termination	83	-	0	-	7	7	70	-	167
Technical Areas (DLE Interconnect Circuits)	3	-	0	-	0	1	3	-	7
WBA (Market A)	9	1	1	-	0	11	24	-	46
Total Rest of BT SMP Markets	167	1	1	-	13	25	158	-	365
Rest of BT Residual	641	26	28	0	512	876	19,271	(6)	21,348
Total Rest of BT	808	27	29	0	525	901	19,429	(6)	21,713
Eliminations	(28)	(16)	(29)	-	(0)	(29)	(31)	-	(133)
Roundings	-	-	-	-	1	(1)	(1)	(1)	(2)
Total Markets	1,286	3,909	4,112	5,682	560	1,475	20,611	(598)	37,037
Total SMP Markets	629	3,797	3,997	5,455	47	522	1,301	(591)	15,157

Section 5 – Summary of Market Performance

Internal Current Assets £m	External Current Assets £m	Total Current Assets £m	Internal Current Liabilities £m	External Current Liabilities £m	Total Current Liabilities £m	Total Assets less Current Liabilities £m	Provisions for liabilities and charges £m	Roundings £m	Total Mean Capital Employed £m
47	105	152	-	(87)	(87)	5,168	(2)	(1)	5,165
168	818	986	-	(833)	(833)	5,751	(12)	-	5,739
27	166	193	-	(153)	(153)	969	(2)	1	968
13	71	84	-	(73)	(73)	380	(1)	-	379
2	8	10	-	(8)	(8)	42	(0)	(1)	41
11	28	39	-	(29)	(29)	184	(1)	(1)	182
0	0	0	-	(0)	(0)	1	(0)	-	1
98	309	407	-	(290)	(290)	2,459	(9)	(1)	2,449
4	11	15	-	(13)	(13)	69	(1)	1	69
6	30	36	-	(26)	(26)	179	(1)	1	179
376	1,546	1,922	-	(1,512)	(1,512)	15,202	(29)	(1)	15,172
14	85	99	-	(215)	(215)	551	(55)	2	498
-	-	-	-	-	-	-	-	-	-
390	1,631	2,021	-	(1,727)	(1,727)	15,753	(84)	1	15,670
8	30	38	-	(35)	(35)	148	(3)	-	145
1	34	35	-	(40)	(40)	162	(3)	(1)	158
0	1	1	-	(2)	(2)	6	(0)	-	6
11	8	19	(1)	(5)	(6)	59	(0)	(1)	58
20	73	93	(1)	(82)	(83)	375	(6)	(2)	367
(410)	9,175	8,765	1	(7,194)	(7,193)	22,920	(340)	-	22,580
(390)	9,248	8,858	-	(7,276)	(7,276)	23,295	(346)	(2)	22,947
-	(23)	(23)	-	19	19	(137)	1	-	(136)
-	1	1	-	-	-	(1)	-	1	-
-	10,857	10,857	-	(8,984)	(8,984)	38,910	(429)	-	38,481
396	1,619	2,015	(1)	(1,594)	(1,595)	15,577	(35)	(3)	15,539

Section 5 – Summary of Market Performance

Attribution of Wholesale Current Cost Mean Capital Employed

Restated for the year ended 31 March 2020 (b)

	Land & Buildings £m	Access - Copper £m	Access - Fibre £m	Duct £m	Switch £m	Transmission £m	Other £m	Less Government Grants £m	Total Non- current Assets £m
Openreach									
Physical Infrastructure Markets	3	164	28	4,821	0	(0)	57	(156)	4,917
WLA	224	1,777	2,365	471	15	81	424	(413)	4,944
Business Connectivity Markets									
CI Access services - BT only	17	-	585	-	0	166	64	-	832
CI Access services - BT+1	8	-	218	-	0	76	28	-	330
High Network Reach Areas Outside CLA	1	-	22	-	0	10	4	-	37
Technical Areas (Non-Dark Fibre) Inter Exchange	28	-	0	-	0	101	22	-	151
Technical Areas (Dark Fibre) Inter Exchange	0	-	0	-	0	0	0	-	0
Narrowband Markets									
WFAEL	114	2,038	0	(13)	22	0	208	(0)	2,369
ISDN2	16	38	0	(0)	3	0	12	(0)	69
ISDN30	26	5	106	(0)	2	5	25	(0)	169
Total Openreach SMP Markets	437	4,022	3,324	5,279	42	439	844	(569)	13,818
Openreach Residual	39	102	116	215	0	101	60	-	633
Eliminations	-	-	-	-	-	-	-	-	-
Total Openreach	476	4,124	3,440	5,494	42	540	904	(569)	14,451
Rest of BT									
Narrowband Markets									
Fixed Call Origination	62	-	0	-	8	6	43	-	119
Fixed Geographic Call Termination	72	-	0	-	8	7	49	-	136
Technical Areas (DLE Interconnect Circuits)	2	-	0	-	0	1	2	-	5
WBA (Market A)	13	1	0	-	0	13	23	-	50
Total Rest of BT SMP Markets	149	1	0	-	16	27	117	-	310
Rest of BT Residual	655	25	32	0	539	1,043	18,760	(6)	21,048
Total Rest of BT	804	26	32	0	555	1,070	18,877	(6)	21,358
Eliminations	(25)	(14)	(32)	0	(0)	(28)	(27)	-	(126)
Roundings	-	(1)	(1)	-	(1)	-	1	(1)	(3)
Total Markets	1,255	4,135	3,439	5,494	596	1,582	19,755	(576)	35,680
Total SMP Markets	586	4,023	3,324	5,279	58	466	961	(569)	14,128

Section 5 – Summary of Market Performance

Internal Current Assets £m	External Current Assets £m	Total Current Assets £m	Internal Current Liabilities £m	External Current Liabilities £m	Total Current Liabilities £m	Total Assets less Current Liabilities £m	Provisions for liabilities and charges £m	Roundings £m	Total Mean Capital Employed £m
40	61	101	-	(73)	(73)	4,945	(3)	1	4,943
160	458	618	-	(692)	(692)	4,870	(22)	(2)	4,846
24	86	110	-	(124)	(124)	818	(4)	1	815
11	37	48	-	(57)	(57)	321	(2)	1	320
2	4	6	-	(7)	(7)	36	(0)	(1)	35
10	14	24	-	(24)	(24)	151	(1)	-	150
0	0	0	-	(0)	(0)	0	(0)	-	0
102	181	283	-	(266)	(266)	2,386	(15)	1	2,372
4	6	10	-	(11)	(11)	68	(1)	-	67
8	18	26	-	(23)	(23)	172	(2)	(1)	169
361	865	1,226	-	(1,277)	(1,277)	13,767	(50)	-	13,717
15	62	77	-	(205)	(205)	505	(46)	-	459
-	-	-	-	-	-	-	-	-	-
376	927	1,303	-	(1,482)	(1,482)	14,272	(96)	-	14,176
8	17	25	-	(24)	(24)	120	(3)	(1)	116
1	18	19	-	(28)	(28)	127	(3)	-	124
0	1	1	-	(1)	(1)	5	(0)	-	5
8	5	13	(1)	(6)	(7)	56	(0)	-	56
17	41	58	(1)	(59)	(60)	308	(6)	(1)	301
(393)	9,990	9,597	1	(7,228)	(7,227)	23,418	(406)	1	23,013
(376)	10,031	9,655	-	(7,287)	(7,287)	23,726	(412)	-	23,314
-	(14)	(14)	-	17	17	(123)	1	1	(121)
-	1	1	-	-	-	(2)	-	1	(1)
-	10,945	10,945	-	(8,752)	(8,752)	37,873	(507)	2	37,368
378	906	1,284	(1)	(1,336)	(1,337)	14,075	(56)	(1)	14,018

Section 5 – Summary of Market Performance

5.4 Openreach Information

Openreach Statements

In accordance with Section 20.5 and 20.6 of the Commitments, the RFS must separately present the financial results of Openreach and include a reconciliation of Openreach's revenue, operating profit (and other items agreed between us and Ofcom) with Openreach's financial information as shown in our Annual Report.

The form, content and basis of preparation of the financial results of Openreach follow, to the fullest extent possible, those used in the preparation of the RFS. The reconciliation of this statement to the Openreach segmental financial information as shown in our Annual Report is shown in the Income Statement below.

Reconciling Differences

The reconciling differences between the Openreach regulatory statement and the Openreach segmental financial information reported in our Annual Report fall into the following main categories:

(a) Specific items

The Group's income statement and segmental analysis separately identifies trading results on an adjusted basis, being before specific items. Presentation of the Group's results in this way is relevant to understanding the Group's financial performance as specific items are those that, in management's judgement, need to be disclosed by virtue of their size, nature or incidence. Examples of charges or credits that may be 'specific items' include acquisitions and disposals of businesses and investments, retrospective regulatory matters, historical insurance or litigation claims, business restructuring programmes, asset impairment charges and property rationalisation programmes.

(b) Rental charge to Openreach for use of assets owned by Technology

Within the Openreach segmental financial information reported in our Annual Report, the results include a charge for an appropriate return on capital where assets are owned by Technology (e.g. for line cards, electronics and network features) but are used by Openreach. The Openreach regulatory statements do not include this charge, as the basis for attribution of costs and assets to products in the regulatory accounts is actual costs and assets.

(c) Other trading differences

The Openreach segmental financial information reported in our Annual Report reflects the internal charges between our business units rather than the allocation of actual costs and capital employed as shown in the RFS. The other trading differences reflect the total of these differences across the year.

(d) Net short term interest

These are included within our return but not included as adjusted operating profit within our Annual Report.

(e) Share of post tax loss/profit of associates and joint ventures

These are included within our return but not included as adjusted operating profit within our Annual Report.

(f) Installations costs treated as operating expenses

As first directed by Ofcom's WLA Market Review statement (28 March 2018), we make an adjustment in the RFS (relative to IFRS and BT's accounting policies) to treat installation and planning costs related to GEA Customer Site installation, Tie Cables, GEA Cable Links, Abortive Visits, Co-mingling services and Excess Construction Charges as operating expenditure in the RFS in line with connection revenues received (rather than capital expenditure), and the opening capital employed associated with these activities is also removed.

(g) Basis of preparation under CCA

The consolidated financial statements of BT Group plc have been prepared in accordance with the Companies Act 2006, Article 4 of the IAS Regulation and IAS and IFRS and related interpretations, as adopted by the European Union. The consolidated financial statements also comply with IFRS as issued by the International Accounting Standards Board (the IASB).

Our consolidated financial statements are prepared on the historical cost basis, except for certain financial and equity instruments that have been measured at fair value.

Our RFS have been prepared on a CCA basis, in accordance with the annually updated AMD. As such, a reconciliation entry has been made to include the aggregated CCA adjustments within the Openreach regulatory statement.

Section 5 – Summary of Market Performance

Reconciliation Statements

For the year ended 31 March 2021

Income Statement - Openreach and BT Group plc

	Openreach			BT Group plc			
	Revenue £m	Operating Cost £m	Return or Operating Profit £m	Revenue £m	Operating Cost £m	Return or Operating Profit £m	
As in the Annual Report (Before specific items)	5,244	4,014	1,230	21,370	18,302	3,068	
Adjustments							
Specific items	(a)	(16)	86	(102)	(39)	442	(481)
Use of Technology assets	(b)	-	(43)	43	-	-	-
Other trading differences*	(c)	32	(137)	169	-	-	-
Net Short term interest	(d)	-	2	(2)	-	12	(12)
Share of post tax loss of associates and joint ventures	(e)	-	-	-	-	(8)	8
Installations costs treated as operating expenses	(f)	-	108	(108)	-	108	(108)
CCA Adjustments	(g)	-	79	(79)	-	80	(80)
Roundings		1	1	-	-	-	-
As in the RFS	5,261	4,110	1,151	21,331	18,936	2,395	

* Other trading differences of £137m includes separately identified payments to other parts of BT for products that form inputs to Openreach products of £1,306m.

Section 5 – Summary of Market Performance

Reconciliation Statements

Restated for the year ended 31 March 2020 (b)

Income Statement - Openreach and BT Group plc

	Openreach			BT Group plc		
	Revenue £m	Operating Cost £m	Return or Operating Profit £m	Revenue £m	Operating Cost £m	Return or Operating Profit £m
As in the Annual Report (Before specific items)	5,112	3,966	1,146	22,824	19,213	3,611
Adjustments						
Specific items (a)	-	49	(49)	81	409	(328)
Use of Technology assets (b)	-	(47)	47	-	-	-
Other trading differences* (c)	30	(228)	258	-	-	-
Net Short term interest (d)	-	-	-	-	4	(4)
Share of post tax profit of associates and joint ventures (e)	-	-	-	-	33	(33)
Installations costs treated as operating expenses (f)	-	119	(119)	-	119	(119)
CCA Adjustments (g)	-	(39)	39	-	(40)	40
Roundings	-	-	-	-	(1)	1
As in the RFS	5,142	3,820	1,322	22,905	19,737	3,168

* Other trading differences of £228m includes separately identified payments to other parts of BT for products that form inputs to Openreach products of £1,375m.

Section 5 – Summary of Market Performance

Reconciliation Statements 2021 and 2020

As at 31 March

Mean Capital Employed – BT Group plc	2021 £m	2020 £m		2021 £m	2020 £m
Total assets less current liabilities as in the Annual Report	41,871	42,081	Openreach		
Adjustments			Physical Infrastructure Markets	5,165	4,943
Corporate taxes	(197)	(46)	Wholesale Local Access	5,739	4,846
Deferred taxes	(989)	(300)	Business Connectivity Markets	1,571	1,320
Derivative financial instruments	(1,147)	(2,443)	Narrowband Markets	2,697	2,608
Loans due within one year	219	1,566	Total Openreach SMP	15,172	13,717
Provisions	(427)	(431)	Rest of BT		
Installations costs treated as operating expenses ⁵	(1,305)	(1,141)	Narrowband Markets	309	245
IFRS 16 ⁶	(2,275)	(2,277)	WBA (Market A)	58	56
Closing HCA capital employed at 31 March	35,750	37,009	Total Rest of BT SMP	367	301
CCA Adjustments	2,061	2,141	Openreach Residual	498	459
Roundings	1	-	Rest of BT Residual	22,580	23,013
Closing CCA capital employed at 31 March	37,812	39,150	Eliminations	(136)	(121)
Opening CCA capital employed at 1 April	39,150	35,586	Roundings	-	(1)
Total CCA mean capital employed in the RFS	38,481	37,368	Total CCA mean capital employed in the RFS	38,481	37,368

⁵ Installation costs treated as operating expenses – see point (f) of reconciling differences in section 5.4

⁶ We have included a portion of the lease liability over one year for property leases in our asset base to avoid a significant increase in our asset base, which would reduce comparability between the ROCE reported in the RFS and Ofcom's approach to setting prices.

Section 5 – Summary of Market Performance

5.5 Adjusted Performance Summary

Ofcom’s “Directions in relation to BT’s regulatory financial reporting”, most recently published on 12 July 2019, directs BT to prepare the “Adjusted Financial Performance at a market review level” statement and the “Adjusted Financial Performance at a market level” statement for 2018 WLA and 2019 BCMR markets, respectively, in order to show for each Financial Year the impact on the Regulatory Financial Statements of:

- Calculating an average of the Property Rationalisation Costs incurred in the three prior Financial Years and attributing that average to all markets in accordance with the RAP;
- Calculating an average of the Restructuring Costs incurred in the three prior Financial Years and attributing that average to all markets in accordance with the RAP.

The RFR (March 19) further directs in relation to the 2018 WLA markets:

- BT shall calculate the net proceeds in scrap value that BT will recoup when it moves to an FTTx only network. BT should discount its calculation using its WACC;
- BT shall set and maintain the Net Replacement Costs (NRC): Gross Replacement Cost (GRC) ratio at 50% and adjust the asset lives to equate to the accounting book lives to calculate the Operating Capability Maintenance (OCM) depreciation for the following network components:
 - a) Metallic Path Facilities (MPF) line testing systems;
 - b) Local Loop Unbundling systems development;
 - c) Wholesale Access specific;
 - d) Local exchanges general frames equipment;
 - e) Local exchanges general frames maintenance;
 - f) Analogue line test equipment;
 - g) Analogue line cards;

- h) Co-mingling power and vent; and
- i) Combi Card and Multi Service Access Node (MSAN) Access – Voice.

The purpose of this schedule is to publish BT’s estimate of the impact of Ofcom’s regulatory decisions taken in the WLA and Business Connectivity market reviews that were not required to be included within the RFS.

Section 5 – Summary of Market Performance

Adjusted Financial Performance at a market review level

For the year ended 31 March 2021

	As reported								Estimated impacts				Revised return		
	Revenue	HCA Costs	CCA Adjustments	CCA Roundings	CCA Operating Costs	Return	MCE	Return on MCE	Revenue	CCA Operating Costs	Return	MCE	Revised Return	Revised MCE	Revised Return on MCE
	£m	£m	£m	£m	£m	£m	£m	%	£m	£m	£m	£m	£m	£m	Δ%
Physical Infrastructure Markets	712	335	9	-	344	368	5,165	7.1%	-	-	-	-	368	5,165	7.1%
Wholesale Local Access Markets	2,555	2,293	27	-	2,320	235	5,739	4.1%	-	(20)	20	137	255	5,876	4.3%
Business Connectivity Markets	818	613	3	-	616	202	1,571	12.9%	-	(3)	3	-	205	1,571	13.0%
Narrowband Markets	1,776	1,520	41	-	1,561	215	3,006	7.1%	-	-	-	-	215	3,006	7.1%
Wholesale Broadband Markets	166	41	-	(1)	40	126	58	218.0%	-	-	-	-	126	58	218.0%
Total SMP Markets	6,027	4,802	80	(1)	4,881	1,146	15,539	7.4%	-	(23)	23	137	1,169	15,676	7.5%

	Estimated impacts			
	Revenue	CCA Operating Costs	Return	MCE
	£m	£m	£m	£m
Adjusted NRC for WLA components	-	12	(12)	137
Property Rationalisation	-	-	-	-
Restructuring Costs	-	(15)	15	-
Residual Copper	-	(20)	20	-
	-	(23)	23	137

Section 5 – Summary of Market Performance

Adjusted Financial Performance at a market review level

Restated for the year ended 31 March 2020 (b)

	As reported								Estimated impacts				Revised return		
	Revenue	HCA Costs	CCA Adjustments	Roundings	CCA Operating Costs	Return	MCE	Return on MCE	Revenue	CCA Operating Costs	Return	MCE	Revised Return	Revised MCE	Revised Return on MCE
	£m	£m	£m	£m	£m	£m	£m	%	£m	£m	£m	£m	£m	£m	Δ%
Physical Infrastructure Markets	606	308	(54)	-	254	352	4,943	7.1%	-	-	-	-	352	4,943	7.1%
Wholesale Local Access Markets	2,434	2,106	(3)	-	2,103	331	4,846	6.8%	-	14	(14)	220	317	5,066	6.3%
Business Connectivity Markets	720	594	2	1	597	123	1,320	9.3%	-	1	(1)	-	122	1,320	9.2%
Narrowband Markets	1,867	1,485	15	2	1,502	365	2,853	12.8%	-	-	-	-	365	2,853	12.8%
Wholesale Broadband Markets	127	42	-	-	42	85	56	151.0%	-	-	-	-	85	56	151.0%
Total SMP Markets	5,754	4,535	(40)	3	4,498	1,256	14,018	8.9%	-	15	(15)	220	1,241	14,238	8.7%

Estimated impacts				
	Revenue	CCA Operating Costs	Return	MCE
	£m	£m	£m	£m
Adjusted NRC for WLA components	-	30	(30)	220
Property Rationalisation	-	-	-	-
Restructuring Costs	-	4	(4)	-
Residual Copper	-	(19)	19	-
	-	15	(15)	220

Section 6

Review of the Physical Infrastructure Markets

Section 6 – Review of Physical Infrastructure Markets

Physical Infrastructure Summary

For the year ended 31 March 2021

Detailed service analysis	Internal Revenue £m	External Revenue £m	Total Revenue £m	Internal Volume	External Volume	Measure	Average Internal Price £	Average External Price £	Internal FAC £m	External FAC £m	Total FAC £m
Service											
Physical Infrastructure for Active Services											
Spine duct	388.6	-	388.6	(ux)	(ux)	(ux)	(sx)	(sx)	388.6	-	388.6
Lead in duct	63.2	-	63.2	(ux)	(ux)	(ux)	(sx)	(sx)	63.2	-	63.2
Manholes	77.4	-	77.4	(ux)	(ux)	(ux)	(sx)	(sx)	77.4	-	77.4
Junction boxes	82.2	-	82.2	(ux)	(ux)	(ux)	(sx)	(sx)	82.2	-	82.2
Poles	96.0	-	96.0	(ux)	(ux)	(ux)	(sx)	(sx)	96.0	-	96.0
	707.4	-	707.4						707.4	-	707.4
PIA Rentals	-	1.5	1.5	(ux)	(ux)	(ux)	(sx)	(sx)	-	1.4	1.4
PIA Ancillary Charges	-	0.1	0.1	(ux)	(ux)	(ux)	(sx)	(sx)	-	0.0	0.0
New build and enabling works above the financial limit	2.8	-	2.8	(ux)	(ux)	(ux)	(sx)	(sx)	2.8	-	2.8
Rounding	(0.1)	-	(0.1)						(0.1)	-	(0.1)
Total Physical Infrastructure Markets	710.1	1.6	711.7						710.1	1.4	711.5

Notes:

1. New build and enabling work

	Internal FAC £m	External FAC £m
Gross new build and enabling works	6.4	0.3
Less enabling works above financial limit	-	-
Net new build and enabling works	6.4	0.3
Net enabling works included in PIA services	-	0.3
Net enabling works included in other PIMR services	3.6	-
	3.6	0.3

2. Internal Revenue and FAC split

	Openreach £m	Rest of BT £m
Internal revenue	678.3	31.8
Internal FAC	678.3	31.8

The Physical Infrastructure for Active Services, PIA Rentals and PIA Ancillary Charges groups of network services shall be split into the individual services (i) spine duct (ii) lead in duct (iii) poles (iv) manholes and (v) junction boxes where the combined internal and external revenues exceed £5m in any given financial year for the individual services.

Section 6 – Review of Physical Infrastructure Markets

Physical Infrastructure calculation of FAC based on component costs and usage factors

For the year ended 31 March 2021

	Average cost per unit Appendix 1.1	Physical Infrastructure for Active Services								
		Spine duct Internal %	Lead in duct Internal %	Manholes Internal %	Junction boxes Internal %	Poles Internal %	PIA Rentals External %	PIA Ancillary Charges External %	New build and enabling works above the financial limit Internal %	
Fully Allocated Cost (£ or %)										
Components	Unit (a)									
PIMR Costs	%	£703m	99.2%	99.3%	99.2%	98.9%	99.3%	97.8%	-	-
PIMR Costs - Downstream Asset	%	£3m	-	-	-	-	-	-	-	99.4%
Ofcom Administration Fee Openreach	%	£2m	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	6.5%	0.0%
Openreach sales product management	%	£20m	0.2%	0.1%	0.1%	0.4%	0.1%	0.2%	-	-
Revenue Receivables	%	£43m	0.6%	0.6%	0.6%	0.6%	0.6%	1.9%	93.5%	0.6%
Rounding			-	-	0.1%	0.1%	-	-	-	-
Fully Allocated Cost (£ or %)			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
		Volume (units)	(ux)	(ux)	(ux)	(ux)	(ux)	(ux)	(ux)	(ux)
		Fully Allocated Cost (£m)	388.6	63.2	77.4	82.2	96.0	1.4	0.0	2.8

Section 6 – Review of Physical Infrastructure Markets

Physical Infrastructure Summary

Restated for the year ended 31 March 2020 (b)

Detailed service analysis	Internal Revenue £m	External Revenue £m	Total Revenue £m	Internal Volume	External Volume	Measure	Average Internal Price £	Average External Price £	Internal FAC £m	External FAC £m	Total FAC £m
Service											
Physical Infrastructure for Active Services											
Spine duct	326.5	-	326.5	(ux)	(ux)	(ux)	(sx)	(sx)	326.5	-	326.5
Lead in duct	53.2	-	53.2	(ux)	(ux)	(ux)	(sx)	(sx)	53.2	-	53.2
Manholes	54.6	-	54.6	(ux)	(ux)	(ux)	(sx)	(sx)	54.6	-	54.6
Junction boxes	77.2	-	77.2	(ux)	(ux)	(ux)	(sx)	(sx)	77.2	-	77.2
Poles	92.7	-	92.7	(ux)	(ux)	(ux)	(sx)	(sx)	92.7	-	92.7
	604.2	-	604.2						604.2	-	604.2
PIA Rentals	-	0.5	0.5	(ux)	(ux)	(ux)	(sx)	(sx)	-	0.6	0.6
PIA Ancillary Charges	-	0.2	0.2	(ux)	(ux)	(ux)	(sx)	(sx)	-	0.0	0.0
New build and enabling works above the financial limit	0.8	-	0.8	(ux)	(ux)	(ux)	(sx)	(sx)	0.8	-	0.8
Rounding	-	-	-						-	-	-
Total Physical Infrastructure Markets	605.0	0.7	605.7						605.0	0.6	605.6

Notes:

1. New build and enabling work

	Internal FAC £m	External FAC £m
Gross new build and enabling works	1.8	0.3
Less enabling works above financial limit	-	-
Net new build and enabling works	1.8	0.3
Net enabling works included in PIA services	-	0.3
Net enabling works included in other PIMR services	1.8	-
	1.8	0.3

2. Internal Revenue and FAC split

	Openreach £m	Rest of BT £m
Internal revenue	575.1	29.9
Internal FAC	575.1	29.9

The Physical Infrastructure for Active Services, PIA Rentals and PIA Ancillary Charges groups of network services shall be split into the individual services (i) spine duct (ii) lead in duct (iii) poles (iv) manholes and (v) junction boxes where the combined internal and external revenues exceed £5m in any given financial year for the individual services.

Section 6 – Review of Physical Infrastructure Markets

Physical Infrastructure calculation of FAC based on component costs and usage factors

Restated for the year ended 31 March 2020 (b)

	Average cost per unit Appendix 1.2	Physical Infrastructure for Active Services							PIA Ancillary Charges	New build and enabling works above the financial limit
		Spine duct	Lead in duct	Manholes	Junction boxes	Poles	PIA Rentals			
Fully Allocated Cost (£ or %)		Internal %	Internal %	Internal %	Internal %	Internal %	External %	External %	Internal %	
Components	Unit (a)									
PIMR Costs	%	£600m	99.2%	99.3%	99.3%	99.1%	99.3%	98.7%	-	-
PIMR Costs - Downstream Asset	%	£1m	-	-	-	-	-	-	-	99.3%
Ofcom Administration Fee Openreach	%	£3m	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	8.8%	0.1%
Openreach sales product management	%	£14m	0.1%	0.1%	0.1%	0.2%	0.0%	0.1%	-	-
Revenue Receivables	%	£43m	0.6%	0.6%	0.6%	0.6%	0.6%	1.1%	91.2%	0.6%
Rounding			-	(0.1)%	(0.1)%	-	-	-	-	-
Fully Allocated Cost (£ or %)			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
			Volume (units)	(ux)	(ux)	(ux)	(ux)	(ux)	(ux)	(ux)
			Fully Allocated Cost (£m)	326.5	53.2	54.6	77.2	92.7	0.6	0.8

Section 7

Review of Wholesale Local Access Markets

Section 7 – Review of Wholesale Local Access Markets

WLA Summary

For the year ended 31 March 2021

Detailed service analysis	Internal Revenue £m	External Revenue £m	Total Revenue £m	Internal Volume	External Volume	Measure	Average Internal Price £	Average External Price £	Internal FAC £m	External FAC £m	Total FAC £m
Service											
GEA FTTC 40/10 Rentals	102.4	201.7	304.1	1,707,762	3,371,837	lines	59.97	59.83	69.6	134.5	204.1
GEA Other 40/10 Rentals	8.7	0.1	8.8	55,332	466	lines	156.78	128.87	46.8	0.4	47.2
GEA Other Bandwidth Rentals	534.1	300.7	834.8	6,053,075	4,062,590	lines	88.24	74.03	727.7	186.0	913.7
GEA FTTC 40/10 PCP Only Install	19.5	34.7	54.2	415,814	741,034	conns	46.84	46.84	34.6	54.1	88.7
GEA FTTC 40/10 PCP Start of Stopped Line	0.2	0.2	0.4	61,015	79,985	conns	3.06	3.06	0.6	0.7	1.3
GEA FTTP 40/10 Connections Voice and Data	0.0	-	0.0	66	-	conns	98.48	-	0.0	-	0.0
GEA FTTP 40/10 Connections Transitions	0.8	-	0.8	14,930	-	conns	55.30	-	2.8	-	2.8
GEA Cablelink 1 Gbps Connections	2.0	2.4	4.4	3,818	4,611	conns	521.00	521.00	2.3	2.2	4.5
GEA Cablelink 10 Gbps Connections	2.4	4.4	6.8	2,262	4,232	conns	1,042.00	1,042.00	2.2	3.1	5.3
GEA Bandwidth Modify to 40/10	0.9	0.3	1.2	155,361	62,573	amendments	5.58	5.58	0.8	0.3	1.1
GEA VLAN Moves Applied to Cablelink	11.4	1.7	13.1	2,037,091	302,809	amendments	5.58	5.58	10.9	1.6	12.5
GEA 40/10 Cancel/Amend/Modify - CRD	2.4	2.3	4.7	247,495	411,666	amendments	9.74	5.58	1.3	2.2	3.5
GEA 40/10 Cancel/Amend/Modify - Regrades	1.8	0.5	2.3	322,283	94,371	amendments	5.58	5.58	1.7	0.5	2.2
GEA CP to CP Migrations	1.1	1.5	2.6	361,973	504,609	amendments	3.06	3.06	3.4	4.4	7.8
GEA Superfast Visit Assure	38.1	27.5	65.6	292,711	211,521	amendments	130.00	130.00	44.4	32.1	76.5
MPF Rentals (SML1)	0.0	725.6	725.6	504	8,498,315	lines	85.38	85.39	0.0	758.2	758.2
MPF New Provides	0.1	34.1	34.2	1,545	1,072,130	conns	37.22	31.81	0.1	36.6	36.7
MPF Single Migrations	-	8.6	8.6	-	343,206	conns	-	25.02	-	10.9	10.9
MPF Bulk Migrations	0.0	-	-	-	-	conns	-	-	-	-	-
MPF Cancellation of Orders	0.0	1.9	1.9	402	343,532	cancellations	5.55	5.58	0.0	1.5	1.5
MPF Amend Orders	-	0.2	0.2	-	35,777	amendments	-	5.58	-	0.2	0.2
MPF Standard Line Test	-	0.0	0.0	-	323	tests	-	4.17	-	0.0	0.0
Co-mingling New Provide and Rentals	0.8	64.1	64.9	(ux)	(ux)	(ux)	(sx)	(sx)	0.0	58.5	58.5
Tie Cables	12.9	5.1	18.0	(ux)	(ux)	(ux)	(sx)	(sx)	8.4	3.9	12.3
Hard Ceases	3.7	7.1	10.8	251,841	482,872	ceases	14.54	14.74	4.6	8.8	13.4
Other MPF Ancillaries	1.5	0.1	1.6	3,207	2,768	ancillaries	455.57	35.27	0.5	0.1	0.6
Special Fault Investigations	10.7	7.3	18.0	(ux)	(ux)	(ux)	(sx)	(sx)	21.7	14.6	36.3
Time Related Charges	7.2	18.3	25.5	(ux)	(ux)	(ux)	(sx)	(sx)	8.6	21.7	30.3
Abortive Visit Charges	3.5	4.1	7.6	51,763	61,374	visits	67.49	67.50	3.0	3.5	6.5
Other WLA	140.3	274.7	415.0	(ux)	(ux)	(ux)	(sx)	(sx)	240.7	317.8	558.5
WLA IFRS 15	7.1	(9.3)	(2.2)	(ux)	(ux)	(ux)	(sx)	(sx)	(3.1)	(4.3)	(7.4)
WLA SLG	(50.5)	(27.8)	(78.3)	(ux)	(ux)	(ux)	(sx)	(sx)	(47.7)	(26.2)	(73.9)
Rounding	(0.2)	0.2	-						-	-	-
Total WLA	862.9	1,692.3	2,555.2						1,185.9	1,627.9	2,813.8
Adjustment for internal	(75.0)	(217.2)	(292.2)						(75.0)	(217.2)	(292.2)
Total WLA (excluding internal)	787.9	1,475.1	2,263.0						1,110.9	1,410.7	2,521.6

Section 7 – Review of Wholesale Local Access Markets

WLA calculation of FAC based on component costs and usage factors

For the year ended 31 March 2021

Fully Allocated Cost (£ or %)	Average cost per unit Appendix 1.1	GEA FTTC 40/10 Rentals		GEA Other 40/10 Rentals		GEA Other Bandwidth Rentals		GEA FTTC 40/10 PCP Only Install		GEA FTTC 40/10 PCP Start of Stopped Line		GEA FTTP 40/10 Connections Voice and Data	GEA FTTP 40/10 Connections Transitions	GEA Cablelink 1 Gbps Connections		
		Internal £	External £	Internal £	External £	Internal £	External £	Internal £	External £	Internal £	External £	Internal £	Internal £	Internal £	External £	
Components	Unit (a)															
GEA Cable Links	£/conn	623.10	-	-	-	-	-	-	-	-	-	-	-	-	424.35	424.35
GEA FTTC Distribution Fibre Spine	£/rental	3.67	3.67	3.67	-	-	3.31	3.65	-	-	-	-	-	-	-	-
GEA FTTP Distribution Fibre Spine	£/rental	379.39	-	-	379.39	379.39	37.23	2.71	-	-	-	-	-	-	-	-
GEA FTTC Access Fibre Spine	£/rental	1.49	1.49	1.49	-	-	1.34	1.48	-	-	-	-	-	-	-	-
GEA FTTP Access Fibre Spine	£/rental	134.54	-	-	134.54	134.54	13.20	0.96	-	-	-	-	-	-	-	-
GEA FTTC Electronics	£/rental	1.36	1.36	1.36	-	-	1.22	1.35	-	-	-	-	-	-	-	-
GEA FTTP Electronics	£/rental	43.81	-	-	43.81	43.81	4.30	0.31	-	-	-	-	-	-	-	-
GEA FTTC Customer Site Electronics	%	£180m	-	-	-	-	-	-	46.84	46.84	-	-	-	-	-	-
GEA FTTP Customer Site Installation	%	£57m	-	-	-	-	-	-	-	-	-	-	132.02	-	-	-
GEA FTTC Provisions	%	£50m	-	-	-	-	-	-	12.98	12.98	-	-	-	-	-	-
GEA FTTP Provisions	%	£9m	-	-	-	-	-	-	-	-	-	-	21.47	-	-	-
GEA FTTP Repairs	%	£6m	-	-	8.23	8.23	0.81	0.06	-	-	-	-	-	-	-	-
GEA FTTC Repairs	%	£25m	1.65	1.65	-	-	1.49	1.64	-	-	-	-	-	-	-	-
GEA DSLAM Cabinets	%	£118m	7.81	7.81	-	-	7.04	7.76	-	-	-	-	-	-	-	-
NGA Visit Assure	%	£74m	-	-	-	-	-	-	-	-	-	-	-	-	-	-
NGA E side Copper cable	£/line	8.02	8.02	8.02	-	-	7.23	7.96	-	-	-	-	-	-	-	-
Routeing & Records	£/line	2.86	-	-	-	-	-	-	2.86	2.86	2.86	2.86	2.86	2.86	-	-
FTTC Funded Fibre Rollout Spend	%	£145m	9.62	9.62	-	-	8.67	9.55	-	-	-	-	-	-	-	-
FTTP Funded Fibre Rollout Spend	%	£69m	-	-	101.89	101.89	10.00	0.73	-	-	-	-	-	-	-	-
FTTC Fibre Rollout Funding	%	£(46)m	(3.03)	(3.03)	-	-	(2.74)	(3.01)	-	-	-	-	-	-	-	-
FTTP Fibre Rollout Funding	%	£(19)m	-	-	(27.68)	(27.68)	(2.72)	(0.20)	-	-	-	-	-	-	-	-
FTTC Development	%	£3m	0.17	0.17	-	-	0.15	0.17	0.17	0.17	0.17	0.17	-	-	-	-
FTTP Development	%	£12m	-	-	10.50	10.50	1.03	0.07	-	-	-	-	10.50	-	-	-
Co-mingling power & vent	%	£66m	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Co-mingling rentals	£/hostels	47.95	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Co-mingling set up	£/rooms	797.58	-	-	-	-	-	-	-	-	-	-	-	-	-	-
WLA tie cables	£/cables	15.79	-	-	-	-	-	-	-	-	-	-	-	-	-	-
MDF Hardware jumpering	£/line	17.88	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sub Total			30.76	30.76	650.68	650.68	91.56	35.19	62.85	62.85	3.03	3.03	2.86	166.85	424.35	424.35

Section 7 – Review of Wholesale Local Access Markets

WLA calculation of FAC based on component costs and usage factors (continued)

For the year ended 31 March 2021

Fully Allocated Cost (£ or %)	Average cost per unit Appendix 1,1	GEA FTTC 40/10 Rentals		GEA Other 40/10 Rentals		GEA Other Bandwidth Rentals		GEA FTTC 40/10 PCP Only Install		GEA FTTC 40/10 PCP Start of Stopped Line		GEA FTTP 40/10 Connections Voice and Data	GEA FTTP 40/10 Connections Transitions	GEA Cablelink 1 Gbps Connections		
		Internal	External	Internal	External	Internal	External	Internal	External	Internal	External	Internal	Internal	Internal	External	
		£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
Components	Unit (a)															
MPF line testing systems	£/line	1.13	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cumulo Rates Non NGA - Openreach	%	£154m	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cumulo Rates NGA	%	£147m	4.94	4.94	110.38	110.38	15.29	5.70	0.05	0.05	0.01	0.01	0.01	0.10	0.10	0.08
E side copper current	£/line	3.71	-	-	-	-	-	-	-	-	-	-	-	-	-	-
E side copper capital	£/line	5.18	-	-	-	-	-	-	-	-	-	-	-	-	-	-
D side copper current	£/line	11.75	-	-	-	-	-	-	-	-	-	-	-	-	-	-
D side copper capital	£/line	17.37	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Analogue line drop maintenance	£/line	3.10	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dropwire capital & analogue NTE	£/line	17.08	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Analogue line test equipment	£/line	0.10	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Local exchanges general frames maintenance	£/line	1.13	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Local exchanges general frames equipment	£/line	1.28	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Abortive Visits	£/trans	56.75	-	-	-	-	-	-	-	-	-	-	-	-	-	-
OR Service Centre - Assurance GEA	%	£13m	0.64	0.64	0.64	0.64	0.64	0.64	-	-	-	-	-	-	-	-
OR Service Centre - Assurance WLA	%	£15m	-	-	-	-	-	-	-	-	-	-	-	-	-	-
OR Service Centre - Provision GEA	%	£74m	-	-	-	-	-	-	5.32	5.32	5.32	5.32	5.32	5.32	5.32	5.32
OR Service Centre - Provision WLA	%	£18m	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Openreach time related charges	%	£62m	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Openreach sales product management	%	£20m	0.04	0.04	0.11	0.09	0.06	0.05	0.03	0.03	0.00	0.00	0.07	0.04	0.37	0.37
Special Fault Investigation	%	£36m	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ofcom Administration Fee Openreach	%	£2m	0.02	0.02	0.06	0.05	0.04	0.03	0.02	0.02	0.00	0.00	0.04	0.02	0.21	0.21
SLG WLA Internal	%	£44m	1.24	-	3.24	-	1.82	-	14.80	-	0.97	-	31.11	17.47	164.57	-
SLG WLA External	%	£24m	-	0.38	-	0.81	-	0.47	-	4.52	-	0.30	-	-	-	50.31
PIMR Costs	%	£710m	2.75	2.75	79.21	79.21	10.25	3.30	-	-	-	-	-	-	-	-
Revenue Receivables	%	£43m	0.35	0.35	0.92	0.75	0.52	0.43	0.24	0.24	0.02	0.02	0.51	0.29	2.71	2.71
Rounding			-	-	-	0.01	0.03	(0.03)	0.01	0.01	(0.01)	(0.01)	-	-	-	-
Fully Allocated Cost (£ or %)			40.74	39.88	845.24	842.62	120.21	45.78	83.32	73.04	9.34	8.67	39.92	190.09	597.63	483.35
		Volume (units)	1,707,762	3,371,837	55,332	466,053	4,075,062	590	415,814	741,034	61,015	79,985	66	14,930	3,818	4,611
		Fully Allocated Cost (£m)	69.6	134.5	46.8	0.4	727.7	186.0	34.6	54.1	0.6	0.7	0.0	2.8	2.3	2.2

Section 7 – Review of Wholesale Local Access Markets

WLA calculation of FAC based on component costs and usage factors (continued)

For the year ended 31 March 2021

Fully Allocated Cost (£ or %)	Average cost per unit Appendix 1.1	GEA Cablelink 10 Gbps Connections		GEA Bandwidth Modify to 40/10		GEA VLAN Moves Applied to Cablelink		GEA 40/10 Cancel/Amend/ Modify - CRD		GEA 40/10 Cancel/Amend/ Modify - Regrades		GEA CP to CP Migrations		GEA Superfast Visit Assure		MPF Rentals (SML1)	
		Internal	External	Internal	External	Internal	External	Internal	External	Internal	External	Internal	External	Internal	External	Internal	External
		£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
Components	Unit (a)																
GEA Cable Links	£/conn	623.10	623.10	623.10	-	-	-	-	-	-	-	-	-	-	-	-	-
GEA FTTC Distribution Fibre Spine	£/rental	3.67	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
GEA FTTP Distribution Fibre Spine	£/rental	379.39	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
GEA FTTC Access Fibre Spine	£/rental	1.49	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
GEA FTTP Access Fibre Spine	£/rental	134.54	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
GEA FTTC Electronics	£/rental	1.36	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
GEA FTTP Electronics	£/rental	43.81	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
GEA FTTC Customer Site Electronics	%	£180m	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
GEA FTTP Customer Site Installation	%	£57m	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
GEA FTTC Provisions	%	£50m	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
GEA FTTP Provisions	%	£9m	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
GEA FTTP Repairs	%	£6m	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
GEA FTTC Repairs	%	£25m	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
GEA DSLAM Cabinets	%	£118m	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
NGA Visit Assure	%	£74m	-	-	-	-	-	-	-	-	-	-	-	145.89	145.89	-	-
NGA E side Copper cable	£/line	8.02	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Routeing & Records	£/line	2.86	-	-	-	-	-	-	-	-	-	2.86	2.86	-	-	-	-
FTTC Funded Fibre Rollout Spend	%	£145m	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FTTP Funded Fibre Rollout Spend	%	£69m	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FTTC Fibre Rollout Funding	%	£(46)m	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FTTP Fibre Rollout Funding	%	£(19)m	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FTTC Development	%	£3m	-	-	-	-	-	-	-	-	-	0.17	0.17	-	-	-	-
FTTP Development	%	£12m	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Co-mingling power & vent	%	£66m	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Co-mingling rentals	£/hostels	47.95	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Co-mingling set up	£/rooms	797.58	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
WLA tie cables	£/cables	15.79	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
MDF Hardware jumpering	£/line	17.88	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sub Total			623.10	623.10	-	-	-	-	-	-	-	3.03	3.03	145.89	145.89	-	-

Section 7 – Review of Wholesale Local Access Markets

WLA calculation of FAC based on component costs and usage factors (continued)

For the year ended 31 March 2021

	Average cost per unit Appendix 1.1	GEA Cablelink 10 Gbps Connections		GEA Bandwidth Modify to 40/10		GEA VLAN Moves Applied to Cablelink		GEA 40/10 Cancel/Amend/ Modify - CRD		GEA 40/10 Cancel/Amend/ Modify - Regrades		GEA CP to CP Migrations		GEA Superfast Visit Assure		MPF Rentals (SML1)		
		Internal £	External £	Internal £	External £	Internal £	External £	Internal £	External £	Internal £	External £	Internal £	External £	Internal £	External £	Internal £	External £	
Fully Allocated Cost (£ or %)																		
Components	Unit (a)																	
MPF line testing systems	£/line	1.13	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.13	1.13
Cumulo Rates Non NGA - Openreach	%	£154m	-	-	-	-	-	-	-	-	-	-	-	-	0.07	0.07	4.28	4.28
Cumulo Rates NGA	%	£147m	0.15	0.13	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.01	0.01	-	-	-	-
E side copper current	£/line	3.71	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3.71	3.71
E side copper capital	£/line	5.18	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5.18	5.18
D side copper current	£/line	11.75	-	-	-	-	-	-	-	-	-	-	-	-	-	-	10.62	10.62
D side copper capital	£/line	17.37	-	-	-	-	-	-	-	-	-	-	-	-	-	-	17.37	17.37
Analogue line drop maintenance	£/line	3.10	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3.10	3.10
Dropwire capital & analogue NTE	£/line	17.08	-	-	-	-	-	-	-	-	-	-	-	-	-	-	17.08	17.08
Analogue line test equipment	£/line	0.10	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.10	0.10
Local exchanges general frames maintenance	£/line	1.13	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.13	1.13
Local exchanges general frames equipment	£/line	1.28	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2.55	2.55
Abortive Visits	£/trans	56.75	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
OR Service Centre - Assurance GEA	%	£13m	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
OR Service Centre - Assurance WLA	%	£15m	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
OR Service Centre - Provision GEA	%	£74m	5.32	5.32	5.32	5.32	5.32	5.32	5.32	5.32	5.32	5.32	5.32	5.32	-	-	-	-
OR Service Centre - Provision WLA	%	£18m	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Openreach time related charges	%	£62m	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Openreach sales product management	%	£20m	0.73	0.73	0.00	0.00	0.00	0.00	0.01	0.00	0.00	0.00	0.12	0.12	5.10	5.10	0.13	0.13
Special Fault Investigation	%	£36m	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ofcom Administration Fee Openreach	%	£2m	0.42	0.42	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.05	0.05	0.03	0.03
SLG WLA Internal	%	£44m	329.14	-	-	-	-	-	-	-	-	-	0.97	-	-	-	1.76	-
SLG WLA External	%	£24m	-	100.61	-	-	-	-	-	-	-	-	-	0.30	-	-	-	0.54
PIMR Costs	%	£710m	-	-	-	-	-	-	-	-	-	-	-	-	-	-	20.35	20.35
Revenue Receivables	%	£43m	5.41	5.41	0.03	0.03	0.03	0.03	0.05	0.03	0.03	0.03	0.02	0.02	0.68	0.68	0.50	0.50
Rounding			0.02	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	(0.01)	(0.01)	(0.01)	(0.01)	0.01	-
Fully Allocated Cost (£ or %)			964.29	735.73	5.36	5.36	5.36	5.36	5.39	5.36	5.36	5.36	9.46	8.79	151.78	151.78	90.45	89.22
	Volume (units)		2,262	4,232	155,361	62,573	2,037,091	302,809	247,495	411,666	322,283	94,371	361,973	504,609	292,711	211,521	504,498	315
	Fully Allocated Cost (£m)		2.2	3.1	0.8	0.3	10.9	1.6	1.3	2.2	1.7	0.5	3.4	4.4	44.4	32.1	0.0	758.2

Section 7 – Review of Wholesale Local Access Markets

WLA calculation of FAC based on component costs and usage factors (continued)

For the year ended 31 March 2021

Fully Allocated Cost (£ or %)	Average cost per unit Appendix 1.1	MPF New Provides		MPF Single Migrations	MPF Bulk Migrations	MPF Cancellation of Orders		MPF Amend Orders	MPF Standard Line Test	Co-mingling New Provide and Rentals		Tie Cables	
		Internal £	External £	External £	External £	Internal £	External £	External £	External £	Internal %	External %	Internal %	External %
Components	Unit (a)												
GEA Cable Links	£/conn	623.10	-	-	-	-	-	-	-	-	-	-	-
GEA FTTC Distribution Fibre Spine	£/rental	3.67	-	-	-	-	-	-	-	-	-	-	-
GEA FTTP Distribution Fibre Spine	£/rental	379.39	-	-	-	-	-	-	-	-	-	-	-
GEA FTTC Access Fibre Spine	£/rental	1.49	-	-	-	-	-	-	-	-	-	-	-
GEA FTTP Access Fibre Spine	£/rental	134.54	-	-	-	-	-	-	-	-	-	-	-
GEA FTTC Electronics	£/rental	1.36	-	-	-	-	-	-	-	-	-	-	-
GEA FTTP Electronics	£/rental	43.81	-	-	-	-	-	-	-	-	-	-	-
GEA FTTC Customer Site Electronics	%	£180m	-	-	-	-	-	-	-	-	-	-	-
GEA FTTP Customer Site Installation	%	£57m	-	-	-	-	-	-	-	-	-	-	-
GEA FTTC Provisions	%	£50m	-	-	-	-	-	-	-	-	-	-	-
GEA FTTP Provisions	%	£9m	-	-	-	-	-	-	-	-	-	-	-
GEA FTTP Repairs	%	£6m	-	-	-	-	-	-	-	-	-	-	-
GEA FTTC Repairs	%	£25m	-	-	-	-	-	-	-	-	-	-	-
GEA DSLAM Cabinets	%	£118m	-	-	-	-	-	-	-	-	-	-	-
NGA Visit Assure	%	£74m	-	-	-	-	-	-	-	-	-	-	-
NGA E side Copper cable	£/line	8.02	-	-	-	-	-	-	-	-	-	-	-
Routeing & Records	£/line	2.86	2.86	2.86	-	-	-	-	-	-	-	-	-
FTTC Funded Fibre Rollout Spend	%	£145m	-	-	-	-	-	-	-	-	-	-	-
FTTP Funded Fibre Rollout Spend	%	£69m	-	-	-	-	-	-	-	-	-	-	-
FTTC Fibre Rollout Funding	%	£(46)m	-	-	-	-	-	-	-	-	-	-	-
FTTP Fibre Rollout Funding	%	£(19)m	-	-	-	-	-	-	-	-	-	-	-
FTTC Development	%	£3m	-	-	-	-	-	-	-	-	-	-	-
FTTP Development	%	£12m	-	-	-	-	-	-	-	-	-	-	-
Co-mingling power & vent	%	£66m	-	-	-	-	-	-	-	-	22.4 %	-	-
Co-mingling rentals	£/hostels	47.95	-	-	-	-	-	-	-	-	32.4 %	-	-
Co-mingling set up	£/rooms	797.58	-	-	-	-	-	-	-	-	39.4 %	-	-
WLA tie cables	£/cables	15.79	-	-	-	-	-	-	-	-	-	73.8 %	69.3 %
MDF Hardware jumpering	£/line	17.88	23.55	23.55	24.71	-	-	-	-	-	-	-	-
Sub Total			26.41	26.41	24.71	-	-	-	-	-	94.2%	73.8%	69.3%

Section 7 – Review of Wholesale Local Access Markets

WLA calculation of FAC based on component costs and usage factors (continued)

For the year ended 31 March 2021

Fully Allocated Cost (£ or %)	Average cost per unit Appendix 1.1	MPF New Provides		MPF Single Migrations	MPF Bulk Migrations	MPF Cancellation of Orders		MPF Amend Orders	MPF Standard Line Test	Co-mingling New Provide and Rentals		Tie Cables		
		Internal £	External £	External £	External £	Internal £	External £	External £	External £	Internal %	External %	Internal %	External %	
Components	Unit (a)													
MPF line testing systems	£/line	1.13	-	-	-	-	-	-	-	-	-	-	-	-
Cumulo Rates Non NGA - Openreach	%	£154m	0.01	0.01	0.01	-	0.00	0.00	0.00	0.00	0.0%	2.9%	3.1%	3.0%
Cumulo Rates NGA	%	£147m	-	-	-	-	-	-	-	-	-	-	-	-
E side copper current	£/line	3.71	-	-	-	-	-	-	-	-	-	-	-	-
E side copper capital	£/line	5.18	-	-	-	-	-	-	-	-	-	-	-	-
D side copper current	£/line	11.75	-	-	-	-	-	-	-	-	-	-	-	-
D side copper capital	£/line	17.37	-	-	-	-	-	-	-	-	-	-	-	-
Analogue line drop maintenance	£/line	3.10	-	-	-	-	-	-	-	-	-	-	-	-
Dropwire capital & analogue NTE	£/line	17.08	-	-	-	-	-	-	-	-	-	-	-	-
Analogue line test equipment	£/line	0.10	-	-	-	-	-	-	-	-	-	-	-	-
Local exchanges general frames maintenance	£/line	1.13	-	-	-	-	-	-	-	-	-	-	-	-
Local exchanges general frames equipment	£/line	1.28	-	-	-	-	-	-	-	-	-	-	-	-
Abortive Visits	£/trans	56.75	-	-	-	-	-	-	-	-	-	-	-	-
OR Service Centre - Assurance GEA	%	£13m	-	-	-	-	-	-	-	-	-	-	-	-
OR Service Centre - Assurance WLA	%	£15m	-	-	-	-	-	-	-	-	1.0%	1.1%	6.2%	-
OR Service Centre - Provision GEA	%	£74m	-	-	-	-	-	-	-	-	-	-	-	-
OR Service Centre - Provision WLA	%	£18m	4.42	4.42	4.42	-	4.42	4.42	4.42	4.42	-	0.2%	20.7%	19.4%
Openreach time related charges	%	£62m	-	-	-	-	-	-	-	-	-	-	-	-
Openreach sales product management	%	£20m	0.06	0.05	0.04	-	0.00	0.00	0.00	0.00	63.1%	1.0%	0.2%	1.2%
Special Fault Investigation	%	£36m	-	-	-	-	-	-	-	-	-	-	-	-
Ofcom Administration Fee Openreach	%	£2m	0.02	0.01	0.01	-	0.00	0.00	0.00	0.00	2.7%	0.0%	0.1%	0.1%
SLG WLA Internal	%	£44m	11.76	-	-	-	-	-	-	-	-	-	-	-
SLG WLA External	%	£24m	-	3.07	2.42	-	-	-	-	-	-	-	-	-
PIMR Costs	%	£710m	-	-	-	-	-	-	-	-	-	-	-	-
Revenue Receivables	%	£43m	0.19	0.17	0.13	-	0.03	0.03	0.03	0.02	34.3%	0.6%	0.9%	0.8%
Rounding			-	0.01	-	-	0.01	0.01	0.01	0.01	(0.1)%	0.1%	0.1%	-
Fully Allocated Cost (£ or %)			42.87	34.15	31.74	-	4.46	4.46	4.46	4.45	100.0%	100.0%	100.0%	100.0%
	Volume (units)		1,545	1,072,130	343,206	-	402	343,532	35,777	323	(ux)	(ux)	(ux)	(ux)
	Fully Allocated Cost (£m)		0.1	36.6	10.9	-	0.0	1.5	0.2	0.0	0.0	58.5	8.4	3.9

Section 7 – Review of Wholesale Local Access Markets

WLA calculation of FAC based on component costs and usage factors (continued)

For the year ended 31 March 2021

Fully Allocated Cost (£ or %)	Average cost per unit Appendix 1.1	Hard Ceases		Other MPF Ancillaries		Special Fault Investigations		Time Related Charges		Abortive Visit Charges	
		Internal £	External £	Internal £	External £	Internal %	External %	Internal %	External %	Internal £	External £
Components	Unit (a)										
GEA Cable Links	£/conn	623.10	-	-	-	-	-	-	-	-	-
GEA FTTC Distribution Fibre Spine	£/rental	3.67	-	-	-	-	-	-	-	-	-
GEA FTTP Distribution Fibre Spine	£/rental	379.39	-	-	-	-	-	-	-	-	-
GEA FTTC Access Fibre Spine	£/rental	1.49	-	-	-	-	-	-	-	-	-
GEA FTTP Access Fibre Spine	£/rental	134.54	-	-	-	-	-	-	-	-	-
GEA FTTC Electronics	£/rental	1.36	-	-	-	-	-	-	-	-	-
GEA FTTP Electronics	£/rental	43.81	-	-	-	-	-	-	-	-	-
GEA FTTC Customer Site Electronics	%	£180m	-	-	-	-	-	-	-	-	-
GEA FTTP Customer Site Installation	%	£57m	-	-	-	-	-	-	-	-	-
GEA FTTC Provisions	%	£50m	-	-	-	-	-	-	-	-	-
GEA FTTP Provisions	%	£9m	-	-	-	-	-	-	-	-	-
GEA FTTP Repairs	%	£6m	-	-	-	-	-	-	-	-	-
GEA FTTC Repairs	%	£25m	-	-	-	-	-	-	-	-	-
GEA DSLAM Cabinets	%	£118m	-	-	-	-	-	-	-	-	-
NGA Visit Assure	%	£74m	-	-	-	-	-	-	-	-	-
NGA E side Copper cable	£/line	8.02	-	-	-	-	-	-	-	-	-
Routeing & Records	£/line	2.86	-	-	-	-	-	-	-	-	-
FTTC Funded Fibre Rollout Spend	%	£145m	-	-	-	-	-	-	-	-	-
FTTP Funded Fibre Rollout Spend	%	£69m	-	-	-	-	-	-	-	-	-
FTTC Fibre Rollout Funding	%	£(46)m	-	-	-	-	-	-	-	-	-
FTTP Fibre Rollout Funding	%	£(19)m	-	-	-	-	-	-	-	-	-
FTTC Development	%	£3m	-	-	-	-	-	-	-	-	-
FTTP Development	%	£12m	-	-	-	-	-	-	-	-	-
Co-mingling power & vent	%	£66m	-	-	-	-	-	-	-	-	-
Co-mingling rentals	£/hostels	47.95	-	-	-	-	-	-	-	-	-
Co-mingling set up	£/rooms	797.58	-	-	-	-	-	-	-	-	-
WLA tie cables	£/cables	15.79	-	-	-	-	-	-	-	-	-
MDF Hardware jumpering	£/line	17.88	13.38	13.34	10.39	10.39	-	-	-	-	-
Sub Total			13.38	13.34	10.39	10.39	-	-	-	-	-

Section 7 – Review of Wholesale Local Access Markets

WLA calculation of FAC based on component costs and usage factors (continued)

For the year ended 31 March 2021

Fully Allocated Cost (£ or %)	Average cost per unit Appendix 1.1	Hard Ceases		Other MPF Ancillaries		Special Fault Investigations		Time Related Charges		Abortive Visit Charges		
		Internal £	External £	Internal £	External £	Internal %	External %	Internal %	External %	Internal £	External £	
Components	Unit (a)											
MPF line testing systems	£/line	1.13	-	-	-	-	-	-	-	-	-	
Cumulo Rates Non NGA - Openreach	%	£154m	0.01	0.01	0.01	0.01	0.0%	0.0%	0.0%	0.0%	0.01	0.01
Cumulo Rates NGA	%	£147m	-	-	-	-	-	-	-	-	-	-
E side copper current	£/line	3.71	-	-	-	-	-	-	-	-	-	-
E side copper capital	£/line	5.18	-	-	-	-	-	-	-	-	-	-
D side copper current	£/line	11.75	-	-	-	-	-	-	-	-	-	-
D side copper capital	£/line	17.37	-	-	-	-	-	-	-	-	-	-
Analogue line drop maintenance	£/line	3.10	-	-	-	-	-	-	-	-	-	-
Dropwire capital & analogue NTE	£/line	17.08	-	-	-	-	-	-	-	-	-	-
Analogue line test equipment	£/line	0.10	-	-	-	-	-	-	-	-	-	-
Local exchanges general frames maintenance	£/line	1.13	-	-	-	-	-	-	-	-	-	-
Local exchanges general frames equipment	£/line	1.28	-	-	-	-	-	-	-	-	-	-
Abortive Visits	£/trans	56.75	-	-	-	-	-	-	-	-	56.49	56.49
OR Service Centre - Assurance GEA	%	£13m	-	-	-	-	-	-	-	-	-	-
OR Service Centre - Assurance WLA	%	£15m	-	-	-	-	-	-	-	-	-	-
OR Service Centre - Provision GEA	%	£74m	-	-	-	-	-	-	-	-	-	-
OR Service Centre - Provision WLA	%	£18m	4.42	4.42	4.42	4.42	-	-	-	-	-	-
Openreach time related charges	%	£62m	-	-	-	-	-	-	98.9%	98.9%	-	-
Openreach sales product management	%	£20m	0.28	0.29	0.69	0.05	0.3%	0.3%	0.5%	0.5%	0.43	0.43
Special Fault Investigation	%	£36m	-	-	-	-	99.4%	99.4%	-	-	-	-
Ofcom Administration Fee Openreach	%	£2m	0.01	0.01	0.19	0.01	0.0%	0.0%	0.0%	0.0%	0.03	0.03
SLG WLA Internal	%	£44m	-	-	143.90	-	-	-	-	-	-	-
SLG WLA External	%	£24m	-	-	-	3.41	-	-	-	-	-	-
PIMR Costs	%	£710m	-	-	-	-	-	-	-	-	-	-
Revenue Receivables	%	£43m	0.08	0.08	2.37	0.18	0.3%	0.3%	0.4%	0.4%	0.35	0.35
Rounding			(0.01)	(0.01)	-	-	-	-	0.2%	0.2%	-	-
Fully Allocated Cost (£ or %)			18.17	18.14	161.97	18.47	100.0%	100.0%	100.0%	100.0%	57.31	57.31
		Volume (units)	251,841	482,872	3,207	2,768	(ux)	(ux)	(ux)	(ux)	51,763	61,374
		Fully Allocated Cost (£m)	4.6	8.8	0.5	0.1	21.7	14.6	8.6	21.7	3.0	3.5

Section 7 – Review of Wholesale Local Access Markets

WLA Summary

Restated for the year ended 31 March 2020 (b)

Detailed service analysis	Internal Revenue £m	External Revenue £m	Total Revenue £m	Internal Volume	External Volume	Measure	Average Internal Price £	Average External Price £	Internal FAC £m	External FAC £m	Total FAC £m
Service											
GEA FTTC 40/10 Rentals	88.7	207.9	296.6	1,475,598	3,430,694	lines	60.13	60.61	70.9	164.4	235.3
GEA Other 40/10 Rentals	6.4	0.0	6.4	48,186	51	lines	132.54	147.44	44.1	0.0	44.1
GEA Other Bandwidth Rentals	468.1	193.3	661.4	5,626,583	2,744,488	lines	83.20	70.43	582.1	132.2	714.3
GEA FTTC 40/10 PCP Only Install	25.1	45.9	71.0	547,318	962,566	conns	45.92	47.67	35.5	61.7	97.2
GEA FTTC 40/10 PCP Start of Stopped Line	0.2	0.6	0.8	68,770	117,304	conns	2.99	4.74	0.5	0.8	1.3
GEA FTTP 40/10 Connections Voice and Data	1.8	-	1.8	19,067	-	conns	94.10	-	0.3	-	0.3
GEA FTTP 40/10 Connections Transitions	1.0	-	1.0	18,478	-	conns	52.35	-	4.5	-	4.5
GEA Cablelink 1 Gbps Connections	2.0	3.2	5.2	3,837	6,182	conns	521.00	521.00	2.3	3.6	5.9
GEA Cablelink 10 Gbps Connections	2.8	3.3	6.1	2,656	3,127	conns	1,042.00	1,042.00	2.5	2.9	5.4
GEA Bandwidth Modify to 40/10	1.0	0.9	1.9	168,374	150,054	amendments	5.82	5.82	0.5	0.4	0.9
GEA VLAN Moves Applied to Cablelink	18.8	1.3	20.1	3,229,586	228,961	amendments	5.82	5.82	9.3	0.7	10.0
GEA 40/10 Cancel/Amend/Modify - CRD	1.5	1.8	3.3	261,885	308,112	amendments	5.82	5.82	0.8	0.9	1.7
GEA 40/10 Cancel/Amend/Modify - Regrades	1.7	1.0	2.7	295,249	164,490	amendments	5.82	5.82	0.9	0.5	1.4
GEA CP to CP Migrations	1.1	1.9	3.0	367,649	651,973	amendments	2.99	2.99	2.6	4.5	7.1
GEA Superfast Visit Assure	25.8	21.1	46.9	198,191	161,923	amendments	130.00	130.00	33.5	27.4	60.9
MPF Rentals (SML1)	0.2	732.6	732.8	2,287	8,538,563	lines	85.81	85.80	0.2	719.9	720.1
MPF New Provides	0.2	52.5	52.7	6,528	1,618,234	conns	37.25	32.42	0.2	49.2	49.4
MPF Single Migrations	-	12.9	12.9	-	512,841	conns	-	25.16	-	14.2	14.2
MPF Bulk Migrations	-	0.1	0.1	-	6,102	conns	-	18.29	-	0.2	0.2
MPF Cancellation of Orders	0.0	1.5	1.5	674	259,936	cancellations	5.82	5.82	0.0	0.8	0.8
MPF Amend Orders	-	0.3	0.3	-	57,416	amendments	-	5.82	-	0.2	0.2
MPF Standard Line Test	-	0.0	0.0	-	1,717	tests	-	4.11	-	0.0	0.0
Co-mingling New Provide and Rentals	0.9	58.0	58.9	(ux)	(ux)	(ux)	(sx)	(sx)	0.0	51.8	51.8
Tie Cables	13.1	4.3	17.4	(ux)	(ux)	(ux)	(sx)	(sx)	9.3	7.6	16.9
Hard Ceases	3.4	14.5	17.9	242,119	937,775	ceases	14.03	15.45	3.7	14.4	18.1
Other MPF Ancillaries	1.3	0.6	1.9	23,870	25,107	ancillaries	53.56	23.63	0.5	0.4	0.9
Special Fault Investigations	10.5	9.2	19.7	(ux)	(ux)	(ux)	(sx)	(sx)	22.1	18.9	41.0
Time Related Charges	4.9	19.4	24.3	(ux)	(ux)	(ux)	(sx)	(sx)	5.6	22.2	27.8
Abortive Visit Charges	4.4	7.1	11.5	62,173	100,862	visits	70.00	70.00	3.7	6.0	9.7
Other WLA	156.8	234.1	390.9	(ux)	(ux)	(ux)	(sx)	(sx)	200.6	240.8	441.4
WLA IFRS 15	1.3	4.8	6.1	(ux)	(ux)	(ux)	(sx)	(sx)	(0.6)	(2.9)	(3.5)
WLA SLG	(24.0)	(19.5)	(43.5)	(ux)	(ux)	(ux)	(sx)	(sx)	(25.0)	(20.3)	(45.3)
Rounding	-	0.1	0.1						-	-	-
Total WLA	819.0	1,614.7	2,433.7						1,010.6	1,523.4	2,534.0
Adjustment for internal	(60.4)	(180.4)	(240.8)						(60.4)	(180.4)	(240.8)
Total WLA (excluding internal)	758.6	1,434.3	2,192.9						950.2	1,343.0	2,293.2

Section 7 – Review of Wholesale Local Access Markets

WLA calculation of FAC based on component costs and usage factors

Restated for the year ended 31 March 2020 (b)

Fully Allocated Cost (£ or %)	Average cost per unit Appendix 1.2	GEA FTTC 40/10 Rentals		GEA Other 40/10 Rentals		GEA Other Bandwidth Rentals		GEA FTTC 40/10 PCP Only Install		GEA FTTC 40/10 PCP Start of Stopped Line		GEA FTTP 40/10 Connections Voice and Data	GEA FTTP 40/10 Connections Transitions	GEA Cablelink 1 Gbps Connections		
		Internal £	External £	Internal £	External £	Internal £	External £	Internal £	External £	Internal £	External £	Internal £	Internal £	Internal £	External £	
Components	Unit (a)															
GEA Cable Links	£/conn	826.16	-	-	-	-	-	-	-	-	-	-	-	-	534.69	534.69
GEA FTTC Distribution Fibre Spine	£/rental	4.80	4.80	4.80	-	-	4.49	4.79	-	-	-	-	-	-	-	-
GEA FTTP Distribution Fibre Spine	£/rental	341.82	-	-	341.82	341.82	21.72	0.04	-	-	-	-	-	-	-	-
GEA FTTC Access Fibre Spine	£/rental	1.56	1.56	1.56	-	-	1.46	1.56	-	-	-	-	-	-	-	-
GEA FTTP Access Fibre Spine	£/rental	161.18	-	-	161.18	161.18	10.24	0.02	-	-	-	-	-	-	-	-
GEA FTTC Electronics	£/rental	1.30	1.30	1.30	-	-	1.22	1.30	-	-	-	-	-	-	-	-
GEA FTTP Electronics	£/rental	43.67	-	-	43.67	43.67	2.78	0.01	-	-	-	-	-	-	-	-
GEA FTTC Customer Site Electronics	%	£163m	-	-	-	-	-	-	41.97	41.97	-	-	-	-	-	-
GEA FTTP Customer Site Installation	%	£40m	-	-	-	-	-	-	-	-	-	-	173.45	-	-	-
GEA FTTC Provisions	%	£43m	-	-	-	-	-	-	11.08	11.08	-	-	-	-	-	-
GEA FTTP Provisions	%	£4m	-	-	-	-	-	-	-	-	-	-	19.33	-	-	-
GEA FTTP Repairs	%	£3m	-	-	6.39	6.39	0.41	0.00	-	-	-	-	-	-	-	-
GEA FTTC Repairs	%	£19m	1.49	1.49	-	-	1.39	1.49	-	-	-	-	-	-	-	-
GEA DSLAM Cabinets	%	£129m	9.91	9.91	-	-	9.28	9.91	-	-	-	-	-	-	-	-
NGA Visit Assure	%	£58m	-	-	-	-	-	-	-	-	-	-	-	-	-	-
NGA E side Copper cable	£/line	8.37	8.37	8.37	-	-	7.83	8.37	-	-	-	-	-	-	-	-
Routeing & Records	£/line	3.03	-	-	-	-	-	-	3.03	3.03	3.03	3.03	3.03	3.03	-	-
FTTC Funded Fibre Rollout Spend	%	£171m	13.14	13.14	-	-	12.31	13.14	-	-	-	-	-	-	-	-
FTTP Funded Fibre Rollout Spend	%	£59m	-	-	144.14	144.14	9.16	0.02	-	-	-	-	-	-	-	-
FTTC Fibre Rollout Funding	%	£(42)m	(3.20)	(3.20)	-	-	(3.00)	(3.20)	-	-	-	-	-	-	-	-
FTTP Fibre Rollout Funding	%	£(16)m	-	-	(38.74)	(38.74)	(2.46)	(0.00)	-	-	-	-	-	-	-	-
FTTC Development	%	£11m	0.61	0.61	-	-	0.57	0.61	0.61	0.61	0.61	0.61	-	-	-	-
FTTP Development	%	£26m	-	-	40.75	40.75	2.59	0.00	-	-	-	-	40.75	-	-	-
Co-mingling power & vent	%	£68m	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Co-mingling rentals	£/hostels	29.82	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Co-mingling set up	£/rooms	1,491.87	-	-	-	-	-	-	-	-	-	-	-	-	-	-
WLA tie cables	£/cables	19.64	-	-	-	-	-	-	-	-	-	-	-	-	-	-
MDF Hardware jumpering	£/line	16.12	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sub Total			37.98	37.98	699.21	699.21	79.99	38.06	56.69	56.69	3.64	3.64	3.03	236.56	534.69	534.69

Section 7 – Review of Wholesale Local Access Markets

WLA calculation of FAC based on component costs and usage factors (continued)

Restated for the year ended 31 March 2020 (b)

		Average cost per unit Appendix 1.2	GEA FTTC 40/10 Rentals		GEA Other 40/10 Rentals		GEA Other Bandwidth Rentals		GEA FTTC 40/10 PCP Only Install		GEA FTTC 40/10 PCP Start of Stopped Line		GEA FTTP 40/10 Connections Voice and Data	GEA FTTP 40/10 Connections Transitions	GEA Cablelink 1 Gbps Connections	
			Internal £	External £	Internal £	External £	Internal £	External £	Internal £	External £	Internal £	External £	Internal £	Internal £	Internal £	External £
Fully Allocated Cost (£ or %)																
Components	Unit (a)															
MPF line testing systems	£/line	1.45	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cumulo Rates Non NGA - Openreach	%	£157m	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cumulo Rates NGA	%	£122m	5.66	5.66	120.31	120.31	12.94	5.67	0.04	0.04	0.01	0.01	0.01	0.14	0.12	0.12
E side copper current	£/line	3.60	-	-	-	-	-	-	-	-	-	-	-	-	-	-
E side copper capital	£/line	4.21	-	-	-	-	-	-	-	-	-	-	-	-	-	-
D side copper current	£/line	10.69	-	-	-	-	-	-	-	-	-	-	-	-	-	-
D side copper capital	£/line	18.37	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Analogue line drop maintenance	£/line	2.77	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dropwire capital & analogue NTE	£/line	16.40	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Analogue line test equipment	£/line	0.07	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Local exchanges general frames maintenance	£/line	1.28	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Local exchanges general frames equipment	£/line	1.20	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Abortive Visits	£/trans	59.94	-	-	-	-	-	-	-	-	-	-	-	-	-	-
OR Service Centre - Assurance GEA	%	£9m	0.57	0.57	0.57	0.57	0.57	0.57	-	-	-	-	-	-	-	-
OR Service Centre - Assurance WLA	%	£16m	-	-	-	-	-	-	-	-	-	-	-	-	-	-
OR Service Centre - Provision GEA	%	£39m	-	-	-	-	-	-	2.85	2.85	2.85	2.85	2.85	2.85	2.85	2.85
OR Service Centre - Provision WLA	%	£17m	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Openreach time related charges	%	£63m	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Openreach sales product management	%	£14m	0.02	0.02	0.05	0.05	0.03	0.03	0.02	0.02	0.00	0.00	0.04	0.02	0.20	0.20
Special Fault Investigation	%	£41m	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ofcom Administration Fee Openreach	%	£3m	0.04	0.04	0.08	0.09	0.05	0.04	0.03	0.03	0.00	0.00	0.06	0.03	0.31	0.31
SLG WLA Internal	%	£25m	0.57	-	1.25	-	0.78	-	5.07	-	0.33	-	10.40	5.78	57.56	-
SLG WLA External	%	£20m	-	0.45	-	1.10	-	0.53	-	4.19	-	0.42	-	-	-	45.77
PIMR Costs	%	£605m	2.84	2.84	93.33	93.33	8.59	2.85	-	-	-	-	-	-	-	-
Revenue Receivables	%	£43m	0.37	0.37	0.81	0.90	0.51	0.43	0.24	0.25	0.02	0.03	0.50	0.28	2.77	2.77
Rounding			(0.02)	(0.01)	(0.01)	-	-	(0.01)	-	-	(0.01)	(0.01)	(0.02)	-	-	-
Fully Allocated Cost (£ or %)			48.03	47.92	915.60	915.56	103.46	48.17	64.94	64.07	6.84	6.94	16.87	245.66	598.50	586.71
	Volume (units)		1,475,598	3,430,694	48,186		515,626	5832,744	488,547,318	962,566	68,770	117,304	19,067	18,478	3,837	6,182
	Fully Allocated Cost (£m)		70.9	164.4	44.1	0.0	582.1	132.2	35.5	61.7	0.5	0.8	0.3	4.5	2.3	3.6

Section 7 – Review of Wholesale Local Access Markets

WLA calculation of FAC based on component costs and usage factors (continued)

Restated for the year ended 31 March 2020 (b)

Fully Allocated Cost (£ or %)	Average cost per unit Appendix 1.2	GEA Cablelink 10 Gbps Connections		GEA Bandwidth Modify to 40/10		GEA VLAN Moves Applied to Cablelink		GEA 40/10 Cancel/Amend/ Modify - CRD		GEA 40/10 Cancel/Amend/ Modify - Regrades		GEA CP to CP Migrations		GEA Superfast Visit Assure		MPF Rentals (SML1)	
		Internal £	External £	Internal £	External £	Internal £	External £	Internal £	External £	Internal £	External £	Internal £	External £	Internal £	External £	Internal £	External £
Components	Unit (a)																
GEA Cable Links	£/conn	826.16	826.16	826.16	-	-	-	-	-	-	-	-	-	-	-	-	-
GEA FTTC Distribution Fibre Spine	£/rental	4.80	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
GEA FTTP Distribution Fibre Spine	£/rental	341.82	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
GEA FTTC Access Fibre Spine	£/rental	1.56	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
GEA FTTP Access Fibre Spine	£/rental	161.18	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
GEA FTTC Electronics	£/rental	1.30	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
GEA FTTP Electronics	£/rental	43.67	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
GEA FTTC Customer Site Electronics	%	£163m	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
GEA FTTP Customer Site Installation	%	£40m	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
GEA FTTC Provisions	%	£43m	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
GEA FTTP Provisions	%	£4m	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
GEA FTTP Repairs	%	£3m	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
GEA FTTC Repairs	%	£19m	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
GEA DSLAM Cabinets	%	£129m	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
NGA Visit Assure	%	£58m	-	-	-	-	-	-	-	-	-	-	-	161.30	161.30	-	-
NGA E side Copper cable	£/line	8.37	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Routeing & Records	£/line	3.03	-	-	-	-	-	-	-	-	-	3.03	3.03	-	-	-	-
FTTC Funded Fibre Rollout Spend	%	£171m	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FTTP Funded Fibre Rollout Spend	%	£59m	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FTTC Fibre Rollout Funding	%	£(42)m	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FTTP Fibre Rollout Funding	%	£(16)m	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FTTC Development	%	£11m	-	-	-	-	-	-	-	-	-	0.61	0.61	-	-	-	-
FTTP Development	%	£26m	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Co-mingling power & vent	%	£68m	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Co-mingling rentals	£/hostels	29.82	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Co-mingling set up	£/rooms	1,491.87	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
WLA tie cables	£/cables	19.64	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
MDF Hardware jumpering	£/line	16.12	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sub Total			826.16	826.16	-	-	-	-	-	-	-	3.64	3.64	161.30	161.30	-	-

Section 7 – Review of Wholesale Local Access Markets

WLA calculation of FAC based on component costs and usage factors (continued)

Restated for the year ended 31 March 2020 (b)

Fully Allocated Cost (£ or %)	Average cost per unit Appendix 1.2	GEA Cablelink 10 Gbps Connections		GEA Bandwidth Modify to 40/10		GEA VLAN Moves Applied to Cablelink		GEA 40/10 Cancel/Amend/ Modify - CRD		GEA 40/10 Cancel/Amend/ Modify - Regrades		GEA CP to CP Migrations		GEA Superfast Visit Assure		MPF Rentals (SML1)			
		Internal	External	Internal	External	Internal	External	Internal	External	Internal	External	Internal	External	Internal	External	Internal	External		
		£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	
Components	Unit (a)																		
MPF line testing systems	£/line	1.45	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.45	1.45	
Cumulo Rates Non NGA - Openreach	%	£157m	-	-	-	-	-	-	-	-	-	-	-	-	0.08	0.08	4.39	4.39	
Cumulo Rates NGA	%	£122m	0.19	0.19	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.01	0.01	-	-	-	-	-	
E side copper current	£/line	3.60	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3.60	3.60	
E side copper capital	£/line	4.21	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4.21	4.21	
D side copper current	£/line	10.69	-	-	-	-	-	-	-	-	-	-	-	-	-	-	9.45	9.45	
D side copper capital	£/line	18.37	-	-	-	-	-	-	-	-	-	-	-	-	-	-	18.37	18.37	
Analogue line drop maintenance	£/line	2.77	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2.77	2.77	
Dropwire capital & analogue NTE	£/line	16.40	-	-	-	-	-	-	-	-	-	-	-	-	-	-	16.40	16.40	
Analogue line test equipment	£/line	0.07	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.07	0.07	
Local exchanges general frames maintenance	£/line	1.28	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.28	1.28	
Local exchanges general frames equipment	£/line	1.20	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2.40	2.40	
Abortive Visits	£/trans	59.94	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
OR Service Centre - Assurance GEA	%	£9m	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
OR Service Centre - Assurance WLA	%	£16m	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.41	1.41	
OR Service Centre - Provision GEA	%	£39m	2.85	2.85	2.85	2.85	2.85	2.85	2.85	2.85	2.85	2.85	2.85	-	-	-	-	-	
OR Service Centre - Provision WLA	%	£17m	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Openreach time related charges	%	£63m	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Openreach sales product management	%	£14m	0.39	0.39	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.16	0.16	7.04	7.04	0.07	0.07		
Special Fault Investigation	%	£41m	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Ofcom Administration Fee Openreach	%	£3m	0.62	0.62	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.08	0.08	0.05	0.05		
SLG WLA Internal	%	£25m	115.12	-	-	-	-	-	-	-	-	0.33	-	-	-	-	0.81	0.81	
SLG WLA External	%	£20m	-	91.54	-	-	-	-	-	-	-	-	0.26	-	-	-	-	-	
PIMR Costs	%	£605m	-	-	-	-	-	-	-	-	-	-	-	-	-	-	17.04	17.04	
Revenue Receivables	%	£43m	5.55	5.55	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.02	0.02	0.69	0.69	0.52	0.52		
Rounding			(0.01)	(0.01)	-	-	-	-	-	-	-	(0.01)	(0.01)	-	-	-	0.02	0.02	
Fully Allocated Cost (£ or %)			950.87	927.29	2.88	2.88	2.88	2.88	2.88	2.88	2.88	2.88	2.88	7.00	6.93	169.19	169.19	84.31	84.31
	Volume (units)		2,656	3,127	168,374	150,054	3,229,586	228,961	261,885	308,112	295,249	164,490	367,649	651,973	198,191	161,923	2,287,853	538,563	
	Fully Allocated Cost (£m)		2.5	2.9	0.5	0.4	9.3	0.7	0.8	0.9	0.9	0.5	2.6	4.5	33.5	27.4	0.2	719.9	

Section 7 – Review of Wholesale Local Access Markets

WLA calculation of FAC based on component costs and usage factors (continued)

Restated for the year ended 31 March 2020 (b)

Fully Allocated Cost (£ or %)	Average cost per unit Appendix 1.2	MPF New Provides		MPF Single Migrations	MPF Bulk Migrations	MPF Cancellation of Orders		MPF Amend Orders	MPF Standard Line Test	Co-mingling New Provide and Rentals		Tie Cables		
		Internal	External	External	External	Internal	External	External	External	Internal	External	Internal	External	
		£	£	£	£	£	£	£	£	%	%	%	%	
Components	Unit (a)													
GEA Cable Links	£/conn	826.16	-	-	-	-	-	-	-	-	-	-	-	
GEA FTTC Distribution Fibre Spine	£/rental	4.80	-	-	-	-	-	-	-	-	-	-	-	
GEA FTTP Distribution Fibre Spine	£/rental	341.82	-	-	-	-	-	-	-	-	-	-	-	
GEA FTTC Access Fibre Spine	£/rental	1.56	-	-	-	-	-	-	-	-	-	-	-	
GEA FTTP Access Fibre Spine	£/rental	161.18	-	-	-	-	-	-	-	-	-	-	-	
GEA FTTC Electronics	£/rental	1.30	-	-	-	-	-	-	-	-	-	-	-	
GEA FTTP Electronics	£/rental	43.67	-	-	-	-	-	-	-	-	-	-	-	
GEA FTTC Customer Site Electronics	%	£163m	-	-	-	-	-	-	-	-	-	-	-	
GEA FTTP Customer Site Installation	%	£40m	-	-	-	-	-	-	-	-	-	-	-	
GEA FTTC Provisions	%	£43m	-	-	-	-	-	-	-	-	-	-	-	
GEA FTTP Provisions	%	£4m	-	-	-	-	-	-	-	-	-	-	-	
GEA FTTP Repairs	%	£3m	-	-	-	-	-	-	-	-	-	-	-	
GEA FTTC Repairs	%	£19m	-	-	-	-	-	-	-	-	-	-	-	
GEA DSLAM Cabinets	%	£129m	-	-	-	-	-	-	-	-	-	-	-	
NGA Visit Assure	%	£58m	-	-	-	-	-	-	-	-	-	-	-	
NGA E side Copper cable	£/line	8.37	-	-	-	-	-	-	-	-	-	-	-	
Routeing & Records	£/line	3.03	3.03	3.03	-	-	-	-	-	-	-	-	-	
FTTC Funded Fibre Rollout Spend	%	£171m	-	-	-	-	-	-	-	-	-	-	-	
FTTP Funded Fibre Rollout Spend	%	£59m	-	-	-	-	-	-	-	-	-	-	-	
FTTC Fibre Rollout Funding	%	£(42)m	-	-	-	-	-	-	-	-	-	-	-	
FTTP Fibre Rollout Funding	%	£(16)m	-	-	-	-	-	-	-	-	-	-	-	
FTTC Development	%	£11m	-	-	-	-	-	-	-	-	-	-	-	
FTTP Development	%	£26m	-	-	-	-	-	-	-	-	-	-	-	
Co-mingling power & vent	%	£68m	-	-	-	-	-	-	-	-	29.0 %	-	-	
Co-mingling rentals	£/hostels	29.82	-	-	-	-	-	-	-	-	32.1 %	-	-	
Co-mingling set up	£/rooms	1,491.87	-	-	-	-	-	-	-	-	32.8 %	-	-	
WLA tie cables	£/cables	19.64	-	-	-	-	-	-	-	-	-	82.6 %	79.0 %	
MDF Hardware jumpering	£/line	16.12	21.24	21.24	22.29	21.49	-	-	-	-	-	-	-	
Sub Total			24.27	24.27	22.29	21.49	-	-	-	-	-	93.9%	82.6%	79.0%

Section 7 – Review of Wholesale Local Access Markets

WLA calculation of FAC based on component costs and usage factors (continued)

Restated for the year ended 31 March 2020 (b)

	Average cost per unit Appendix 1.2	MPF New Provides		MPF Single Migrations	MPF Bulk Migrations	MPF Cancellation of Orders		MPF Amend Orders	MPF Standard Line Test	Co-mingling New Provide and Rentals		Tie Cables		
		Internal £	External £	External £	External £	Internal £	External £	External £	External £	Internal %	External %	Internal %	External %	
Fully Allocated Cost (£ or %)														
Components	Unit (a)													
MPF line testing systems	£/line	1.45	-	-	-	-	-	-	-	-	-	-	-	
Cumulo Rates Non NGA - Openreach	%	£157m	0.01	0.01	0.01	0.01	0.00	0.00	0.00	0.00	-	3.3%	2.4%	2.3%
Cumulo Rates NGA	%	£122m	-	-	-	-	-	-	-	-	-	-	-	
E side copper current	£/line	3.60	-	-	-	-	-	-	-	-	-	-	-	
E side copper capital	£/line	4.21	-	-	-	-	-	-	-	-	-	-	-	
D side copper current	£/line	10.69	-	-	-	-	-	-	-	-	-	-	-	
D side copper capital	£/line	18.37	-	-	-	-	-	-	-	-	-	-	-	
Analogue line drop maintenance	£/line	2.77	-	-	-	-	-	-	-	-	-	-	-	
Dropwire capital & analogue NTE	£/line	16.40	-	-	-	-	-	-	-	-	-	-	-	
Analogue line test equipment	£/line	0.07	-	-	-	-	-	-	-	-	-	-	-	
Local exchanges general frames maintenance	£/line	1.28	-	-	-	-	-	-	-	-	-	-	-	
Local exchanges general frames equipment	£/line	1.20	-	-	-	-	-	-	-	-	-	-	-	
Abortive Visits	£/trans	59.94	-	-	-	-	-	-	-	-	-	-	-	
OR Service Centre - Assurance GEA	%	£9m	-	-	-	-	-	-	-	-	-	-	-	
OR Service Centre - Assurance WLA	%	£16m	-	-	-	-	-	-	-	-	1.5%	1.0%	5.7%	
OR Service Centre - Provision GEA	%	£39m	-	-	-	-	-	-	-	-	-	-	-	
OR Service Centre - Provision WLA	%	£17m	3.07	3.07	3.07	3.07	3.07	3.07	3.07	-	0.1%	12.9%	12.3%	
Openreach time related charges	%	£63m	-	-	-	-	-	-	-	-	-	-	-	
Openreach sales product management	%	£14m	0.03	0.03	0.02	0.02	0.00	0.00	0.00	44.2%	0.5%	0.1%	0.3%	
Special Fault Investigation	%	£41m	-	-	-	-	-	-	-	-	-	-	-	
Ofcom Administration Fee Openreach	%	£3m	0.02	0.02	0.01	0.01	0.00	0.00	0.00	5.6%	0.1%	0.1%	0.0%	
SLG WLA Internal	%	£25m	4.12	-	-	-	-	-	-	-	-	-	-	
SLG WLA External	%	£20m	-	2.85	2.21	1.61	-	-	-	-	-	-	-	
PIMR Costs	%	£605m	-	-	-	-	-	-	-	-	-	-	-	
Revenue Receivables	%	£43m	0.20	0.17	0.13	0.10	0.03	0.03	0.03	0.02	50.3%	0.7%	0.9%	0.3%
Rounding			(0.01)	-	0.01	(0.01)	-	-	-	(0.1)%	(0.1)%	-	0.1%	
Fully Allocated Cost (£ or %)			31.71	30.42	27.75	26.30	3.10	3.10	3.10	3.09	100.0%	100.0%	100.0%	100.0%
			Volume (units)	1,618,234	512,841	6,102	674	259,936	57,416	1,717	(ux)	(ux)	(ux)	(ux)
			Fully Allocated Cost (£m)	0.2	49.2	14.2	0.2	0.0	0.8	0.2	0.0	51.8	9.3	7.6

Section 7 – Review of Wholesale Local Access Markets

WLA calculation of FAC based on component costs and usage factors (continued)

Restated for the year ended 31 March 2020 (b)

Fully Allocated Cost (£ or %)	Average cost per unit Appendix 1.2	Hard Ceases		Other MPF Ancillaries		Special Fault Investigations		Time Related Charges		Abortive Visit Charges	
		Internal £	External £	Internal £	External £	Internal %	External %	Internal %	External %	Internal £	External £
Components	Unit (a)										
GEA Cable Links	£/conn	826.16	-	-	-	-	-	-	-	-	-
GEA FTTC Distribution Fibre Spine	£/rental	4.80	-	-	-	-	-	-	-	-	-
GEA FTTP Distribution Fibre Spine	£/rental	341.82	-	-	-	-	-	-	-	-	-
GEA FTTC Access Fibre Spine	£/rental	1.56	-	-	-	-	-	-	-	-	-
GEA FTTP Access Fibre Spine	£/rental	161.18	-	-	-	-	-	-	-	-	-
GEA FTTC Electronics	£/rental	1.30	-	-	-	-	-	-	-	-	-
GEA FTTP Electronics	£/rental	43.67	-	-	-	-	-	-	-	-	-
GEA FTTC Customer Site Electronics	%	£163m	-	-	-	-	-	-	-	-	-
GEA FTTP Customer Site Installation	%	£40m	-	-	-	-	-	-	-	-	-
GEA FTTC Provisions	%	£43m	-	-	-	-	-	-	-	-	-
GEA FTTP Provisions	%	£4m	-	-	-	-	-	-	-	-	-
GEA FTTP Repairs	%	£3m	-	-	-	-	-	-	-	-	-
GEA FTTC Repairs	%	£19m	-	-	-	-	-	-	-	-	-
GEA DSLAM Cabinets	%	£129m	-	-	-	-	-	-	-	-	-
NGA Visit Assure	%	£58m	-	-	-	-	-	-	-	-	-
NGA E side Copper cable	£/line	8.37	-	-	-	-	-	-	-	-	-
Routeing & Records	£/line	3.03	-	-	-	-	-	-	-	-	-
FTTC Funded Fibre Rollout Spend	%	£171m	-	-	-	-	-	-	-	-	-
FTTP Funded Fibre Rollout Spend	%	£59m	-	-	-	-	-	-	-	-	-
FTTC Fibre Rollout Funding	%	£(42)m	-	-	-	-	-	-	-	-	-
FTTP Fibre Rollout Funding	%	£(16)m	-	-	-	-	-	-	-	-	-
FTTC Development	%	£11m	-	-	-	-	-	-	-	-	-
FTTP Development	%	£26m	-	-	-	-	-	-	-	-	-
Co-mingling power & vent	%	£68m	-	-	-	-	-	-	-	-	-
Co-mingling rentals	£/hostels	29.82	-	-	-	-	-	-	-	-	-
Co-mingling set up	£/rooms	1,491.87	-	-	-	-	-	-	-	-	-
WLA tie cables	£/cables	19.64	-	-	-	-	-	-	-	-	-
MDF Hardware jumpering	£/line	16.12	12.07	12.04	11.93	11.93	-	-	-	-	-
Sub Total			12.07	12.04	11.93	11.93	-	-	-	-	-

Section 7 – Review of Wholesale Local Access Markets

WLA calculation of FAC based on component costs and usage factors (continued)

Restated for the year ended 31 March 2020 (b)

Fully Allocated Cost (£ or %)	Average cost per unit Appendix 1.2	Hard Ceases		Other MPF Ancillaries		Special Fault Investigations		Time Related Charges		Abortive Visit Charges		
		Internal £	External £	Internal £	External £	Internal %	External %	Internal %	External %	Internal £	External £	
Components	Unit (a)											
MPF line testing systems	£/line	1.45	-	-	-	-	-	-	-	-	-	
Cumulo Rates Non NGA - Openreach	%	£157m	0.01	0.01	0.01	0.01	0.1 %	0.1 %	0.1 %	0.1 %	0.02	0.02
Cumulo Rates NGA	%	£122m	-	-	-	-	-	-	-	-	-	-
E side copper current	£/line	3.60	-	-	-	-	-	-	-	-	-	-
E side copper capital	£/line	4.21	-	-	-	-	-	-	-	-	-	-
D side copper current	£/line	10.69	-	-	-	-	-	-	-	-	-	-
D side copper capital	£/line	18.37	-	-	-	-	-	-	-	-	-	-
Analogue line drop maintenance	£/line	2.77	-	-	-	-	-	-	-	-	-	-
Dropwire capital & analogue NTE	£/line	16.40	-	-	-	-	-	-	-	-	-	-
Analogue line test equipment	£/line	0.07	-	-	-	-	-	-	-	-	-	-
Local exchanges general frames maintenance	£/line	1.28	-	-	-	-	-	-	-	-	-	-
Local exchanges general frames equipment	£/line	1.20	-	-	-	-	-	-	-	-	-	-
Abortive Visits	£/trans	59.94	-	-	-	-	-	-	-	-	59.27	59.27
OR Service Centre - Assurance GEA	%	£9m	-	-	-	-	-	-	-	-	-	-
OR Service Centre - Assurance WLA	%	£16m	-	-	-	-	-	-	-	-	-	-
OR Service Centre - Provision GEA	%	£39m	-	-	-	-	-	-	-	-	-	-
OR Service Centre - Provision WLA	%	£17m	3.07	3.07	3.07	3.07	-	-	-	-	-	-
Openreach time related charges	%	£63m	-	-	-	-	-	-	99.1 %	99.1 %	-	-
Openreach sales product management	%	£14m	0.10	0.11	0.04	0.02	0.2 %	0.2 %	0.3 %	0.3 %	0.24	0.24
Special Fault Investigation	%	£41m	-	-	-	-	99.5 %	99.5 %	-	-	-	-
Ofcom Administration Fee Openreach	%	£3m	0.01	0.01	0.03	0.01	0.0 %	0.0 %	0.1 %	0.1 %	0.04	0.04
SLG WLA Internal	%	£25m	-	-	5.92	-	-	-	-	-	-	-
SLG WLA External	%	£20m	-	-	-	2.08	-	-	-	-	-	-
PIMR Costs	%	£605m	-	-	-	-	-	-	-	-	-	-
Revenue Receivables	%	£43m	0.07	0.08	0.29	0.13	0.3 %	0.3 %	0.5 %	0.5 %	0.37	0.37
Rounding			-	-	-	(0.01)	(0.1)%	(0.1)%	(0.1)%	(0.1)%	-	-
Fully Allocated Cost (£ or %)			15.33	15.32	21.29	17.24	100.0%	100.0%	100.0%	100.0%	59.94	59.94
	Volume (units)		242,119	937,775	23,870	25,107	(ux)	(ux)	(ux)	(ux)	62,173	100,862
	Fully Allocated Cost (£m)		3.7	14.4	0.5	0.4	22.1	18.9	5.6	22.2	3.7	6.0

Section 8

Review of Business Connectivity Markets

Section 8 – Review of Business Connectivity Markets

CI Access services - BT Only Summary

For the year ended 31 March 2021

Detailed service analysis	Internal Revenue £m	External Revenue £m	Total Revenue £m	Internal Volume	External Volume	Measure	Average Internal Price £	Average External Price £	Internal FAC £m	External FAC £m	Total FAC £m
Service											
Ethernet 1 G bit and below											
Connections	20.2	25.4	45.6	10,991	13,810	ccts	1,841.35	1,841.12	9.7	11.6	21.3
EAD Rentals	41.9	43.4	85.3	23,275	23,842	ccts	1,800.00	1,819.35	56.4	57.8	114.2
EAD LA Rentals	82.2	66.0	148.2	57,138	46,286	ccts	1,438.26	1,426.22	112.0	90.6	202.6
Other Rentals	1.6	2.7	4.3	(ux)	(ux)	(ux)	(sx)	(sx)	3.4	5.2	8.6
EAD Mainlink	25.9	30.9	56.8	143,398	171,666	km	180.33	180.29	19.4	23.2	42.6
Cable link (inc Intra exchange)	0.1	0.3	0.4	752	1,974	ccts	145.16	169.03	0.1	0.3	0.4
Other	-	-	-	-	-	fibre km	-	-	-	-	-
	171.9	168.7	340.6						201.0	188.7	389.7
Ethernet above 1 G bit											
EAD Rentals	1.7	5.1	6.8	350	1,082	ccts	4,729.69	4,727.67	1.4	4.3	5.7
EAD LA Rentals	0.4	0.7	1.1	93	183	ccts	3,911.06	3,842.17	0.3	0.7	1.0
Other Rentals	17.7	9.8	27.5	(ux)	(ux)	(ux)	(sx)	(sx)	13.1	6.5	19.6
EAD Mainlink	0.4	1.5	1.9	2,249	8,085	km	180.20	180.27	0.3	1.1	1.4
Connections	8.9	9.1	18.0	3,333	2,349	ccts	2,662.81	3,874.27	1.4	1.4	2.8
Other	6.0	3.6	9.6	24,707	15,038	fibre km	244.03	237.17	3.4	2.0	5.4
	35.1	29.8	64.9						19.9	16.0	35.9
ECC Basket	6.3	5.0	11.3	(ux)	(ux)	(ux)	(sx)	(sx)	6.4	5.1	11.5
Accommodation basket	-	5.4	5.4	(ux)	(ux)	(ux)	(sx)	(sx)	-	4.6	4.6
TRC Basket	1.2	0.3	1.5	(ux)	(ux)	(ux)	(sx)	(sx)	1.2	0.3	1.5
Exempt Ancillary Services	1.4	2.8	4.2	(ux)	(ux)	(ux)	(sx)	(sx)	0.0	0.0	0.0
Other - Project services	2.6	0.8	3.4	(ux)	(ux)	(ux)	(sx)	(sx)	3.3	1.0	4.3
Access IFRS 15	(2.4)	(9.3)	(11.7)	(ux)	(ux)	(ux)	(sx)	(sx)	(2.9)	(2.4)	(5.3)
Access SLG	(2.9)	(2.2)	(5.1)	(ux)	(ux)	(ux)	(sx)	(sx)	(2.7)	(2.1)	(4.8)
Rounding	-	0.2	0.2						0.1	0.1	0.2
Total Ethernet Basket	213.2	201.5	414.7						226.3	211.3	437.6
Adjustment for internal	(22.9)	(23.7)	(46.6)						(22.9)	(23.7)	(46.6)
Total Ethernet Basket (excluding internal)	190.3	177.8	368.1						203.4	187.6	391.0

Section 8 – Review of Business Connectivity Markets

CI Access services - BT Only calculation of FAC based on component costs and usage factors

For the year ended 31 March 2021

Components	Unit (a)	Average cost per unit Appendix 1.1	Connections - Ethernet 1 Gbit and below		EAD Rentals - Ethernet 1 Gbit and below		EAD LA Rentals - Ethernet 1 G bit and below		Other Rentals - Ethernet 1 Gbit and below		EAD Mainlink - Ethernet 1 Gbit and below		Cable link (inc Intra exchange) - Ethernet 1 G bit and below	
			Internal	External	Internal	External	Internal	External	Internal	External	Internal	External	Internal	External
			£	£	£	£	£	£	%	%	£	£	£	£
Fully Allocated Cost (£ or %)														
Backhaul Extension Services Fibre	£/le	2,250.66	-	-	-	-	-	-	3.4%	2.6%	-	-	-	-
Cumulo Rates Non NGA – Openreach	%	£154m	0.26	0.25	112.18	112.13	85.10	85.10	5.6%	5.6%	11.48	11.48	6.36	6.94
EAD Electronics Capital	£/circuit	366.67	-	-	391.76	394.10	381.98	378.33	-	-	-	-	-	-
Ethernet Access Direct Fibre	£/circuit	1,122.45	-	-	1,589.18	1,588.50	1,201.08	1,201.16	-	-	-	-	111.85	122.17
Ethernet Electronics Current	£/le	111.52	-	-	111.52	111.52	111.52	111.52	3.0%	3.1%	-	-	-	-
Ethernet Excess Construction Capex	%	£49m	592.76	592.76	-	-	-	-	-	-	-	-	-	-
Ethernet main links	£/fibre km	43.21	-	-	-	-	-	-	-	-	43.21	43.21	-	-
Ethernet Monitoring Platform	£/circuit	210.75	-	-	38.14	38.14	38.14	38.14	-	-	-	-	-	-
Ofcom Administration Fee Openreach	%	£2m	0.75	0.75	0.73	0.74	0.58	0.58	0.0%	0.0%	0.07	0.07	0.06	0.07
Openreach sales product management	%	£20m	2.27	2.27	2.22	2.24	1.77	1.76	0.1%	0.1%	0.22	0.22	0.17	0.20
Optical Ethernet Electronics Capital	£/circuit	1,129.79	-	-	-	-	-	-	-	-	-	-	-	-
Co-mingling power & Vent	%	£66m	-	-	-	-	-	-	-	-	-	-	-	-
Co-mingling set up	£/room	797.58	-	-	-	-	-	-	-	-	-	-	-	-
Co-mingling rentals	£/hostel	47.95	-	-	-	-	-	-	-	-	-	-	-	-
OR Service centre - Provision WLA	%	£18m	-	-	-	-	-	-	-	-	-	-	-	-
OR Project Services	%	£12m	-	-	-	-	-	-	-	-	-	-	-	-
OR Service Centre - Assurance WLA	%	£15m	-	-	-	-	-	-	-	-	-	-	-	-
OR Service Centre - Provision Ethernet	%	£6m	104.15	104.15	-	-	-	-	-	-	-	-	17.88	9.92
OR Systems & Development - Ethernet	£/le	24.52	24.52	24.52	24.52	24.52	24.52	24.52	0.6%	0.6%	3.65	3.65	24.52	24.52
Routeing & Records	£/line	2.86	2.86	2.86	-	-	-	-	-	-	-	-	0.49	0.27
SLG Ethernet Assurance External	%	£0m	-	-	-	0.25	-	0.20	-	0.0%	-	-	-	-
SLG Ethernet Assurance Internal	%	£0m	-	-	0.24	-	0.19	-	0.0%	-	-	-	-	-
SLG Ethernet Provision External	%	£4m	-	105.75	-	-	-	-	-	-	-	-	-	-
SLG Ethernet Provision Internal	%	£5m	145.88	-	-	-	-	-	-	-	-	-	-	-
Wholesale Extension Services Fibre	£/le	2,486.75	-	-	-	-	-	-	80.4%	81.1%	-	-	-	-
PIMR Costs	%	£710m	-	-	142.45	142.39	107.66	107.67	6.7%	6.7%	75.64	75.64	-	-
Revenue Receivables	%	£43m	9.56	9.56	10.53	10.65	8.42	8.35	0.3%	0.3%	1.06	1.06	0.76	0.88
Rounding			-	0.01	(0.01)	(0.01)	(0.02)	(0.01)	(0.1)%	(0.1)%	-	-	(0.01)	-
Fully Allocated Cost (£ or %)			883.01	842.88	2,423.46	2,425.17	1,960.94	1,957.32	100.0%	100.0%	135.33	135.33	162.08	164.97
	Volume (units)		10,991	13,810	23,275	23,842	57,138	46,286	(ux)	(ux)	143,398	171,666	752	1,974
	Fully Allocated Cost (£m)		9.7	11.6	56.4	57.8	112.0	90.6	3.4	5.2	19.4	23.2	0.1	0.3

Section 8 – Review of Business Connectivity Markets

CI Access services - BT Only calculation of FAC based on component costs and usage factors (continued)

For the year ended 31 March 2021

	Average cost per unit Appendix 1.1	EAD Rentals - Ethernet above 1 Gbit		EAD LA Rentals - Ethernet above 1 Gbit		Other Rentals - Ethernet above 1 Gbit		EAD Mainlink - Ethernet above 1 Gbit		Connections - Ethernet above 1 Gbit		
		Internal £	External £	Internal £	External £	Internal %	External %	Internal £	External £	Internal £	External £	
Fully Allocated Cost (£ or %)												
Components	Unit (a)											
Backhaul Extension Services Fibre	£/le	2,250.66	-	-	-	0.0%	0.5%	-	-	-	-	
Cumulo Rates Non NGA – Openreach	%	£154m	105.09	105.09	85.15	85.15	1.6%	1.6%	11.48	11.48	0.06	0.12
EAD Electronics Capital	£/circuit	366.67	1,463.20	1,463.20	1,463.20	1,463.20	-	-	-	-	-	-
Ethernet Access Direct Fibre	£/circuit	1,122.45	1,482.68	1,482.68	1,196.91	1,196.91	20.8%	20.7%	-	-	-	-
Ethernet Electronics Current	£/le	111.52	111.52	111.52	111.52	111.52	1.5%	1.6%	-	-	-	-
Ethernet Excess Construction Capex	%	£49m	-	-	-	-	-	-	-	-	48.38	201.13
Ethernet main links	£/fibre km	43.21	-	-	-	-	-	-	43.21	43.21	-	-
Ethernet Monitoring Platform	£/circuit	210.75	646.42	646.42	646.42	646.42	8.2%	8.1%	-	-	-	-
Ofcom Administration Fee Openreach	%	£2m	1.92	1.92	1.59	1.56	0.1%	0.1%	0.07	0.07	1.08	1.58
Openreach sales product management	%	£20m	5.83	5.82	4.82	4.73	0.2%	0.2%	0.22	0.22	3.18	4.67
Optical Ethernet Electronics Capital	£/circuit	1,129.79	-	-	-	-	62.3%	62.4%	-	-	-	-
Co-mingling power & Vent	%	£66m	-	-	-	-	-	-	-	-	-	-
Co-mingling set up	£/room	797.58	-	-	-	-	-	-	-	-	-	-
Co-mingling rentals	£/hostel	47.95	-	-	-	-	-	-	-	-	-	-
OR Service centre - Provision WLA	%	£18m	-	-	-	-	-	-	-	-	-	-
OR Project Services	%	£12m	-	-	-	-	-	-	-	-	-	-
OR Service Centre - Assurance WLA	%	£15m	-	-	-	-	-	-	-	-	-	-
OR Service Centre - Provision Ethernet	%	£6m	-	-	-	-	-	-	-	-	104.15	104.15
OR Systems & Development - Ethernet	£/le	24.52	24.52	24.52	24.52	24.52	1.4%	1.4%	3.65	3.65	24.52	24.52
Routing & Records	£/line	2.86	-	-	-	-	-	-	-	-	2.86	2.86
SLG Ethernet Assurance External	%	£0m	-	0.65	-	0.53	-	0.0%	-	-	-	-
SLG Ethernet Assurance Internal	%	£0m	0.62	-	0.52	-	0.0%	-	-	-	-	-
SLG Ethernet Provision External	%	£4m	-	-	-	-	-	-	-	-	-	222.54
SLG Ethernet Provision Internal	%	£5m	-	-	-	-	-	-	-	-	210.96	-
Wholesale Extension Services Fibre	£/le	2,486.75	-	-	-	-	1.3%	0.6%	-	-	-	-
PIMR Costs	%	£710m	132.90	132.90	107.29	107.29	2.0%	2.0%	75.64	75.64	-	-
Revenue Receivables	%	£43m	27.68	27.67	22.89	22.48	0.8%	0.9%	1.05	1.05	13.83	20.12
Rounding			(0.01)	-	(0.03)	(0.01)	(0.2)%	(0.1)%	0.01	0.01	0.01	-
Fully Allocated Cost (£ or %)		4,002.37	4,002.39	3,664.80	3,664.30	100.0%	100.0%	135.33	135.33	409.03	581.69	
	Volume (units)		350	1,082	93	183	(ux)	(ux)	2,249	8,085	3,333	2,349
	Fully Allocated Cost (£m)		1.4	4.3	0.3	0.7	13.1	6.5	0.3	1.1	1.4	1.4

Section 8 – Review of Business Connectivity Markets

CI Access services - BT Only calculation of FAC based on component costs and usage factors (continued)

For the year ended 31 March 2021

Fully Allocated Cost (£ or %)	Average cost per unit Appendix 1.1	Other - Ethernet above 1 G bit		ECC Basket		Accommodation basket	TRC Basket		Exempt Ancillary Services		Other - Project services		
		Internal	External	Internal	External	External	Internal	External	Internal	External	Internal	External	
		£	£	%	%	%	%	%	%	%	%	%	%
Components	Unit (a)												
Backhaul Extension Services Fibre	£/le	2,250.66	-	-	-	-	-	-	-	-	-	-	-
Cumulo Rates Non NGA – Openreach	%	£154m	11.48	11.48	0.0 %	0.0 %	2.1 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
EAD Electronics Capital	£/circuit	366.67	-	-	-	-	-	-	-	-	-	-	-
Ethernet Access Direct Fibre	£/circuit	1,122.45	-	-	-	-	-	-	-	-	-	-	-
Ethernet Electronics Current	£/le	111.52	-	-	-	-	-	-	-	-	-	-	-
Ethernet Excess Construction Capex	%	£49m	-	-	98.8 %	98.8 %	-	98.8 %	98.8 %	-	-	-	-
Ethernet main links	£/fibre km	43.21	43.21	43.21	-	-	-	-	-	-	-	-	-
Ethernet Monitoring Platform	£/circuit	210.75	-	-	-	-	-	-	-	-	-	-	-
Ofcom Administration Fee Openreach	%	£2m	0.10	0.10	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	6.4 %	6.4 %	0.0 %	0.0 %
Openreach sales product management	%	£20m	0.29	0.28	0.6 %	0.6 %	1.1 %	0.6 %	0.6 %	11.2 %	11.2 %	0.5 %	0.5 %
Optical Ethernet Electronics Capital	£/circuit	1,129.79	-	-	-	-	-	-	-	-	-	-	-
Co-mingling power & Vent	%	£66m	-	-	-	-	56.5 %	-	-	-	-	-	-
Co-mingling set up	£/room	797.58	-	-	-	-	21.4 %	-	-	-	-	-	-
Co-mingling rentals	£/hostel	47.95	-	-	-	-	17.5 %	-	-	-	-	-	-
OR Service centre - Provision WLA	%	£18m	-	-	-	-	0.1 %	-	-	-	-	-	-
OR Project Services	%	£12m	-	-	-	-	-	-	-	-	-	99.0 %	99.0 %
OR Service Centre - Assurance WLA	%	£15m	-	-	-	-	0.5 %	-	-	-	-	-	-
OR Service Centre - Provision Ethernet	%	£6m	-	-	-	-	-	-	-	-	-	-	-
OR Systems & Development - Ethernet	£/le	24.52	3.65	3.65	-	-	-	-	-	-	-	-	-
Routing & Records	£/line	2.86	-	-	-	-	-	-	-	-	-	-	-
SLG Ethernet Assurance External	%	£0m	-	-	-	-	-	-	-	-	-	-	-
SLG Ethernet Assurance Internal	%	£0m	-	-	-	-	-	-	-	-	-	-	-
SLG Ethernet Provision External	%	£4m	-	-	-	-	-	-	-	-	-	-	-
SLG Ethernet Provision Internal	%	£5m	-	-	-	-	-	-	-	-	-	-	-
Wholesale Extension Services Fibre	£/le	2,486.75	-	-	-	-	-	-	-	-	-	-	-
PIMR Costs	%	£710m	75.64	75.64	-	-	-	-	-	-	-	-	-
Revenue Receivables	%	£43m	1.43	1.39	0.5 %	0.5 %	0.7 %	0.5 %	0.5 %	82.4 %	82.4 %	0.4 %	0.4 %
Rounding			-	-	0.1 %	0.1 %	0.1 %	0.1 %	0.1 %	-	-	0.1 %	0.1 %
Fully Allocated Cost (£ or %)			135.80	135.75	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
	Volume (units)		24,707	15,038	(ux)	(ux)	(ux)	(ux)	(ux)	(ux)	(ux)	(ux)	(ux)
	Fully Allocated Cost (£m)		3.4	2.0	6.4	5.1	4.6	1.2	0.3	0.0	0.0	3.3	1.0

Section 8 – Review of Business Connectivity Markets

CI Access services - BT Only Summary

Restated for the year ended 31 March 2020 (b)

Detailed service analysis	Internal Revenue £m	External Revenue £m	Total Revenue £m	Internal Volume	External Volume	Measure	Average Internal Price £	Average External Price £	Internal FAC £m	External FAC £m	Total FAC £m
Service											
Ethernet 1 G bit and below											
Connections	24.6	29.1	53.7	13,090	15,512	ccts	1,879.42	1,878.57	19.1	21.0	40.1
EAD Rentals	42.3	39.8	82.1	23,538	22,037	ccts	1,796.09	1,804.68	57.4	53.7	111.1
EAD LA Rentals	75.8	58.8	134.6	53,017	41,677	ccts	1,430.13	1,411.84	104.7	82.1	186.8
Other Rentals	2.4	3.4	5.8	(ux)	(ux)	(ux)	(sx)	(sx)	3.9	5.1	9.0
EAD Mainlink	26.8	29.0	55.8	148,782	160,926	km	180.31	180.35	19.2	20.7	39.9
Cable link (inc Intra exchange)	0.1	0.1	0.2	563	1,603	ccts	100.74	91.81	0.1	0.2	0.3
Other	-	-	-	-	-	fibre km	-	-	-	-	-
	172.0	160.2	332.2						204.4	182.8	387.2
Ethernet above 1 G bit											
EAD Rentals	0.8	2.2	3.0	171	447	ccts	4,822.51	4,845.62	0.7	1.7	2.4
EAD LA Rentals	0.2	0.3	0.5	45	69	ccts	4,039.78	4,018.33	0.2	0.2	0.4
Other Rentals	16.2	8.7	24.9	(ux)	(ux)	(ux)	(sx)	(sx)	10.7	5.7	16.4
EAD Mainlink	0.2	0.5	0.7	988	3,020	km	180.46	180.45	0.1	0.4	0.5
Connections	6.7	5.0	11.7	2,159	1,250	ccts	3,086.98	3,978.95	2.3	1.7	4.0
Other	5.3	2.9	8.2	20,182	12,127	fibre km	260.79	241.19	2.6	1.6	4.2
	29.4	19.6	49.0						16.6	11.3	27.9
ECC Basket	5.8	3.5	9.3	(ux)	(ux)	(ux)	(sx)	(sx)	7.2	4.4	11.6
Accommodation basket	-	3.4	3.4	(ux)	(ux)	(ux)	(sx)	(sx)	-	2.9	2.9
TRC Basket	1.1	0.2	1.3	(ux)	(ux)	(ux)	(sx)	(sx)	1.4	0.2	1.6
Exempt Ancillary Services	1.6	2.5	4.1	(ux)	(ux)	(ux)	(sx)	(sx)	0.0	0.0	0.0
Other - Project services	2.5	0.7	3.2	(ux)	(ux)	(ux)	(sx)	(sx)	2.3	0.6	2.9
Access IFRS 15	(8.2)	(11.7)	(19.9)	(ux)	(ux)	(ux)	(sx)	(sx)	(0.6)	(1.9)	(2.5)
Access SLG	(9.2)	(7.1)	(16.3)	(ux)	(ux)	(ux)	(sx)	(sx)	(9.5)	(7.4)	(16.9)
Rounding	-	0.2	0.2						-	0.2	0.2
Total Ethernet Basket	195.0	171.5	366.5						221.8	193.1	414.9
Adjustment for internal	(21.0)	(20.1)	(41.1)						(21.0)	(20.1)	(41.1)
Total Ethernet Basket (excluding internal)	174.0	151.4	325.4						200.8	173.0	373.8

Section 8 – Review of Business Connectivity Markets

CI Access services - BT Only calculation of FAC based on component costs and usage factors

Restated for the year ended 31 March 2020 (b)

Fully Allocated Cost (£ or %)	Average cost per unit Appendix 1.2	Connections - Ethernet 1 G bit and below		EAD Rentals - Ethernet 1 G bit and below		EAD LA Rentals - Ethernet 1 G bit and below		Other Rentals - Ethernet 1 G bit and below		EAD Mainlink - Ethernet 1 G bit and below		Cable link (inc Intra exchange) - Ethernet 1 G bit and below		
		Internal	External	Internal	External	Internal	External	Internal	External	Internal	External	Internal	External	
		£	£	£	£	£	£	%	%	£	£	£	£	
Components	Unit (a)													
Backhaul Extension Services Fibre	£/le	1,430.50	-	-	-	-	-	3.6%	2.6%	-	-	-	-	
Cumulo Rates Non NGA – Openreach	%	£157m	0.37	0.37	113.53	113.49	85.33	85.35	5.9%	5.9%	12.41	12.03	6.08	6.42
EAD Electronics Capital	£/circuit	434.89	-	-	451.34	451.22	444.20	440.80	-	-	-	-	-	-
Ethernet Access Direct Fibre	£/circuit	1,082.81	-	-	1,542.40	1,541.85	1,153.81	1,153.94	-	-	-	-	105.39	111.41
Ethernet Electronics Current	£/le	90.45	-	-	90.45	90.45	90.45	90.45	3.3%	3.3%	-	-	-	-
Ethernet Excess Construction Capex	%	£66m	811.00	811.00	-	-	-	-	-	-	-	-	-	-
Ethernet main links	£/fibre km	41.77	-	-	-	-	-	-	-	-	41.77	41.77	-	-
Ethernet Monitoring Platform	£/circuit	301.55	-	-	54.37	54.37	54.37	54.37	-	-	-	-	-	-
Ofcom Administration Fee Openreach	%	£3m	1.11	1.11	1.06	1.07	0.85	0.84	0.0%	0.0%	0.11	0.11	0.06	0.05
Openreach sales product management	%	£14m	10.31	10.30	9.85	9.90	7.84	7.74	0.3%	0.4%	0.99	0.99	0.53	0.48
Optical Ethernet Electronics Capital	£/circuit	1,440.57	-	-	-	-	-	-	-	-	-	-	-	-
Co-mingling power & Vent	%	£68m	-	-	-	-	-	-	-	-	-	-	-	-
Co-mingling set up	£/room	1,491.87	-	-	-	-	-	-	-	-	-	-	-	-
Co-mingling rentals	£/hostel	29.82	-	-	-	-	-	-	-	-	-	-	-	-
OR Service centre - Provision WLA	%	£17m	-	-	-	-	-	-	-	-	-	-	-	-
OR Project Services	%	£8m	-	-	-	-	-	-	-	-	-	-	-	-
OR Service Centre - Assurance WLA	%	£16m	-	-	-	-	-	-	-	-	-	-	-	-
OR Service Centre - Provision Ethernet	%	£6m	88.61	88.61	-	-	-	-	-	-	-	-	9.91	5.42
OR Systems & Development - Ethernet	£/le	24.07	24.07	24.07	24.07	24.07	24.07	24.07	0.8%	0.8%	3.62	3.62	24.07	24.07
Routeing & Records	£/line	3.03	3.03	3.03	-	-	-	-	-	-	-	-	0.34	0.19
SLG Ethernet Assurance External	%	£0m	-	-	-	0.50	-	0.39	-	0.0%	-	-	-	-
SLG Ethernet Assurance Internal	%	£0m	-	-	0.48	-	0.38	-	0.0%	-	-	-	-	-
SLG Ethernet Provision External	%	£15m	-	404.84	-	-	-	-	-	-	-	-	-	-
SLG Ethernet Provision Internal	%	£20m	512.98	-	-	-	-	-	-	-	-	-	-	-
Wholesale Extension Services Fibre	£/le	1,792.70	-	-	-	-	-	-	79.8%	79.8%	-	-	-	-
PIMR Costs	%	£605m	-	-	139.35	139.30	104.25	104.26	6.8%	6.8%	69.26	69.26	-	-
Revenue Receivables	%	£43m	10.01	10.01	10.98	11.04	8.75	8.63	0.4%	0.4%	1.10	1.10	0.54	0.49
Rounding			0.01	-	0.02	-	-	-	-	-	(0.01)	-	-	-
Fully Allocated Cost (£ or %)			1,461.50	1,353.34	2,437.90	2,437.26	1,974.30	1,970.84	100.0%	100.0%	129.25	128.88	146.92	148.53
	Volume (units)		13,090	15,512	23,538	22,037	53,017	41,677	(ux)	(ux)	148,782	160,926	563	1,603
	Fully Allocated Cost (£m)		19.1	21.0	57.4	53.7	104.7	82.1	3.9	5.1	19.2	20.7	0.1	0.2

Section 8 – Review of Business Connectivity Markets

CI Access services - BT Only calculation of FAC based on component costs and usage factors (continued)

Restated for the year ended 31 March 2020 (b)

Components	Unit (a)	Average cost per unit Appendix 1.2	EAD Rentals - Ethernet 1 G bit and below		EAD LA Rentals - Ethernet above 1 G bit		Other Rentals - Ethernet above 1 G bit		EAD Mainlink - Ethernet above 1 G bit		Connections - Ethernet above 1 G bit	
			Internal	External	Internal	External	Internal	External	Internal	External	Internal	External
			£	£	£	£	%	%	£	£	£	£
Fully Allocated Cost (£ or %)												
Backhaul Extension Services Fibre	£/le	1,430.50	-	-	-	-	0.0 %	0.4 %	-	-	-	-
Cumulo Rates Non NGA – Openreach	%	£157m	103.33	103.33	85.37	85.37	1.4 %	1.4 %	12.03	12.03	0.12	0.22
EAD Electronics Capital	£/circuit	434.89	1,609.16	1,609.16	1,609.16	1,609.16	-	-	-	-	-	-
Ethernet Access Direct Fibre	£/circuit	1,082.81	1,393.87	1,393.87	1,148.52	1,148.52	17.5 %	17.4 %	-	-	-	-
Ethernet Electronics Current	£/le	90.45	90.45	90.45	90.45	90.45	1.0 %	1.3 %	-	-	-	-
Ethernet Excess Construction Capex	%	£66m	-	-	-	-	-	-	-	-	87.75	345.57
Ethernet main links	£/fibre km	41.77	-	-	-	-	-	-	41.77	41.77	-	-
Ethernet Monitoring Platform	£/circuit	301.55	422.06	422.06	422.06	422.06	6.0 %	6.0 %	-	-	-	-
Ofcom Administration Fee Openreach	%	£3m	2.86	2.87	2.39	2.38	0.1 %	0.1 %	0.11	0.11	1.83	2.36
Openreach sales product management	%	£14m	26.45	26.58	22.16	22.04	0.8 %	0.8 %	0.99	0.99	16.24	21.29
Optical Ethernet Electronics Capital	£/circuit	1,440.57	-	-	-	-	68.0 %	68.1 %	-	-	-	-
Co-mingling power & Vent	%	£68m	-	-	-	-	-	-	-	-	-	-
Co-mingling set up	£/room	1,491.87	-	-	-	-	-	-	-	-	-	-
Co-mingling rentals	£/hostel	29.82	-	-	-	-	-	-	-	-	-	-
OR Service centre - Provision WLA	%	£17m	-	-	-	-	-	-	-	-	-	-
OR Project Services	%	£8m	-	-	-	-	-	-	-	-	-	-
OR Service Centre - Assurance WLA	%	£16m	-	-	-	-	-	-	-	-	-	-
OR Service Centre - Provision Ethernet	%	£6m	-	-	-	-	-	-	-	-	88.61	88.61
OR Systems & Development - Ethernet	£/le	24.07	24.07	24.07	24.07	24.07	1.2 %	1.2 %	3.62	3.62	24.07	24.07
Routeing & Records	£/line	3.03	-	-	-	-	-	-	-	-	3.03	3.03
SLG Ethernet Assurance External	%	£0m	-	1.34	-	1.11	-	0.0 %	-	-	-	-
SLG Ethernet Assurance Internal	%	£0m	1.29	-	1.08	-	0.0 %	-	-	-	-	-
SLG Ethernet Provision External	%	£15m	-	-	-	-	-	-	-	-	-	857.49
SLG Ethernet Provision Internal	%	£20m	-	-	-	-	-	-	-	-	842.58	-
Wholesale Extension Services Fibre	£/le	1,792.70	-	-	-	-	1.3 %	0.7 %	-	-	-	-
PIMR Costs	%	£605m	125.93	125.93	103.77	103.77	1.7 %	1.7 %	69.26	69.26	-	-
Revenue Receivables	%	£43m	29.49	29.63	24.70	24.57	0.9 %	0.9 %	1.10	1.10	16.44	21.19
Rounding			0.01	0.01	0.02	0.02	0.1 %	-	-	-	0.01	(0.01)
Fully Allocated Cost (£ or %)			3,828.97	3,829.30	3,533.75	3,533.52	100.0 %	100.0 %	128.88	128.88	1,080.68	1,363.82
	Volume (units)		171	447	45	69	(ux)	(ux)	988	3,020	2,159	1,250
	Fully Allocated Cost (£m)		0.7	1.7	0.2	0.2	10.7	5.7	0.1	0.4	2.3	1.7

Section 8 – Review of Business Connectivity Markets

CI Access services - BT Only calculation of FAC based on component costs and usage factors (continued)

Restated for the year ended 31 March 2020 (b)

Components	Unit (a)	Average cost per unit Appendix 1.2	Other - Ethernet above 1 G bit		ECC Basket		Accommodation basket	TRC Basket		Exempt Ancillary Services		Other - Project services	
			Internal	External	Internal	External	External	Internal	External	Internal	External	Internal	External
			£	£	%	%	%	%	%	%	%	%	%
Fully Allocated Cost (£ or %)													
Backhaul Extension Services Fibre	£/le	1,430.50	-	-	-	-	-	-	-	-	-	-	-
Cumulo Rates Non NGA – Openreach	%	£157m	12.31	12.03	0.0 %	0.0 %	3.5 %	0.0 %	0.0 %	0.0 %	0.0 %	0.1 %	0.1 %
EAD Electronics Capital	£/circuit	434.89	-	-	-	-	-	-	-	-	-	-	-
Ethernet Access Direct Fibre	£/circuit	1,082.81	-	-	-	-	-	-	-	-	-	-	-
Ethernet Electronics Current	£/le	90.45	-	-	-	-	-	-	-	-	-	-	-
Ethernet Excess Construction Capex	%	£66m	-	-	99.2 %	99.2 %	-	99.2 %	99.2 %	-	-	-	-
Ethernet main links	£/fibre km	41.77	41.77	41.77	-	-	-	-	-	-	-	-	-
Ethernet Monitoring Platform	£/circuit	301.55	-	-	-	-	-	-	-	-	-	-	-
Ofcom Administration Fee Openreach	%	£3m	0.15	0.14	0.0 %	0.0 %	0.1 %	0.0 %	0.0 %	9.4 %	9.4 %	0.1 %	0.1 %
Openreach sales product management	%	£14m	1.36	1.26	0.3 %	0.3 %	0.6 %	0.3 %	0.3 %	6.0 %	6.0 %	0.4 %	0.4 %
Optical Ethernet Electronics Capital	£/circuit	1,440.57	-	-	-	-	-	-	-	-	-	-	-
Co-mingling power & Vent	%	£68m	-	-	-	-	62.0 %	-	-	-	-	-	-
Co-mingling set up	£/room	1,491.87	-	-	-	-	16.4 %	-	-	-	-	-	-
Co-mingling rentals	£/hostel	29.82	-	-	-	-	16.0 %	-	-	-	-	-	-
OR Service centre - Provision WLA	%	£17m	-	-	-	-	0.0 %	-	-	-	-	-	-
OR Project Services	%	£8m	-	-	-	-	-	-	-	-	-	98.9 %	98.9 %
OR Service Centre - Assurance WLA	%	£16m	-	-	-	-	0.8 %	-	-	-	-	-	-
OR Service Centre - Provision Ethernet	%	£6m	-	-	-	-	-	-	-	-	-	-	-
OR Systems & Development - Ethernet	£/le	24.07	3.62	3.62	-	-	-	-	-	-	-	-	-
Routeing & Records	£/line	3.03	-	-	-	-	-	-	-	-	-	-	-
SLG Ethernet Assurance External	%	£0m	-	-	-	-	-	-	-	-	-	-	-
SLG Ethernet Assurance Internal	%	£0m	-	-	-	-	-	-	-	-	-	-	-
SLG Ethernet Provision External	%	£15m	-	-	-	-	-	-	-	-	-	-	-
SLG Ethernet Provision Internal	%	£20m	-	-	-	-	-	-	-	-	-	-	-
Wholesale Extension Services Fibre	£/le	1,792.70	-	-	-	-	-	-	-	-	-	-	-
PIMR Costs	%	£605m	69.26	69.26	-	-	-	-	-	-	-	-	-
Revenue Receivables	%	£43m	1.59	1.47	0.4 %	0.4 %	0.7 %	0.4 %	0.4 %	84.6 %	84.6 %	0.6 %	0.6 %
Rounding			-	-	0.1 %	0.1 %	(0.1)%	0.1 %	0.1 %	-	-	(0.1)%	(0.1)%
Fully Allocated Cost (£ or %)			130.06	129.55	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
	Volume (units)		20,182	12,127	(ux)	(ux)	(ux)	(ux)	(ux)	(ux)	(ux)	(ux)	(ux)
	Fully Allocated Cost (£m)		2.6	1.6	7.2	4.4	2.9	1.4	0.2	0.0	0.0	2.3	0.6

Section 8 – Review of Business Connectivity Markets

CI Access services - BT+1 Summary

For the year ended 31 March 2021

Detailed service analysis	Internal Revenue £m	External Revenue £m	Total Revenue £m	Internal Volume	External Volume	Measure	Average Internal Price £	Average External Price £	Internal FAC £m	External FAC £m	Total FAC £m
Service											
Ethernet 1 G bit and below											
Connections	10.0	13.0	23.0	5,443	7,054	ccts	1,839.55	1,839.80	4.8	5.9	10.7
EAD Rentals	11.8	17.2	29.0	6,518	9,408	ccts	1,808.79	1,833.11	12.2	17.7	29.9
EAD LA Rentals	55.2	37.2	92.4	38,166	25,853	ccts	1,446.09	1,438.27	59.5	40.2	99.7
Other Rentals	0.8	0.8	1.6	(ux)	(ux)	(ux)	(sx)	(sx)	1.1	1.1	2.2
EAD Mainlink	4.7	7.9	12.6	25,902	43,723	km	180.98	180.19	1.8	3.0	4.8
Cable link (inc Intra exchange)	0.1	1.0	1.1	1,187	4,315	ccts	125.58	237.63	0.2	0.7	0.9
Other	-	-	-	-	-	fibre km	-	-	-	-	-
	82.6	77.1	159.7						79.6	68.6	148.2
Ethernet above 1 G bit											
EAD Rentals	1.2	3.7	4.9	258	806	ccts	4,686.99	4,652.86	0.9	2.8	3.7
EAD LA Rentals	0.4	1.0	1.4	103	265	ccts	3,748.22	3,799.57	0.3	0.9	1.2
Other Rentals	12.8	4.3	17.1	(ux)	(ux)	(ux)	(sx)	(sx)	10.8	2.8	13.6
EAD Mainlink	0.2	0.9	1.1	1,176	4,941	km	180.00	181.16	0.1	0.3	0.4
Connections	7.1	5.5	12.6	2,967	1,391	ccts	2,383.63	3,932.42	1.1	0.9	2.0
Other	3.2	1.3	4.5	14,391	5,716	fibre km	224.30	226.60	1.0	0.4	1.4
	24.9	16.7	41.6						14.2	8.1	22.3
ECC Basket	3.6	2.5	6.1	(ux)	(ux)	(ux)	(sx)	(sx)	3.7	2.5	6.2
Accommodation basket	-	1.4	1.4	(ux)	(ux)	(ux)	(sx)	(sx)	-	1.2	1.2
TRC Basket	0.7	0.2	0.9	(ux)	(ux)	(ux)	(sx)	(sx)	0.7	0.2	0.9
Exempt Ancillary Services	0.9	1.5	2.4	(ux)	(ux)	(ux)	(sx)	(sx)	0.0	0.0	0.0
Other - Project services	1.5	0.4	1.9	(ux)	(ux)	(ux)	(sx)	(sx)	1.9	0.5	2.4
Access IFRS 15	(2.8)	(4.5)	(7.3)	(ux)	(ux)	(ux)	(sx)	(sx)	(1.8)	(1.2)	(3.0)
Access SLG	(1.7)	(1.2)	(2.9)	(ux)	(ux)	(ux)	(sx)	(sx)	(1.6)	(1.1)	(2.7)
Rounding	(0.2)	-	(0.2)						-	0.2	0.2
Total Ethernet Basket	109.5	94.1	203.6						96.7	79.0	175.7
Adjustment for internal	(5.4)	(5.2)	(10.6)						(5.4)	(5.2)	(10.6)
Total Ethernet Basket (excluding internal)	104.1	88.9	193.0						91.3	73.8	165.1

Section 8 – Review of Business Connectivity Markets

CI Access services - BT+1 calculation of FAC based on component costs and usage factors

For the year ended 31 March 2021

	Average cost per unit Appendix 1.1	Connections - Ethernet 1 G bit and below		EAD Rentals - Ethernet 1 G bit and below		EAD LA Rentals - Ethernet 1 G bit and below		Other Rentals - Ethernet 1 G bit and below		EAD Mainlink - Ethernet 1 G bit and below		Cable link (inc Intra exchange) - Ethernet 1 G bit and below		
		Internal £	External £	Internal £	External £	Internal £	External £	Internal %	External %	Internal £	External £	Internal £	External £	
Fully Allocated Cost (£ or %)														
Components	Unit (a)													
Backhaul Extension Services Fibre	£/le	2,250.66	-	-	-	-	-	5.3%	4.9%	-	-	-	-	
Cumulo Rates Non NGA – Openreach	%	£154m	0.26	0.25	79.21	79.15	60.74	60.74	5.5%	5.5%	5.68	5.68	6.57	6.73
EAD Electronics Capital	£/circuit	366.67	-	-	392.94	397.21	383.83	381.12	-	-	-	-	-	-
Ethernet Access Direct Fibre	£/circuit	1,122.45	-	-	1,116.61	1,115.81	851.86	851.89	-	-	-	-	115.58	118.50
Ethernet Electronics Current	£/le	111.52	-	-	111.52	111.52	111.52	111.52	4.1%	4.1%	-	-	-	-
Ethernet Excess Construction Capex	%	£49m	592.76	592.76	-	-	-	-	-	-	-	-	-	-
Ethernet main links	£/fibre km	43.21	-	-	-	-	-	-	-	21.40	21.40	-	-	
Ethernet Monitoring Platform	£/circuit	210.75	-	-	38.14	38.14	38.14	38.14	-	-	-	-	-	
Ofcom Administration Fee Openreach	%	£2m	0.75	0.75	0.74	0.75	0.59	0.58	0.0%	0.0%	0.07	0.07	0.05	0.10
Openreach sales product management	%	£20m	2.27	2.27	2.23	2.26	1.78	1.77	0.1%	0.1%	0.22	0.22	0.15	0.28
Optical Ethernet Electronics Capital	£/circuit	1,129.79	-	-	-	-	-	-	-	-	-	-	-	
Co-mingling power & Vent	%	£66m	-	-	-	-	-	-	-	-	-	-	-	
Co-mingling set up	£/room	797.58	-	-	-	-	-	-	-	-	-	-	-	
Co-mingling rentals	£/hostel	47.95	-	-	-	-	-	-	-	-	-	-	-	
OR Service centre - Provision WLA	%	£18m	-	-	-	-	-	-	-	-	-	-	-	
OR Project Services	%	£12m	-	-	-	-	-	-	-	-	-	-	-	
OR Service Centre - Assurance WLA	%	£15m	-	-	-	-	-	-	-	-	-	-	-	
OR Service Centre - Provision Ethernet	%	£6m	104.15	104.15	-	-	-	-	-	-	-	-	15.00	12.75
OR Systems & Development - Ethernet	£/le	24.52	24.52	24.52	24.52	24.52	24.52	24.52	0.8%	0.8%	3.65	3.65	24.52	24.52
Routeing & Records	£/line	2.86	2.86	2.86	-	-	-	-	-	-	-	-	0.41	0.35
SLG Ethernet Assurance External	%	£0m	-	-	-	0.25	-	0.20	-	0.0%	-	-	-	-
SLG Ethernet Assurance Internal	%	£0m	-	-	0.24	-	0.19	-	0.0%	-	-	-	-	-
SLG Ethernet Provision External	%	£4m	-	105.68	-	-	-	-	-	-	-	-	-	-
SLG Ethernet Provision Internal	%	£5m	145.74	-	-	-	-	-	-	-	-	-	-	
Wholesale Extension Services Fibre	£/le	2,486.75	-	-	-	-	-	-	77.1%	77.5%	-	-	-	-
PIMR Costs	%	£710m	-	-	100.09	100.02	76.36	76.36	6.6%	6.6%	37.45	37.45	-	-
Revenue Receivables	%	£43m	9.56	9.56	10.59	10.73	8.46	8.42	0.4%	0.4%	1.06	1.05	0.66	1.24
Rounding			(0.01)	(0.01)	(0.03)	(0.01)	(0.01)	(0.01)	0.1%	0.1%	0.01	0.01	(0.01)	-
Fully Allocated Cost (£ or %)			882.86	842.79	1,876.80	1,880.35	1,557.98	1,555.25	100.0%	100.0%	69.54	69.53	162.93	164.47
	Volume (units)		5,443	7,054	6,518	9,408	38,166	25,853	(ux)	(ux)	25,902	43,723	1,187	4,315
	Fully Allocated Cost (£m)		4.8	5.9	12.2	17.7	59.5	40.2	1.1	1.1	1.8	3.0	0.2	0.7

Section 8 – Review of Business Connectivity Markets

CI Access services - BT+1 calculation of FAC based on component costs and usage factors (continued)

For the year ended 31 March 2021

	Average cost per unit Appendix 1.1	EAD Rentals – Ethernet above 1 Gbit		EAD LA Rentals – Ethernet above 1 Gbit		Other Rentals – Ethernet above 1 Gbit		EAD Mainlink – Ethernet above 1 Gbit		Connections – Ethernet above 1 Gbit	
		Internal £	External £	Internal £	External £	Internal %	External %	Internal £	External £	Internal £	External £
Fully Allocated Cost (£ or %)											
Components	Unit (a)										
Backhaul Extension Services Fibre	£/le	2,250.66	-	-	-	-	0.4%	-	-	-	-
Cumulo Rates Non NGA – Openreach	%	£154m	76.48	76.48	61.02	61.02	1.2%	1.2%	5.68	5.68	0.06
EAD Electronics Capital	£/circuit	366.67	1,463.20	1,463.20	1,463.20	1,463.20	-	-	-	-	0.15
Ethernet Access Direct Fibre	£/circuit	1,122.45	1,072.57	1,072.57	850.95	850.95	16.5%	16.4%	-	-	-
Ethernet Electronics Current	£/le	111.52	111.52	111.52	111.52	111.52	1.7%	1.7%	-	-	-
Ethernet Excess Construction Capex	%	£49m	-	-	-	-	-	-	-	-	32.96
Ethernet main links	£/fibre km	43.21	-	-	-	-	-	-	21.40	21.40	-
Ethernet Monitoring Platform	£/circuit	210.75	646.42	646.42	646.42	646.42	8.8%	8.8%	-	-	-
Ofcom Administration Fee Openreach	%	£2m	1.91	1.89	1.52	1.55	0.0%	0.1%	0.07	0.07	0.97
Openreach sales product management	%	£20m	5.77	5.73	4.62	4.68	0.1%	0.2%	0.22	0.22	2.84
Optical Ethernet Electronics Capital	£/circuit	1,129.79	-	-	-	-	67.0%	67.2%	-	-	-
Co-mingling power & Vent	%	£66m	-	-	-	-	-	-	-	-	-
Co-mingling set up	£/room	797.58	-	-	-	-	-	-	-	-	-
Co-mingling rentals	£/hostel	47.95	-	-	-	-	-	-	-	-	-
OR Service centre - Provision WLA	%	£18m	-	-	-	-	-	-	-	-	-
OR Project Services	%	£12m	-	-	-	-	-	-	-	-	-
OR Service Centre - Assurance WLA	%	£15m	-	-	-	-	-	-	-	-	-
OR Service Centre - Provision Ethernet	%	£6m	-	-	-	-	-	-	-	-	104.15
OR Systems & Development - Ethernet	£/le	24.52	24.52	24.52	24.52	24.52	1.5%	1.5%	3.65	3.65	24.52
Routing & Records	£/line	2.86	-	-	-	-	-	-	-	-	2.86
SLG Ethernet Assurance External	%	£0m	-	0.64	-	0.53	-	0.0%	-	-	-
SLG Ethernet Assurance Internal	%	£0m	0.62	-	0.49	-	0.0%	-	-	-	-
SLG Ethernet Provision External	%	£4m	-	-	-	-	-	-	-	-	225.88
SLG Ethernet Provision Internal	%	£5m	-	-	-	-	-	-	-	-	188.85
Wholesale Extension Services Fibre	£/le	2,486.75	-	-	-	-	0.8%	0.2%	-	-	-
PIMR Costs	%	£710m	96.14	96.14	76.28	76.28	1.5%	1.5%	37.45	37.45	-
Revenue Receivables	%	£43m	27.43	27.23	21.93	22.24	0.7%	0.9%	1.05	1.06	12.38
Rounding			(0.03)	(0.02)	(0.01)	(0.03)	0.2%	(0.1)%	0.01	0.01	-
Fully Allocated Cost (£ or %)		3,526.55	3,526.32	3,262.46	3,262.88	100.0%	100.0%	69.53	69.54	369.59	659.54
	Volume (units)		258	806	103	265	(ux)	(ux)	1,176	4,941	2,967
	Fully Allocated Cost (£m)		0.9	2.8	0.3	0.9	10.8	2.8	0.1	0.3	1.1

Section 8 – Review of Business Connectivity Markets

CI Access services - BT+1 calculation of FAC based on component costs and usage factors (continued)

For the year ended 31 March 2021

	Average cost per unit Appendix 1.1	Other - Ethernet above 1 Gbit		ECC Basket		Accommodation basket	TRC Basket		Exempt Ancillary Services		Other - Project services	
		Internal £	External £	Internal %	External %	External %	Internal %	External %	Internal %	External %	Internal %	External %
Fully Allocated Cost (£ or %)												
Components	Unit (a)											
Backhaul Extension Services Fibre	£/le	2,250.66	-	-	-	-	-	-	-	-	-	-
Cumulo Rates Non NGA – Openreach	%	£154m	5.68	5.68	0.0 %	0.0 %	2.1 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
EAD Electronics Capital	£/circuit	366.67	-	-	-	-	-	-	-	-	-	-
Ethernet Access Direct Fibre	£/circuit	1,122.45	-	-	-	-	-	-	-	-	-	-
Ethernet Electronics Current	£/le	111.52	-	-	-	-	-	-	-	-	-	-
Ethernet Excess Construction Capex	%	£49m	-	-	98.8 %	98.8 %	-	98.8 %	98.8 %	-	-	-
Ethernet main links	£/fibre km	43.21	21.40	21.40	-	-	-	-	-	-	-	-
Ethernet Monitoring Platform	£/circuit	210.75	-	-	-	-	-	-	-	-	-	-
Ofcom Administration Fee Openreach	%	£2m	0.09	0.09	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	6.4 %	6.4 %	0.0 %
Openreach sales product management	%	£20m	0.27	0.27	0.6 %	0.6 %	1.1 %	0.6 %	0.6 %	11.2 %	11.2 %	0.5 %
Optical Ethernet Electronics Capital	£/circuit	1,129.79	-	-	-	-	-	-	-	-	-	-
Co-mingling power & Vent	%	£66m	-	-	-	-	56.5 %	-	-	-	-	-
Co-mingling set up	£/room	797.58	-	-	-	-	21.4 %	-	-	-	-	-
Co-mingling rentals	£/hostel	47.95	-	-	-	-	17.5 %	-	-	-	-	-
OR Service centre - Provision WLA	%	£18m	-	-	-	-	0.1 %	-	-	-	-	-
OR Project Services	%	£12m	-	-	-	-	-	-	-	-	-	99.0 %
OR Service Centre - Assurance WLA	%	£15m	-	-	-	-	0.5 %	-	-	-	-	-
OR Service Centre - Provision Ethernet	%	£6m	-	-	-	-	-	-	-	-	-	-
OR Systems & Development - Ethernet	£/le	24.52	3.65	3.65	-	-	-	-	-	-	-	-
Routing & Records	£/line	2.86	-	-	-	-	-	-	-	-	-	-
SLG Ethernet Assurance External	%	£0m	-	-	-	-	-	-	-	-	-	-
SLG Ethernet Assurance Internal	%	£0m	-	-	-	-	-	-	-	-	-	-
SLG Ethernet Provision External	%	£4m	-	-	-	-	-	-	-	-	-	-
SLG Ethernet Provision Internal	%	£5m	-	-	-	-	-	-	-	-	-	-
Wholesale Extension Services Fibre	£/le	2,486.75	-	-	-	-	-	-	-	-	-	-
PIMR Costs	%	£710m	37.45	37.45	-	-	-	-	-	-	-	-
Revenue Receivables	%	£43m	1.31	1.33	0.5 %	0.5 %	0.7 %	0.5 %	0.5 %	82.4 %	82.4 %	0.4 %
Rounding		-	-	-	0.1 %	0.1 %	0.1 %	0.1 %	0.1 %	-	-	0.1 %
Fully Allocated Cost (£ or %)		69.85	69.87	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
	Volume (units)	14,391	5,716	(ux)	(ux)	(ux)	(ux)	(ux)	(ux)	(ux)	(ux)	(ux)
	Fully Allocated Cost (£m)	1.0	0.4	3.7	2.5	1.2	0.7	0.2	0.0	0.0	1.9	0.5

Section 8 – Review of Business Connectivity Markets

CI Access services - BT+1 Summary

Restated for the year ended 31 March 2020 (b)

Detailed service analysis	Internal Revenue £m	External Revenue £m	Total Revenue £m	Internal Volume	External Volume	Measure	Average Internal Price £	Average External Price £	Internal FAC £m	External FAC £m	Total FAC £m
Service											
Ethernet 1 G bit and below											
Connections	13.8	15.5	29.3	7,334	8,277	ccts	1,876.78	1,876.71	10.7	11.2	21.9
EAD Rentals	12.3	15.1	27.4	6,802	8,315	ccts	1,804.49	1,817.77	13.3	16.2	29.5
EAD LA Rentals	51.7	32.6	84.3	35,889	22,897	ccts	1,440.91	1,423.56	58.2	37.0	95.2
Other Rentals	1.1	1.0	2.1	(ux)	(ux)	(ux)	(sx)	(sx)	1.3	1.1	2.4
EAD Mainlink	5.0	7.2	12.2	27,743	40,015	km	180.96	180.24	1.9	2.7	4.6
Cable link (inc Intra exchange)	0.1	0.3	0.4	940	3,772	ccts	103.24	89.13	0.1	0.6	0.7
Other	-	-	-	-	-	fibre km	-	-	-	-	-
	84.0	71.7	155.7						85.5	68.8	154.3
Ethernet above 1 G bit											
EAD Rentals	0.6	1.4	2.0	132	300	ccts	4,797.26	4,747.52	0.5	1.0	1.5
EAD LA Rentals	0.1	0.4	0.5	33	100	ccts	3,928.33	3,904.02	0.1	0.3	0.4
Other Rentals	10.1	3.8	13.9	(ux)	(ux)	(ux)	(sx)	(sx)	7.6	2.4	10.0
EAD Mainlink	0.1	0.3	0.4	692	1,562	km	180.00	180.26	0.0	0.1	0.1
Connections	6.9	3.3	10.2	2,527	844	ccts	2,716.51	3,939.54	2.4	1.3	3.7
Other	2.6	1.1	3.7	10,608	4,727	fibre km	248.74	230.58	0.7	0.3	1.0
	20.4	10.3	30.7						11.3	5.4	16.7
ECC Basket	3.2	1.7	4.9	(ux)	(ux)	(ux)	(sx)	(sx)	4.0	2.1	6.1
Accommodation basket	-	0.8	0.8	(ux)	(ux)	(ux)	(sx)	(sx)	-	0.7	0.7
TRC Basket	0.6	0.1	0.7	(ux)	(ux)	(ux)	(sx)	(sx)	0.8	0.1	0.9
Exempt Ancillary Services	1.1	1.4	2.5	(ux)	(ux)	(ux)	(sx)	(sx)	0.0	0.0	0.0
Other - Project services	1.4	0.3	1.7	(ux)	(ux)	(ux)	(sx)	(sx)	1.3	0.3	1.6
Access IFRS 15	(7.9)	(5.3)	(13.2)	(ux)	(ux)	(ux)	(sx)	(sx)	(0.4)	(1.0)	(1.4)
Access SLG	(5.9)	(3.8)	(9.7)	(ux)	(ux)	(ux)	(sx)	(sx)	(6.2)	(4.0)	(10.2)
Rounding	-	0.1	0.1						(0.1)	0.2	0.1
Total Ethernet Basket	96.9	77.3	174.2						96.2	72.6	168.8
Adjustment for internal	(5.0)	(4.3)	(9.3)						(5.0)	(4.3)	(9.3)
Total Ethernet Basket (excluding internal)	91.9	73.0	164.9						91.2	68.3	159.5

Section 8 – Review of Business Connectivity Markets

CI Access services - BT+1 calculation of FAC based on component costs and usage factors

Restated for the year ended 31 March 2020 (b)

	Average cost per unit Appendix 1.2	Connections - Ethernet 1 G bit and below		EAD Rentals - Ethernet 1 G bit and below		EAD LA Rentals - Ethernet 1 G bit and below		Other Rentals - Ethernet 1 G bit and below		EAD Mainlink - Ethernet 1 G bit and below		Cable link (incl Intra exchange) - Ethernet 1 G bit and below		
		Internal £	External £	Internal £	External £	Internal £	External £	Internal %	External %	Internal £	External £	Internal £	External £	
Fully Allocated Cost (£ or %)														
Components	Unit (a)													
Backhaul Extension Services Fibre	£/le	1,430.50	-	-	-	-	-	4.7 %	4.1 %	-	-	-	-	
Cumulo Rates Non NGA – Openreach	%	£157m	0.37	0.37	83.52	83.44	63.48	5.8 %	5.8 %	6.33	6.03	6.15	6.43	
EAD Electronics Capital	£/circuit	434.89	-	-	452.16	453.21	445.91	-	-	-	-	-	-	
Ethernet Access Direct Fibre	£/circuit	1,082.81	-	-	1,122.16	1,121.16	847.56	-	-	-	-	106.67	111.62	
Ethernet Electronics Current	£/le	90.45	-	-	90.45	90.45	90.45	4.4 %	4.4 %	-	-	-	-	
Ethernet Excess Construction Capex	%	£66m	811.00	811.00	-	-	-	-	-	-	-	-	-	
Ethernet main links	£/fibre km	41.77	-	-	-	-	-	-	-	20.96	20.96	-	-	
Ethernet Monitoring Platform	£/circuit	301.55	-	-	54.37	54.37	54.37	-	-	-	-	-	-	
Ofcom Administration Fee Openreach	%	£3m	1.11	1.11	1.07	1.08	0.85	0.1 %	0.1 %	0.11	0.11	0.06	0.05	
Openreach sales product management	%	£14m	10.29	10.29	9.90	9.97	7.90	0.5 %	0.5 %	0.99	0.99	0.54	0.46	
Optical Ethernet Electronics Capital	£/circuit	1,440.57	-	-	-	-	-	-	-	-	-	-	-	
Co-mingling power & Vent	%	£68m	-	-	-	-	-	-	-	-	-	-	-	
Co-mingling set up	£/room	1,491.87	-	-	-	-	-	-	-	-	-	-	-	
Co-mingling rentals	£/hostel	29.82	-	-	-	-	-	-	-	-	-	-	-	
OR Service centre - Provision WLA	%	£17m	-	-	-	-	-	-	-	-	-	-	-	
OR Project Services	%	£8m	-	-	-	-	-	-	-	-	-	-	-	
OR Service Centre - Assurance WLA	%	£16m	-	-	-	-	-	-	-	-	-	-	-	
OR Service Centre - Provision Ethernet	%	£6m	88.61	88.61	-	-	-	-	-	-	-	8.95	5.26	
OR Systems & Development - Ethernet	£/le	24.07	24.07	24.07	24.07	24.07	24.07	1.1 %	1.1 %	3.62	3.62	24.07	24.07	
Routeing & Records	£/line	3.03	3.03	3.03	-	-	-	-	-	-	-	0.31	0.18	
SLG Ethernet Assurance External	%	£0m	-	-	-	0.50	0.39	-	0.0 %	-	-	-	-	
SLG Ethernet Assurance Internal	%	£0m	-	-	0.48	-	0.39	0.0 %	-	-	-	-	-	
SLG Ethernet Provision External	%	£15m	-	404.44	-	-	-	-	-	-	-	-	-	
SLG Ethernet Provision Internal	%	£20m	512.26	-	-	-	-	-	-	-	-	-	-	
Wholesale Extension Services Fibre	£/le	1,792.70	-	-	-	-	-	76.3 %	76.9 %	-	-	-	-	
PIMR Costs	%	£605m	-	-	101.39	101.29	76.58	6.7 %	6.7 %	34.75	34.75	-	-	
Revenue Receivables	%	£43m	10.00	10.00	11.03	11.12	8.81	0.5 %	0.5 %	1.11	1.10	0.55	0.48	
Rounding			0.01	-	-	0.01	0.01	(0.1)%	(0.1)%	-	-	0.01	0.01	
Fully Allocated Cost (£ or %)			1,460.75	1,352.92	1,950.60	1,950.67	1,620.38	1,616.95	100.0 %	100.0 %	67.87	67.56	147.31	148.56
	Volume (units)		7,334	8,277	6,802	8,315	35,889	22,897	(ux)	(ux)	27,743	40,015	940	3,772
	Fully Allocated Cost (£m)		10.7	11.2	13.3	16.2	58.2	37.0	1.3	1.1	1.9	2.7	0.1	0.6

Section 8 – Review of Business Connectivity Markets

CI Access services - BT+1 calculation of FAC based on component costs and usage factors (continued)

Restated for the year ended 31 March 2020 (b)

	Average cost per unit Appendix 1.2	EAD Rentals - Ethernet above 1 G bit		EAD LA Rentals - Ethernet above 1 G bit		Other Rentals - Ethernet above 1 G bit		EAD Mainlink - Ethernet above 1 G bit		Connections - Ethernet above 1 G bit	
		Internal £	External £	Internal £	External £	Internal %	External %	Internal £	External £	Internal £	External £
Fully Allocated Cost (£ or %)											
Components	Unit (a)										
Backhaul Extension Services Fibre	£/le	1,430.50	-	-	-	-	0.3%	-	-	-	-
Cumulo Rates Non NGA – Openreach	%	£157m	77.97	77.97	63.79	63.79	1.1%	1.1%	6.03	6.03	0.10
EAD Electronics Capital	£/circuit	434.89	1,609.16	1,609.16	1,609.16	1,609.16	-	-	-	-	0.28
Ethernet Access Direct Fibre	£/circuit	1,082.81	1,042.08	1,042.08	846.71	846.71	14.1%	13.9%	-	-	-
Ethernet Electronics Current	£/le	90.45	90.45	90.45	90.45	90.45	1.1%	1.3%	-	-	-
Ethernet Excess Construction Capex	%	£66m	-	-	-	-	-	-	-	-	57.64
Ethernet main links	£/fibre km	41.77	-	-	-	-	-	-	20.96	20.96	-
Ethernet Monitoring Platform	£/circuit	301.55	422.06	422.06	422.06	422.06	6.4%	6.3%	-	-	-
Ofcom Administration Fee Openreach	%	£3m	2.84	2.81	2.33	2.31	0.1%	0.1%	0.11	0.11	1.61
Openreach sales product management	%	£14m	26.31	26.04	21.55	21.41	0.7%	0.8%	0.99	0.99	14.25
Optical Ethernet Electronics Capital	£/circuit	1,440.57	-	-	-	-	72.1%	72.4%	-	-	-
Co-mingling power & Vent	%	£68m	-	-	-	-	-	-	-	-	-
Co-mingling set up	£/room	1,491.87	-	-	-	-	-	-	-	-	-
Co-mingling rentals	£/hostel	29.82	-	-	-	-	-	-	-	-	-
OR Service centre - Provision WLA	%	£17m	-	-	-	-	-	-	-	-	-
OR Project Services	%	£8m	-	-	-	-	-	-	-	-	-
OR Service Centre - Assurance WLA	%	£16m	-	-	-	-	-	-	-	-	-
OR Service Centre - Provision Ethernet	%	£6m	-	-	-	-	-	-	-	-	88.61
OR Systems & Development - Ethernet	£/le	24.07	24.07	24.07	24.07	24.07	1.2%	1.2%	3.62	3.62	24.07
Routing & Records	£/line	3.03	-	-	-	-	-	-	-	-	3.03
SLG Ethernet Assurance External	%	£0m	-	1.31	-	1.08	-	0.0%	-	-	-
SLG Ethernet Assurance Internal	%	£0m	1.29	-	1.05	-	0.0%	-	-	-	-
SLG Ethernet Provision External	%	£15m	-	-	-	-	-	-	-	-	848.99
SLG Ethernet Provision Internal	%	£20m	-	-	-	-	-	-	-	-	741.47
Wholesale Extension Services Fibre	£/le	1,792.70	-	-	-	-	1.0%	0.2%	-	-	-
PIMR Costs	%	£605m	94.15	94.15	76.50	76.50	1.3%	1.3%	34.75	34.75	-
Revenue Receivables	%	£43m	29.34	29.03	24.02	23.87	0.8%	1.0%	1.10	1.10	14.47
Rounding			0.01	0.02	0.01	0.02	0.1%	0.1%	-	-	-
Fully Allocated Cost (£ or %)			3,419.73	3,419.15	3,181.70	3,181.43	100.0%	100.0%	67.56	67.56	945.25
	Volume (units)		132	300	33	100	(ux)	(ux)	692	1,562	2,527
	Fully Allocated Cost (£m)		0.5	1.0	0.1	0.3	7.6	2.4	0.0	0.1	2.4

Section 8 – Review of Business Connectivity Markets

CI Access services - BT+1 calculation of FAC based on component costs and usage factors (continued)

Restated for the year ended 31 March 2020 (b)

	Average cost per unit Appendix 1.2	Other - Ethernet above 1 G bit		ECC Basket		Accommodation basket	TRC Basket		Exempt Ancillary Services		Other - Project services		
		Internal £	External £	Internal %	External %	External %	Internal %	External %	Internal %	External %	Internal %	External %	
Fully Allocated Cost (£ or %)													
Components	Unit (a)												
Backhaul Extension Services Fibre	£/le	1,430.50	-	-	-	-	-	-	-	-	-	-	-
Cumulo Rates Non NGA – Openreach	%	£157m	6.15	6.03	0.0 %	0.0 %	3.5 %	0.0 %	0.0 %	0.0 %	0.0 %	0.1 %	0.1 %
EAD Electronics Capital	£/circuit	434.89	-	-	-	-	-	-	-	-	-	-	-
Ethernet Access Direct Fibre	£/circuit	1,082.81	-	-	-	-	-	-	-	-	-	-	-
Ethernet Electronics Current	£/le	90.45	-	-	-	-	-	-	-	-	-	-	-
Ethernet Excess Construction Capex	%	£66m	-	-	99.2 %	99.2 %	-	99.2 %	99.2 %	-	-	-	-
Ethernet main links	£/fibre km	41.77	20.96	20.96	-	-	-	-	-	-	-	-	-
Ethernet Monitoring Platform	£/circuit	301.55	-	-	-	-	-	-	-	-	-	-	-
Ofcom Administration Fee Openreach	%	£3m	0.15	0.14	0.0 %	0.0 %	0.1 %	0.0 %	0.0 %	9.4 %	9.4 %	0.1 %	0.1 %
Openreach sales product management	%	£14m	1.30	1.20	0.3 %	0.3 %	0.6 %	0.3 %	0.3 %	6.0 %	6.0 %	0.4 %	0.4 %
Optical Ethernet Electronics Capital	£/circuit	1,440.57	-	-	-	-	-	-	-	-	-	-	-
Co-mingling power & Vent	%	£68m	-	-	-	-	62.0 %	-	-	-	-	-	-
Co-mingling set up	£/room	1,491.87	-	-	-	-	16.4 %	-	-	-	-	-	-
Co-mingling rentals	£/hostel	29.82	-	-	-	-	16.0 %	-	-	-	-	-	-
OR Service centre - Provision WLA	%	£17m	-	-	-	-	0.0 %	-	-	-	-	-	-
OR Project Services	%	£8m	-	-	-	-	-	-	-	-	-	98.9 %	98.9 %
OR Service Centre - Assurance WLA	%	£16m	-	-	-	-	0.8 %	-	-	-	-	-	-
OR Service Centre - Provision Ethernet	%	£6m	-	-	-	-	-	-	-	-	-	-	-
OR Systems & Development - Ethernet	£/le	24.07	3.62	3.62	-	-	-	-	-	-	-	-	-
Routing & Records	£/line	3.03	-	-	-	-	-	-	-	-	-	-	-
SLG Ethernet Assurance External	%	£0m	-	-	-	-	-	-	-	-	-	-	-
SLG Ethernet Assurance Internal	%	£0m	-	-	-	-	-	-	-	-	-	-	-
SLG Ethernet Provision External	%	£15m	-	-	-	-	-	-	-	-	-	-	-
SLG Ethernet Provision Internal	%	£20m	-	-	-	-	-	-	-	-	-	-	-
Wholesale Extension Services Fibre	£/le	1,792.70	-	-	-	-	-	-	-	-	-	-	-
PIMR Costs	%	£605m	34.75	34.75	-	-	-	-	-	-	-	-	-
Revenue Receivables	%	£43m	1.52	1.41	0.4 %	0.4 %	0.7 %	0.4 %	0.4 %	84.6 %	84.6 %	0.6 %	0.6 %
Rounding		-	-	-	0.1 %	0.1 %	(0.1) %	0.1 %	0.1 %	-	-	(0.1) %	(0.1) %
Fully Allocated Cost (£ or %)			68.45	68.11	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
	Volume (units)		10,608	4,727	(ux)	(ux)	(ux)	(ux)	(ux)	(ux)	(ux)	(ux)	(ux)
	Fully Allocated Cost (£m)		0.7	0.3	4.0	2.1	0.7	0.8	0.1	0.0	0.0	1.3	0.3

Section 8 – Review of Business Connectivity Markets

High Network Reach Areas Outside CLA Summary

For the year ended 31 March 2021

Detailed service analysis	Internal Revenue £m	External Revenue £m	Total Revenue £m	Internal Volume	External Volume	Measure	Average Internal Price £	Average External Price £	Internal FAC £m	External FAC £m	Total FAC £m
Service											
Ethernet 1 G bit and below											
Connections	1.3	1.7	3.0	709	949	ccts	1,839.60	1,839.87	0.6	0.8	1.4
EAD Rentals	1.6	2.1	3.7	882	1,155	ccts	1,811.21	1,825.29	1.3	1.7	3.0
EAD LA Rentals	8.0	6.8	14.8	5,507	4,675	ccts	1,451.82	1,462.13	6.8	5.8	12.6
Other Rentals	0.2	0.0	0.2	(ux)	(ux)	(ux)	(sx)	(sx)	0.2	0.0	0.2
EAD Mainlink	0.4	0.5	0.9	2,114	2,537	km	180.23	180.67	0.1	0.2	0.3
Cable link (inc Intra exchange)	-	-	-	-	-	ccts	-	-	-	-	-
Other	-	-	-	-	-	fibre km	-	-	-	-	-
	11.5	11.1	22.6						9.0	8.5	17.5
Ethernet above 1 G bit											
EAD Rentals	0.2	0.2	0.4	32	36	ccts	4,737.26	4,855.40	0.1	0.1	0.2
EAD LA Rentals	0.1	0.2	0.3	38	47	ccts	3,787.23	3,932.83	0.1	0.1	0.2
Other Rentals	1.1	0.2	1.3	(ux)	(ux)	(ux)	(sx)	(sx)	0.9	0.2	1.1
EAD Mainlink	0.0	0.0	0.0	140	129	km	180.00	180.00	0.0	0.0	0.0
Connections	0.7	0.7	1.4	245	196	ccts	2,915.51	3,378.65	0.1	0.1	0.2
Other	0.2	0.1	0.3	923	437	fibre km	221.25	225.31	0.1	0.0	0.1
	2.3	1.4	3.7						1.3	0.5	1.8
ECC Basket	0.5	0.4	0.9	(ux)	(ux)	(ux)	(sx)	(sx)	0.5	0.4	0.9
Accommodation basket	-	0.1	0.1	(ux)	(ux)	(ux)	(sx)	(sx)	-	0.1	0.1
TRC Basket	0.1	0.0	0.1	(ux)	(ux)	(ux)	(sx)	(sx)	0.1	0.0	0.1
Exempt Ancillary Services	0.1	0.2	0.3	(ux)	(ux)	(ux)	(sx)	(sx)	0.0	0.0	0.0
Other - Project services	0.2	0.1	0.3	(ux)	(ux)	(ux)	(sx)	(sx)	0.3	0.1	0.4
Access IFRS 15	(0.2)	(0.5)	(0.7)	(ux)	(ux)	(ux)	(sx)	(sx)	(0.2)	(0.1)	(0.3)
Access SLG	(0.2)	(0.2)	(0.4)	(ux)	(ux)	(ux)	(sx)	(sx)	(0.2)	(0.1)	(0.3)
Rounding	(0.1)	(0.1)	(0.2)						-	(0.1)	(0.1)
Total Ethernet Basket	14.2	12.5	26.7						10.8	9.3	20.1
Adjustment for internal	(0.5)	(0.4)	(0.9)						(0.5)	(0.4)	(0.9)
Total Ethernet Basket (excluding internal)	13.7	12.1	25.8						10.3	8.9	19.2

Section 8 – Review of Business Connectivity Markets

High Network Reach Areas Outside CLA calculation of FAC based on component costs and usage factors

For the year ended 31 March 2021

	Average cost per unit Appendix 1.1	Connections - Ethernet 1 G bit and below		EAD Rentals - Ethernet 1 G bit and below		EAD LA Rentals - Ethernet 1 G bit and below		Other Rentals - Ethernet 1 G bit and below		EAD Mainlink - Ethernet 1 G bit and below		
		Internal £	External £	Internal £	External £	Internal £	External £	Internal %	External %	Internal £	External £	
Fully Allocated Cost (£ or %)												
Components	Unit (a)											
Backhaul Extension Services Fibre	£/le	2,250.66	-	-	-	-	-	5.5 %	5.6 %	-	-	
Cumulo Rates Non NGA – Openreach	%	£154m	0.26	0.25	52.53	52.50	41.37	5.4 %	5.4 %	5.68	5.68	
EAD Electronics Capital	£/circuit	366.67	-	-	393.05	395.41	384.59	386.53	-	-	-	
Ethernet Access Direct Fibre	£/circuit	1,122.45	-	-	734.23	733.71	574.36	574.30	-	-	-	
Ethernet Electronics Current	£/le	111.52	-	-	111.52	111.52	111.52	111.52	6.0 %	6.0 %	-	
Ethernet Excess Construction Capex	%	£49m	592.76	592.76	-	-	-	-	-	-	-	
Ethernet main links	£/fibre km	43.21	-	-	-	-	-	-	-	21.40	21.40	
Ethernet Monitoring Platform	£/circuit	210.75	-	-	38.14	38.14	38.14	38.14	-	-	-	
Ofcom Administration Fee Openreach	%	£2m	0.75	0.75	0.74	0.74	0.59	0.59	0.0 %	0.0 %	0.07	
Openreach sales product management	%	£20m	2.27	2.27	2.23	2.25	1.79	1.80	0.1 %	0.1 %	0.22	
Optical Ethernet Electronics Capital	£/circuit	1,129.79	-	-	-	-	-	-	-	-	-	
Co-mingling power & Vent	%	£66m	-	-	-	-	-	-	-	-	-	
Co-mingling set up	£/room	797.58	-	-	-	-	-	-	-	-	-	
Co-mingling rentals	£/hostel	47.95	-	-	-	-	-	-	-	-	-	
OR Service centre - Provision WLA	%	£18m	-	-	-	-	-	-	-	-	-	
OR Project Services	%	£12m	-	-	-	-	-	-	-	-	-	
OR Service Centre - Assurance Ethernet	%	£0m	-	-	-	-	-	-	-	-	-	
OR Service Centre - Assurance WLA	%	£15m	-	-	-	-	-	-	-	-	-	
OR Service Centre - Provision Ethernet	%	£6m	104.15	104.15	-	-	-	-	-	-	-	
OR Systems & Development - Ethernet	£/le	24.52	24.52	24.52	24.52	24.52	24.52	24.52	1.2 %	1.2 %	3.65	
Routeing & Records	£/line	2.86	2.86	2.86	-	-	-	-	-	-	-	
SLG Ethernet Assurance External	%	£0m	-	-	-	0.25	-	0.20	-	0.0 %	-	
SLG Ethernet Assurance Internal	%	£0m	-	-	0.24	-	0.19	-	0.0 %	-	-	
SLG Ethernet Provision External	%	£4m	-	105.68	-	-	-	-	-	-	-	
SLG Ethernet Provision Internal	%	£5m	145.74	-	-	-	-	-	-	-	-	
Wholesale Extension Services Fibre	£/le	2,486.75	-	-	-	-	-	-	74.7 %	74.7 %	-	
PIMR Costs	%	£710m	-	-	65.81	65.77	51.48	51.48	6.4 %	6.4 %	37.45	
Revenue Receivables	%	£43m	9.56	9.56	10.60	10.68	8.50	8.56	0.6 %	0.6 %	1.05	
Rounding			(0.01)	-	-	(0.01)	(0.02)	(0.01)	0.1 %	-	0.01	
Fully Allocated Cost (£ or %)			882.86	842.80	1,433.61	1,435.48	1,237.04	1,239.00	100.0 %	100.0 %	69.53	69.53
	Volume (units)		709	949	882	1,155	5,507	4,675	(ux)	(ux)	2,114	2,537
	Fully Allocated Cost (£m)		0.6	0.8	1.3	1.7	6.8	5.8	0.2	0.0	0.1	0.2

Section 8 – Review of Business Connectivity Markets

High Network Reach Areas Outside CLA calculation of FAC based on component costs and usage factors (continued)

For the year ended 31 March 2021

	Average cost per unit Appendix 1.1	EAD Rentals - Ethernet above 1 G bit		EAD LA Rentals - Ethernet above 1 G bit		Other Rentals - Ethernet above 1 G bit		EAD Mainlink - Ethernet above 1 G bit		Connections - Ethernet above 1 G bit	
		Internal £	External £	Internal £	External £	Internal %	External %	Internal £	External £	Internal £	External £
Fully Allocated Cost (£ or %)											
Components	Unit (a)										
Backhaul Extension Services Fibre	£/le	2,250.66	-	-	-	-	-	-	-	-	-
Cumulo Rates Non NGA – Openreach	%	£154m	50.15	50.15	41.66	41.66	1.0 %	1.0 %	5.68	5.68	0.08
EAD Electronics Capital	£/circuit	366.67	1,463.20	1,463.20	1,463.20	1,463.20	-	-	-	-	0.09
Ethernet Access Direct Fibre	£/circuit	1,122.45	695.23	695.23	573.46	573.46	13.2 %	13.3 %	-	-	-
Ethernet Electronics Current	£/le	111.52	111.52	111.52	111.52	111.52	2.1 %	1.8 %	-	-	-
Ethernet Excess Construction Capex	%	£49m	-	-	-	-	-	-	-	-	96.98
Ethernet main links	£/fibre km	43.21	-	-	-	-	-	-	21.40	21.40	-
Ethernet Monitoring Platform	£/circuit	210.75	646.42	646.42	646.42	646.42	9.2 %	9.3 %	-	-	-
Ofcom Administration Fee Openreach	%	£2m	1.93	1.97	1.54	1.60	0.1 %	0.1 %	0.07	0.07	1.19
Openreach sales product management	%	£20m	5.83	5.98	4.67	4.85	0.2 %	0.1 %	0.22	0.22	3.49
Optical Ethernet Electronics Capital	£/circuit	1,129.79	-	-	-	-	69.7 %	71.0 %	-	-	-
Co-mingling power & Vent	%	£66m	-	-	-	-	-	-	-	-	-
Co-mingling set up	£/room	797.58	-	-	-	-	-	-	-	-	-
Co-mingling rentals	£/hostel	47.95	-	-	-	-	-	-	-	-	-
OR Service centre - Provision WLA	%	£18m	-	-	-	-	-	-	-	-	-
OR Project Services	%	£12m	-	-	-	-	-	-	-	-	-
OR Service Centre - Assurance Ethernet	%	£0m	-	-	-	-	-	-	-	-	-
OR Service Centre - Assurance WLA	%	£15m	-	-	-	-	-	-	-	-	-
OR Service Centre - Provision Ethernet	%	£6m	-	-	-	-	-	-	-	-	104.15
OR Systems & Development - Ethernet	£/le	24.52	24.52	24.52	24.52	24.52	1.5 %	1.5 %	3.65	3.65	24.52
Routeing & Records	£/line	2.86	-	-	-	-	-	-	-	-	2.86
SLG Ethernet Assurance External	%	£0m	-	0.67	-	0.54	-	0.0 %	-	-	-
SLG Ethernet Assurance Internal	%	£0m	0.62	-	0.50	-	0.0 %	-	-	-	-
SLG Ethernet Provision External	%	£4m	-	-	-	-	-	-	-	-	194.07
SLG Ethernet Provision Internal	%	£5m	-	-	-	-	-	-	-	-	230.98
Wholesale Extension Services Fibre	£/le	2,486.75	-	-	-	-	1.0 %	-	-	-	-
PIMR Costs	%	£710m	62.32	62.32	51.40	51.40	1.3 %	1.2 %	37.45	37.45	-
Revenue Receivables	%	£43m	27.72	28.41	22.16	23.02	0.8 %	0.7 %	1.05	1.05	15.14
Rounding			(0.01)	-	(0.01)	(0.01)	(0.1) %	-	0.01	0.01	-
Fully Allocated Cost (£ or %)			3,089.45	3,090.39	2,941.04	2,942.18	100.0 %	100.0 %	69.53	69.53	479.39
	Volume (units)		32	36	38	47	(ux)	(ux)	140	129	245
	Fully Allocated Cost (£m)		0.1	0.1	0.1	0.1	0.9	0.2	0.0	0.0	0.1

Section 8 – Review of Business Connectivity Markets

High Network Reach Areas Outside CLA calculation of FAC based on component costs and usage factors (continued)

For the year ended 31 March 2021

	Average cost per unit Appendix 1.1	Other - Ethernet above 1 G bit		ECC Basket		Accommodation basket	TRC Basket		Exempt Ancillary Services		Other - Project services	
		Internal £	External £	Internal %	External %	External %	Internal %	External %	Internal %	External %	Internal %	External %
Fully Allocated Cost (£ or %)												
Components	Unit (a)											
Backhaul Extension Services Fibre	£/le	2,250.66	-	-	-	-	-	-	-	-	-	-
Cumulo Rates Non NGA – Openreach	%	£154m	5.68	5.68	0.0 %	0.0 %	2.3 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
EAD Electronics Capital	£/circuit	366.67	-	-	-	-	-	-	-	-	-	-
Ethernet Access Direct Fibre	£/circuit	1,122.45	-	-	-	-	-	-	-	-	-	-
Ethernet Electronics Current	£/le	111.52	-	-	-	-	-	-	-	-	-	-
Ethernet Excess Construction Capex	%	£49m	-	-	98.8 %	98.8 %	-	98.8 %	98.8 %	-	-	-
Ethernet main links	£/fibre km	43.21	21.40	21.40	-	-	-	-	-	-	-	-
Ethernet Monitoring Platform	£/circuit	210.75	-	-	-	-	-	-	-	-	-	-
Ofcom Administration Fee Openreach	%	£2m	0.09	0.09	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	6.4 %	6.4 %	0.0 %
Openreach sales product management	%	£20m	0.26	0.27	0.6 %	0.6 %	1.0 %	0.6 %	0.6 %	11.2 %	11.2 %	0.5 %
Optical Ethernet Electronics Capital	£/circuit	1,129.79	-	-	-	-	-	-	-	-	-	-
Co-mingling power & Vent	%	£66m	-	-	-	-	61.2 %	-	-	-	-	-
Co-mingling set up	£/room	797.58	-	-	-	-	18.9 %	-	-	-	-	-
Co-mingling rentals	£/hostel	47.95	-	-	-	-	15.5 %	-	-	-	-	-
OR Service centre - Provision WLA	%	£18m	-	-	-	-	0.1 %	-	-	-	-	-
OR Project Services	%	£12m	-	-	-	-	-	-	-	-	-	99.0 %
OR Service Centre - Assurance Ethernet	%	£0m	-	-	-	-	-	-	-	-	-	-
OR Service Centre - Assurance WLA	%	£15m	-	-	-	-	0.5 %	-	-	-	-	-
OR Service Centre - Provision Ethernet	%	£6m	-	-	-	-	-	-	-	-	-	-
OR Systems & Development - Ethernet	£/le	24.52	3.65	3.65	-	-	-	-	-	-	-	-
Routeing & Records	£/line	2.86	-	-	-	-	-	-	-	-	-	-
SLG Ethernet Assurance External	%	£0m	-	-	-	-	-	-	-	-	-	-
SLG Ethernet Assurance Internal	%	£0m	-	-	-	-	-	-	-	-	-	-
SLG Ethernet Provision External	%	£4m	-	-	-	-	-	-	-	-	-	-
SLG Ethernet Provision Internal	%	£5m	-	-	-	-	-	-	-	-	-	-
Wholesale Extension Services Fibre	£/le	2,486.75	-	-	-	-	-	-	-	-	-	-
PIMR Costs	%	£710m	37.45	37.45	-	-	-	-	-	-	-	-
Revenue Receivables	%	£43m	1.29	1.32	0.5 %	0.5 %	0.6 %	0.5 %	0.5 %	82.4 %	82.4 %	0.4 %
Rounding			0.01	-	0.1 %	0.1 %	(0.1)%	0.1 %	0.1 %	-	-	0.1 %
Fully Allocated Cost (£ or %)			69.83	69.86	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
	Volume (units)		923	437	(ux)	(ux)	(ux)	(ux)	(ux)	(ux)	(ux)	(ux)
	Fully Allocated Cost (£m)		0.1	0.0	0.5	0.4	0.1	0.1	0.0	0.0	0.0	0.1

Section 8 – Review of Business Connectivity Markets

High Network Reach Areas Outside CLA Summary

Restated for the year ended 31 March 2020 (b)

Detailed service analysis	Internal Revenue £m	External Revenue £m	Total Revenue £m	Internal Volume	External Volume	Measure	Average Internal Price £	Average External Price £	Internal FAC £m	External FAC £m	Total FAC £m
Service											
Ethernet 1 G bit and below											
Connections	2.2	2.6	4.8	1,164	1,380	ccts	1,876.19	1,877.08	1.7	1.9	3.6
EAD Rentals	1.6	1.8	3.4	903	1,018	ccts	1,808.38	1,808.07	1.3	1.5	2.8
EAD LA Rentals	8.0	5.9	13.9	5,538	4,052	ccts	1,444.62	1,446.14	7.1	5.2	12.3
Other Rentals	0.2	0.1	0.3	(ux)	(ux)	(ux)	(sx)	(sx)	0.2	0.0	0.2
EAD Mainlink	0.4	0.4	0.8	2,202	2,141	km	180.23	180.00	0.1	0.1	0.2
Cable link (inc Intra exchange)	-	-	-	-	-	ccts	-	-	-	-	-
Other	-	-	-	-	-	fibre km	-	-	-	-	-
	12.4	10.8	23.2						10.4	8.7	19.1
Ethernet above 1 G bit											
EAD Rentals	0.1	0.1	0.2	12	18	ccts	4,777.91	4,885.00	0.0	0.1	0.1
EAD LA Rentals	0.1	0.1	0.2	18	25	ccts	3,930.71	4,048.33	0.0	0.1	0.1
Other Rentals	0.9	0.2	1.1	(ux)	(ux)	(ux)	(sx)	(sx)	0.6	0.1	0.7
EAD Mainlink	0.0	0.0	0.0	55	72	km	180.00	180.00	0.0	0.0	0.0
Connections	0.7	0.2	0.9	261	36	ccts	2,775.19	4,631.31	0.3	0.1	0.4
Other	0.1	0.1	0.2	605	321	fibre km	242.23	227.60	0.0	0.0	0.0
	1.9	0.7	2.6						0.9	0.4	1.3
ECC Basket	0.5	0.3	0.8	(ux)	(ux)	(ux)	(sx)	(sx)	0.6	0.3	0.9
Accommodation basket	-	0.1	0.1	(ux)	(ux)	(ux)	(sx)	(sx)	-	0.1	0.1
TRC Basket	0.1	0.0	0.1	(ux)	(ux)	(ux)	(sx)	(sx)	0.1	0.0	0.1
Exempt Ancillary Services	0.2	0.2	0.4	(ux)	(ux)	(ux)	(sx)	(sx)	0.0	0.0	0.0
Other - Project services	0.2	0.0	0.2	(ux)	(ux)	(ux)	(sx)	(sx)	0.2	0.0	0.2
Access IFRS 15	(0.8)	(0.4)	(1.2)	(ux)	(ux)	(ux)	(sx)	(sx)	(0.1)	(0.1)	(0.2)
Access SLG	(0.9)	(0.6)	(1.5)	(ux)	(ux)	(ux)	(sx)	(sx)	(0.9)	(0.6)	(1.5)
Rounding	(0.1)	(0.7)	(0.8)						0.2	-	0.2
Total Ethernet Basket	13.5	10.4	23.9						11.4	8.8	20.2
Adjustment for internal	(0.4)	(0.4)	(0.8)						(0.4)	(0.4)	(0.8)
Total Ethernet Basket (excluding internal)	13.1	10.0	23.1						11.0	8.4	19.4

Section 8 – Review of Business Connectivity Markets

High Network Reach Areas Outside CLA calculation of FAC based on component costs and usage factors

Restated for the year ended 31 March 2020 (b)

		Average cost per unit Appendix 1.2	Connections – Ethernet 1 G bit and below		EAD Rentals – Ethernet 1 G bit and below		EAD LA Rentals – Ethernet 1 G bit and below		Other Rentals – Ethernet 1 G bit and below		EAD Mainlink – Ethernet 1 G bit and below	
Fully Allocated Cost (£ or %)			Internal £	External £	Internal £	External £	Internal £	External £	Internal %	External %	Internal £	External £
Components	Unit (a)											
Backhaul Extension Services Fibre	£/le	1,430.50	-	-	-	-	-	-	6.2 %	4.2 %	-	-
Cumulo Rates Non NGA – Openreach	%	£157m	0.37	0.37	55.49	55.47	42.64	42.64	5.7 %	5.4 %	6.13	6.03
EAD Electronics Capital	£/circuit	434.89	-	-	452.33	451.76	446.08	446.08	-	-	-	-
Ethernet Access Direct Fibre	£/circuit	1,082.81	-	-	722.17	721.56	560.53	560.51	-	-	-	-
Ethernet Electronics Current	£/le	90.45	-	-	90.45	90.45	90.45	90.45	6.6 %	6.5 %	-	-
Ethernet Excess Construction Capex	%	£66m	811.00	811.00	-	-	-	-	-	-	-	-
Ethernet main links	£/fibre km	41.77	-	-	-	-	-	-	-	-	20.96	20.96
Ethernet Monitoring Platform	£/circuit	301.55	-	-	54.37	54.37	54.37	54.37	-	-	-	-
Ofcom Administration Fee Openreach	%	£3m	1.11	1.11	1.07	1.07	0.86	0.86	0.1 %	0.1 %	0.11	0.11
Openreach sales product management	%	£14m	10.29	10.29	9.92	9.92	7.92	7.93	0.7 %	0.6 %	0.99	0.99
Optical Ethernet Electronics Capital	£/circuit	1,440.57	-	-	-	-	-	-	-	-	-	-
Co-mingling power & Vent	%	£68m	-	-	-	-	-	-	-	-	-	-
Co-mingling set up	£/room	1,491.87	-	-	-	-	-	-	-	-	-	-
Co-mingling rentals	£/hostel	29.82	-	-	-	-	-	-	-	-	-	-
OR Service centre – Provision WLA	%	£17m	-	-	-	-	-	-	-	-	-	-
OR Project Services	%	£8m	-	-	-	-	-	-	-	-	-	-
OR Service Centre – Assurance Ethernet	%	£0m	-	-	0.00	0.00	0.00	0.00	0.0 %	0.0 %	-	-
OR Service Centre – Assurance WLA	%	£16m	-	-	-	-	-	-	-	-	-	-
OR Service Centre – Provision Ethernet	%	£6m	88.61	88.61	-	-	-	-	-	-	-	-
OR Systems & Development – Ethernet	£/le	24.07	24.07	24.07	24.07	24.07	24.07	24.07	1.5 %	1.5 %	3.62	3.62
Routeing & Records	£/line	3.03	3.03	3.03	-	-	-	-	-	-	-	-
SLG Ethernet Assurance External	%	£0m	-	-	-	0.50	-	0.40	-	0.0 %	-	-
SLG Ethernet Assurance Internal	%	£0m	-	-	0.49	-	0.39	-	0.0 %	-	-	-
SLG Ethernet Provision External	%	£15m	-	404.52	-	-	-	-	-	-	-	-
SLG Ethernet Provision Internal	%	£20m	512.10	-	-	-	-	-	-	-	-	-
Wholesale Extension Services Fibre	£/le	1,792.70	-	-	-	-	-	-	72.0 %	74.5 %	-	-
PIMR Costs	%	£605m	-	-	65.25	65.19	50.64	50.64	6.5 %	6.5 %	34.75	34.75
Revenue Receivables	%	£43m	9.99	10.00	11.06	11.06	8.83	8.84	0.8 %	0.7 %	1.10	1.10
Rounding			0.01	-	-	0.01	0.01	0.01	(0.1)%	-	-	-
Fully Allocated Cost (£ or %)			1,460.58	1,353.00	1,486.67	1,485.43	1,286.79	1,286.80	100.0 %	100.0 %	67.66	67.56
	Volume (units)		1,164	1,380	903	1,018	5,538	4,052	(ux)	(ux)	2,202	2,141
	Fully Allocated Cost (£m)		1.7	1.9	1.3	1.5	7.1	5.2	0.2	0.0	0.1	0.1

Section 8 – Review of Business Connectivity Markets

High Network Reach Areas Outside CLA calculation of FAC based on component costs and usage factors (continued)

Restated for the year ended 31 March 2020 (b)

	Average cost per unit Appendix 1.2	EAD Rentals – Ethernet above 1 G bit		EAD LA Rentals – Ethernet above 1 G bit		Other Rentals – Ethernet above 1 G bit		EAD Mainlink – Ethernet above 1 G bit		Connections – Ethernet above 1 G bit		
		Internal £	External £	Internal £	External £	Internal %	External %	Internal £	External £	Internal £	External £	
Fully Allocated Cost (£ or %)												
Components	Unit (a)											
Backhaul Extension Services Fibre	£/le	1,430.50	-	-	-	-	-	-	-	-	-	
Cumulo Rates Non NGA – Openreach	%	£157m	50.56	50.56	43.00	43.00	0.9%	0.8%	6.03	6.03	0.12	0.37
EAD Electronics Capital	£/circuit	434.89	1,609.16	1,609.16	1,609.16	1,609.16	-	-	-	-	-	-
Ethernet Access Direct Fibre	£/circuit	1,082.81	673.53	673.53	560.65	560.65	11.4%	11.3%	-	-	-	-
Ethernet Electronics Current	£/le	90.45	90.45	90.45	90.45	90.45	1.5%	1.5%	-	-	-	-
Ethernet Excess Construction Capex	%	£66m	-	-	-	-	-	-	-	-	96.28	725.60
Ethernet main links	£/fibre km	41.77	-	-	-	-	-	-	20.96	20.96	-	-
Ethernet Monitoring Platform	£/circuit	301.55	422.06	422.06	422.06	422.06	6.6%	6.6%	-	-	-	-
Ofcom Administration Fee Openreach	%	£3m	2.83	2.89	2.33	2.40	0.1%	0.1%	0.11	0.11	1.64	2.74
Openreach sales product management	%	£14m	26.20	26.79	21.56	22.20	0.7%	0.8%	0.99	0.99	14.61	25.32
Optical Ethernet Electronics Capital	£/circuit	1,440.57	-	-	-	-	74.5%	75.6%	-	-	-	-
Co-mingling power & Vent	%	£68m	-	-	-	-	-	-	-	-	-	-
Co-mingling set up	£/room	1,491.87	-	-	-	-	-	-	-	-	-	-
Co-mingling rentals	£/hostel	29.82	-	-	-	-	-	-	-	-	-	-
OR Service centre – Provision WLA	%	£17m	-	-	-	-	-	-	-	-	-	-
OR Project Services	%	£8m	-	-	-	-	-	-	-	-	-	-
OR Service Centre – Assurance Ethernet	%	£0m	0.00	0.00	0.00	0.00	0.0%	0.0%	-	-	-	-
OR Service Centre – Assurance WLA	%	£16m	-	-	-	-	-	-	-	-	-	-
OR Service Centre – Provision Ethernet	%	£6m	-	-	-	-	-	-	-	-	88.61	88.61
OR Systems & Development – Ethernet	£/le	24.07	24.07	24.07	24.07	24.07	1.3%	1.3%	3.62	3.62	24.07	24.07
Routing & Records	£/line	3.03	-	-	-	-	-	-	-	-	3.03	3.03
SLG Ethernet Assurance External	%	£0m	-	1.35	-	1.12	-	0.0%	-	-	-	-
SLG Ethernet Assurance Internal	%	£0m	1.28	-	1.05	-	0.0%	-	-	-	-	-
SLG Ethernet Provision External	%	£15m	-	-	-	-	-	-	-	-	-	998.07
SLG Ethernet Provision Internal	%	£20m	-	-	-	-	-	-	-	-	757.48	-
Wholesale Extension Services Fibre	£/le	1,792.70	-	-	-	-	1.1%	-	-	-	-	-
PIMR Costs	%	£605m	60.85	60.85	50.65	50.65	1.1%	1.0%	34.75	34.75	-	-
Revenue Receivables	%	£43m	29.22	29.87	24.04	24.76	0.9%	0.9%	1.10	1.10	14.78	24.67
Rounding			0.02	0.03	0.02	0.02	(0.1)%	0.1%	-	-	0.01	-
Fully Allocated Cost (£ or %)			2,990.23	2,991.61	2,849.04	2,850.54	100.0%	100.0%	67.56	67.56	1,000.63	1,892.48
	Volume (units)		12	18	18	25	(ux)	(ux)	55	72	261	36
	Fully Allocated Cost (£m)		0.0	0.1	0.0	0.1	0.6	0.1	0.0	0.0	0.3	0.1

Section 8 – Review of Business Connectivity Markets

High Network Reach Areas Outside CLA calculation of FAC based on component costs and usage factors (continued)

Restated for the year ended 31 March 2020 (b)

	Average cost per unit Appendix 1.2	Other - Ethernet above 1 G bit		ECC Basket		Accommodation basket	TRC Basket		Exempt Ancillary Services		Other - Project services	
		Internal £	External £	Internal %	External %	External %	Internal %	External %	Internal %	External %	Internal %	External %
Fully Allocated Cost (£ or %)												
Components	Unit (a)											
Backhaul Extension Services Fibre	£/le	1,430.50	-	-	-	-	-	-	-	-	-	-
Cumulo Rates Non NGA – Openreach	%	£157m	6.06	6.03	0.0 %	0.0 %	5.3 %	0.0 %	0.0 %	0.0 %	0.0 %	0.1 %
EAD Electronics Capital	£/circuit	434.89	-	-	-	-	-	-	-	-	-	-
Ethernet Access Direct Fibre	£/circuit	1,082.81	-	-	-	-	-	-	-	-	-	-
Ethernet Electronics Current	£/le	90.45	-	-	-	-	-	-	-	-	-	-
Ethernet Excess Construction Capex	%	£66m	-	-	99.2 %	99.2 %	-	99.2 %	99.2 %	-	-	-
Ethernet main links	£/fibre km	41.77	20.96	20.96	-	-	-	-	-	-	-	-
Ethernet Monitoring Platform	£/circuit	301.55	-	-	-	-	-	-	-	-	-	-
Ofcom Administration Fee Openreach	%	£3m	0.14	0.13	0.0 %	0.0 %	0.1 %	0.0 %	0.0 %	9.4 %	9.4 %	0.1 %
Openreach sales product management	%	£14m	1.26	1.19	0.3 %	0.3 %	0.4 %	0.3 %	0.3 %	6.0 %	6.0 %	0.4 %
Optical Ethernet Electronics Capital	£/circuit	1,440.57	-	-	-	-	-	-	-	-	-	-
Co-mingling power & Vent	%	£68m	-	-	-	-	66.7 %	-	-	-	-	-
Co-mingling set up	£/room	1,491.87	-	-	-	-	13.3 %	-	-	-	-	-
Co-mingling rentals	£/hostel	29.82	-	-	-	-	13.0 %	-	-	-	-	-
OR Service centre - Provision WLA	%	£17m	-	-	-	-	0.0 %	-	-	-	-	-
OR Project Services	%	£8m	-	-	-	-	-	-	-	-	-	98.9 %
OR Service Centre - Assurance Ethernet	%	£0m	-	-	-	-	-	-	-	-	-	-
OR Service Centre - Assurance WLA	%	£16m	-	-	-	-	0.6 %	-	-	-	-	-
OR Service Centre - Provision Ethernet	%	£6m	-	-	-	-	-	-	-	-	-	-
OR Systems & Development - Ethernet	£/le	24.07	3.62	3.62	-	-	-	-	-	-	-	-
Routing & Records	£/line	3.03	-	-	-	-	-	-	-	-	-	-
SLG Ethernet Assurance External	%	£0m	-	-	-	-	-	-	-	-	-	-
SLG Ethernet Assurance Internal	%	£0m	-	-	-	-	-	-	-	-	-	-
SLG Ethernet Provision External	%	£15m	-	-	-	-	-	-	-	-	-	-
SLG Ethernet Provision Internal	%	£20m	-	-	-	-	-	-	-	-	-	-
Wholesale Extension Services Fibre	£/le	1,792.70	-	-	-	-	-	-	-	-	-	-
PIMR Costs	%	£605m	34.75	34.75	-	-	-	-	-	-	-	-
Revenue Receivables	%	£43m	1.48	1.39	0.4 %	0.4 %	0.6 %	0.4 %	0.4 %	84.6 %	84.6 %	0.6 %
Rounding			0.01	0.01	0.1 %	0.1 %	-	0.1 %	0.1 %	-	-	(0.1)%
Fully Allocated Cost (£ or %)			68.28	68.08	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
	Volume (units)		605	321	(ux)	(ux)	(ux)	(ux)	(ux)	(ux)	(ux)	(ux)
	Fully Allocated Cost (£m)		0.0	0.0	0.6	0.3	0.1	0.1	0.0	0.0	0.0	0.2

Section 8 – Review of Business Connectivity Markets

Technical Areas (Non-Dark Fibre) Inter Exchange Summary

For the year ended 31 March 2021

Detailed service analysis	Internal Revenue £m	External Revenue £m	Total Revenue £m	Internal Volume	External Volume	Measure	Average Internal Price £	Average External Price £	Internal FAC £m	External FAC £m	Total FAC £m
Service											
Ethernet 1G bit and below											
EAD 1 Gbit rentals	14.8	5.4	20.2	7,757	2,795	ccts	1,915.80	1,935.07	4.7	1.8	6.5
Other EAD Rentals	1.0	0.6	1.6	577	375	ccts	1,700.06	1,698.50	0.3	0.2	0.5
EAD LA Rentals	0.1	0.0	0.1	104	40	ccts	1,494.11	1,468.40	0.0	0.0	0.0
Other Rentals	2.2	3.0	5.2	(ux)	(ux)	(ux)	(sx)	(sx)	4.4	5.0	9.4
EAD 1 G Mainlink	22.6	9.5	32.1	126,923	53,057	km	178.20	179.98	16.4	6.9	23.3
EAD 1 G Connections	0.1	0.3	0.4	65	117	ccts	1,872.38	1,852.94	0.0	0.0	0.0
Other Connections	0.1	0.1	0.2	(ux)	(ux)	(ux)	(sx)	(sx)	0.0	0.0	0.0
	40.9	18.9	59.8						25.8	13.9	39.7
Ethernet above 1 G bit											
EAD Rentals	2.4	2.5	4.9	553	515	ccts	4,439.29	4,954.08	1.2	1.1	2.3
EAD LA Rentals	0.0	0.0	0.0	2	2	ccts	3,648.00	4,146.00	0.0	0.0	0.0
Other Rentals	56.4	21.5	77.9	(ux)	(ux)	(ux)	(sx)	(sx)	39.1	13.0	52.1
EAD mainlink	0.9	1.0	1.9	5,283	5,795	km	180.00	180.00	0.7	0.7	1.4
Connections	7.3	5.5	12.8	(ux)	(ux)	(ux)	(sx)	(sx)	0.8	0.5	1.3
Other	6.5	7.2	13.7	27,941	32,967	fibre km	234.77	215.95	3.5	4.2	7.7
	73.5	37.7	111.2						45.3	19.5	64.8
ECC Basket	-	-	-	(ux)	(ux)	(ux)	(sx)	(sx)	-	-	-
Accommodation basket	-	3.7	3.7	(ux)	(ux)	(ux)	(sx)	(sx)	-	3.1	3.1
TRC Basket	-	-	-	(ux)	(ux)	(ux)	(sx)	(sx)	-	-	-
Exempt Ancillary Services	0.4	0.5	0.9	(ux)	(ux)	(ux)	(sx)	(sx)	0.0	0.0	0.0
Other - Project services	1.3	0.3	1.6	(ux)	(ux)	(ux)	(sx)	(sx)	1.8	0.3	2.1
Inter IFRS 15	(0.8)	(4.6)	(5.4)	(ux)	(ux)	(ux)	(sx)	(sx)	(0.6)	(0.4)	(1.0)
Inter SLG	(0.4)	(0.3)	(0.7)	(ux)	(ux)	(ux)	(sx)	(sx)	(0.4)	(0.3)	(0.7)
Rounding	0.3	-	0.3						(0.1)	0.3	0.2
Total Ethernet Basket	115.2	56.2	171.4						71.8	36.4	108.2
Adjustment for internal	(14.6)	(7.8)	(22.4)						(14.6)	(7.8)	(22.4)
Total Ethernet Basket (excluding internal)	100.6	48.4	149.0						57.2	28.6	85.8

Section 8 – Review of Business Connectivity Markets

Technical Areas (Non-Dark Fibre) Inter Exchange calculation of FAC based on component costs and usage factors

For the year ended 31 March 2021

Fully Allocated Cost (£ or %)	Average cost per unit Appendix 1.1	EAD 1 Gbit rentals - Ethernet 1G bit and below		Other EAD Rentals - Ethernet 1G bit and below		EAD LA Rentals - Ethernet 1G bit and below		Other Rentals - Ethernet 1G bit and below		EAD 1 G Mainlink - Ethernet 1G bit and below		EAD 1 G Connections - Ethernet 1G bit and below		
		Internal £	External £	Internal £	External £	Internal £	External £	Internal %	External %	Internal £	External £	Internal £	External £	
Components	Unit (a)													
Cumulo Rates Non NGA – Openreach	%	£154m	1.32	1.32	1.30	1.30	1.31	1.30	2.8 %	2.7 %	10.92	11.09	0.04	0.04
EAD Electronics Capital	£/circuit	366.67	422.28	422.28	366.67	366.67	393.95	387.89	-	-	-	-	-	-
Ethernet Backhaul Direct Active	£/circuit	3,894.88	-	-	-	-	-	-	62.4 %	59.8 %	-	-	-	-
Ethernet Backhaul Direct extended reach	£/circuit	125.79	-	-	-	-	-	-	-	1.9 %	-	-	-	-
Ethernet Backhaul Direct - passive	£/circuit	1,854.90	-	-	-	-	-	-	22.8 %	20.5 %	-	-	-	-
Ethernet Backhaul Direct resilience - active	£/circuit	146.97	-	-	-	-	-	-	-	2.3 %	-	-	-	-
Ethernet Backhaul Direct - resilience - passive	£/circuit	69.94	-	-	-	-	-	-	-	0.8 %	-	-	-	-
Ethernet Electronics Current	£/le	111.52	111.52	111.52	111.52	111.52	111.52	111.52	0.1 %	0.6 %	-	-	-	-
Ethernet main links	£/fibre km	43.21	-	-	-	-	-	-	-	-	41.11	41.76	-	-
Ethernet Monitoring Platform	£/circuit	210.75	38.14	38.14	38.14	38.14	38.14	38.14	-	-	-	-	-	-
Ofcom Administration Fee Openreach	%	£2m	0.78	0.79	0.69	0.69	0.61	0.60	-	-	0.07	0.07	0.76	0.75
Openreach sales product management	%	£20m	2.36	2.38	2.09	2.09	1.84	1.81	-	0.1 %	0.22	0.22	2.31	2.28
Optical Ethernet Electronics Capital	£/circuit	1,129.79	-	-	-	-	-	-	-	-	-	-	-	-
OR Service Centre - Provision WLA	%	£18m	-	-	-	-	-	-	-	-	-	-	-	-
OR Service Centre - Assurance WLA	%	£15m	-	-	-	-	-	-	-	-	-	-	-	-
OR Project Services	%	£12m	-	-	-	-	-	-	-	-	-	-	-	-
OR Service Centre - Provision Ethernet	%	£6m	-	-	-	-	-	-	-	-	-	-	104.15	104.15
OR Systems & Development - Ethernet	£/le	24.52	24.52	24.52	24.52	24.52	24.52	24.51	0.4 %	0.5 %	3.65	3.65	24.52	24.52
Co-mingling power & vent	%	£66m	-	-	-	-	-	-	-	-	-	-	-	-
Co-mingling set up	£/room	797.58	-	-	-	-	-	-	-	-	-	-	-	-
Co-mingling rentals	£/hostel	47.95	-	-	-	-	-	-	-	-	-	-	-	-
Routeing & Records	£/line	2.86	-	-	-	-	-	-	-	-	-	-	2.86	2.86
SLG Ethernet Assurance External	%	£0m	-	0.27	-	0.24	-	0.20	-	-	-	-	-	-
SLG Ethernet Assurance Internal	%	£0m	0.25	-	0.22	-	0.20	-	-	-	-	-	-	-
SLG Ethernet Provision External	%	£4m	-	-	-	-	-	-	-	-	-	-	-	106.43
SLG Ethernet Provision Internal	%	£5m	-	-	-	-	-	-	-	-	-	-	148.34	-
PIMR Costs	%	£710m	-	-	-	-	-	-	11.2 %	10.5 %	71.95	73.10	-	-
Revenue Receivables	%	£43m	11.21	11.32	9.95	9.94	8.74	8.59	0.3 %	0.4 %	1.04	1.05	9.73	9.63
Rounding		-	-	-	-	(0.01)	(0.02)	0.01	-	(0.1)%	-	-	-	-
Fully Allocated Cost (£ or %)		612.38	612.54	555.10	555.10	580.81	574.57	100.0 %	100.0 %	128.96	130.94	292.71	250.66	
	Volume (units)	7,757	2,795	577	375	104	40	(ux)	(ux)	126,923	53,057	65	117	
	Fully Allocated Cost (£m)	4.7	1.8	0.3	0.2	0.0	0.0	4.4	5.0	16.4	6.9	0.0	0.0	

Section 8 – Review of Business Connectivity Markets

Technical Areas (Non-Dark Fibre) Inter Exchange calculation of FAC based on component costs and usage factors (continued)

For the year ended 31 March 2021

	Average cost per unit Appendix 1.1	Other Connections - Ethernet 1G-bit and below		EAD Rentals - Ethernet above 1 Gbit		EAD LA Rentals - Ethernet above 1 Gbit		Other Rentals - Ethernet above 1 Gbit		EAD mainlink - Ethernet above 1 Gbit		
		Internal %	External %	Internal £	External £	Internal £	External £	Internal %	External %	Internal £	External £	
Fully Allocated Cost (£ or %)												
Components	Unit (a)											
Cumulo Rates Non NGA – Openreach	%	£154m	-	-	1.65	1.65	1.65	1.65	2.1 %	1.5 %	10.18	10.31
EAD Electronics Capital	£/circuit	366.67	-	-	1,463.20	1,463.20	1,463.19	1,463.20	-	-	-	-
Ethernet Backhaul Direct Active	£/circuit	3,894.88	-	-	-	-	-	-	62.7 %	41.7 %	-	-
Ethernet Backhaul Direct extended reach	£/circuit	125.79	-	-	-	-	-	-	-	1.3 %	-	-
Ethernet Backhaul Direct - passive	£/circuit	1,854.90	-	-	-	-	-	-	13.9 %	9.6 %	-	-
Ethernet Backhaul Direct resilience - active	£/circuit	146.97	-	-	-	-	-	-	-	1.6 %	-	-
Ethernet Backhaul Direct - resilience - passive	£/circuit	69.94	-	-	-	-	-	-	-	0.4 %	-	-
Ethernet Electronics Current	£/le	111.52	-	-	111.52	111.52	111.52	111.52	0.3 %	1.0 %	-	-
Ethernet main links	£/fibre km	43.21	-	-	-	-	-	-	-	-	38.35	38.81
Ethernet Monitoring Platform	£/circuit	210.75	-	-	646.42	646.42	646.42	646.42	1.5 %	4.1 %	-	-
Ofcom Administration Fee Openreach	%	£2m	0.3 %	0.3 %	1.81	2.01	1.48	1.69	0.1 %	0.1 %	0.07	0.07
Openreach sales product management	%	£20m	0.8 %	0.8 %	5.47	6.10	4.46	5.10	0.1 %	0.2 %	0.22	0.22
Optical Ethernet Electronics Capital	£/circuit	1,129.79	-	-	-	-	-	-	11.2 %	31.7 %	-	-
OR Service Centre - Provision WLA	%	£18m	-	-	-	-	-	-	-	-	-	-
OR Service Centre - Assurance WLA	%	£15m	-	-	-	-	-	-	-	-	-	-
OR Project Services	%	£12m	-	-	-	-	-	-	-	-	-	-
OR Service Centre - Provision Ethernet	%	£6m	35.6 %	38.5 %	-	-	-	-	-	-	-	-
OR Systems & Development - Ethernet	£/le	24.52	8.4 %	9.1 %	24.52	24.52	24.51	24.52	0.5 %	0.9 %	3.65	3.65
Co-mingling power & vent	%	£66m	-	-	-	-	-	-	-	-	-	-
Co-mingling set up	£/room	797.58	-	-	-	-	-	-	-	-	-	-
Co-mingling rentals	£/hostel	47.95	-	-	-	-	-	-	-	-	-	-
Routeing & Records	£/line	2.86	1.0 %	1.1 %	-	-	-	-	-	-	-	-
SLG Ethernet Assurance External	%	£0m	-	-	-	0.69	-	0.58	-	-	-	-
SLG Ethernet Assurance Internal	%	£0m	-	-	0.58	-	0.48	-	-	-	-	-
SLG Ethernet Provision External	%	£4m	-	46.1 %	-	-	-	-	-	-	-	-
SLG Ethernet Provision Internal	%	£5m	50.6 %	-	-	-	-	-	-	-	-	-
PIMR Costs	%	£710m	-	-	-	-	-	-	6.8 %	5.0 %	67.13	67.94
Revenue Receivables	%	£43m	3.3 %	4.2 %	25.98	28.99	21.35	24.26	0.8 %	1.0 %	1.05	1.05
Rounding			-	(0.1)%	(0.02)	(0.01)	-	(0.03)	-	(0.1)%	-	0.01
Fully Allocated Cost (£ or %)			100.0 %	100.0 %	2,281.13	2,285.09	2,275.06	2,278.91	100.0 %	100.0 %	120.65	122.06
		Volume (units)	(ux)	(ux)	553	515	2	2	(ux)	(ux)	5,283	5,795
		Fully Allocated Cost (£m)	0.0	0.0	1.2	1.1	0.0	0.0	39.1	13.0	0.7	0.7

Section 8 – Review of Business Connectivity Markets

Technical Areas (Non-Dark Fibre) Inter Exchange calculation of FAC based on component costs and usage factors (continued)

For the year ended 31 March 2021

	Average cost per unit Appendix 1.1	Connections - Ethernet above 1 Gbit		Other - Ethernet above 1 Gbit		Accommodation basket	Exempt Ancillary Services		Other - Project services	
		Internal %	External %	Internal £	External £	External %	Internal %	External %	Internal %	External %
Fully Allocated Cost (£ or %)										
Components	Unit (a)									
Cumulo Rates Non NGA – Openreach	%	£154m	-	-	10.42	10.78	2.1 %	-	-	-
EAD Electronics Capital	£/circuit	366.67	-	-	-	-	-	-	-	-
Ethernet Backhaul Direct Active	£/circuit	3,894.88	-	-	-	-	-	-	-	-
Ethernet Backhaul Direct extended reach	£/circuit	125.79	-	-	-	-	-	-	-	-
Ethernet Backhaul Direct - passive	£/circuit	1,854.90	-	-	-	-	-	-	-	-
Ethernet Backhaul Direct resilience - active	£/circuit	146.97	-	-	-	-	-	-	-	-
Ethernet Backhaul Direct - resilience - passive	£/circuit	69.94	-	-	-	-	-	-	-	-
Ethernet Electronics Current	£/le	111.52	-	-	-	-	-	-	-	-
Ethernet main links	£/fibre kms	43.21	-	-	39.23	40.58	-	-	-	-
Ethernet Monitoring Platform	£/circuit	210.75	-	-	-	-	-	-	-	-
Ofcom Administration Fee Openreach	%	£2m	0.4 %	0.4 %	0.10	0.09	-	6.4 %	6.4 %	-
Openreach sales product management	%	£20m	0.8 %	1.1 %	0.28	0.26	1.1 %	11.2 %	11.2 %	0.5 %
Optical Ethernet Electronics Capital	£/circuit	1,129.79	-	-	-	-	-	-	-	-
OR Service Centre - Provision WLA	%	£18m	-	-	-	-	0.1 %	-	-	-
OR Service Centre - Assurance WLA	%	£15m	-	-	-	-	0.5 %	-	-	-
OR Project Services	%	£12m	-	-	-	-	-	-	-	99.0 %
OR Service Centre - Provision Ethernet	%	£6m	16.7 %	27.5 %	-	-	-	-	-	-
OR Systems & Development - Ethernet	£/le	24.52	3.9 %	6.5 %	3.65	3.65	-	-	-	-
Co-mingling power & vent	%	£66m	-	-	-	-	56.5 %	-	-	-
Co-mingling set up	£/room	797.58	-	-	-	-	21.4 %	-	-	-
Co-mingling rentals	£/hostel	47.95	-	-	-	-	17.5 %	-	-	-
Routeing & Records	£/line	2.86	0.5 %	0.8 %	-	-	-	-	-	-
SLG Ethernet Assurance External	%	£0m	-	-	-	-	-	-	-	-
SLG Ethernet Assurance Internal	%	£0m	-	-	-	-	-	-	-	-
SLG Ethernet Provision External	%	£4m	-	58.5 %	-	-	-	-	-	-
SLG Ethernet Provision Internal	%	£5m	72.9 %	-	-	-	-	-	-	-
PIMR Costs	%	£710m	-	-	68.67	71.02	-	-	-	-
Revenue Receivables	%	£43m	4.8 %	5.3 %	1.37	1.26	0.7 %	82.4 %	82.4 %	0.4 %
Rounding			-	(0.1)%	(0.01)	(0.01)	0.1 %	-	-	0.1 %
Fully Allocated Cost (£ or %)			100.0 %	100.0 %	123.71	127.63	100.0 %	100.0 %	100.0 %	100.0 %
	Volume (units)		(ux)	(ux)	27,941	32,967	(ux)	(ux)	(ux)	(ux)
	Fully Allocated Cost (£m)		0.8	0.5	3.5	4.2	3.1	0.0	0.0	1.8

Section 8 – Review of Business Connectivity Markets

Technical Areas (Non-Dark Fibre) Inter Exchange Summary

Restated for the year ended 31 March 2020 (b)

Detailed service analysis	Internal Revenue £m	External Revenue £m	Total Revenue £m	Internal Volume	External Volume	Measure	Average Internal Price £	Average External Price £	Internal FAC £m	External FAC £m	Total FAC £m
Service											
Ethernet 1 Gbit and below											
EAD 1 Gbit rentals	14.5	5.8	20.3	7,564	2,970	ccts	1,914.81	1,934.29	5.1	2.0	7.1
Other EAD Rentals	1.0	0.7	1.7	593	386	ccts	1,699.09	1,697.49	0.3	0.2	0.5
EAD LA Rentals	0.1	0.0	0.1	91	33	ccts	1,491.74	1,442.13	0.0	0.0	0.0
Other Rentals	2.2	3.5	5.7	(ux)	(ux)	(ux)	(sx)	(sx)	5.5	6.9	12.4
EAD 1 G Mainlink	22.4	10.1	32.5	125,475	56,026	km	178.19	179.98	15.5	6.9	22.4
EAD 1 G Connections	0.2	0.3	0.5	128	143	ccts	1,869.59	1,868.77	0.1	0.1	0.2
Other Connections	0.1	0.1	0.2	(ux)	(ux)	(ux)	(sx)	(sx)	0.0	0.0	0.0
	40.5	20.5	61.0						26.5	16.1	42.6
Ethernet above 1 G bit											
EAD Rentals	2.2	2.2	4.4	494	451	ccts	4,419.91	4,975.43	1.1	1.0	2.1
EAD LA Rentals	-	0.0	0.0	-	2	ccts	-	4,146.00	-	0.0	0.0
Other Rentals	47.5	18.5	66.0	(ux)	(ux)	(ux)	(sx)	(sx)	31.9	11.2	43.1
EAD mainlink	0.8	0.8	1.6	4,416	4,830	km	180.00	180.00	0.6	0.6	1.2
Connections	8.7	4.4	13.1	(ux)	(ux)	(ux)	(sx)	(sx)	2.6	1.1	3.7
Other	5.4	6.1	11.5	23,374	28,379	fibre km	232.83	216.74	2.8	3.5	6.3
	64.6	32.0	96.6						39.0	17.4	56.4
ECC Basket	-	-	-	(ux)	(ux)	(ux)	(sx)	(sx)	-	-	-
Accommodation basket	-	2.4	2.4	(ux)	(ux)	(ux)	(sx)	(sx)	-	2.1	2.1
TRC Basket	-	-	-	(ux)	(ux)	(ux)	(sx)	(sx)	-	-	-
Exempt Ancillary Services	0.4	0.4	0.8	(ux)	(ux)	(ux)	(sx)	(sx)	0.0	0.0	0.0
Other - Project services	1.3	0.1	1.4	(ux)	(ux)	(ux)	(sx)	(sx)	1.1	0.1	1.2
Inter IFRS 15	(3.0)	(2.7)	(5.7)	(ux)	(ux)	(ux)	(sx)	(sx)	(0.2)	(0.4)	(0.6)
Inter SLG	(1.1)	(0.8)	(1.9)	(ux)	(ux)	(ux)	(sx)	(sx)	(1.2)	(0.8)	(2.0)
Rounding	-	0.3	0.3						0.1	0.3	0.4
Total Ethernet Basket	102.7	52.2	154.9						65.3	34.8	100.1
Adjustment for internal	(12.8)	(7.2)	(20.0)						(12.8)	(7.2)	(20.0)
Total Ethernet Basket (excluding internal)	89.9	45.0	134.9						52.5	27.6	80.1

Section 8 – Review of Business Connectivity Markets

Technical Areas (Non-Dark Fibre) Inter Exchange calculation of FAC based on component costs and usage factors

Restated for the year ended 31 March 2020 (b)

	Average cost per unit Appendix 1.2	EAD 1 Gbit rentals - Ethernet 1 Gbit and below		Other EAD Rentals - Ethernet 1 Gbit and below		EAD LA Rentals - Ethernet 1 Gbit and below		Other Rentals - Ethernet 1 Gbit and below		EAD 1 G Mainlink - Ethernet 1 Gbit and below		EAD 1 G Connections - Ethernet 1 Gbit and below		
		Internal £	External £	Internal £	External £	Internal £	External £	Internal %	External %	Internal £	External £	Internal £	External £	
Fully Allocated Cost (£ or %)														
Components	Unit (a)													
Cumulo Rates Non NGA – Openreach	%	£157m	1.34	1.34	1.33	1.33	1.34	1.33	3.0 %	2.8 %	11.64	11.64	0.06	0.06
EAD Electronics Capital	£/circuit	434.89	472.36	472.36	434.89	434.89	453.04	445.40	-	-	-	-	-	-
Ethernet Backhaul Direct Active	£/circuit	5,222.35	-	-	-	-	-	-	68.3 %	65.3 %	-	-	-	-
Ethernet Backhaul Direct extended reach	£/circuit	163.03	-	-	-	-	-	-	-	2.0 %	-	-	-	-
Ethernet Backhaul Direct - passive	£/circuit	1,824.77	-	-	-	-	-	-	18.4 %	16.1 %	-	-	-	-
Ethernet Backhaul Direct resilience - active	£/circuit	220.25	-	-	-	-	-	-	-	2.8 %	-	-	-	-
Ethernet Backhaul Direct - resilience - passive	£/circuit	73.56	-	-	-	-	-	-	-	0.7 %	-	-	-	-
Ethernet Electronics Current	£/le	90.45	90.45	90.45	90.45	90.45	90.45	90.45	0.1 %	0.5 %	-	-	-	-
Ethernet main links	£/fibre km	41.77	-	-	-	-	-	-	-	-	39.81	40.41	-	-
Ethernet Monitoring Platform	£/circuit	301.55	54.37	54.37	54.37	54.37	54.37	54.37	-	-	-	-	-	-
Ofcom Administration Fee Openreach	%	£3m	1.13	1.15	1.01	1.01	0.88	0.85	-	-	0.11	0.11	1.11	1.11
Openreach sales product management	%	£14m	10.50	10.61	9.32	9.31	8.18	7.91	0.1 %	0.2 %	0.98	0.99	10.25	10.25
Optical Ethernet Electronics Capital	£/circuit	1,440.57	-	-	-	-	-	-	-	-	-	-	-	-
OR Service Centre - Provision WLA	%	£17m	-	-	-	-	-	-	-	-	-	-	-	-
OR Service Centre - Assurance WLA	%	£16m	-	-	-	-	-	-	-	-	-	-	-	-
OR Project Services	%	£8m	-	-	-	-	-	-	-	-	-	-	-	-
OR Service Centre - Provision Ethernet	%	£6m	-	-	-	-	-	-	-	-	-	-	88.61	88.61
OR Systems & Development - Ethernet	£/le	24.07	24.07	24.07	24.07	24.07	24.07	24.07	0.3 %	0.4 %	3.62	3.62	24.07	24.07
Co-mingling power & vent	%	£68m	-	-	-	-	-	-	-	-	-	-	-	-
Co-mingling set up	£/room	1,491.87	-	-	-	-	-	-	-	-	-	-	-	-
Co-mingling rentals	£/hostel	29.82	-	-	-	-	-	-	-	-	-	-	-	-
Routeing & Records	£/line	3.03	-	-	-	-	-	-	-	-	-	-	3.03	3.03
SLG Ethernet Assurance External	%	£0m	-	0.54	-	0.47	-	0.40	-	-	-	-	-	-
SLG Ethernet Assurance Internal	%	£0m	0.51	-	0.46	-	0.40	-	-	-	-	-	-	-
SLG Ethernet Provision External	%	£15m	-	-	-	-	-	-	-	-	-	-	-	402.73
SLG Ethernet Provision Internal	%	£20m	-	-	-	-	-	-	-	-	-	-	510.30	-
PIMR Costs	%	£605m	-	-	-	-	-	-	9.5 %	8.8 %	66.01	67.00	-	-
Revenue Receivables	%	£43m	11.71	11.83	10.39	10.38	9.12	8.82	0.2 %	0.3 %	1.09	1.10	9.96	9.95
Rounding		0.02	-	-	-	-	0.01	0.01	0.1 %	0.1 %	(0.01)	(0.01)	-	-
Fully Allocated Cost (£ or %)			666.46	666.72	626.29	626.28	641.86	633.61	100.0 %	100.0 %	123.25	124.86	647.39	539.81
	Volume (units)		7,564	2,970	593	386	91	33	(ux)	(ux)	125,475	56,026	128	143
	Fully Allocated Cost (£m)		5.1	2.0	0.3	0.2	0.0	0.0	5.5	6.9	15.5	6.9	0.1	0.1

Section 8 – Review of Business Connectivity Markets

Technical Areas (Non-Dark Fibre) Inter Exchange calculation of FAC based on component costs and usage factors (continued)

Restated for the year ended 31 March 2020 (b)

	Average cost per unit Appendix 1.2	Other Connections - Ethernet 1 Gbit and below		EAD Rentals - Ethernet above 1 Gbit		EAD LA Rentals - Ethernet above 1 Gbit		Other Rentals - Ethernet above 1 Gbit		EAD mainlink - Ethernet above 1 Gbit		
		Internal %	External %	Internal £	External £	Internal £	External £	Internal %	External %	Internal £	External £	
Fully Allocated Cost (£ or %)												
Components	Unit (a)											
Cumulo Rates Non NGA – Openreach	%	£157m	-	-	1.73	1.73	-	1.73	2.3 %	1.7 %	10.80	11.04
EAD Electronics Capital	£/circuit	434.89	-	-	1,609.16	1,609.16	-	1,609.16	-	-	-	-
Ethernet Backhaul Direct Active	£/circuit	5,222.35	-	-	-	-	-	-	58.0 %	39.1 %	-	-
Ethernet Backhaul Direct extended reach	£/circuit	163.03	-	-	-	-	-	-	-	1.2 %	-	-
Ethernet Backhaul Direct - passive	£/circuit	1,824.77	-	-	-	-	-	-	13.7 %	9.7 %	-	-
Ethernet Backhaul Direct resilience - active	£/circuit	220.25	-	-	-	-	-	-	-	1.6 %	-	-
Ethernet Backhaul Direct - resilience - passive	£/circuit	73.56	-	-	-	-	-	-	-	0.4 %	-	-
Ethernet Electronics Current	£/le	90.45	-	-	90.45	90.45	-	90.45	0.3 %	0.8 %	-	-
Ethernet main links	£/fibre km	41.77	-	-	-	-	-	-	-	-	37.49	38.30
Ethernet Monitoring Platform	£/circuit	301.55	-	-	422.06	422.06	-	422.06	1.3 %	3.0 %	-	-
Ofcom Administration Fee Openreach	%	£3m	0.2 %	0.2 %	2.62	2.95	-	2.46	0.1 %	0.1 %	0.11	0.11
Openreach sales product management	%	£14m	1.3 %	1.3 %	24.24	27.29	-	22.72	0.4 %	0.5 %	0.99	0.99
Optical Ethernet Electronics Capital	£/circuit	1,440.57	-	-	-	-	-	-	15.3 %	34.6 %	-	-
OR Service Centre - Provision WLA	%	£17m	-	-	-	-	-	-	-	-	-	-
OR Service Centre - Assurance WLA	%	£16m	-	-	-	-	-	-	-	-	-	-
OR Project Services	%	£8m	-	-	-	-	-	-	-	-	-	-
OR Service Centre - Provision Ethernet	%	£6m	12.5 %	15.6 %	-	-	-	-	-	-	-	-
OR Systems & Development - Ethernet	£/le	24.07	3.4 %	4.2 %	24.07	24.07	-	24.07	0.5 %	0.8 %	3.62	3.62
Co-mingling power & vent	%	£68m	-	-	-	-	-	-	-	-	-	-
Co-mingling set up	£/room	1,491.87	-	-	-	-	-	-	-	-	-	-
Co-mingling rentals	£/hostel	29.82	-	-	-	-	-	-	-	-	-	-
Routeing & Records	£/line	3.03	0.4 %	0.5 %	-	-	-	-	-	-	-	-
SLG Ethernet Assurance External	%	£0m	-	-	-	1.38	-	1.15	-	-	-	-
SLG Ethernet Assurance Internal	%	£0m	-	-	1.19	-	-	-	-	-	-	-
SLG Ethernet Provision External	%	£15m	-	76.2 %	-	-	-	-	-	-	-	-
SLG Ethernet Provision Internal	%	£20m	80.6 %	-	-	-	-	-	-	-	-	-
PIMR Costs	%	£605m	-	-	-	-	-	-	7.1 %	5.3 %	62.17	63.52
Revenue Receivables	%	£43m	1.6 %	1.9 %	27.03	30.43	-	25.35	0.9 %	1.0 %	1.10	1.10
Rounding			-	0.1 %	0.01	-	-	0.01	0.1 %	0.2 %	(0.01)	(0.01)
Fully Allocated Cost (£ or %)			100.0 %	100.0 %	2,202.56	2,209.52	-	2,199.16	100.0 %	100.0 %	116.27	118.67
	Volume (units)		(ux)	(ux)	494	451	-	2	(ux)	(ux)	4,416	4,830
	Fully Allocated Cost (£m)		0.0	0.0	1.1	1.0	-	0.0	31.9	11.2	0.6	0.6

Section 8 – Review of Business Connectivity Markets

Technical Areas (Non-Dark Fibre) Inter Exchange calculation of FAC based on component costs and usage factors (continued)

Restated for the year ended 31 March 2020 (b)

	Average cost per unit Appendix 1.2	Connections - Ethernet above 1 Gbit		Other - Ethernet above 1 Gbit		Accommodation basket	Exempt Ancillary Services		Other - Project services		
		Internal %	External %	Internal £	External £		Internal %	External %	Internal %	External %	
Fully Allocated Cost (£ or %)											
Components	Unit (a)										
Cumulo Rates Non NGA – Openreach	%	£157m	-	-	11.18	11.64	3.5 %	-	-	0.1 %	0.1 %
EAD Electronics Capital	£/circuit	434.89	-	-	-	-	-	-	-	-	-
Ethernet Backhaul Direct Active	£/circuit	5,222.35	-	-	-	-	-	-	-	-	-
Ethernet Backhaul Direct extended reach	£/circuit	163.03	-	-	-	-	-	-	-	-	-
Ethernet Backhaul Direct - passive	£/circuit	1,824.77	-	-	-	-	-	-	-	-	-
Ethernet Backhaul Direct resilience - active	£/circuit	220.25	-	-	-	-	-	-	-	-	-
Ethernet Backhaul Direct - resilience - passive	£/circuit	73.56	-	-	-	-	-	-	-	-	-
Ethernet Electronics Current	£/le	90.45	-	-	-	-	-	-	-	-	-
Ethernet main links	£/fibre km	41.77	-	-	38.45	40.40	-	-	-	-	-
Ethernet Monitoring Platform	£/circuit	301.55	-	-	-	-	-	-	-	-	-
Ofcom Administration Fee Openreach	%	£3m	0.2 %	0.2 %	0.14	0.13	0.1 %	9.4 %	9.4 %	0.1 %	0.1 %
Openreach sales product management	%	£14m	0.9 %	1.5 %	1.21	1.13	0.6 %	6.0 %	6.0 %	0.4 %	0.4 %
Optical Ethernet Electronics Capital	£/circuit	1,440.57	-	-	-	-	-	-	-	-	-
OR Service Centre - Provision WLA	%	£17m	-	-	-	-	-	-	-	-	-
OR Service Centre - Assurance WLA	%	£16m	-	-	-	-	0.8 %	-	-	-	-
OR Project Services	%	£8m	-	-	-	-	-	-	-	98.9 %	98.9 %
OR Service Centre - Provision Ethernet	%	£6m	5.1 %	9.1 %	-	-	-	-	-	-	-
OR Systems & Development - Ethernet	£/le	24.07	1.4 %	2.5 %	3.62	3.62	-	-	-	-	-
Co-mingling power & vent	%	£68m	-	-	-	-	62.0 %	-	-	-	-
Co-mingling set up	£/room	1,491.87	-	-	-	-	16.4 %	-	-	-	-
Co-mingling rentals	£/hostel	29.82	-	-	-	-	16.0 %	-	-	-	-
Routeing & Records	£/line	3.03	0.2 %	0.3 %	-	-	-	-	-	-	-
SLG Ethernet Assurance External	%	£0m	-	-	-	-	-	-	-	-	-
SLG Ethernet Assurance Internal	%	£0m	-	-	-	-	-	-	-	-	-
SLG Ethernet Provision External	%	£15m	-	84.3 %	-	-	-	-	-	-	-
SLG Ethernet Provision Internal	%	£20m	90.5 %	-	-	-	-	-	-	-	-
PIMR Costs	%	£605m	-	-	63.75	67.00	-	-	-	-	-
Revenue Receivables	%	£43m	1.8 %	2.1 %	1.42	1.33	0.7 %	84.6 %	84.6 %	0.6 %	0.6 %
Rounding			(0.1)%	-	-	-	(0.1)%	-	-	(0.1)%	(0.1)%
Fully Allocated Cost (£ or %)			100.0 %	100.0 %	119.77	125.25	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
	Volume (units)		(ux)	(ux)	23,374	28,379	(ux)	(ux)	(ux)	(ux)	(ux)
	Fully Allocated Cost (£m)		2.6	1.1	2.8	3.5	2.1	0.0	0.0	1.1	0.1

Section 8 – Review of Business Connectivity Markets

Technical Areas (Dark Fibre) Inter Exchange Summary

For the year ended 31 March 2021

Detailed service analysis	Internal Revenue £m	External Revenue £m	Total Revenue £m	Internal Volume	External Volume	Measure	Average Internal Price £	Average External Price £	Internal FAC £m	External FAC £m	Total FAC £m
Service											
Ethernet 1G bit and below Sub-basket											
Dark Fibre Cessation Charges	-	-	-	-	-	km	-	-	-	-	-
Dark Fibre Connection	-	0.2	0.2	-	359	km	-	606.50	-	0.1	0.1
Dark Fibre Main Link	-	0.7	0.7	-	3,325	km	-	215.17	-	0.8	0.8
Dark Fibre Rentals	-	0.0	0.0	-	196	km	-	187.40	-	0.0	0.0
Dark Fibre Right when Tested	-	-	-	-	-	km	-	-	-	-	-
Dark Fibre TRCs	-	-	-	-	-	km	-	-	-	-	-
	-	0.9	0.9						-	0.9	0.9
ECC Basket	-	-	-	(ux)	(ux)	(ux)	(sx)	(sx)	-	-	-
Accommodation basket	-	0.0	0.0	(ux)	(ux)	(ux)	(sx)	(sx)	-	0.0	0.0
Exempt Ancillary Services	-	-	-	(ux)	(ux)	(ux)	(sx)	(sx)	-	-	-
Inter Dark Fibre SLG	-	-	-	(ux)	(ux)	(ux)	(sx)	(sx)	(0.0)	-	(0.0)
Rounding	-	0.1	0.1						-	-	-
Total Ethernet Basket	-	1.0	1.0						(0.0)	0.9	0.9
Adjustment for internal	-	(0.4)	(0.4)						-	(0.4)	(0.4)
Total Ethernet Basket (excluding internal)	-	0.6	0.6						(0.0)	0.5	0.5

Section 8 – Review of Business Connectivity Markets

Technical Areas (Dark Fibre) Inter Exchange calculation of FAC based on component costs and usage factors

For the year ended 31 March 2021

	Average cost per unit Appendix 1.1	Dark Fibre Connection External £	Dark Fibre Main Link External £	Dark Fibre Rentals External £	Accommodation basket External %
Fully Allocated Cost (£ or %)					
Components	Unit (a)				
Routeing & Records	£/line	2.86	2.86	-	-
Ethernet main links	£/fibre km	43.21	-	74.39	-
OR Systems & Development - Ethernet	£/le	24.52	18.88	3.65	18.88
Co-mingling set up	£/room	797.58	-	-	21.5 %
Co-mingling rentals	£/hostel	47.95	-	-	17.6 %
OR Service Centre - Provision WLA	%	£18m	-	-	0.1 %
OR Service Centre - Assurance WLA	%	£15m	-	-	0.5 %
Co-mingling power & vent	%	£66m	-	-	56.8 %
OR Service Centre - Provision Ethernet	%	£6m	104.15	-	-
OR Service Centre - Assurance Ethernet	%	£0m	-	-	-
Ofcom Administration Fee Openreach	%	£2m	0.25	0.09	0.08
Openreach sales product management	%	£20m	0.26	0.09	0.08
Cumulo Rates Non NGA - Openreach	%	£154m	0.05	16.56	0.01
SLG Ethernet Provision External	%	£4m	34.84	-	-
SLG Ethernet Assurance External	%	£0m	-	-	0.03
PIMR Costs	%	£710m	-	130.21	-
Dark Fibre Specific Rental costs	£/circuit	91.85	-	-	162.38
Dark Fibre Specific Connections costs	£/circuit	124.35	201.12	-	-
Revenue Receivables	%	£43m	3.15	1.26	1.10
Rounding			-	(0.02)	(0.02)
Fully Allocated Cost (£ or %)		365.56	226.23	182.54	100.0 %
	Volume (units)	359	3,325	196	(ux)
	Fully Allocated Cost (£m)	0.1	0.8	0.0	0.0

Section 8 – Review of Business Connectivity Markets

Technical Areas (Dark Fibre) Inter Exchange Summary

Restated for the year ended 31 March 2020 (b)

Detailed service analysis	Internal Revenue £m	External Revenue £m	Total Revenue £m	Internal Volume	External Volume	Measure	Average Internal Price £	Average External Price £	Internal FAC £m	External FAC £m	Total FAC £m
Service											
Ethernet 1G bit and below Sub-basket											
Dark Fibre Cessation Charges	-	-	-	-	-	km	-	-	-	-	-
Dark Fibre Connection	-	0.0	0.0	-	26	km	-	425.58	-	0.0	0.0
Dark Fibre Main Link	-	0.0	0.0	-	124	km	-	150.43	-	0.0	0.0
Dark Fibre Rentals	-	0.0	0.0	-	7	km	-	132.01	-	0.0	0.0
Dark Fibre Right when Tested	-	-	-	-	-	km	-	-	-	-	-
Dark Fibre TRCs	-	-	-	-	-	km	-	-	-	-	-
	-	0.0	0.0						-	0.0	0.0
ECC Basket	-	-	-	(ux)	(ux)	(ux)	(sx)	(sx)	-	-	-
Accommodation basket	-	0.0	0.0	(ux)	(ux)	(ux)	(sx)	(sx)	-	0.0	0.0
Exempt Ancillary Services	-	-	-	(ux)	(ux)	(ux)	(sx)	(sx)	-	-	-
Inter Dark Fibre SLG	-	-	-	(ux)	(ux)	(ux)	(sx)	(sx)	(0.0)	-	(0.0)
Rounding	-	-	-						-	-	-
Total Ethernet Basket	-	0.0	0.0						-	0.0	0.0
Adjustment for internal	-	(0.0)	(0.0)						-	(0.0)	(0.0)
Total Ethernet Basket (excluding internal)	-	-	-						-	-	-

Section 8 – Review of Business Connectivity Markets

Technical Areas (Dark Fibre) Inter Exchange calculation of FAC based on component costs and usage factors

Restated for the year ended 31 March 2020 (b)

		Average cost per unit Appendix 1.2	Dark Fibre Connection External £	Dark Fibre Main Link External £	Dark Fibre Rentals External £	Accommodation basket External %	
Fully Allocated Cost (£ or %)							
Components	Unit (a)						
Routing & Records	£/line	3.03	3.03	-	-	-	
Ethernet main links	£/fibre km	41.77	-	50.26	-	-	
OR Systems & Development - Ethernet	£/le	24.07	18.54	3.62	18.54	-	
Co-mingling set up	£/room	1,491.87	-	-	-	16.6 %	
Co-mingling rentals	£/hostel	29.82	-	-	-	16.2 %	
OR Service Centre - Provision WLA	%	£17m	-	-	-	0.0 %	
OR Service Centre - Assurance WLA	%	£16m	-	-	-	0.8 %	
Co-mingling power & vent	%	£68m	-	-	-	62.7 %	
OR Service Centre - Provision Ethernet	%	£6m	88.61	-	-	-	
OR Service Centre - Assurance Ethernet	%	£0m	-	-	0.00	-	
Ofcom Administration Fee Openreach	%	£3m	0.25	0.09	0.08	0.1 %	
Openreach sales product management	%	£14m	0.14	0.05	0.03	0.5 %	
Cumulo Rates Non NGA - Openreach	%	£157m	0.01	4.90	0.01	2.3 %	
SLG Ethernet Provision External	%	£15m	91.71	-	-	-	
SLG Ethernet Assurance External	%	£0m	-	-	0.04	-	
PIMR Costs	%	£605m	-	83.35	-	-	
Dark Fibre Specific Rental costs	£/circuit	90.20	-	-	112.33	-	
Dark Fibre Specific Connections costs	£/circuit	122.12	138.59	-	-	-	
Revenue Receivables	%	£43m	2.27	0.92	0.81	0.7 %	
Rounding			-	-	(0.01)	0.1 %	
Fully Allocated Cost (£ or %)			343.15	143.19	131.83	100.0 %	
			Volume (units)	26	124	7	(ux)
			Fully Allocated Cost (£m)	0.0	0.0	0.0	0.0

Section 9

Review of Narrowband Markets

Section 9 – Review of Narrowband Markets

WFAEL Summary

For the year ended 31 March 2021

Detailed service analysis	Internal Revenue £m	External Revenue £m	Total Revenue £m	Internal Volume	External Volume	Measure	Average Internal Price £	Average External Price £	Internal FAC £m	External FAC £m	Total FAC £m
Service											
Analogue WLR Basic Rentals	940.5	236.6	1,177.1	10,174,618	2,559,959	lines	92.44	92.44	938.1	236.0	1,174.1
WLR Connections	15.9	7.2	23.1	514,555	226,704	conns	30.91	31.84	20.0	8.7	28.7
WLR Transfers	9.6	4.4	14.0	734,623	329,001	transfer	13.08	13.47	7.9	3.6	11.5
WLR Conversions	6.8	3.5	10.3	271,953	139,613	conns	25.04	25.04	11.1	5.7	16.8
Analogue Premium Rentals	72.3	118.3	190.6	634,007	1,037,825	lines	114.00	114.00	62.8	102.1	164.9
WLR Premium Connections	0.4	1.2	1.6	11,631	39,284	conns	31.22	31.22	0.4	1.4	1.8
WLR Premium Transfers	0.1	0.4	0.5	5,482	27,247	transfer	13.08	13.13	0.1	0.4	0.5
Caller Display	4.6	1.6	6.2	5,487,102	1,900,868	rentals	0.84	0.84	1.8	0.6	2.4
Time Related Charges	21.6	5.7	27.3	(ux)	(ux)	(ux)	(sx)	(sx)	25.6	6.8	32.4
Other WLR	47.7	16.3	64.0	(ux)	(ux)	(ux)	(sx)	(sx)	48.9	6.8	55.7
WFAEL SLG	(20.2)	(4.6)	(24.8)	(ux)	(ux)	(ux)	(sx)	(sx)	(19.1)	(4.4)	(23.5)
Rounding	-	0.1	0.1						-	-	-
Total WFAEL	1,099.3	390.7	1,490.0						1,097.6	367.7	1,465.3
Adjustment for internal	(220.0)	(73.2)	(293.2)						(220.0)	(73.2)	(293.2)
Total WFAEL (excluding internal)	879.3	317.5	1,196.8						877.6	294.5	1,172.1

Section 9 – Review of Narrowband Markets

WFAEL calculation of FAC based on component costs and usage factors

For the year ended 31 March 2021

	Average cost per unit – Appendix 1.1	Analogue WLR Basic Rentals		WLR Connections		WLR Transfers		WLR Conversions		Analogue Premium Rentals		WLR Premium Connections		WLR Premium Transfers		Caller Display		Time Related Charges		Other WLR			
		Internal	External	Internal	External	Internal	External	Internal	External	Internal	External	Internal	External	Internal	External	Internal	External	Internal	External	Internal	External		
Fully Allocated Cost (£ or %)		£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	%	%	%	%
Components	Unit (a)																						
Routeing & Records	£/line	2.86	-	-	2.86	2.86	-	-	2.86	2.86	-	-	2.86	2.86	2.86	2.86	-	-	-	-	0.6%	0.8%	
MDF Hardware jumpering	£/line	17.88	-	-	20.15	19.10	-	-	23.55	23.55	-	-	17.88	17.88	-	-	-	-	-	-	4.7%	6.1%	
E side copper capital	£/line	5.18	5.18	5.18	-	-	-	-	-	-	5.18	5.18	-	-	-	-	-	-	-	-	-	-	
E side copper current	£/line	3.71	3.08	3.08	-	-	-	-	-	-	3.73	3.73	-	-	-	-	-	-	-	-	7.1%	5.5%	
D side copper capital	£/line	17.37	17.37	17.37	-	-	-	-	-	-	17.37	17.37	-	-	-	-	-	-	-	-	-	-	
D side copper current	£/line	11.75	8.81	8.81	-	-	-	-	-	-	13.92	13.28	-	-	-	-	-	-	-	-	57.5%	36.6%	
Local exchanges general frames equipment	£/line	1.28	1.28	1.28	-	-	-	-	-	-	1.28	1.28	-	-	-	-	-	-	-	-	-	-	
Local exchanges general frames maintenance	£/line	1.13	0.94	0.94	-	-	-	-	-	-	1.13	1.13	-	-	-	-	-	-	-	-	2.1%	1.7%	
Analogue line test equipment	£/line	0.10	0.10	0.10	-	-	-	-	-	-	0.10	0.10	-	-	-	-	-	-	-	-	-	-	
Dropwire capital & analogue NTE	£/line	17.08	17.08	17.08	-	-	-	-	-	-	17.08	17.08	-	-	-	-	-	-	-	-	-	-	
Analogue line drop maintenance	£/line	3.10	2.58	2.58	-	-	-	-	-	-	3.12	3.12	-	-	-	-	-	-	-	-	5.9%	4.6%	
Abortive Visits	£/trans	56.75	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4.8%	24.1%	
Analogue line cards	£/line	8.41	8.41	8.41	-	-	-	-	-	-	8.41	8.41	-	-	-	-	-	-	-	-	-	-	
Pair gain	£/line	0.00	0.00	0.00	-	-	-	-	-	-	0.00	0.00	-	-	-	-	-	-	-	-	-	-	
Combi Card and MSAN Access - Voice	£/line	0.00	0.00	0.00	-	-	-	-	-	-	0.00	0.00	-	-	-	-	-	-	-	-	-	-	
Expedite Provision Costs	£/line	196.41	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.6%	5.4%	
SLG WLR Provision Internal	%	£9m	-	-	8.72	-	3.69	-	7.07	-	-	-	8.81	-	3.69	-	-	-	-	-	0.4%	-	
SLG WLR Assurance Internal	%	£6m	0.52	-	-	-	-	-	-	-	0.64	-	-	-	-	-	-	-	-	-	-	-	
Cumulo Rates Non NGA - Openreach	%	£154m	4.50	4.50	0.01	0.01	0.00	0.00	0.01	0.01	4.50	4.50	0.01	0.01	0.00	0.00	0.01	0.01	0.0%	0.0%	0.5%	0.4%	
iNode features	%	£0m	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%	0.0%	
Openreach time related charges	%	£62m	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	98.9%	98.9%	-	-	
OR Project Services	%	£12m	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%	-	
Caller Display	%	£2m	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.31	0.31	-	-	-	-	
Network Features	%	£6m	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	10.5%	5.3%	
Ofcom Administration Fee Openreach	%	£2m	0.04	0.04	0.01	0.01	0.01	0.01	0.01	0.01	0.05	0.05	0.01	0.01	0.01	0.01	0.00	0.00	0.0%	0.0%	0.0%	0.1%	
Openreach sales product management	%	£20m	0.24	0.24	0.08	0.08	0.03	0.04	0.07	0.07	0.30	0.30	0.08	0.08	0.03	0.03	0.01	0.01	0.5%	0.5%	0.6%	1.4%	
OR Service Centre - Provision Analogue/ISDN2	%	£18m	-	-	6.94	6.94	6.94	6.94	6.94	6.94	-	-	6.94	6.94	6.94	6.94	-	-	-	-	3.1%	6.4%	
OR Service Centre - Assurance Analogue/ISDN2	%	£18m	1.19	1.19	-	-	-	-	-	-	1.19	1.19	-	-	-	-	-	-	-	-	-	-	
SLG WLR Provision External	%	£5m	-	-	8.99	-	3.80	-	7.07	-	-	-	8.81	-	3.71	-	-	-	-	-	-	0.5%	
SLG WLR Assurance External	%	£2m	-	0.52	-	-	-	-	-	-	0.64	-	-	-	-	-	-	-	-	-	-	-	
PIMR Costs	%	£710m	20.35	20.35	-	-	-	-	-	-	20.35	20.35	-	-	-	-	-	-	-	-	-	-	
Revenue Receivables	%	£43m	0.54	0.54	0.16	0.17	0.07	0.07	0.13	0.13	0.67	0.67	0.16	0.16	0.07	0.07	0.00	0.00	0.4%	0.4%	0.6%	1.4%	
Rounding			(0.01)	(0.01)	0.01	-	-	(0.01)	-	-	(0.01)	(0.01)	0.01	0.01	-	-	-	-	0.2%	0.2%	-	(0.3)%	
Fully Allocated Cost (£ or %)			92.20	92.20	38.94	38.16	10.74	10.85	40.64	40.64	99.01	98.37	36.76	36.76	13.60	13.62	0.33	0.33	100.0%	100.0%	100.0%	100.0%	
	Volume (units)		10,174,618	2,559,959	514,555	226,704	734,623	329,001	271,953	139,613	634,007	1,037,825	11,631	39,284	5,482	27,247	5,487,102	1,900,868	(ux)	(ux)	(ux)	(ux)	
	Fully Allocated Cost (£m)		938.1	236.0	20.0	8.7	7.9	3.6	11.1	5.7	62.8	102.1	0.4	1.4	0.1	0.4	1.8	0.6	25.6	6.8	48.9	6.8	

Section 9 – Review of Narrowband Markets

WFAEL Summary

Restated for the year ended 31 March 2020 (b)

Detailed service analysis	Internal Revenue £m	External Revenue £m	Total Revenue £m	Internal Volume	External Volume	Measure	Average Internal Price £	Average External Price £	Internal FAC £m	External FAC £m	Total FAC £m
Service											
Analogue WLR Basic Rentals	975.0	214.7	1,189.7	10,547,800	2,322,213	lines	92.44	92.44	905.8	199.4	1,105.2
WLR Connections	14.9	7.2	22.1	476,455	218,239	conns	31.26	33.04	16.2	7.2	23.4
WLR Transfers	11.3	5.4	16.7	866,843	395,662	transfer	13.08	13.63	7.0	3.2	10.2
WLR Conversions	8.1	3.4	11.5	323,211	135,480	conns	25.04	25.04	11.3	4.8	16.1
Analogue Premium Rentals	85.6	127.6	213.2	751,184	1,119,663	lines	114.00	114.00	69.1	102.4	171.5
WLR Premium Connections	0.9	2.0	2.9	29,580	64,088	conns	31.22	31.22	0.9	2.0	2.9
WLR Premium Transfers	0.2	0.8	1.0	12,254	59,074	transfer	13.08	13.12	0.1	0.7	0.8
Caller Display	3.7	1.4	5.1	4,430,582	1,651,718	rentals	0.84	0.84	1.6	0.6	2.2
Time Related Charges	24.6	6.9	31.5	(ux)	(ux)	(ux)	(sx)	(sx)	28.1	7.9	36.0
Other WLR	63.2	17.9	81.1	(ux)	(ux)	(ux)	(sx)	(sx)	55.1	7.8	62.9
WFAEL SLG	(14.7)	(4.5)	(19.2)	(ux)	(ux)	(ux)	(sx)	(sx)	(15.3)	(4.6)	(19.9)
Rounding	0.1	-	0.1						0.1	(0.2)	(0.1)
Total WFAEL	1,172.9	382.8	1,555.7						1,080.0	331.2	1,411.2
Adjustment for internal	(192.5)	(58.6)	(251.1)						(192.5)	(58.6)	(251.1)
Total WFAEL (excluding internal)	980.4	324.2	1,304.6						887.5	272.6	1,160.1

Section 9 – Review of Narrowband Markets

WFAEL calculation of FAC based on component costs and usage factors

Restated for the year ended 31 March 2020 (b)

Fully Allocated Cost (£ or %)	Average cost per unit Appendix 1.2	Analogue WLR Basic Rentals		WLR Connections		WLR Transfers		WLR Conversions		Analogue Premium Rentals		WLR Premium Connections		WLR Premium Transfers		Caller Display		Time Related Charges		Other WLR		
		Internal	External	Internal	External	Internal	External	Internal	External	Internal	External	Internal	External	Internal	External	Internal	External	Internal	External	Internal	External	
		£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	%	%	%	%	
Components	Unit (a)																					
Routeing & Records	£/line	3.03	-	-	3.03	3.03	-	-	3.03	3.03	-	-	3.03	3.03	3.03	3.03	-	-	-	-	0.8%	1.4%
MDF Hardware jumpering	£/line	16.12	-	-	18.75	17.30	-	-	21.24	21.24	-	-	16.12	16.12	-	-	-	-	-	-	5.5%	9.6%
E side copper capital	£/line	4.21	4.21	4.21	-	-	-	-	-	-	4.21	4.21	-	-	-	-	-	-	-	-	-	-
E side copper current	£/line	3.60	2.99	2.99	-	-	-	-	-	-	3.62	3.62	-	-	-	-	-	-	-	-	6.5%	4.7%
D side copper capital	£/line	18.37	18.37	18.37	-	-	-	-	-	-	18.37	18.37	-	-	-	-	-	-	-	-	-	-
D side copper current	£/line	10.69	7.84	7.84	-	-	-	-	-	-	12.28	11.77	-	-	-	-	-	-	-	-	56.1%	28.0%
Local exchanges general frames equipment	£/line	1.20	1.20	1.20	-	-	-	-	-	-	1.20	1.20	-	-	-	-	-	-	-	-	-	-
Local exchanges general frames maintenance	£/line	1.28	1.06	1.06	-	-	-	-	-	-	1.29	1.29	-	-	-	-	-	-	-	-	2.3%	1.7%
Analogue line test equipment	£/line	0.07	0.07	0.07	-	-	-	-	-	-	0.07	0.07	-	-	-	-	-	-	-	-	-	-
Dropwire capital & analogue NTE	£/line	16.40	16.40	16.40	-	-	-	-	-	-	16.40	16.40	-	-	-	-	-	-	-	-	-	-
Analogue line drop maintenance	£/line	2.77	2.30	2.30	-	-	-	-	-	-	2.78	2.78	-	-	-	-	-	-	-	-	5.0%	3.6%
Abortive Visits	£/trans	59.94	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7.1%	31.2%
Analogue line cards	£/line	7.39	7.39	7.39	-	-	-	-	-	-	7.39	7.39	-	-	-	-	-	-	-	-	-	-
Pair gain	£/line	0.00	0.00	0.00	-	-	-	-	-	-	0.00	0.00	-	-	-	-	-	-	-	-	-	-
Combi Card and MSAN Access - Voice	£/line	0.00	0.00	0.00	-	-	-	-	-	-	0.00	0.00	-	-	-	-	-	-	-	-	-	-
Expedite Provision Costs	£/line	130.01	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.3%	3.1%
SLG WLR Provision Internal	%	£8m	-	-	6.97	-	2.92	-	5.58	-	-	-	6.96	-	2.92	-	-	-	-	-	0.4%	-
SLG WLR Assurance Internal	%	£6m	0.50	-	-	-	-	-	-	0.62	-	-	-	-	-	-	-	-	-	-	-	-
Cumulo Rates Non NGA - Openreach	%	£157m	4.60	4.60	0.01	0.01	0.00	0.00	0.01	0.01	4.60	4.60	0.01	0.01	0.00	0.00	0.01	0.01	0.1%	0.1%	0.5%	0.4%
iNode features	%	£1m	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.2%	0.7%
Openreach time related charges	%	£63m	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	99.1%	99.1%	-	-
OR Project Services	%	£8m	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.3%	0.8%
Caller Display	%	£2m	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.34	0.34	-	-	-	-
Network Features	%	£6m	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	9.4%	6.0%
Ofcom Administration Fee Openreach	%	£3m	0.05	0.05	0.02	0.02	0.01	0.01	0.01	0.01	0.07	0.07	0.02	0.02	0.01	0.01	0.00	0.00	0.1%	0.1%	0.1%	0.1%
Openreach sales product management	%	£14m	0.08	0.08	0.03	0.03	0.01	0.01	0.02	0.02	0.10	0.10	0.03	0.03	0.01	0.01	0.00	0.00	0.3%	0.3%	0.4%	0.7%
OR Service Centre - Provision Analogue/ISDN2	%	£15m	-	-	5.07	5.07	5.07	5.07	5.07	5.07	-	-	5.07	5.07	5.07	5.07	-	-	-	-	2.5%	5.9%
OR Service Centre - Assurance Analogue/ISDN2	%	£18m	1.18	1.18	-	-	-	-	-	-	1.18	1.18	-	-	-	-	-	-	-	-	-	-
SLG WLR Provision External	%	£4m	-	-	-	7.37	-	3.04	-	5.58	-	-	-	6.96	-	2.93	-	-	-	-	-	0.6%
SLG WLR Assurance External	%	£2m	-	0.50	-	-	-	-	-	-	0.62	-	-	-	-	-	-	-	-	-	-	-
PIMR Costs	%	£605m	17.04	17.04	-	-	-	-	-	-	17.04	17.04	-	-	-	-	-	-	-	-	-	-
Revenue Receivables	%	£43m	0.57	0.57	0.17	0.18	0.07	0.07	0.13	0.13	0.70	0.70	0.17	0.17	0.07	0.07	0.01	0.01	0.5%	0.5%	0.7%	1.4%
Rounding	%		0.02	0.02	(0.01)	-	-	-	0.01	0.01	-	-	(0.01)	(0.01)	(0.01)	(0.01)	-	-	(0.1)%	(0.1)%	(0.1)%	0.1%
Fully Allocated Cost (£ or %)		85.87	85.87	34.04	33.01	8.08	8.20	35.10	35.10	91.92	91.41	31.40	31.40	11.10	11.11	0.36	0.36	100.0%	100.0%	100.0%	100.0%	
		Volume (units)	10,547,800	2,322,213	476,455	218,239	866,843	395,662	323,211	135,480	751,184	1,119,663	29,580	64,088	12,254	59,074	4,430,582	1,651,718	(ux)	(ux)	(ux)	(ux)
		Fully Allocated Cost (£m)	905.8	199.4	16.2	7.2	7.0	3.2	11.3	4.8	69.1	102.4	0.9	2.0	0.1	0.7	1.6	0.6	28.1	7.9	55.1	7.8

Section 9 – Review of Narrowband Markets

ISDN2 Summary

For the year ended 31 March 2021

Detailed service analysis	Internal Revenue £m	External Revenue £m	Total Revenue £m	Internal Volume	External Volume	Measure	Average Internal Price £	Average External Price £
Service								
ISDN2 Rentals *	16.6	22.8	39.4	156,538	215,616	channels	105.96	105.96
ISDN2 Transfers *	-	-	-	-	-	channels	-	-
Other ISDN2 **	5.5	9.4	14.9	(ux)	(ux)	(ux)	(sx)	(sx)
ISDN2 SLG	(0.1)	(0.2)	(0.3)	(ux)	(ux)	(ux)	(sx)	(sx)
Rounding	-	0.1	0.1					
Total ISDN2	22.0	32.1	54.1					

* Ordered before 30 November 2018

** Including ISDN2 rentals, connections and transfers ordered after 30 November 2018

ISDN2 Summary

Restated for the year ended 31 March 2020 (b)

Detailed service analysis	Internal Revenue £m	External Revenue £m	Total Revenue £m	Internal Volume	External Volume	Measure	Average Internal Price £	Average External Price £
Service								
ISDN2 Rentals *	20.6	32.6	53.2	194,572	308,127	channels	105.96	105.96
ISDN2 Transfers *	0.0	0.1	0.1	310	15,697	channels	6.23	5.38
Other ISDN2 **	4.0	6.9	10.9	(ux)	(ux)	(ux)	(sx)	(sx)
ISDN2 SLG	(0.1)	(0.2)	(0.3)	(ux)	(ux)	(ux)	(sx)	(sx)
Rounding	-	-	-					
Total ISDN2	24.5	39.4	63.9					

* Ordered before 30 November 2018

** Including ISDN2 rentals, connections and transfers ordered after 30 November 2018

Section 9 – Review of Narrowband Markets

ISDN30 Summary

For the year ended 31 March 2021

Detailed service analysis	Internal Revenue £m	External Revenue £m	Total Revenue £m	Internal Volume	External Volume	Measure	Average Internal Price £	Average External Price £
Service								
ISDN30 Rentals *	36.3	35.4	71.7	306,373	297,924	channels	118.56	118.67
ISDN30 Channel Connections *	-	-	-	-	-	channels	-	-
ISDN30 SML 3 and 4 *	1.3	1.6	2.9	69,892	87,601	rentals	18.38	18.15
ISDN30 Transfers *	-	-	-	-	-	channels	-	-
ISDN30 DDI Rentals *	0.9	1.9	2.8	896,305	1,845,179	rentals	1.04	1.04
ISDN30 SLG	(0.2)	(0.2)	(0.4)	(ux)	(ux)	(ux)	(sx)	(sx)
Other ISDN30 **	3.0	13.9	16.9	(ux)	(ux)	(ux)	(sx)	(sx)
Rounding	(0.1)	-	(0.1)					
Total ISDN30	41.2	52.6	93.8					

* Ordered before 30 November 2018

** Including all ISDN30 services ordered after 30 November 2018

ISDN30 Summary

Restated for the year ended 31 March 2020 (b)

Detailed service analysis	Internal Revenue £m	External Revenue £m	Total Revenue £m	Internal Volume	External Volume	Measure	Average Internal Price £	Average External Price £
Service								
ISDN30 Rentals *	45.8	48.9	94.7	386,101	411,297	channels	118.56	118.85
ISDN30 Channel Connections *	0.2	0.0	0.2	47,414	2,220	channels	3.50	3.50
ISDN30 SML 3 and 4 *	1.7	2.8	4.5	91,292	154,276	rentals	18.56	18.46
ISDN30 Transfers *	0.0	0.1	0.1	1,054	20,081	channels	5.03	6.30
ISDN30 DDI Rentals *	1.3	2.6	3.9	1,291,449	2,496,389	rentals	1.04	1.04
ISDN30 SLG	(0.5)	(0.3)	(0.8)	(ux)	(ux)	(ux)	(sx)	(sx)
Other ISDN30 **	1.6	10.5	12.1	(ux)	(ux)	(ux)	(sx)	(sx)
Rounding	-	-	-					
Total ISDN30	50.1	64.6	114.7					

* Ordered before 30 November 2018

** Including all ISDN30 services ordered after 30 November 2018

Section 9 – Review of Narrowband Markets

Fixed Geographic Call Termination Summary

For the year ended 31 March 2021

Detailed service analysis	Internal Revenue £m	External Revenue £m	Total Revenue £m	Internal NCC traffic mm	External NCC traffic mm	Internal Average NCC rates ppm	External Average NCC rates ppm
Service							
Wholesale fixed geographical call termination local exchange	2.9	5.2	8.1	10,192	17,954	0.0292	0.0292
Total Fixed Geographic Call Termination	2.9	5.2	8.1				

Fixed Geographic Call Termination Summary

Restated for the year ended 31 March 2020 (b)

Detailed service analysis	Internal Revenue £m	External Revenue £m	Total Revenue £m	Internal NCC traffic mm	External NCC traffic mm	Internal Average NCC rates ppm	External Average NCC rates ppm
Service							
Wholesale fixed geographical call termination local exchange	2.7	5.3	8.0	8,979	17,197	0.0307	0.0307
Total Fixed Geographic Call Termination	2.7	5.3	8.0				

Section 9 – Review of Narrowband Markets

Technical Areas (DLE Interconnect Circuits) Summary

For the year ended 31 March 2021

Detailed service analysis	Internal Revenue £m	External Revenue £m	Total Revenue £m	Internal Volume	External Volume	Measure	Internal Average Price £	External Average Price £	Internal FAC £m	External FAC £m	Total FAC £m
Service											
Wholesale IEC Connections	-	0.0	0.0	-	33	ccts	-	1,083.27	-	0.1	0.1
Wholesale IEC Rentals - fixed	-	1.8	1.8	-	2,678	ccts	-	677.04	-	0.8	0.8
Wholesale IEC Rentals - per km	-	1.2	1.2	-	54,681	km	-	22.80	-	2.3	2.3
Wholesale Intra-Building Circuits Connections	-	0.3	0.3	-	309	ccts	-	901.60	-	0.0	0.0
Wholesale Intra-Building Circuit Rentals	-	1.5	1.5	-	13,315	ccts	-	112.56	-	0.9	0.9
Wholesale Rearrangements	-	0.0	0.0	-	70	ccts	-	507.50	-	0.4	0.4
Rounding	-	0.1	0.1	-	-	-	-	-	-	-	-
Total Technical Areas (DLE Interconnect Circuits)	-	4.9	4.9	-	-	-	-	-	-	4.5	4.5

Section 9 – Review of Narrowband Markets

Technical Areas (DLE Interconnect Circuits) calculation of FAC based on component costs and usage factors

For the year ended 31 March 2021

Fully Allocated Cost (£ or %)	Average cost per unit Appendix 1.1	In Span Interconnect with Interconnect Extension Circuit (end to end circuit)			In span Interconnect		Wholesale Rearrangements	
		Wholesale IEC Connections	Wholesale IEC Rentals - fixed	Wholesale IEC Rentals - per km	Wholesale Intra- Building Circuits Connections	Wholesale Intra- Building Circuit Rentals		
		External £	External £	External £	External £	External £		
Components	Unit (a)							
Interconnect 2Mbps connection	£/circuit	16,993.27	2,092.85	-	-	-	5,865.23	
Interconnect extension circuits (IEC) 2Mbps link	£/circuit	229.07	-	229.07	-	-	-	
Interconnect Extension Circuits (IEC) 2Mbps per km	£/km	36.10	-	-	36.10	-	-	
Intra Building Circuit (IBC) connection	£/circuit	1.46	1.46	-	-	1.46	-	
Intra Building Circuit (IBC) rental	£/circuit	62.33	-	62.33	-	-	62.33	
Cumulo Rates Non NGA - Non Openreach	%	£24m	1.02	11.81	2.00	0.00	2.73	2.85
Ofcom Administration Fee Wholesale	%	£1m	0.40	0.25	0.01	0.33	0.04	0.19
PIMR Costs	%	£710m	-	-	4.59	-	-	-
Revenue Receivables	%	£43m	6.34	3.96	0.13	5.28	0.66	2.97
Rounding			(0.01)	(0.01)	0.01	(0.01)	-	(0.01)
Fully Allocated Cost (£ or %)			2,102.06	307.41	42.84	7.06	65.76	5,871.23
	Volume (units)		33	2,678	54,681	309	13,315	70
	Fully Allocated Cost (£m)		0.1	0.8	2.3	0.0	0.9	0.4

Section 9 – Review of Narrowband Markets

Technical Areas (DLE Interconnect Circuits) Summary

Restated for the year ended 31 March 2020 (b)

Detailed service analysis	Internal Revenue £m	External Revenue £m	Total Revenue £m	Internal Volume	External Volume	Measure	Internal Average Price £	External Average Price £	Internal FAC £m	External FAC £m	Total FAC £m
Service											
Wholesale IEC Connections	-	0.0	0.0	-	46	ccts	-	1,063.92	-	0.0	0.0
Wholesale IEC Rentals - fixed	-	1.8	1.8	-	2,684	ccts	-	664.92	-	0.7	0.7
Wholesale IEC Rentals - per km	-	1.3	1.3	-	57,152	km	-	22.80	-	2.1	2.1
Wholesale Intra-Building Circuits Connections	-	0.4	0.4	-	427	ccts	-	885.50	-	0.0	0.0
Wholesale Intra-Building Circuit Rentals	-	1.5	1.5	-	13,227	ccts	-	110.52	-	1.1	1.1
Wholesale Rearrangements	-	0.2	0.2	-	320	ccts	-	500.00	-	0.9	0.9
Rounding	-	(0.1)	(0.1)						-	-	-
Total Technical Areas (DLE Interconnect Circuits)	-	5.1	5.1						-	4.8	4.8

Section 9 – Review of Narrowband Markets

Technical Areas (DLE Interconnect Circuits) calculation of FAC based on component costs and usage factors

Restated for the year ended 31 March 2020 (b)

	Average cost per unit Appendix 1.2	In Span Interconnect with Interconnect Extension Circuit (end to end circuit)			In span Interconnect		Wholesale Rearrangements
		Wholesale IEC Connections	Wholesale IEC Rentals - fixed	Wholesale IEC Rentals - per km	Wholesale Intra- Building Circuit Connections	Wholesale Intra- Building Circuit Rentals	
Fully Allocated Cost (£ or %)		External £	External £	External £	External £	External £	External £
Components	Unit (a)						
Interconnect 2Mbps connection	£/circuit	3,393.01	1,026.28	-	-	-	2,877.08
Interconnect extension circuits (IEC) 2Mbps link	£/circuit	179.46	-	179.46	-	-	-
Interconnect Extension Circuits (IEC) 2Mbps per km	£/km	30.20	-	-	30.20	-	-
Intra Building Circuit (IBC) connection	£/circuit	4.81	4.81	-	-	4.81	-
Intra Building Circuit (IBC) rental	£/circuit	76.71	-	76.71	-	-	76.71
Cumulo Rates Non NGA - Non Openreach	%	£29m	0.66	12.62	2.08	0.00	3.55
Ofcom Administration Fee Wholesale	%	£1m	0.55	0.34	0.01	0.46	0.06
PIMR Costs	%	£605m	-	-	3.72	-	-
Revenue Receivables	%	£43m	6.51	4.07	0.14	5.41	0.68
Rounding			-	-	(0.01)	-	(0.01)
Fully Allocated Cost (£ or %)		1,038.81	273.20	36.14	10.68	80.99	2,882.24
			Volume (units)				
			46	2,684	57,152	427	13,227
			Fully Allocated Cost (£m)				
			0.0	0.7	2.1	0.0	1.1
							320
							0.9

Section 10

Review of Wholesale Broadband Access Markets

Section 10 – Review of Wholesale Broadband Access Markets

WBA (Market A) Summary

For the year ended 31 March 2021

Detailed service analysis	Internal Revenue £m	External Revenue £m	Total Revenue £m	Internal Volume	External Volume	Measure	Average Internal Price £	Average External Price £	Internal FAC £m	External FAC £m	Total FAC £m	Internal EOI £m	External EOI £m
IPstream Connect Max and Max Premium End User Access - Rental	0.2	0.0	0.2	4,183	10	rentals	58.85	65.59	9.3	0.0	9.3	3.9	0.0
WBC Connections	1.3	0.0	1.3	25,258	76	conns	52.96	53.31	1.0	0.0	1.0	1.0	0.0
WBC End User Access - Rental	24.6	0.1	24.7	192,711	640	rentals	127.43	108.15	16.4	0.1	16.5	10.3	0.0
WBC Bandwidth	135.6	0.3	135.9	3,390,265	6,688	bandwidth	40.00	40.00	6.8	0.0	6.8	2.0	0.0
WBC Ancillary Charges & other	0.6	0.0	0.6	(ux)	(ux)	(ux)	(sx)	(sx)	0.3	0.0	0.3	0.3	0.0
Other WBA (Market A)*	2.9	0.6	3.5	(ux)	(ux)	(ux)	(sx)	(sx)	11.6	0.0	11.6	0.7	0.0
Total WBA (Market A) (including EOI and Internal)	165.2	1.0	166.2						45.4	0.1	45.5	18.2	0.0
Adjustment for EOI and Internal Rounding	(16.0)	(0.0)	(16.0)						(16.0)	(0.0)	(16.0)		
Total WBA (Market A) (adjusted for EOI and Internal)	149.2	0.9	150.1						29.3	0.1	29.4		

Notes:

* Included in Other WBA (Market A) are the following services where revenue is below £5m and EOI is below £1m: IPstream Connect Contracted Bandwidth per Mbps per node rental, IPstream Connect End User Re-grade, IPstream Connect End User Migration, IPstream Connect ADSL Cancellation, Other IPstream Connect Market, Cease Basket

Section 10 – Review of Wholesale Broadband Access Markets

WBA (Market A) EOI

For the year ended 31 March 2021

Part Service Description	Unit (a)	Average EOI Input per unit	IPstream Connect Max and Max Premium End User Access - Rental		WBC Connections		WBC End User Access - Rental		WBC Bandwidth		WBC Ancillary Charges & other		EOI Other Services*	
			Internal £	External £	Internal £	External £	Internal £	External £	Internal £	External £	Internal %	External %	Internal %	External %
EOI Charge (£ or %)														
SMPF New Provides Costs - Internal EOI Charges	conns	22.71	-	-	10.01	8.07	-	-	-	-	-	-	0.9%	0.8%
SMPF Single Migrations Costs - Internal EOI Charges	migrations	25.05	-	-	-	-	-	-	-	-	8.7%	10.4%	0.2%	-
SMPF Rentals Costs - Internal EOI Charges	rentals	6.16	6.16	6.16	-	-	3.10	4.15	-	-	-	-	0.8%	0.2%
Other LLU ancillaries basket Costs - Internal EOI Charges	ancillaries	455.57	-	-	-	-	-	-	-	-	51.3%	51.5%	2.6%	-
SMPF Bulk Migrations Costs - Internal EOI Charges	migrations	18.12	-	-	-	-	-	-	-	-	0.0%	0.0%	0.0%	-
MPF Hard Ceases Costs - Internal EOI Charges	ceases	17.87	-	-	-	-	-	-	-	-	-	-	0.6%	0.9%
SMPF Hard Ceases Costs - Internal EOI Charges	ceases	14.48	-	-	-	-	-	-	-	-	-	-	28.5%	45.7%
Other Tie-cables and Comingling Costs - Internal EOI Charges	%	22.75	415.98	415.98	-	-	2.55	3.41	-	-	-	-	-	-
GEA FTTC rentals (all other speeds except 40/10) - Internal EOI Charges	rentals	76.75	-	-	-	-	26.00	17.15	-	-	-	-	-	-
GEA FTTC 40/10 Rentals - Internal EOI Charges	rentals	59.97	-	-	-	-	6.47	4.27	-	-	-	-	-	-
GEA Other Rentals (all other speeds except 40/10) - Internal EOI Charges	rentals	188.80	-	-	-	-	7.08	4.67	-	-	-	-	-	-
GEA Other 40/10 Rentals - Internal EOI Charges	rentals	156.78	-	-	-	-	0.55	0.36	-	-	-	-	-	-
MPF Cancellation of orders - Internal EOI Charges	ancillaries	5.55	-	-	-	-	-	-	-	-	0.1%	0.1%	0.0%	-
GEA Other FTTC PCP Only Install Connections - Internal EOI Charges	conns	46.84	-	-	10.38	12.40	-	-	-	-	-	-	-	-
GEA FTTC 40/10 PCP Only Install Connections - Internal EOI Charges	conns	46.84	-	-	7.25	8.65	-	-	-	-	-	-	-	-
GEA FTTC connections - Internal EOI Charges	conns	98.90	-	-	1.19	1.42	-	-	-	-	-	-	-	-
GEA FTTP connections - Internal EOI Charges	conns	54.49	-	-	6.84	8.17	-	-	-	-	-	-	-	-
GEA FTTC 40/10 Connections - Internal EOI Charges	conns	99.00	-	-	0.81	0.96	-	-	-	-	-	-	-	-
GEA Other FTTC Start of a Stopped Line Connections - Internal EOI Charges	conns	3.06	-	-	0.12	0.15	-	-	-	-	-	-	-	-
GEA 40/10 FTTP Other Connections - Internal EOI Charges	conns	55.30	-	-	0.31	0.37	-	-	-	-	-	-	-	-
GEA FTTC 40/10 Start of a Stopped Line Connections - Internal EOI Charges	conns	3.06	-	-	0.07	0.08	-	-	-	-	-	-	-	-
GEA FTTP 40/10 Conns Voice and Data - Internal EOI Charges	conns	98.48	-	-	0.00	0.00	-	-	-	-	-	-	-	-
GEA CP to CP Migration Costs - Internal EOI Charges	migrations	3.06	-	-	-	-	-	-	-	-	39.9%	38.1%	-	-
G Fast Rentals - Internal EOI Charges	%	108.20	-	-	-	-	0.65	0.43	-	-	-	-	-	-
G Fast Connections - Internal EOI Charges	%	32.98	-	-	1.29	1.54	-	-	-	-	-	-	-	-
EBD ONBS Rentals - Internal EOI Charges (Inter - BT Only)	rentals	3,030.13	-	-	-	-	-	-	0.00	0.01	-	-	-	-
EBD ONBS >1Gbps Rentals - Internal EOI Charges (Inter - BT Only)	rentals	11,172.66	-	-	-	-	-	-	0.09	0.09	-	-	-	-
EBD ONBS Connection - Internal EOI Charges (Inter - BT Only)	conns	2,100.00	-	-	-	-	-	-	0.00	0.00	-	-	-	-
EBD ONBS >1Gbps Connections - Internal EOI Charges (Inter - BT Only)	conns	7,236.83	-	-	-	-	-	-	0.01	0.01	-	-	-	-
EBD ONBS Rentals - Internal EOI Charges (Inter - BT+1)	rentals	2,797.05	-	-	-	-	-	-	0.00	0.00	-	-	-	-
EBD ONBS >1Gbps Rentals - Internal EOI Charges (Inter - BT+1)	rentals	10,108.55	-	-	-	-	-	-	0.08	0.08	-	-	-	-
EBD ONBS Connection - Internal EOI Charges (Inter - BT+1)	conns	2,100.00	-	-	-	-	-	-	0.00	0.00	-	-	-	-
EBD ONBS >1Gbps Connections - Internal EOI Charges (Inter - BT+1)	conns	7,237.70	-	-	-	-	-	-	0.01	0.01	-	-	-	-
Subtotal			422.14	422.14	38.27	41.81	46.40	34.44	0.19	0.20	100.0%	100.1%	33.6%	47.6%

Section 10 – Review of Wholesale Broadband Access Markets

WBA (Market A) EOI (continued)

For the year ended 31 March 2021

Part Service Description	Unit (a)	Average EOI Input per unit		IPstream Connect Max and Max Premium End User Access - Rental		WBC Connections		WBC End User Access - Rental		WBC Bandwidth		WBC Ancillary Charges & other		EOI Other Services*		
		Internal	External	Internal	External	Internal	External	Internal	External	Internal	External	Internal	External	Internal	External	
EOI Charge (£ or %)		£	£	£	£	£	£	£	£	£	£	£	%	%	%	%
EBD ONBS Rentals - Internal EOI Charges (Inter - BT+2 or more)	rentals	2,654.62	-	-	-	-	-	-	-	0.00	0.00	-	-	-	-	-
EBD ONBS >1Gbps Rentals - Internal EOI Charges (Inter - BT+2 or more)	rentals	9,844.46	-	-	-	-	-	-	-	0.08	0.08	-	-	-	-	-
EBD ONBS >1Gbps Connections - Internal EOI Charges (Inter - BT+2 or more)	conns	7,218.80	-	-	-	-	-	-	-	0.01	0.01	-	-	-	-	-
Special Faults Investigation - Internal EOI Charges	ancillaries	102.92	1.93	1.93	-	-	0.97	1.30	-	-	-	-	-	25.6%	10.0%	-
Tie Cables Costs - Internal EOI Charges	ancillaries	32.96	513.23	513.23	-	-	2.55	3.42	-	-	-	-	-	-	-	-
21CN Backhaul EAD - Internal EOI Charges	ccts	5,313.13	-	-	-	-	-	-	0.30	0.21	-	-	-	-	-	-
WLA Time Related Charges Costs - Internal EOI Charges	ancillaries	77.24	1.42	-	-	-	1.37	1.00	-	-	-	-	-	0.1%	0.9%	-
SMPF Expedites - Internal EOI Charges	ancillaries	82.43	-	-	-	-	-	-	-	-	-	-	-	1.3%	0.8%	-
NGA Expedites - Internal EOI Charges	ancillaries	101.38	-	-	-	-	-	-	-	-	-	-	-	1.3%	1.2%	-
SMPF Enhanced Care - Internal EOI Charges	ancillaries	37.72	-	-	-	-	-	-	-	-	-	-	-	33.5%	36.9%	-
NGA Enhanced Care - Internal EOI Charges	ancillaries	41.28	-	-	-	-	-	-	-	-	-	-	-	4.6%	2.6%	-
NGA Visit Assure EOI - Internal EOI Charges	ancillaries	130.00	-	-	-	-	2.40	1.59	-	-	-	-	-	-	-	-
Copper Broadband Boost - Internal EOI Charges	ancillaries	152.36	-	-	-	-	-	-	-	-	-	-	-	0.1%	-	-
Roundings		-	0.01	1.02	-	-	0.01	-	-	-	-	-	(0.1)%	(0.1)%	-	-
EOI cost (£ or %)		938.72	937.31	39.29	41.81	53.70	41.75	0.58	0.50	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
	Volumes	4,183	10	25,258	76	192,711	640	3,390,265	6,688	(ux)	(ux)	(ux)	(ux)			
	Unit	Rentals	Rentals	Conns	Conns	Rentals	Rentals	Bandwidth	Bandwidth							
	Total EOI Cost (£m)	3.9	0.0	1.0	0.0	10.3	0.0	2.0	0.0	0.3	0.0	0.7	0.0			

Notes:

* Included in EOI Other Services are the following services where EOI is below £1m: IPstream Connect Contracted Bandwidth per Mbps per node rental, IPstream Connect End User Re-grade, IPstream Connect End User Migration, IPstream Connect ADSL Cancellation, Other IPstream Connect Market, Cease Basket

Section 10 – Review of Wholesale Broadband Access Markets

WBA (Market A) Summary

Restated for the year ended 31 March 2020 (b)

Detailed service analysis	Internal Revenue £m	External Revenue £m	Total Revenue £m	Internal Volume	External Volume	Measure	Average Internal Price £	Average External Price £	Internal FAC £m	External FAC £m	Total FAC £m	Internal EOI £m	External EOI £m
IPstream Connect Max and Max Premium End User Access - Rental	0.4	0.0	0.4	6,012	17	rentals	58.90	64.60	8.9	0.0	8.9	3.6	0.0
WBC Connections	1.3	0.0	1.3	27,504	58	conns	47.33	46.56	1.1	0.0	1.1	1.1	0.0
WBC End User Access - Rental	22.9	0.1	23.0	196,734	637	rentals	116.20	100.75	14.0	0.0	14.0	8.4	0.0
WBC Bandwidth	97.1	0.2	97.3	2,427,039	5,435	bandwidth	40.00	40.00	5.7	0.0	5.7	1.7	0.0
WBC Ancillary Charges & other	0.6	0.0	0.6	(ux)	(ux)	(ux)	(sx)	(sx)	0.2	0.0	0.2	0.2	0.0
Other WBA (Market A)*	4.0	0.8	4.8	(ux)	(ux)	(ux)	(sx)	(sx)	17.5	0.1	17.6	0.7	0.0
Total WBA (Market A) (including EOI and Internal)	126.3	1.1	127.4						47.4	0.1	47.5	15.7	0.0
Adjustment for EOI and Internal Rounding	(13.5)	(0.0)	(13.5)						(13.5)	(0.0)	(13.5)		
	(0.2)	-	(0.2)						0.1	-	0.1		
Total WBA (Market A) (adjusted for EOI and Internal)	112.6	1.1	113.7						34.0	0.1	34.1		

Notes:

* Included in Other WBA (Market A) are the following services where revenue is below £5m and EOI is below £1m: IPstream Connect Contracted Bandwidth per Mbps per node rental, IPstream Connect End User Re-grade, IPstream Connect End User Migration, IPstream Connect ADSL Cancellation, Other IPstream Connect Market, Cease Basket

Section 10 – Review of Wholesale Broadband Access Markets

WBA (Market A) EOI

Restated for the year ended 31 March 2020 (b)

EOI Charge (£ or %)	Average EOI Input per unit	IPstream Connect Max and Max Premium End User Access - Rental		WBC Connections		WBC End User Access - Rental		WBC Bandwidth		WBC Ancillary Charges & other		EOI Other Services*	
		Internal £	External £	Internal £	External £	Internal £	External £	Internal £	External £	Internal %	External %	Internal %	External %
Part Service Description	Unit (a)												
SMPF New Provides Costs - Internal EOI Charges	conns	22.51	-	12.22	13.20	-	-	-	-	-	-	2.6%	-
SMPF Single Migrations Costs - Internal EOI Charges	migrations	25.04	-	-	-	-	-	-	-	12.9%	29.7%	0.1%	4.3%
SMPF Rentals Costs - Internal EOI Charges	rentals	6.12	6.23	6.23	-	3.73	4.58	-	-	-	-	1.1%	0.2%
Other LLU ancillaries basket Costs - Internal EOI Charges	ancillaries	53.56	-	-	-	-	-	-	-	43.9%	38.9%	0.7%	6.9%
SMPF Bulk Migrations Costs - Internal EOI Charges	migrations	18.29	-	-	-	-	-	-	-	0.0%	0.1%	0.0%	0.0%
MPF Hard Ceases Costs - Internal EOI Charges	ceases	18.48	-	-	-	-	-	-	-	-	-	0.4%	0.6%
SMPF Hard Ceases Costs - Internal EOI Charges	ceases	13.96	-	-	-	-	-	-	-	-	-	18.3%	25.0%
Other Tie-cables and Comingling Costs - Internal EOI Charges	%	24.39	267.79	267.79	-	2.29	2.81	-	-	-	-	-	-
GEA FTTC rentals (all other speeds except 40/10) - Internal EOI Charges	rentals	77.39	-	-	-	22.53	14.90	-	-	-	-	-	-
GEA FTTC 40/10 Rentals - Internal EOI Charges	rentals	60.13	-	-	-	4.95	3.27	-	-	-	-	-	-
GEA Other Rentals (all other speeds except 40/10) - Internal EOI Charges	rentals	164.36	-	-	-	3.28	2.17	-	-	-	-	-	-
GEA Other 40/10 Rentals - Internal EOI Charges	rentals	132.54	-	-	-	0.36	0.24	-	-	-	-	-	-
MPF Cancellation of orders - Internal EOI Charges	ancillaries	5.82	-	-	-	-	-	-	-	0.1%	0.1%	0.0%	0.0%
GEA Other FTTC PCP Only Install Connections - Internal EOI Charges	conns	45.92	-	10.55	9.57	-	-	-	-	-	-	-	-
GEA FTTC 40/10 PCP Only Install Connections - Internal EOI Charges	conns	45.92	-	7.85	7.12	-	-	-	-	-	-	-	-
GEA FTTC connections - Internal EOI Charges	conns	97.30	-	2.18	1.98	-	-	-	-	-	-	-	-
GEA FTTP connections - Internal EOI Charges	conns	77.25	-	5.13	4.65	-	-	-	-	-	-	-	-
GEA FTTC 40/10 Connections - Internal EOI Charges	conns	98.99	-	1.01	0.91	-	-	-	-	-	-	-	-
GEA Other FTTC Start of a Stopped Line Connections - Internal EOI Charges	conns	2.99	-	0.09	0.08	-	-	-	-	-	-	-	-
GEA 40/10 FTTP Other Connections - Internal EOI Charges	conns	52.35	-	0.30	0.27	-	-	-	-	-	-	-	-
GEA FTTC 40/10 Start of a Stopped Line Connections - Internal EOI Charges	conns	2.99	-	0.06	0.06	-	-	-	-	-	-	-	-
GEA FTTP 40/10 Conns Voice and Data - Internal EOI Charges	conns	94.10	-	0.56	0.51	-	-	-	-	-	-	-	-
GEA CP to CP Migration Costs - Internal EOI Charges	migrations	2.99	-	-	-	-	-	-	-	43.1%	31.3%	-	-
G Fast Rentals - Internal EOI Charges	%	110.23	-	-	-	0.30	0.20	-	-	-	-	-	-
G Fast Connections - Internal EOI Charges	%	38.63	-	1.03	0.93	-	-	-	-	-	-	-	-
EBD ONBS Rentals - Internal EOI Charges (Inter - BT Only)	rentals	3,010.93	-	-	-	-	-	0.01	0.01	-	-	-	-
EBD ONBS >1Gbps Rentals - Internal EOI Charges (Inter - BT Only)	rentals	11,179.49	-	-	-	-	-	0.08	0.09	-	-	-	-
EBD ONBS Connection - Internal EOI Charges (Inter - BT Only)	conns	2,850.00	-	-	-	-	-	0.00	0.00	-	-	-	-
EBD ONBS >1Gbps Connections - Internal EOI Charges (Inter - BT Only)	conns	7,303.55	-	-	-	-	-	0.01	0.01	-	-	-	-
EBD ONBS Rentals - Internal EOI Charges (Inter - BT+1)	rentals	2,788.98	-	-	-	-	-	0.00	0.00	-	-	-	-
EBD ONBS >1Gbps Rentals - Internal EOI Charges (Inter - BT+1)	rentals	10,103.33	-	-	-	-	-	0.07	0.08	-	-	-	-
EBD ONBS Connection - Internal EOI Charges (Inter - BT+1)	conns	2,450.00	-	-	-	-	-	0.00	0.00	-	-	-	-
Subtotal		274.02	274.02	40.98	39.28	37.44	28.17	0.17	0.19	100.0%	100.1%	23.2%	37.0%

Section 10 – Review of Wholesale Broadband Access Markets

WBA (Market A) EOI (continued)

Restated for the year ended 31 March 2020 (b)

EOI Charge (£ or %)	Average EOI Input per unit	IPstream Connect Max and Max Premium End User Access - Rental		WBC Connections		WBC End User Access - Rental		WBC Bandwidth		WBC Ancillary Charges & other		EOI Other Services*	
		Internal £	External £	Internal £	External £	Internal £	External £	Internal £	External £	Internal %	External %	Internal %	External %
Part Service Description	Unit (a)												
EBD ONBS >1Gbps Connections - Internal EOI Charges (Inter - BT+1)	conns	7,200.00	-	-	-	-	-	0.01	0.02	-	-	-	-
EBD ONBS Rentals - Internal EOI Charges (Inter - BT+2 or more)	rentals	2,659.64	-	-	-	-	-	0.00	0.00	-	-	-	-
EBD ONBS >1Gbps Rentals - Internal EOI Charges (Inter - BT+2 or more)	rentals	9,839.24	-	-	-	-	-	0.08	0.08	-	-	-	-
EBD ONBS>1Gbps Connections-Internal EOI Charges (Inter -BT+2 or more)	conns	7,200.00	-	-	-	-	-	0.01	0.01	-	-	-	-
Special Faults Investigation - Internal EOI Charges	ancillaries	94.03	1.45	1.45	-	-	0.87	1.07	-	-	-	25.4%	14.0%
Tie Cables Costs - Internal EOI Charges	ancillaries	33.39	321.03	321.03	-	-	2.24	2.74	-	-	-	-	-
21CN Backhaul EAD - Internal EOI Charges	ccts	5,252.27	-	-	-	-	-	0.40	0.32	-	-	-	-
WLA Time Related Charges Costs - Internal EOI Charges	ancillaries	78.09	1.33	-	-	-	0.86	0.61	-	-	-	0.2%	-
SMPF Expedites - Internal EOI Charges	ancillaries	90.33	-	-	-	-	-	-	-	-	-	2.9%	2.1%
NGA Expedites - Internal EOI Charges	ancillaries	100.10	-	-	-	-	-	-	-	-	-	2.3%	1.5%
SMPF Enhanced Care - Internal EOI Charges	ancillaries	37.83	-	-	-	-	-	-	-	-	-	32.4%	42.5%
NGA Enhanced Care - Internal EOI Charges	ancillaries	40.19	-	-	-	-	-	-	-	-	-	3.8%	2.8%
NGA Visit Assure EOI - Internal EOI Charges	ancillaries	130.00	-	-	-	-	1.44	0.95	-	-	-	-	-
Copper Broadband Boost - Internal EOI Charges	ancillaries	151.89	-	-	-	-	-	-	-	-	-	9.9%	-
Roundings		-	-	-	(0.01)	-	(0.01)	0.02	0.01	-	(0.1)%	(0.1)%	0.1%
EOI cost (£) or %		597.83	596.50	40.98	39.27	42.85	33.53	0.69	0.63	100.0%	100.0%	100.0%	100.0%
	Volumes	6,012	17	27,504	58	196,734	637	2,427,039	5,435	(ux)	(ux)	(ux)	(ux)
	Unit	Rentals	Rentals	Conns	Conns	Rentals	Rentals	Bandwidth	Bandwidth				
	Total EOI Cost (£m)	3.6	0.0	1.1	0.0	8.4	0.0	1.7	0.0	0.2	0.0	0.7	0.0

Notes:

* Included in EOI Other Services are the following services where EOI is below £1m: IPstream Connect Contracted Bandwidth per Mbps per node rental, IPstream Connect End User Re-grade, IPstream Connect End User Migration, IPstream Connect ADSL Cancellation, Other IPstream Connect Market, Cease Basket

Appendix 1

Network Activity Statements

Appendix 1 – Adjusted Performance Summary

Appendix 1.1 Network Activity Statements Consolidated

For the year ended 31 March 2021

Fully Allocated Cost (£m)	HCA operating cost	Supplementary depreciation	Holding (gain)/loss and other CCA adjustments	Roundings	Total CCA operating costs	CCA mean capital employed	Applicable rate of return on capital % (iii)	Capital costs	Total of operating costs and capital costs relating to current year	Volume (ii)	Units	Average costs per min/unit on a current cost basis relating to current year
Revenue Receivables	-	-	-	-	-	486.9	8.7%	42.5	42.5	(i)	-	(i)
MPF line testing systems	8.4	0.4	(0.3)	-	8.5	24.4	7.9%	1.9	10.4	9,202,655	lines	1.13
EVOTAM testing systems	11.8	0.6	(0.5)	-	11.9	34.5	7.9%	2.7	14.6	2,045,418	km	7.16
PC rentals 2Mbps regional trunk	3.9	0.1	(0.1)	-	3.9	7.3	8.9%	0.7	4.6	138,661	km	32.89
PC rental 2Mbps link national trunk	3.6	0.1	(0.1)	0.1	3.7	6.3	8.9%	0.6	4.3	(i)	-	(i)
Openreach time related charges	60.1	-	-	-	60.1	21.2	8.9%	1.9	62.0	(i)	-	(i)
Co-mingling set up	20.5	0.5	(1.0)	-	20.0	64.9	7.9%	5.1	25.1	31,490	rooms	797.58
Co-mingling rentals	16.5	0.2	(0.4)	-	16.3	53.8	7.9%	4.3	20.6	429,580	hostels	47.95
WLA tie cables	13.1	1.4	(1.0)	-	13.5	50.7	7.9%	4.0	17.5	1,109,849	cables	15.79
Wholesale Access specific	-	-	-	-	-	-	7.9%	-	-	1,913,278	trans	-
Routeing & Records	22.2	-	-	-	22.2	5.1	7.9%	0.4	22.6	7,909,935	lines	2.86
MDF Hardware jumpering	91.5	-	-	-	91.5	20.8	7.9%	1.6	93.1	5,210,236	lines	17.88
E side copper capital	79.8	15.2	(10.4)	-	84.6	527.3	7.9%	41.7	126.3	24,368,658	lines	5.18
E side copper current	86.9	-	-	-	86.9	19.7	7.9%	1.6	88.5	23,828,949	lines	3.71
D side copper capital	246.1	67.2	(26.4)	-	286.9	1,726.6	7.9%	136.4	423.3	24,368,658	lines	17.37
D side copper current	275.0	-	-	-	275.0	62.7	7.9%	5.0	280.0	23,828,949	lines	11.75
Local exchanges general frames equipment	41.2	-	-	-	41.2	52.1	7.9%	4.1	45.3	35,503,176	lines	1.28
Local exchanges general frames maintenance	26.4	-	-	-	26.4	6.2	7.9%	0.5	26.9	23,834,819	lines	1.13
Analogue line test equipment	2.1	-	-	-	2.1	4.2	7.9%	0.3	2.4	24,354,865	lines	0.10
Dropwire capital & analogue NTE	308.4	42.1	(25.8)	-	324.7	1,145.5	7.9%	90.5	415.2	24,310,670	lines	17.08
Analogue line drop maintenance	70.3	-	-	-	70.3	16.2	7.9%	1.3	71.6	23,068,040	lines	3.10
Analogue line cards	104.7	1.4	0.2	-	106.3	187.7	7.9%	14.8	121.1	14,406,409	lines	8.41
Pair Gain	0.0	-	-	-	0.0	0.0	7.9%	0.0	0.0	14,406,409	lines	-
FTTC Development	2.7	-	-	-	2.7	7.2	8.9%	0.6	3.3	(i)	-	(i)
Optical Ethernet Electronics Capital	26.3	-	-	-	26.3	89.8	8.9%	8.0	34.3	30,348	circuits	1,129.79
OR Service Centre - Provision Analogue/ISDN2	17.3	-	-	-	17.3	8.3	7.9%	0.7	18.0	(i)	-	(i)
OR Service Centre - Provision WLA	17.3	-	-	-	17.3	6.0	7.9%	0.5	17.8	(i)	-	(i)
OR Service Centre - Provision Ethernet	6.3	-	-	-	6.3	1.2	8.0%	0.1	6.4	(i)	-	(i)
OR Service Centre - Provision GEA	72.1	-	-	-	72.1	18.4	8.9%	1.6	73.7	(i)	-	(i)
OR Service Centre - Assurance Analogue/ISDN2	17.0	-	-	-	17.0	8.3	7.9%	0.7	17.7	(i)	-	(i)
OR Service Centre - Assurance WLA	14.3	-	-	-	14.3	5.6	7.9%	0.4	14.7	(i)	-	(i)
OR Service Centre - Assurance Ethernet	-	-	-	-	-	-	8.0%	-	-	(i)	-	(i)
SLG WLA External	23.9	-	-	-	23.9	6.4	7.9%	0.5	24.4	(i)	-	(i)
Ethernet Backhaul Direct extended reach	0.3	0.0	(0.0)	-	0.3	1.1	8.0%	0.1	0.4	3,122	circuits	125.79
Ethernet Backhaul Direct - active	43.5	0.6	(0.7)	(0.1)	43.3	120.9	8.0%	9.7	53.0	13,600	circuits	3,894.88
Ethernet Backhaul Direct - passive	7.6	0.5	(0.3)	-	7.8	23.7	8.0%	1.9	9.7	5,235	circuits	1,854.90
Ethernet Backhaul Direct Resilience - active	0.4	0.0	(0.0)	-	0.4	1.2	8.0%	0.1	0.5	3,122	circuits	146.97
Ethernet Backhaul Direct - resilience - passive	0.1	0.0	(0.0)	-	0.1	0.3	8.0%	0.0	0.1	1,357	circuits	69.94
Combi Card - Broadband	38.6	0.6	(0.8)	-	38.4	77.1	8.9%	6.9	45.3	(i)	-	(i)
iNode features	(0.0)	0.0	(0.0)	-	(0.0)	0.0	8.9%	0.0	-	(i)	-	(i)
Core/Metro (broadband)	37.6	0.1	(0.2)	-	37.5	109.1	8.9%	9.7	47.2	235,794,921	circuits	0.20
Core Directors - Broadband	0.2	0.0	(0.0)	-	0.2	0.5	8.9%	0.0	0.2	27,597	bandwidth	8.34
Edge Ethernet ports broadband	0.1	0.0	(0.0)	-	0.1	0.3	8.9%	0.0	0.1	220,512,487	bandwidth	-
Metro BRAS and MSE	111.8	0.4	(0.6)	-	111.6	324.4	8.9%	28.9	140.5	220,512,487	rentals	0.64
Broadband MSAN access	43.2	0.7	(0.9)	-	43.0	86.6	8.9%	7.7	50.7	2,045,418	rentals	24.78

Appendix 1 – Adjusted Performance Summary

Appendix 1.1 Network Activity Statements Consolidated (continued)

For the year ended 31 March 2021

Fully Allocated Cost (£m)	HCA operating cost	Supplementary depreciation	Holding (gain)/loss and other CCA adjustments	Roundings	Total CCA operating costs	CCA mean capital employed	Applicable rate of return on capital % (iii)	Capital costs	Total of operating costs and capital costs relating to current year	Volume (ii)	Units	Average costs per min/unit on a current cost basis relating to current year
Ethernet Switch BB	49.4	0.4	(0.6)	-	49.2	123.4	8.9%	11.0	60.2	220,512,487	circuits	0.27
MSAN Access SFBB	5.4	0.1	(0.1)	-	5.4	11.6	8.9%	1.0	6.4	7,823,600	rentals	0.82
Metro-core broadband transmission	11.7	0.1	(0.1)	-	11.7	39.7	8.9%	3.5	15.2	227,826,499	circuits	0.07
ADSL connections	0.0	-	-	-	0.0	0.0	8.9%	0.0	0.0	303,630	conns	0.04
OR Project Services	11.7	-	-	-	11.7	2.1	8.0%	0.2	11.9	(i)	-	(i)
Caller Display	1.9	0.0	0.0	0.1	2.0	3.5	8.9%	0.3	2.3	(i)	-	(i)
Network Features	4.7	0.1	0.0	-	4.8	8.4	8.9%	0.7	5.5	(i)	-	(i)
Backhaul Extension Services Fibre	0.3	-	-	-	0.3	1.6	8.0%	0.1	0.4	194	le	2,250.66
Wholesale Extension Services Fibre	6.7	-	-	-	6.7	35.1	8.0%	2.8	9.5	3,818	le	2,486.75
Interconnect 2Mbps connection	3.0	-	-	-	3.0	0.7	8.9%	0.1	3.1	183	circuits	16,993.27
Interconnect extension circuits (IEC) 2Mbps link	0.7	0.0	(0.0)	-	0.7	1.2	8.9%	0.1	0.8	3,376	circuits	229.07
Interconnect Extension Circuits (IEC) 2Mbps per km	2.1	0.1	(0.0)	(0.1)	2.1	3.9	8.9%	0.3	2.4	68,927	km	36.10
Intra Building Circuit (IBC) connection	0.0	-	-	-	0.0	0.0	8.9%	0.0	0.0	998	circuits	1.46
Intra Building Circuit (IBC) rental	2.2	0.0	(0.0)	-	2.2	4.1	8.9%	0.4	2.6	41,914	circuits	62.33
Ethernet main links	20.0	4.9	(2.5)	0.1	22.5	82.9	8.0%	6.6	29.1	673,677	fibre km	43.21
Ethernet Electronics Current	30.3	0.4	(0.5)	-	30.2	37.2	8.0%	3.0	33.2	297,517	le	111.52
Broadband backhaul circuits (excl Virtual Paths)	6.3	0.3	(0.2)	-	6.4	12.2	8.9%	1.1	7.5	(i)	-	(i)
OR Systems & Development - Ethernet	10.6	-	-	-	10.6	28.0	8.0%	2.2	12.8	525,835	le	24.52
Ofcom Administration Fee Wholesale	0.9	-	-	-	0.9	0.2	8.9%	0.0	0.9	(i)	-	(i)
Ofcom Administration Fee Openreach	2.4	-	-	-	2.4	0.6	7.9%	0.0	2.4	(i)	-	(i)
Special Fault Investigation	35.4	-	-	-	35.4	8.0	8.9%	0.7	36.1	(i)	-	(i)
Openreach sales product management	22.5	-	-	-	22.5	(27.9)	7.9%	(2.2)	20.3	(i)	-	(i)
Broadband line testing systems	0.6	-	-	-	0.6	0.4	8.9%	0.0	0.6	2,051,328	lines	0.30
DSLAM support	5.2	0.0	(0.0)	-	5.2	14.8	8.9%	1.3	6.5	52,162	lines	125.07
DSLAM equipment	1.3	-	-	-	1.3	5.1	8.9%	0.5	1.8	56,317	lines	31.96
Co-mingling power & vent	60.6	0.9	(0.9)	0.1	60.7	71.3	8.0%	5.7	66.4	(i)	-	(i)
Ethernet Access Direct Fibre	221.9	-	-	-	221.9	1,050.4	8.0%	84.0	305.9	272,586	circuits	1,122.45
Ethernet Excess Construction Capex	48.0	-	-	-	48.0	11.5	8.0%	0.9	48.9	(i)	-	(i)
Ethernet Monitoring Platform	18.0	-	-	-	18.0	4.9	8.0%	0.4	18.4	87,459	circuits	210.75
SLG Ethernet Provision External	3.8	-	-	-	3.8	1.0	8.0%	0.1	3.9	(i)	-	(i)
SLG Ethernet Assurance External	0.0	-	-	-	0.0	0.0	8.0%	0.0	0.0	(i)	-	(i)
SLG WLR Provision External	4.7	-	-	-	4.7	1.2	7.9%	0.1	4.8	(i)	-	(i)
SLG WLR Assurance External	2.3	-	-	-	2.3	0.6	7.9%	0.0	2.3	(i)	-	(i)
SLG Ethernet Provision Internal	4.8	-	-	-	4.8	1.3	8.0%	0.1	4.9	(i)	-	(i)
SLG Ethernet Assurance Internal	0.0	-	-	-	0.0	0.0	8.0%	0.0	0.0	(i)	-	(i)
SLG WLR Provision Internal	9.2	-	-	-	9.2	2.5	7.9%	0.2	9.4	(i)	-	(i)
SLG WLR Assurance Internal	5.8	-	-	-	5.8	1.6	7.9%	0.1	5.9	(i)	-	(i)
Expedite Provision Costs	3.5	0.5	(0.3)	-	3.7	13.5	7.9%	1.1	4.8	24,149	lines	196.41
Combi Card and MSAN Access - Voice	0.0	0.0	(0.0)	-	0.0	0.1	7.9%	0.0	0.0	14,406,409	lines	-
Abortive Visits	10.2	-	-	-	10.2	2.5	7.9%	0.2	10.4	183,313	trans	56.75
EAD Electronics Capital	94.8	-	-	-	94.8	257.3	8.0%	20.6	115.4	314,552	circuits	366.67
NGA E side copper cable	79.8	5.2	(3.6)	0.1	81.5	440.1	8.9%	39.2	120.7	15,051,449	lines	8.02
NGA Visit Assure	72.3	-	-	-	72.3	16.4	7.9%	1.3	73.6	(i)	-	(i)
FTTP Development	9.5	-	-	-	9.5	24.8	8.9%	2.2	11.7	(i)	-	(i)
OR Service Centre - Assurance GEA	13.1	-	-	-	13.1	0.1	8.9%	0.0	13.1	(i)	-	(i)
SLG WLA Internal	43.4	-	-	-	43.4	11.6	7.9%	0.9	44.3	(i)	-	(i)

Appendix 1 – Adjusted Performance Summary

Appendix 1.1 Network Activity Statements Consolidated (continued)

For the year ended 31 March 2021

Fully Allocated Cost (£m)	HCA operating cost	Supplementary depreciation	Holding (gain)/loss and other CCA adjustments	Roundings	Total CCA operating costs	CCA mean capital employed	Applicable rate of return on capital % (iii)	Capital costs	Total of operating costs and capital costs relating to current year	Volume (ii)	Units	Average costs per min/unit on a current cost basis relating to current year
GEA FTTC Access Fibre Spine	14.3	2.1	(1.1)	0.1	15.4	78.9	8.9%	7.0	22.4	15,051,449	rentals	1.49
GEA FTTC Distribution Fibre Spine	33.9	-	-	-	33.9	241.0	8.9%	21.5	55.4	15,051,449	rentals	3.67
GEA FTTC Electronics	13.0	-	-	-	13.0	82.7	8.9%	7.4	20.4	15,051,449	rentals	1.36
GEA DSLAM Cabinets	79.9	-	-	-	79.9	423.6	8.9%	37.7	117.6	(i)	-	(i)
GEA FTTC Customer Site Electronics	178.4	-	-	-	178.4	16.4	8.9%	1.5	179.9	(i)	-	(i)
GEA FTTC Repairs	24.4	-	-	-	24.4	5.5	8.9%	0.5	24.9	(i)	-	(i)
GEA FTTP Repairs	5.5	-	-	-	5.5	1.2	8.9%	0.1	5.6	(i)	-	(i)
GEA FTTP Provisions	9.1	-	-	-	9.1	2.4	8.9%	0.2	9.3	(i)	-	(i)
GEA FTTC Provisions	48.9	-	-	-	48.9	11.4	8.9%	1.0	49.9	(i)	-	(i)
FTTP Funded Fibre Rollout Spend	31.5	0.1	(0.2)	-	31.4	424.4	8.9%	37.8	69.2	(i)	-	(i)
FTTP Fibre Rollout Funding	(7.5)	-	-	-	(7.5)	(127.0)	8.9%	(11.3)	(18.8)	(i)	-	(i)
GEA FTTP Electronics	19.0	-	-	-	19.0	120.5	8.9%	10.7	29.7	678,830	rentals	43.81
GEA Cable links	7.5	-	-	-	7.5	1.9	8.9%	0.2	7.7	12,235	conns	623.10
GEA FTTP Customer Site Installation	56.5	-	-	-	56.5	5.2	8.9%	0.5	57.0	(i)	-	(i)
FTTC Fibre Rollout Funding	(18.2)	-	-	-	(18.2)	(308.7)	8.9%	(27.5)	(45.7)	(i)	-	(i)
FTTC Funded Fibre Rollout Spend	68.7	1.5	(3.1)	-	67.1	872.9	8.9%	77.7	144.8	(i)	-	(i)
GEA FTTP Access Fibre Spine	55.8	3.3	(1.6)	-	57.5	380.6	8.9%	33.9	91.4	678,830	rentals	134.54
GEA FTTP Distribution Fibre Spine	157.6	-	-	-	157.6	1,123.0	8.9%	99.9	257.5	678,830	rentals	379.39
Cumulo Rates NGA	144.3	-	-	-	144.3	37.3	7.9%	2.9	147.2	(i)	-	(i)
Cumulo Rates Non NGA - Non Openreach	23.4	-	-	-	23.4	6.1	8.9%	0.5	23.9	(i)	-	(i)
Cumulo Rates Non NGA - Openreach	151.0	-	-	-	151.0	39.1	7.9%	3.1	154.1	(i)	-	(i)
Dark Fibre Specific Rental costs	0.0	-	-	-	0.0	0.0	8.0%	0.0	0.0	346	circuits	91.85
Dark Fibre Specific Connections costs	0.1	-	-	-	0.1	0.0	8.0%	0.0	0.1	581	circuits	124.35
PIMR Costs - Downstream Asset	2.7	0.1	(0.0)	(0.1)	2.7	1.4	7.1%	0.1	2.8	(i)	-	(i)
PIMR Costs	330.9	99.5	(90.8)	-	339.6	5,119.1	7.1%	363.5	703.1	(i)	-	(i)
SMP Accounting Separation components	154.2	3.4	(0.6)	0.1	157.1	294.6		28.1	185.2			
Residual components	711.6	4.5	(4.4)	-	711.7	1,017.6		90.6	802.3			
Roundings	0.2	0.2	-	(0.4)	-	(0.3)		0.1	0.1			
Total	5,210.8	259.8	(179.9)	-	5,290.7	17,600.8		1,418.5	6,709.2			

(i) This component is attributed on a % basis so no volume or unit cost is derivable.

(ii) Volumes represent the sum of factored service volumes, which may differ to actual volumes where total factors do not equal 1. Volume unit descriptors are set out in the footnotes section of the 'Glossary and Footnotes' section.

(iii) A blended rate, calculated as a weighted average, is presented where a supercomponent represents two or more components with differing WACC rates.

Appendix 1 – Adjusted Performance Summary

Appendix 1.2 Network Activity Statements Consolidated

Restated for the year ended 31 March 2020 (b)

Fully Allocated Cost (£m)	HCA operating cost	Supplementary depreciation	Holding (gain)/loss and other CCA adjustments	Roundings	Total CCA operating costs	CCA mean capital employed	Applicable rate of return on capital % (iii)	Capital costs	Total of operating costs and capital costs relating to current year	Volume (ii)	Units	Average costs per min/unit on a current cost basis relating to current year
Revenue Receivables	-	-	-	-	-	470.9	9.2%	43.1	43.1	(i)	-	(i)
MPF line testing systems	12.2	0.5	(1.3)	0.1	11.5	32.0	8.1%	2.6	14.1	9,692,087	lines	1.45
EVOTAM Testing Systems	10.6	0.5	(1.1)	-	10.0	27.9	8.1%	2.3	12.3	2,816,170	km	4.35
PC rentals 2Mbps regional trunk	4.4	0.2	(0.1)	(0.1)	4.4	6.9	9.3%	0.6	5.0	162,454	km	31.03
PC rental 2Mbps link national trunk	3.7	0.1	(0.1)	-	3.7	5.3	9.3%	0.5	4.2	(i)	-	(i)
Openreach time related charges	62.6	-	-	-	62.6	6.0	9.3%	0.6	63.2	(i)	-	(i)
Co-mingling set up	13.0	0.5	(0.9)	-	12.6	66.4	8.1%	5.4	18.0	12,038	rooms	1,491.87
Co-mingling rentals	14.5	0.1	(0.2)	-	14.4	38.7	8.1%	3.1	17.5	588,666	hostels	29.82
WLA tie cables	22.2	1.5	(3.8)	(0.1)	19.8	53.5	8.1%	4.3	24.1	1,228,315	cables	19.64
Wholesale Access specific	-	-	-	-	-	-	8.1%	-	-	2,194,389	trans	0.00
Routeing & Records	26.1	-	-	-	26.1	0.6	8.1%	0.1	26.2	8,645,388	lines	3.03
MDF Hardware jumpering	105.2	-	-	-	105.2	2.8	8.1%	0.2	105.4	6,540,221	lines	16.12
E side copper capital	85.5	15.7	(40.6)	-	60.6	542.7	8.1%	44.0	104.6	24,828,639	lines	4.21
E side copper current	88.8	-	-	-	88.8	2.3	8.1%	0.2	89.0	24,709,636	lines	3.60
D side copper capital	257.2	71.9	(20.2)	-	308.9	1,818.1	8.1%	147.3	456.2	24,828,639	lines	18.37
D side copper current	263.5	-	-	-	263.5	7.4	8.1%	0.6	264.1	24,709,636	lines	10.69
Local exchanges general frames equipment	42.1	-	-	-	42.1	41.6	8.1%	3.4	45.5	37,817,998	lines	1.20
Local exchanges general frames maintenance	31.5	-	-	-	31.5	1.0	8.1%	0.1	31.6	24,709,598	lines	1.28
Analogue line test equipment	1.5	-	-	-	1.5	2.6	8.1%	0.2	1.7	24,810,275	lines	0.07
Dropwire capital & analogue NTE	313.9	39.1	(37.1)	-	315.9	1,114.1	8.1%	90.2	406.1	24,758,728	lines	16.40
Analogue line drop maintenance	65.4	-	-	-	65.4	2.4	8.1%	0.2	65.6	23,693,360	lines	2.77
Analogue line cards	96.6	(0.0)	0.1	-	96.7	151.8	8.1%	12.3	109.0	14,740,860	lines	7.39
Pair gain	0.0	-	-	-	0.0	0.0	8.1%	0.0	0.0	14,740,860	lines	0.00
FTTC Development	9.3	-	-	-	9.3	20.3	9.3%	1.9	11.2	(i)	-	(i)
Optical Ethernet Electronics Capital	25.2	-	-	-	25.2	60.3	9.3%	5.6	30.8	21,389	circuits	1,440.57
OR Service Centre - Provision Analogue/ISDN2	14.8	-	-	-	14.8	3.2	8.1%	0.3	15.1	(i)	-	(i)
OR Service Centre - Provision WLA	16.6	-	-	-	16.6	2.4	8.1%	0.2	16.8	(i)	-	(i)
OR Service Centre - Provision Ethernet	5.8	-	-	-	5.8	(0.1)	8.0%	(0.0)	5.8	(i)	-	(i)
OR Service Centre - Provision GEA	38.5	-	-	-	38.5	0.5	9.3%	0.0	38.5	(i)	-	(i)
OR Service Centre - Assurance Analogue/ISDN2	17.8	-	-	-	17.8	3.0	8.1%	0.2	18.0	(i)	-	(i)
OR Service Centre - Assurance WLA	15.8	-	-	-	15.8	2.3	8.1%	0.2	16.0	(i)	-	(i)
OR Service Centre - Assurance Ethernet	0.0	-	-	-	0.0	0.0	8.0%	0.0	0.0	(i)	-	(i)
SLG WLA External	19.9	-	-	-	19.9	2.6	8.1%	0.2	20.1	(i)	-	(i)
Ethernet Backhaul Direct extended reach	0.3	0.0	(0.0)	-	0.3	1.0	8.0%	0.1	0.4	2,439	circuits	163.03
Ethernet Backhaul Direct - Active	38.5	0.5	(0.7)	(0.1)	38.2	99.3	8.0%	7.9	46.1	8,843	circuits	5,222.35
Ethernet Backhaul Direct - Passive	6.8	0.6	(0.4)	(0.1)	6.9	19.1	8.0%	1.5	8.4	4,621	circuits	1,824.77
Ethernet Backhaul Direct Resilience - Active	0.4	0.0	(0.0)	-	0.4	1.3	8.0%	0.1	0.5	2,439	circuits	220.25
Ethernet Backhaul Direct - resilience - Passive	0.1	0.0	(0.0)	-	0.1	0.2	8.0%	0.0	0.1	1,323	circuits	73.56
Combi Card - Broadband	34.6	0.6	(0.8)	(0.1)	34.3	68.6	9.3%	6.4	40.7	(i)	-	(i)
iNode features	0.7	0.0	(0.0)	-	0.7	0.4	9.3%	0.0	0.7	(i)	-	(i)
Core/Metro (broadband)	36.2	0.1	(0.2)	-	36.1	113.3	9.3%	10.5	46.6	178,697,571	circuits	0.26
Core Directors - Broadband	0.4	0.0	(0.0)	-	0.4	1.2	9.3%	0.1	0.5	67,614	bandwidth	7.50
Edge Ethernet ports broadband	0.3	0.0	(0.0)	-	0.3	0.9	9.3%	0.1	0.4	163,828,598	bandwidth	0.00
Metro BRAS and MSE	89.9	0.3	(0.5)	-	89.7	278.9	9.3%	25.9	115.6	163,828,598	rentals	0.71
Broadband MSAN access	43.9	0.7	(1.0)	(0.1)	43.5	87.4	9.3%	8.1	51.6	2,816,170	rentals	18.34

Appendix 1 – Adjusted Performance Summary

Appendix 1.2 Network Activity Statements Consolidated (continued)

Restated for the year ended 31 March 2020 (b)

Fully Allocated Cost (£m)	HCA operating cost	Supplementary depreciation	Holding (gain)/loss and other CCA adjustments	Roundings	Total CCA operating costs	CCA mean capital employed	Applicable rate of return on capital % (iii)	Capital costs	Total of operating costs and capital costs relating to current year	Volume (ii)	Units	Average costs per min/unit on a current cost basis relating to current year
Ethernet Switch BB	46.3	0.4	(0.5)	-	46.2	92.3	9.3%	8.6	54.8	163,828,598	circuits	0.33
MSAN Access - SFBB	6.3	0.1	(0.1)	(0.1)	6.2	11.0	9.3%	1.0	7.2	7,172,416	rentals	1.01
Metro core broadband transmission	12.0	0.1	(0.1)	-	12.0	35.5	9.3%	3.3	15.3	172,465,902	circuits	0.09
ADSL connections	0.1	-	-	-	0.1	0.0	9.3%	0.0	0.1	430,036	conns	0.33
OR Project Services	8.5	-	-	-	8.5	(0.1)	8.0%	(0.0)	8.5	(i)	-	(i)
Caller Display	1.8	0.0	(0.0)	-	1.8	2.8	9.3%	0.3	2.1	(i)	-	(i)
Network Features	4.9	0.0	0.0	-	4.9	8.0	9.3%	0.7	5.6	(i)	-	(i)
Backhaul Extension Services Fibre	0.3	-	-	-	0.3	1.4	8.0%	0.1	0.4	303	le	1,430.50
Wholesale Extension Services Fibre	7.1	-	-	-	7.1	33.6	8.0%	2.7	9.8	5,469	le	1,792.70
Interconnect 2Mbps connection	3.0	-	-	-	3.0	0.2	9.3%	0.0	3.0	896	circuits	3,393.01
Interconnect extension circuits IEC 2Mbps link	0.5	0.0	(0.0)	-	0.5	0.8	9.3%	0.1	0.6	3,416	circuits	179.46
Interconnect Extension Circuits IEC 2Mbps per km	1.9	0.0	(0.0)	-	1.9	2.9	9.3%	0.3	2.2	72,740	km	30.20
Intra Building Circuit IBC connection	0.0	-	-	-	0.0	0.0	9.3%	0.0	0.0	1,319	circuits	4.81
Intra Building Circuit IBC rental	3.1	0.0	(0.0)	-	3.1	4.1	9.3%	0.4	3.5	45,511	circuits	76.71
Ethernet main links	19.5	4.9	(3.2)	-	21.2	67.1	8.0%	5.4	26.6	634,834	fibre km	41.77
Ethernet Electronics Current	23.1	0.3	(0.5)	0.1	23.0	26.5	8.0%	2.1	25.1	277,347	le	90.45
Broadband backhaul circuits excl Virtual Paths	11.6	0.5	(0.5)	0.1	11.7	21.2	9.3%	2.0	13.7	(i)	-	(i)
OR Systems & Development - Ethernet	10.1	-	-	-	10.1	22.2	8.0%	1.8	11.9	493,041	le	24.07
Ofcom Administration Fee - Wholesale	1.2	-	-	-	1.2	0.2	9.3%	0.0	1.2	(i)	-	(i)
Ofcom Administration Fee Openreach	3.4	-	-	-	3.4	0.4	8.1%	0.0	3.4	(i)	-	(i)
Special Fault Investigation	40.6	-	-	-	40.6	1.0	9.3%	0.1	40.7	(i)	-	(i)
Openreach sales product management	19.9	-	-	-	19.9	(75.1)	8.1%	(6.1)	13.8	(i)	-	(i)
Broadband line testing systems	0.6	-	-	-	0.6	0.2	9.3%	0.0	0.6	2,825,596	lines	0.20
DSLAM support	4.7	0.0	(0.0)	-	4.7	10.8	9.3%	1.0	5.7	82,051	lines	69.05
DSLAM equipment	4.4	-	-	-	4.4	7.8	9.3%	0.7	5.1	106,971	lines	48.38
Co-mingling power & vent	62.8	1.1	(1.4)	(0.1)	62.4	65.3	8.2%	5.3	67.7	(i)	-	(i)
Ethernet Access Direct Fibre	204.0	-	-	-	204.0	881.4	8.0%	70.5	274.5	253,482	circuits	1,082.81
Ethernet Excess Construction Capex	66.0	-	-	-	66.0	3.7	8.0%	0.3	66.3	(i)	-	(i)
Ethernet Monitoring Platform	17.9	-	-	-	17.9	2.6	8.0%	0.2	18.1	60,159	circuits	301.55
SLG Ethernet Provision External	14.3	-	-	-	14.3	1.9	8.0%	0.2	14.5	(i)	-	(i)
SLG Ethernet Assurance External	0.1	-	-	-	0.1	0.0	8.0%	0.0	0.1	(i)	-	(i)
SLG WLR Provision External	4.2	-	-	-	4.2	0.6	8.1%	0.0	4.2	(i)	-	(i)
SLG WLR Assurance External	2.3	-	-	-	2.3	0.3	8.1%	0.0	2.3	(i)	-	(i)
SLG Ethernet Provision Internal	19.3	-	-	-	19.3	2.6	8.0%	0.2	19.5	(i)	-	(i)
SLG Ethernet Assurance Internal	0.1	-	-	-	0.1	0.0	8.0%	0.0	0.1	(i)	-	(i)
SLG WLR Provision Internal	8.1	-	-	-	8.1	1.1	8.1%	0.1	8.2	(i)	-	(i)
SLG WLR Assurance Internal	6.1	-	-	-	6.1	0.8	8.1%	0.1	6.2	(i)	-	(i)
Expedite Provision Costs	3.8	0.5	(0.5)	-	3.8	14.2	8.1%	1.2	5.0	38,248	lines	130.01
Combi Card and MSAN Access - Voice	0.0	0.0	(0.0)	-	0.0	0.1	8.1%	0.0	0.0	14,740,860	lines	0.00
Abortive Visits	15.9	-	-	-	15.9	1.0	8.1%	0.1	16.0	267,176	trans	59.94
EAD Electronics Capital	103.4	-	-	-	103.4	228.0	8.0%	18.2	121.6	279,763	circuits	434.89
NGA E side Copper cable	74.3	4.7	(12.3)	-	66.7	449.6	9.3%	41.8	108.5	12,971,503	lines	8.37
NGA Visit Assure	58.0	-	-	-	58.0	1.5	8.1%	0.1	58.1	(i)	-	(i)
FTTP Development	21.6	-	-	-	21.6	47.3	9.3%	4.4	26.0	(i)	-	(i)
OR Service Centre - Assurance GEA	9.6	-	-	-	9.6	(2.1)	9.3%	(0.2)	9.4	(i)	-	(i)
SLG WLA Internal	24.4	-	-	-	24.4	3.2	8.1%	0.3	24.7	(i)	-	(i)

Appendix 1 – Adjusted Performance Summary

Appendix 1.2 Network Activity Statements Consolidated (continued)

Restated for the year ended 31 March 2020 (b)

Fully Allocated Cost (£m)	HCA operating cost	Supplementary depreciation	Holding (gain)/loss and other CCA adjustments	Roundings	Total CCA operating costs	CCA mean capital employed	Applicable rate of return on capital % (iii)	Capital costs	Total of operating costs and capital costs relating to current year	Volume (ii)	Units	Average costs per min/unit on a current cost basis relating to current year
GEA FTTC Access Fibre Spine	13.5	2.2	(1.5)	0.1	14.3	64.0	9.3%	6.0	20.3	12,971,503	rentals	1.56
GEA FTTC Distribution Fibre Spine	38.5	-	-	-	38.5	255.1	9.3%	23.7	62.2	12,971,503	rentals	4.80
GEA FTTC Electronics	10.9	-	-	-	10.9	64.4	9.3%	6.0	16.9	12,971,503	rentals	1.30
GEA DSLAM Cabinets	89.5	-	-	-	89.5	420.8	9.3%	39.1	128.6	(i)	-	(i)
GEA FTTC Customer Site Electronics	162.7	-	-	-	162.7	0.6	9.3%	0.1	162.8	(i)	-	(i)
GEA FTTC Repairs	19.3	-	-	-	19.3	0.5	9.3%	0.0	19.3	(i)	-	(i)
GEA FTTP Repairs	2.6	-	-	-	2.6	0.1	9.3%	0.0	2.6	(i)	-	(i)
GEA FTTP Provisions	4.4	-	-	-	4.4	0.5	9.3%	0.0	4.4	(i)	-	(i)
GEA FTTC Provisions	42.8	-	-	-	42.8	1.7	9.3%	0.2	43.0	(i)	-	(i)
FTTP Funded Fibre Rollout Spend	24.9	0.1	(0.3)	-	24.7	363.7	9.3%	33.8	58.5	(i)	-	(i)
FTTP Fibre Rollout Funding	(5.8)	-	-	-	(5.8)	(106.5)	9.3%	(9.9)	(15.7)	(i)	-	(i)
GEA FTTP Electronics	11.4	-	-	-	11.4	67.7	9.3%	6.3	17.7	406,076	rentals	43.67
GEA Cable Links	10.0	-	-	-	10.0	1.2	9.3%	0.1	10.1	12,267	conns	826.16
GEA FTTP Customer Site Installation	40.2	-	-	-	40.2	0.1	9.3%	0.0	40.2	(i)	-	(i)
FTTC Fibre Rollout Funding	(15.4)	-	-	-	(15.4)	(281.5)	9.3%	(26.2)	(41.6)	(i)	-	(i)
FTTC Funded Fibre Rollout Spend	93.0	1.2	(5.7)	0.1	88.6	881.2	9.3%	82.0	170.6	(i)	-	(i)
GEA FTTP Access Fibre Spine	41.0	2.8	(1.9)	0.1	42.0	252.6	9.3%	23.5	65.5	406,076	rentals	161.18
GEA FTTP Distribution Fibre Spine	86.6	-	-	-	86.6	561.5	9.3%	52.2	138.8	406,076	rentals	341.82
Cumulo Rates NGA	120.9	-	-	-	120.9	15.8	8.1%	1.3	122.2	(i)	-	(i)
Cumulo Rates Non NGA - Non Openreach	28.7	-	-	-	28.7	3.8	9.3%	0.3	29.0	(i)	-	(i)
Cumulo Rates Non NGA - Openreach	155.4	-	-	-	155.4	20.3	8.1%	1.6	157.0	(i)	-	(i)
Dark Fibre Specific Rental costs	0.0	-	-	-	0.0	0.0	8.0%	0.0	0.0	8	circuits	90.20
Dark Fibre Specific Connections costs	0.0	-	-	-	0.0	0.0	8.0%	0.0	0.0	30	circuits	122.12
PIMR Costs - Downstream Asset	0.7	0.0	(0.0)	0.1	0.8	0.4	7.1%	0.0	0.8	(i)	-	(i)
PIMR Costs	306.1	98.0	(152.2)	0.1	252.0	4,905.5	7.1%	348.3	600.3	(i)	-	(i)
SMP Accounting Separation components	155.3	1.2	(1.1)	(0.1)	155.3	329.5		31.9	187.2			
Residual components	761.3	4.7	(5.4)	0.1	760.7	937.7		87.2	847.9			
Roundings	0.2	-	(0.2)	-	-	0.2		0.3	0.3			
Total	5,086.1	255.7	(296.3)	-	5,045.5	15,899.9		1,305.7	6,351.2			

(i) This component is attributed on a % basis so no volume or unit cost is derivable.

(ii) Volumes represent the sum of factored service volumes, which may differ to actual volumes where total factors do not equal 1. Volume unit descriptors are set out in the footnotes section of the 'Glossary and Footnotes' section.

(iii) A blended rate, calculated as a weighted average, is presented where a supercomponent represents two or more components with differing WACC rates.

Appendix 2

Time Related Charges and Special Fault Investigation Costs

Appendix 2 – Time Related Charges and Special Fault Investigation Costs

Appendix 2.1 Time Related Charges Relating to WFAEL

For the year ended 31 March 2021

Volumes (hours) - Billed (exc volume deals)

Normal hours	320,531
Other hours	Not available
Sunday/Bank Holiday hours	Not available
Total TRC hours	320,531

Total Direct Costs £ per hour **39.26**

Note - TRCs are available outside of normal working hours and Sundays and bank holidays. It has not been possible to split TRC hours into normal, other, and Sunday/Bank holidays for the purposes of this report. The "Normal hours" represents the number of visits plus the number of additional hours.

Appendix 2.2 Time Related Charges Relating to WFAEL

Restated for the year ended 31 March 2020 (b)

Volumes (hours) - Billed (exc volume deals)

Normal hours	430,042
Other hours	Not available
Sunday/Bank Holiday hours	Not available
Total TRC hours	430,042

Total Direct Costs £ per hour **41.05**

Note - TRCs are available outside of normal working hours and Sundays and bank holidays. It has not been possible to split TRC hours into normal, other, and Sunday/Bank holidays for the purposes of this report. The "Normal hours" represents the number of visits plus the number of additional hours.

Appendix 2.3 Special Fault Investigation Costs Relating to Wholesale Local Access

For the year ended 31 March 2021

Module	Cost per module £m
Base	4.2
Network	0.2
Frame	-
Internal Wiring	-
Internal Equipment	-
Co-op	-
SFI Assure*	31.9
Frame Direct	-
	36.3

Note - Special Fault Investigation service costs includes all of the cost of the Special Fault Investigation component and some of the cost of other components e.g. Openreach Sales Product Management and Revenue Receivables.

* From May 2020 all modules, excluding Frame Direct, have been consolidated into a non-modular single "SFI Assure" product.

Appendix 2.4 Special Fault Investigation Costs Relating to Wholesale Local Access

Restated for the year ended 31 March 2020 (b)

	Cost per module £m
Base	37.9
Network	2.0
Frame	0.5
Internal Wiring	0.2
Internal Equipment	0.2
Co-op	-
Frame Direct	0.2
	41.0

Note - Special Fault Investigation service costs includes all of the cost of the Special Fault Investigation component and some of the cost of other components e.g. Openreach Sales Product Management and Revenue Receivables.

Appendix 3

PIA Network Adjustments

Appendix 3 – PIA Network Adjustments

Appendix 3.1 PIA Network Adjustments

For the year ended 31 March 2021

Network Adjustments

	Internal Accumulated MCE £m	External Accumulated MCE £m
Below the financial limit Network Adjustments - Capitalised	21.5	2.5
Below the financial limit Network Adjustments - Expensed - Restated	-	-
Total below the financial limit Network Adjustments	21.5	2.5
Above the financial limit Network Adjustments - Capitalised	-	-
Above the financial limit Network Adjustments - Expensed - Restated	-	-
Total above the financial limit Network Adjustments	-	-
Total Network Adjustments*	21.5	2.5

*where >£5m, total internal and external

Appendix 3.2 PIA Network Adjustments

Restated for the year ended 31 March 2020 (b)

Network Adjustments

	Internal Accumulated MCE £m	External Accumulated MCE £m
Below the financial limit Network Adjustments - Capitalised	11.9	2.8
Below the financial limit Network Adjustments - Expensed - Restated	-	-
Total below the financial limit Network Adjustments	11.9	2.8
Above the financial limit Network Adjustments - Capitalised	-	-
Above the financial limit Network Adjustments - Expensed - Restated	-	-
Total above the financial limit Network Adjustments	-	-
Total Network Adjustments*	11.9	2.8

*where >£5m, total internal and external

Appendix 4

Reconciliation Report – Impact of Methodology Changes and Errors

Appendix 4 – Reconciliation Report – Impact of Methodology Changes and Errors

4.1.1 Comparability of current and prior year results

This Appendix contains the Reconciliation Report which sets out:

- details of changes to regulatory accounting methodologies for the 2020/21 RFS (section 4.1.2);
- details of errors, which meet Ofcom’s definition of materiality, subsequently identified in the 2019/20 RFS (section 4.1.3);
- restatement walks presenting the impact of these methodology changes and material errors on the revenue, operating cost and MCE results for the 2019/20 RFS, originally published on 31 July 2020 (section 4.1.4); and
- restatement walks presenting the impact of these methodology changes and material errors on the 2020/21 RFS (section 4.1.5).

The Reconciliation Report is prepared on the basis of preparation set out in Section 2 of these RFS, except for the adjustments of methodologies and correction of errors described in Appendix sections 4.1.2 and 4.1.3 below.

4.1.2 Methodology changes

The impacts of material methodology changes as defined by Ofcom (i.e. resulting in a change, be it positive or negative, of any figure in the RFS which exceeds the higher of 5% or £1m), as well as cumulative non-material changes, interactions and roundings on the 2019/20 RFS results are detailed in the following restatement walk tables set out in section 4.1.4:

- Impact of Changes on Revenue;
- Impact of Changes on Operating Costs; and
- Impact of Changes on Mean Capital Employed.

The impacts of these methodology changes on the 2020/21 RFS results are set out in section 4.1.5.

Market definition changes

There were no changes to market definitions during the 2020/21 financial year.

Methodology changes directed by Ofcom

There were no changes directed by Ofcom during the 2020/21 financial year.

Methodology changes proposed by BT

i. BT Security costs

BT Security costs that relate to cyber security are now attributed via Group PAC, while other security costs continue to be attributed to Rest of BT Residual. Details are published within the 2021 CCN, reference 3.01.

ii. Allocation of LMC Assets

The allocation of LMC assets has been more closely aligned with the costs types allocated. Details are published within the 2021 CCN, reference 3.02.

iii. Core and backhaul fibre

We have improved our methodology by using current year volumes to determine the attribution of fibre costs between core and backhaul, rather than historical volumes. Details are published within the 2021 CCN, reference 3.03.

iv. Business reorganisations

We have updated our cost attributions to minimise the impact on our methodologies of business reorganisations that occurred in April 2020. Details are published within the 2021 CCN, reference 3.04.

Methodology changes not reversed in reconciliation appendix

All of the above methodology changes are included in the 2019/20 RFS restated results published in these RFS. One change included in our CCN has not been reversed in the tables shown in section 4.1.4:

- Business reorganisations (CCN reference 3.04); these changes relate to reorganisation of business structures from 1 April 2020 and therefore have not been reversed.

Appendix 4 – Reconciliation Report – Impact of Methodology Changes and Errors

4.1.3 Errors Corrected in Prior Year Comparatives

The prior year comparatives have been restated to reflect the correction of errors which meet Ofcom's definition of a Material Error. Ofcom defines a Material Error as one which results in a correction (be it positive or negative) to any figure in the RFS which exceeds the higher of 5% or £1 million. The error must fulfil at least one of the following conditions:

- (a) the error has arisen within the Regulatory Attribution System; or
- (b) the error has been brought to the attention of the Audit and Risk Committee by the Regulatory Auditor.

The impacts of correcting these errors on the 2019/20 RFS results are detailed in the restatement walk tables set out in section 4.1.4:

- Impact of Changes on Revenue;
- Impact of Changes on Operating Costs; and
- Impact of Changes on Mean Capital Employed,

The errors identified in the 2019/20 RFS are detailed below:

i. Openreach provision expedites error

An error was identified in the attribution of network provision costs to Openreach provision expedites, whereby the volumes included current year and not historical data. This error was identified during routine process reviews.

ii. Mapping errors

Errors were identified in the mapping of GL and F8 codes. The error predominately affects the split of costs between RFS wholesale cost sectors. There is also a small impact at a market level. These errors were identified during discussion with Ofcom.

iii. WLA Service level guarantees (SLGs) error

An error was identified in SLG data for internal and external WLA SLG components. Internal data was incorrectly used to calculate attributions to the external component, and vice versa. This error was identified during routine process reviews.

iv. CCA mapping errors

Errors were identified in how we split CCA adjustments between 'supplementary depreciation' and 'other CCA' for duct, as well as in the mapping of the Fixed Asset Register to indices used to calculate the Gross Replacement Cost and Current Cost Accumulated Depreciation. These mapping errors were identified during routine process reviews.

v. Abortive visit charges (AVCs) errors

Errors were identified in the calculation and attribution of costs for Openreach AVCs. Labour rates used in the calculation of AVCs did not align to the assets decapitalised, and engineer travel time was overstated in the calculation. These errors were identified during routine process reviews.

vi. Ethernet circuits mapping error

An error was identified in the mapping of certain ethernet circuits between geographical areas following the BCMR market change implemented in the 2019/20 RFS. This error was identified during routine process reviews.

vii. PIA productisation costs error

An error was identified in the calculation of factors used to apportion productisation costs between internal and external PIA services. The volumes used to calculate the factors were not aligned. This error was identified during routine process reviews.

viii. WLA co-mingling new provide and rental services errors

Errors were identified in the mapping of products between the co-mingling new provide and rental services and unregulated tie-cable services within the WLA market. This led to revenues for co-mingling being understated in the 2019/20 RFS. These errors were identified during routine process reviews.

Appendix 4 – Reconciliation Report – Impact of Methodology Changes and Errors

4.1.4 Restatement walks – 2019/20 RFS results restated for methodologies changes and error corrections

Impact of Changes on Revenue

	Reference to Sections 4.1.2 and 4.1.3	Business Connectivity							Narrowband			Total Openreach SMP	Openreach Residual	Eliminations	Total Openreach	
		PIA	WLA	CI Access Services - BT Only Areas	CI Access Services - BT plus One Areas	High Network Reach Areas outside CLA	Technical Area - Interchange Connectivity (Non-Dark Fibre Circuits)	Technical Area - Interchange Connectivity (Dark Fibre Circuits)	WFAEL	ISDN2	ISDN30					
		£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
2019/20 Published RFS figures		604	2,434	400	154	19	155	-	1,556	64	115	5,501	212	(573)	5,140	
CCN Methodologies																
Methodology changes proposed by BT																
BT security costs	i	1	-	-	-	-	-	-	-	-	-	1	-	(2)	(1)	
Allocation of LMC assets	ii	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Core and backhaul fibre allocation	iii	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Business reorganisations	iv	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Methodology Changes proposed by BT		1	-	-	-	-	-	-	-	-	-	1	-	(2)	(1)	
Cumulative non-material changes, interactions and roundings		1	-	-	-	-	1	-	-	-	-	2	-	1	3	
Total CCN Methodologies		2	-	-	-	-	1	-	-	-	-	3	-	(1)	2	
2019/20 RFS market figures reflecting all methodology changes		606	2,434	400	154	19	156	-	1,556	64	115	5,504	212	(574)	5,142	
Changes due to Errors Corrected in Prior Year Comparatives																
Openreach provision expedites	i	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
WLA SLGs	ii	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Mapping errors	iii	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
CCA Errors	iv	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Abortive visit charges	v	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Ethernet circuits mapping	vi	-	-	(33)	20	5	(1)	-	-	-	-	(9)	9	-	(1)	
PIA productisation	vii	-	-	-	-	-	-	-	-	-	-	-	-	(1)	(1)	
WLA co-mingling new provides and rentals	viii	-	-	-	-	-	-	-	-	-	-	-	1	-	1	
Changes due to Errors Corrected in Prior Year Comparatives		-	-	(33)	20	5	(1)	-	-	-	-	(9)	10	(1)	-	
Total changes		2	-	(33)	20	5	-	-	-	-	-	(6)	10	(2)	2	
2019/20 restated for 2020/21 methodologies		606	2,434	367	174	24	155	-	1,556	64	115	5,495	222	(575)	5,142	

Appendix 4 – Reconciliation Report – Impact of Methodology Changes and Errors

4.1.4 Restatement walks – 2019/20 RFS results restated for methodologies changes and error corrections (continued)

Impact of Changes on Revenue (continued)

	Reference to Sections 4.1.2 and 4.1.3	Openreach Residual										
		Fixed Call Origination	Fixed Geographic Call Termination	Technical Areas	WBA Market A	Total Rest of BT SMP	Rest of BT Residual	Total Rest of BT	Eliminations	Rounding	Total Markets	Total SMP Markets
		£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
2019/20 Published RFS figures		119	8	5	127	259	22,265	22,524	(4,759)	-	22,905	5,760
CCN Methodologies												
Methodology changes proposed by BT												
BT security costs	i	-	-	-	-	-	2	2	(2)	1	-	1
Allocation of LMC assets	ii	-	-	-	-	-	-	-	-	-	-	-
Core and backhaul fibre allocation	iii	-	-	-	-	-	(4)	(4)	4	-	-	-
Business reorganisations	iv	-	-	-	-	-	-	-	-	-	-	-
Methodology Changes proposed by BT		-	-	-	-	-	(2)	(2)	2	1	-	1
Cumulative non-material changes, interactions and roundings		-	-	-	-	-	(3)	(3)	3	(3)	-	2
Total CCN Methodologies		-	-	-	-	-	(5)	(5)	5	(2)	-	3
2019/20 RFS market figures reflecting all methodology changes		119	8	5	127	259	22,260	22,519	(4,754)	(2)	22,905	5,763
Changes due to Errors Corrected in Prior Year Comparatives												
Openreach provision expedites	i	-	-	-	-	-	-	-	-	-	-	-
WLA SLGs	ii	-	-	-	-	-	-	-	-	-	-	-
Mapping errors	iii	-	-	-	-	-	-	-	-	-	-	-
CCA Errors	iv	-	-	-	-	-	(1)	(1)	1	-	-	-
Abortive visit charges	v	-	-	-	-	-	-	-	-	-	-	-
Ethernet circuits mapping	vi	-	-	-	-	-	-	-	-	-	-	(9)
PIA productisation	vii	-	-	-	-	-	-	-	-	1	-	-
WLA co-mingling new provides and rentals	viii	-	-	-	-	-	-	-	(1)	-	-	-
Changes due to Errors Corrected in Prior Year Comparatives		-	-	-	-	-	(1)	(1)	-	1	-	(9)
Total changes		-	-	-	-	-	(6)	(6)	5	(1)	-	(6)
2019/20 restated for 2020/21 methodologies		119	8	5	127	259	22,259	22,518	(4,754)	(1)	22,905	5,754

Appendix 4 – Reconciliation Report – Impact of Methodology Changes and Errors

4.1.4 Restatement walks – 2019/20 RFS results restated for methodologies changes and error corrections (continued)

Impact of Changes on Operating Costs

	Reference to Sections 4.1.2 and 4.1.3	PIA	WLA	Business Connectivity					Narrowband			Total Openreach SMP	Openreach Residual	Eliminations	Total Openreach
				CI Access Services - BT Only Areas	CI Access Services - BT plus One Areas	High Network Reach Areas outside CLA	Technical Area - Interchange Connectivity (Non-Dark Fibre Circuits)	Technical Area - Interchange Connectivity (Dark Fibre Circuits)	WFAEL	ISDN2	ISDN30				
		£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
2019/20 Published RFS figures		253	2,092	371	125	14	86	-	1,216	36	77	4,270	103	(573)	3,800
CCN Methodologies															
Methodology changes proposed by BT															
BT security costs	i	1	1	1	-	-	-	-	1	-	-	4	-	(1)	3
Allocation of LMC assets	ii	-	1	-	-	-	-	-	(1)	-	-	-	-	-	-
Core and backhaul fibre allocation	iii	-	3	2	-	-	1	-	-	-	-	6	1	-	7
Business reorganisations	iv	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Methodology Changes proposed by BT		1	5	3	-	-	1	-	-	-	-	10	1	(1)	10
Cumulative non-material changes, interactions and roundings		1	4	(1)	(1)	(1)	1	-	(2)	-	-	1	-	-	1
Total CCN Methodologies		2	9	2	(1)	(1)	2	-	(2)	-	-	11	1	(1)	11
2019/20 RFS market figures reflecting all methodology changes		255	2,101	373	124	13	88	-	1,214	36	77	4,281	104	(574)	3,811
Changes due to Errors Corrected in Prior Year Comparatives															
Openreach provision expedites	i	-	-	-	-	-	-	-	-	-	-	-	-	-	-
WLA SLGs	ii	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mapping errors	iii	-	-	4	2	-	-	-	-	-	-	6	-	-	6
CCA Errors	iv	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Abortive visit charges	v	-	1	-	-	-	-	-	4	-	-	5	-	-	5
Ethernet circuits mapping	vi	-	-	(28)	17	4	-	-	-	-	-	(7)	6	-	(1)
PIA productisation	vii	(1)	1	-	-	-	-	-	-	-	-	-	-	(1)	(1)
WLA co-mingling new provides and rentals	viii	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Changes due to Errors Corrected in Prior Year Comparatives		(1)	2	(24)	19	4	-	-	4	-	-	4	6	(1)	9
Total changes		1	11	(22)	18	3	2	-	2	-	-	15	7	(2)	20
2019/20 restated for 2020/21 methodologies		254	2,103	349	143	17	88	-	1,218	36	77	4,285	110	(575)	3,820

Appendix 4 – Reconciliation Report – Impact of Methodology Changes and Errors

4.1.4 Restatement walks – 2019/20 RFS results restated for methodologies changes and error corrections (continued)

Impact of Changes on Operating Costs (continued)

	Reference to Sections 4.1.2 and 4.1.3	Openreach Residual										
		Fixed Call Origination	Fixed Geographic Call Termination	Technical Areas	WBA Market A	Total Rest of BT SMP	Rest of BT Residual	Total Rest of BT	Total Eliminations	Rounding	Total Markets	Total SMP Markets
		£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
2019/20 Published RFS figures		81	86	4	42	213	20,546	20,759	(4,823)	1	19,737	4,483
CCN Methodologies												
Methodology changes proposed by BT												
BT security costs	i	-	-	-	-	-	(3)	(3)	-	-	-	4
Allocation of LMC assets	ii	-	-	-	-	-	-	-	-	-	-	-
Core and backhaul fibre allocation	iii	-	-	-	-	-	(11)	(11)	3	1	-	6
Business reorganisations	iv	-	-	-	-	-	-	-	-	-	-	-
Methodology Changes proposed by BT		-	-	-	-	-	(14)	(14)	3	1	-	10
Cumulative non-material changes, interactions and roundings		-	-	-	-	-	(2)	(2)	1	(2)	(2)	1
Total CCN Methodologies		-	-	-	-	-	(16)	(16)	4	(1)	(2)	11
2019/20 RFS market figures reflecting all methodology changes		81	86	4	42	213	20,530	20,743	(4,819)	-	19,735	4,494
Changes due to Errors Corrected in Prior Year Comparatives												
Openreach provision expedites	i	-	-	-	-	-	-	-	-	-	-	-
WLA SLGs	ii	-	-	-	-	-	-	-	-	-	-	-
Mapping errors	iii	-	-	-	-	-	(7)	(7)	-	1	-	6
CCA Errors	iv	-	-	-	-	-	(2)	(2)	1	(1)	(2)	-
Abortive visit charges	v	-	-	-	-	-	-	-	-	(1)	4	5
Ethernet circuits mapping	vi	-	-	-	-	-	-	-	-	1	-	(7)
PIA productisation	vii	-	-	-	-	-	-	-	-	1	-	-
WLA co-mingling new provides and rentals	viii	-	-	-	-	-	1	1	(1)	-	-	-
Changes due to Errors Corrected in Prior Year Comparatives		-	-	-	-	-	(8)	(8)	-	1	2	4
Total changes		-	-	-	-	-	(24)	(24)	4	-	-	15
2019/20 restated for 2020/21 methodologies		81	86	4	42	213	20,522	20,735	(4,819)	1	19,737	4,498

Appendix 4 – Reconciliation Report – Impact of Methodology Changes and Errors

4.1.4 Restatement walks – 2019/20 RFS results restated for methodologies changes and error corrections (continued)

Impact of Changes on Mean Capital Employed (MCE)

	Reference to Sections 4.1.2 and 4.1.3	Business Connectivity							Narrowband			Total Openreach SMP	Openreach Residual	Eliminations	Total Openreach
		PIA	WLA	CI Access Services – BT Only Areas	CI Access Services – BT plus One Areas	High Network Reach Areas outside CLA	Technical Area - Interchange Connectivity (Non-Dark Fibre Circuits)	Technical Area - Interchange Connectivity (Dark Fibre Circuits)	WFAEL	ISDN2	ISDN30				
		£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
2019/20 Published RFS figures		4,939	4,814	867	281	29	146	-	2,383	67	168	13,694	441	-	14,135
CCN Methodologies															
Methodology changes proposed by BT															
BT security costs	i	-	(2)	-	-	-	-	-	(1)	-	-	(3)	-	-	(3)
Allocation of LMC assets	ii	-	6	-	-	-	-	-	(7)	-	-	(1)	2	-	1
Core and backhaul fibre allocation	iii	-	13	7	1	-	5	-	-	-	-	26	5	-	31
Business reorganisations	iv	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Methodology Changes proposed by BT		-	17	7	1	-	5	-	(8)	-	-	22	7	-	29
Cumulative non-material changes, interactions and roundings		2	9	(1)	(2)	(1)	(1)	-	(9)	-	1	(2)	-	-	(2)
Total CCN Methodologies		2	26	6	(1)	(1)	4	-	(17)	-	1	20	7	-	27
2019/20 RFS market figures reflecting all methodology changes		4,941	4,840	873	280	28	150	-	2,366	67	169	13,714	448	-	14,162
Changes due to Errors Corrected in Prior Year Comparatives															
Openreach provision expedites	i	-	2	-	-	-	-	-	(2)	-	-	-	-	-	-
WLA SLGs	ii	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mapping errors	iii	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CCA Errors	iv	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Abortive visit charges	v	-	5	-	-	-	-	-	8	-	-	13	-	-	13
Ethernet circuits mapping	vi	-	-	(58)	40	7	-	-	-	-	-	(11)	11	-	-
PIA productisation	vii	2	(1)	-	-	-	-	-	-	-	-	1	-	-	1
WLA co-mingling new provides and rentals	viii	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Changes due to Errors Corrected in Prior Year Comparatives		2	6	(58)	40	7	-	-	6	-	-	3	11	-	14
Total changes		4	32	(52)	39	6	4	-	(11)	-	1	23	18	-	41
2019/20 restated for 2020/21 methodologies		4,943	4,846	815	320	35	150	-	2,372	67	169	13,717	459	-	14,176

Appendix 4 – Reconciliation Report – Impact of Methodology Changes and Errors

4.1.4 Restatement walks – 2019/20 RFS results restated for methodologies changes and error corrections (continued)

Impact of Changes on Mean Capital Employed (MCE) (continued)

	Reference to Sections 4.1.2 and 4.1.3	Narrowband				Total Rest of BT SMP	Rest of BT Residual	Total Rest of BT	Total Eliminations	Rounding	Total Markets	Total SMP Markets
		Fixed Call Origination	Fixed Geographic Call Termination	Technical Areas	WBA Market A							
		£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	
2019/20 Published RFS figures		115	123	5	56	299	23,036	23,335	(114)	-	37,356	13,993
CCN Methodologies												
Methodology changes proposed by BT												
BT security costs	i	-	-	-	-	-	5	5	-	(2)	-	(3)
Allocation of LMC assets	ii	-	-	-	-	-	2	2	(2)	(1)	-	(1)
Core and backhaul fibre allocation	iii	1	1	-	1	3	(29)	(26)	(5)	-	-	29
Business reorganisations	iv	-	-	-	-	-	-	-	-	-	-	-
Methodology Changes proposed by BT		1	1	-	1	3	(22)	(19)	(7)	(3)	-	25
Cumulative non-material changes, interactions and roundings		-	-	-	(1)	(1)	2	1	-	-	(1)	(3)
Total CCN Methodologies		1	1	-	-	2	(20)	(18)	(7)	(3)	(1)	22
2019/20 RFS market figures reflecting all methodology changes		116	124	5	56	301	23,016	23,317	(121)	(3)	37,355	14,015
Changes due to Errors Corrected in Prior Year Comparatives												
Openreach provision expedites	i	-	-	-	-	-	-	-	-	-	-	-
WLA SLGs	ii	-	-	-	-	-	-	-	-	-	-	-
Mapping errors	iii	-	-	-	-	-	(1)	(1)	-	1	-	-
CCA Errors	iv	-	-	-	-	-	1	1	-	-	1	-
Abortive visit charges	v	-	-	-	-	-	(1)	(1)	-	-	12	13
Ethernet circuits mapping	vi	-	-	-	-	-	-	-	-	-	-	(11)
PIA productisation	vii	-	-	-	-	-	(2)	(2)	-	1	-	1
WLA co-mingling new provides and rentals	viii	-	-	-	-	-	-	-	-	-	-	-
Changes due to Errors Corrected in Prior Year Comparatives		-	-	-	-	-	(3)	(3)	-	2	13	3
Total changes		1	1	-	-	2	(23)	(21)	(7)	(1)	12	25
2019/20 restated for 2020/21 methodologies		116	124	5	56	301	23,013	23,314	(121)	(1)	37,368	14,018

Appendix 4 – Reconciliation Report – Impact of Methodology Changes and Errors

4.1.5 Restatement walks – 2020/21 restated for 2019/20 methodologies

Reconciliation statement impacts

Impact of Methodology Changes on Revenue

	Reference to Section 4.1.2	Business Connectivity							Narrowband			Total Openreach SMP	Openreach Residual	Eliminations	Total Openreach
		PIA	WLA	CI Access Services - BT Only Areas	CI Access Services - BT plus One Areas	High Network Reach Areas outside CLA	Technical Area - Interchange Connectivity (Non-Dark Fibre Circuits)	Technical Area - Interchange Connectivity (Dark Fibre Circuits)	WFAEL	ISDN2	ISDN30				
		£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
2020/21 Published RFS		712	2,555	415	204	27	171	1	1,490	54	94	5,723	216	(678)	5,261
Allocation of LMC assets	ii	-	1	-	-	-	-	-	-	-	-	1	-	-	1
Core and backhaul fibre allocation	iii	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cumulative non-material changes, interactions and rounding's		-	-	-	-	-	1	-	-	-	-	1	1	-	2
2020/21 RFS using 2019/20 methodologies		712	2,556	415	204	27	172	1	1,490	54	94	5,725	217	(678)	5,264

Reconciliation statement impacts (continued)

Impact of Methodology Changes on Revenue

	Reference to Section 4.1.2	Narrowband										
		Fixed Call Origination	Fixed Geographic Call Termination	Technical Areas	WBA Market A	Total Rest of BT SMP	Rest of BT Residual	Total Rest of BT	Eliminations	Rounding	Total Markets	Total SMP Markets
		£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
2020/21 Published RFS		125	8	5	166	304	20,656	20,960	(4,888)	(2)	21,331	6,027
Allocation of LMC assets	ii	-	-	-	-	-	(1)	(1)	1	-	1	1
Core and backhaul fibre allocation	iii	-	-	-	-	-	4	4	(4)	-	-	-
Cumulative non-material changes, interactions and rounding's		-	-	-	-	-	-	-	-	-	2	1
2020/21 RFS using 2019/20 methodologies		125	8	5	166	304	20,659	20,963	(4,891)	(2)	21,334	6,029

Appendix 4 – Reconciliation Report – Impact of Methodology Changes and Errors

4.1.5 Restatement walks – 2020/21 restated for 2019/20 methodologies (continued)

Reconciliation statement impacts

Impact of Methodology Changes on Operating Costs

	Reference to Section 4.1.2	Business Connectivity							Narrowband			Total Openreach SMP	Openreach Residual	Eliminations	Total Openreach	
		PIA	WLA	CI Access Services - BT Only Areas	CI Access Services - BT plus One Areas	High Network Reach Areas outside CLA	Technical Area - Interchange Connectivity (Non-Dark Fibre Circuits)	Technical Area - Interchange Connectivity (Dark Fibre Circuits)	WFAEL	ISDN2	ISDN30					
		£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
2020/21 Published RFS		344	2,320	360	145	17	93	1	1,271	37	70	4,658	130	(678)	4,110	
Allocation of LMC assets	ii	-	-	-	-	-	-	-	1	-	-	1	(1)	-	-	
Core and backhaul fibre allocation	iii	-	(4)	(2)	-	-	(1)	-	-	-	-	(7)	(1)	-	(8)	
Cumulative non-material changes, interactions and rounding's		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
2020/21 RFS using 2019/20 methodologies		344	2,316	358	145	17	92	1	1,272	37	70	4,652	128	(678)	4,102	

Reconciliation statement impacts (continued)

Impact of Methodology Changes on Operating Costs

	Reference to Section 4.1.2	Narrowband											
		Fixed Call Origination	Fixed Geographic Call Termination	Technical Areas	WBA Market A	Total Rest of BT SMP	Rest of BT Residual	Total Rest of BT	Eliminations	Rounding	Total Markets	Total SMP Markets	
		£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
2020/21 Published RFS		85	94	4	40	223	19,552	19,775	(4,950)	1	18,936	4,881	
Allocation of LMC assets	ii	-	-	-	-	-	(2)	(2)	1	-	(1)	1	
Core and backhaul fibre allocation	iii	-	-	-	-	-	13	13	(3)	-	2	(7)	
Cumulative non-material changes, interactions and rounding's		-	-	-	-	-	1	1	1	(2)	-	-	
2020/21 RFS using 2019/20 methodologies		85	94	4	40	223	19,564	19,787	(4,951)	(1)	18,937	4,875	

Appendix 4 – Reconciliation Report – Impact of Methodology Changes and Errors

4.1.5 Restatement walks – 2020/21 restated for 2019/20 methodologies (continued)

Reconciliation statement impacts

Impact of Methodology Changes on MCE

	Reference to Section 4.1.2	Business Connectivity							Narrowband			Total Openreach SMP	Openreach Residual	Eliminations	Total Openreach	
		PIA	WLA	CI Access Services - BT Only Areas	CI Access Services - BT plus One Areas	High Network Reach Areas outside CLA	Technical Area - Interchange Connectivity (Non-Dark Fibre Circuits)	Technical Area - Interchange Connectivity (Dark Fibre Circuits)	WFAEL	ISDN2	ISDN30					
		£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
2020/21 Published RFS		5,165	5,739	968	379	41	182	1	2,449	69	179	15,172	498	-	15,670	
Allocation of LMC assets	ii	-	(5)	-	-	-	-	-	8	-	-	3	(2)	-	1	
Core and backhaul fibre allocation	iii	-	(12)	(5)	-	-	(4)	-	-	-	-	(21)	(4)	-	(25)	
Cumulative non-material changes, interactions and rounding's		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
2020/21 RFS using 2019/20 methodologies		5,165	5,722	963	379	41	178	1	2,457	69	179	15,154	492	-	15,646	

Reconciliation statement impacts

Impact of Methodology Changes on MCE

	Reference to Section 4.1.2	Narrowband												
		Fixed Call Origination	Fixed Geographic Call Termination	Technical Areas	WBA Market A	Total Rest of BT SMP	Rest of BT Residual	Total Rest of BT	Eliminations	Rounding	Total Markets	Total SMP Markets		
		£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
2020/21 Published RFS		145	158	6	58	367	22,580	22,947	(136)	-	38,481	15,539		
Allocation of LMC assets	ii	-	-	-	-	-	(3)	(3)	2	-	-	3		
Core and backhaul fibre allocation	iii	(1)	(1)	-	(1)	(3)	24	21	3	-	(1)	(24)		
Cumulative non-material changes, interactions and rounding's		-	-	-	-	-	-	-	-	-	-	-		
2020/21 RFS using 2019/20 methodologies		144	157	6	57	364	22,601	22,965	(131)	-	38,480	15,518		

Glossary and Footnotes List

Glossary and Footnotes List

Glossary

21CN	21 st Century Network	D Side	Distribution Side
ADSL	Asymmetric Digital Subscriber Line	DDI	Distributed Data Interface
AMD	Accounting Methodology Document. This sets out the detailed processes by which revenues and costs are attributed between the SMP Markets, Services and Residual activities.	DLE	Digital Local Exchange
Annual Report	BT Group plc's Annual Report including the consolidated financial statements for the year ended 31 March 2021. These are available on the BT website at: https://www.bt.com/about/investors/financial-reporting-and-news/annual-reports	DSLAM	Digital Subscriber Line Access Multiplexer
BCMR	Business Connectivity Market Review	E Side	Exchange Side
BRAS	Broadband Remote Access Server	EAD	Ethernet Access Direct
CCA adjustments	Current Cost Accounting – Adjustments to historical costs arising from the revaluation of assets on a current cost basis. In the statements for individual markets the adjustments comprise the holding gains or losses arising from changes in asset values, together with the effect on asset values and depreciation of the appropriate allocation of current cost asset values between markets and Wholesale services.	EBD	Ethernet Backhaul Direct
Cct	Circuits	ECC	Excess Construction Charge
CCN	Change Control Notification	Eq	Equipment Units
CLA	Central London Area	EOI	Equivalence of Input
Commitments	The Commitments given to Ofcom and industry by BT on how Openreach will operate, first issued on 10 March 2017 and most recently issued on 28 May 2021	EVOTAM	Evolution Test Access Matrix
Cost accounting	A cost accounting system is a set of rules which supports the attribution of costs, revenues and mean capital employed to individual activities and services.	FAC	Fully Allocated Cost
CI access services	Contemporary interface access services	FTTC	Fibre To The Cabinet
Conns	Connections	FTTP	Fibre To The Premises
CP	Communication Provider	FTTx	FTTC or FTTP
CPI	Consumer Price Index	Gbps	Gigabits per second
		GEA	Generic Ethernet Access
		HCA	Historical Cost Accounting
		IAS	International Accounting Standards
		IEC	Interconnection Extension Circuit
		IFRS	International Financial Reporting Standard
		IP	Internet Protocol
		ISDN	Integrated Services Digital Network
		Kbps	Kilobits Per Second
		km	Kilometres
		LA	Local Access
		Le	Local ends
		LFDC	Local Fibre Distribution Cable
		LFSC	Local Access Fibre Spine Cable
		Line	No. of Lines
		LLU	Local Loop Unbundling
		LMC	Local Main/Exchange Copper

Glossary and Footnotes List

LRIC	Long Run Incremental Cost	RFR	Regulatory Financial Reporting
m	Millions	RFS	Regulatory Financial Statements
MDF	Main Distribution Frame	ROCE	Return on Capital Employed
MCE	Mean Capital Employed is defined as total assets less current liabilities, excluding corporate taxes and dividends payable, and provisions other than those for deferred taxation. The mean is computed from the start and end values for the period.	RPI	Retail Price Index
Mbps	Mega Bits Per Second	SFBB	Super Fast Broadband
mm	Millions of Minutes	SLG	Service Level Guarantees
MPF	Metallic Path Facilities	SML	Service Maintenance Level
MSAN	Multi Service Access Node	SMP	Significant Market Power
MSE	Multi Service Edge	SMPF	Shared Metallic Path Facilities
NMR	Narrowband Market Review	Trans	Transaction
NGA	Next Generation Access	TRC	Time Related Charges
NRC	Net Replacement Costs	Use	The proportional bandwidth use of each circuit
NTE	Network Terminating Equipment	Usage Factors	Usage Factors refer to the usage of any network component, including conveyance components.
Ofcom	Office of Communications	WACC	Weighted Average Cost of Capital
ONBS	Openreach Network Backhaul Services	WBA	Wholesale Broadband Access
OR	Openreach	WBAMR	Wholesale Broadband Access Market Review
PAC	Previously Allocated Costs	WBC	Wholesale Broadband Connect
PCP	Primary Cross Connection Point	WFAEL	Wholesale Fixed Analogue Exchange Lines
PI	Physical Infrastructure	WFTMR	Wholesale Fixed Telecoms Market Review
PIA	Physical Infrastructure Access	WLA	Wholesale Local Access
PIMR	Physical Infrastructure Market Review	WLAMR	Wholesale Local Access Market Review
ppm	Pence Per Minute	WLR	Wholesale Line Rental
RAP	Regulatory Accounting Principles	WVMR	Wholesale Voice Market Review
		0	A numerical value of between <£0.5m and >£(0.5)m

Glossary and Footnotes List

Footnotes

(a) ppm = pence per minute; £/2Mbit cct = £ per 2 Mbps circuit; £/km = £ per kilometre; £/100m = £ per 100 metres; £/trans = £ per transaction; £/circuit = £ per circuit; £/ hostel rental = £ per hostel rental; % = % utilisation; £/line = £ per line; £/room = £ per room; £/cable = £ per cable; £/link = £ per link; £/eq = £ per equipment units; £/le = £ per local end; £/conn = £ per connection; £/channel = £ per channel; £/fibre km = £ per fibre km.

(b) See Section 2 - Basis of Preparation and Appendix 4 for explanation of restatement.

(sx) This service comprises a number of individual prices as indicated by the value of x.

(ux) This service comprises a number of individual volume types as indicated by the value of x.