

# Errata Report 2017

Published 11 December 2017

## Errata

The following is a list of corrections to the BT Regulatory Financial Statements 2017 published on 31 July 2017.

- 1) The unit volume for the Tie Cables Service has been corrected in the attached 2017 results. The main changes are in the Tie Cables products. These are included in "Tie Cables" service (charge controlled) and in "Other WLA" (where they are not charge controlled). At a market level, correction of this error has led to small changes in the WLA Market and (due to EOI charges) in WBA Market A. Revised schedules and variances that relate to Tie Cables follow in the Annex, pages 1-4. The impact of these changes is summarised below.

	Internal Revenue	External Revenue	Total Revenue	Operating Costs	Depreciation	Holding (gain)/loss	Supp. Dep.	Other CCA Adjs.	Roundings	Total CCA Operating Costs	Return	Mean Capital Employed	Return on MCE
Market Analysis	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	%
<b>Revised Market Summary</b>													
WLA	812	1,325	2,137	885	519	(113)	66	26	-	1,383	754	4,817	15.6%
WBA - Market A	353.0	29.0	382	112	68	(9)	(2)	7	(1)	175	207	373	55.4%
<b>Variance to Published</b>													
WLA	(2)	2	-	-	-	-	-	-	-	-	-	-	-%
WBA - Market A	-	-	-	(1)	-	-	-	-	-	(1)	1	-	0.2%
Detailed service analysis	Internal Revenue	External Revenue	Total Revenue	Internal FAC	External FAC	Total FAC	Internal EOI	External EOI					
	£m	£m	£m	£m	£m	£m	£m	£m					
<b>Revised Result - WLA</b>													
Tie Cables	13.2	5.7	18.9	12.5	9.3	21.8	n/a	n/a					
Other WLA	694.3	331.0	1,025.3	498.1	255.3	753.4	n/a	n/a					
<b>Variance to Published</b>													
Tie Cables	0.1	-	0.1	(10.5)	(6.3)	(16.8)	n/a	n/a					
Other WLA	(1.8)	1.7	(0.1)	18.7	0.4	19.1	n/a	n/a					
<b>Revised Result - WBA</b>													
IPstream Connect Max and Max Premium													
End User Access - Rental	27.4	8.3	35.7	32.3	9.4	41.7	4.6	1.3					
WBC End User Access - Rental	70.6	0.3	70.9	48.9	0.2	49.1	17.7	0.1					
<b>Variance to Published</b>													
IPstream Connect Max and Max Premium													
End User Access - Rental	-	-	-	(0.2)	(0.1)	(0.3)	(0.3)	(0.1)					
WBC End User Access - Rental	-	-	-	(0.2)	-	(0.2)	(0.2)	-					

- 2) In the WFAEL Summary, Page 37, the Caller Display Service indicates an Average Internal Price and Average External Price of £0.48. The correct Average Internal Price and Average External Price for this service is £0.45.

## Annex

### 6.1 - Revised WLA Summary

For the year ended 31 March 2017

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
<b>Service</b>											
MPF Rentals	17.3	771.7	789.0	202,966	8,971,304	lines	85.29	86.02	16.6	734.9	751.5
MPF New Provide Services	0.9	74.7	75.6	20,680	2,090,584	conns	44.42	35.75	0.6	60.6	61.2
MPF Single Migrations	-	20.4	20.4	-	672,691	conns	-	30.30	-	17.0	17.0
MPF Bulk Migrations	-	1.9	1.9	-	83,343	conns	-	23.26	-	1.5	1.5
SMPF Rentals	13.6	2.2	15.8	5,449,402	865,147	lines	2.50	2.50	21.7	3.4	25.1
SMPF New Provide Services	30.9	2.8	33.7	1,123,348	93,510	conns	27.53	30.09	24.9	2.1	27.0
SMPF Single Migrations	1.2	1.6	2.8	39,012	51,752	conns	30.13	30.38	1.0	1.3	2.3
SMPF Bulk Migrations	0.1	0.6	0.7	4,743	30,092	conns	20.97	20.98	0.1	0.5	0.6
Co-mingling New Provide and Rental services	-	37.7	37.7	-	(ux)	(ux)	-	(sx)	-	60.5	60.5
Tie Cables	13.2	5.7	18.9	(ux)	(ux)	(ux)	(sx)	(sx)	12.5	9.3	21.8
Hard Cease Services	9.7	16.0	25.7	402,026	754,750	ceases	24.08	21.14	6.3	11.7	18.0
Other LLU Ancillary Services	4.5	4.5	9.0	149,907	211,944	ancillaries	30.26	21.37	1.5	1.8	3.3
Special Fault Investigations	19.1	19.4	38.5	(ux)	(ux)	(ux)	(sx)	(sx)	27.2	20.7	47.9
Time Related Charges	5.4	32.2	37.6	(ux)	(ux)	(ux)	(sx)	(sx)	4.5	27.0	31.5
VULA Migrations	2.2	2.2	4.4	198,230	200,300	migrations	11.00	11.04	1.1	1.1	2.2
Other WLA	694.3	331.0	1,025.3	(ux)	(ux)	(ux)	(sx)	(sx)	498.1	255.3	753.4
Rounding	-	0.1	0.1						-	0.3	0.3
<b>Total WLA</b>	<b>812.4</b>	<b>1,324.7</b>	<b>2,137.1</b>						<b>616.1</b>	<b>1,209.0</b>	<b>1,825.1</b>

## Annex

### 6.1 - WLA Summary Variances to Published

For the year ended 31 March 2017

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
<b>Service</b>											
MPF Rentals	-	-	-	-	-	lines	-	-	-	(0.1)	(0.1)
MPF New Provide Services	-	-	-	-	-	conns	-	-	-	(0.6)	(0.6)
MPF Single Migrations	-	-	-	-	-	conns	-	-	-	(0.2)	(0.2)
MPF Bulk Migrations	-	-	-	-	-	conns	-	-	-	(0.1)	(0.1)
SMPF Rentals	-	-	-	-	-	lines	-	-	-	(0.1)	(0.1)
SMPF New Provide Services	-	-	-	-	-	conns	-	-	(0.4)	-	(0.4)
SMPF Single Migrations	-	-	-	-	-	conns	-	-	-	-	-
SMPF Bulk Migrations	-	-	-	-	-	conns	-	-	-	(0.1)	(0.1)
Co-mingling New Provide and Rental services	-	-	-	-	(ux)	(ux)	-	(sx)	-	(0.4)	(0.4)
Tie Cables	0.1	-	0.1	(ux)	(ux)	(ux)	(sx)	(sx)	(10.5)	(6.3)	(16.8)
Hard Cease Services	-	-	-	-	-	ceases	-	-	(0.1)	(0.3)	(0.4)
Other LLU Ancillary Services	-	-	-	-	-	ancillaries	-	-	(0.1)	(0.1)	(0.2)
Special Fault Investigations	-	-	-	(ux)	(ux)	(ux)	(sx)	(sx)	-	-	-
Time Related Charges	-	-	-	(ux)	(ux)	(ux)	(sx)	(sx)	-	-	-
VULA Migrations	-	-	-	-	-	migrations	-	-	-	-	-
Other WLA	(1.8)	1.7	(0.1)	(ux)	(ux)	(ux)	(sx)	(sx)	18.7	0.4	19.1
Rounding	(0.1)	0.1	-	-	-	-	-	-	-	0.4	0.4
<b>Total WLA</b>	<b>(1.8)</b>	<b>1.8</b>	<b>0.0</b>						<b>7.6</b>	<b>(7.5)</b>	<b>0.1</b>

# Annex

## Revised WLA calculation of FAC based on component costs and usage factors

For the year ended 31 March 2017

Fully Allocated Cost (£m)	Average cost per unit	Co-mingling New Provide and Rental services		Tie Cables		Hard Cease Services		Other LLU Ancillary Services		Special Fault Investigations		Time Related Charges		VULA Migrations	
		External £m	Internal £m	External £m	Internal £m	External £m	Internal £m	External £m	Internal £m	External £m	Internal £m	External £m	Internal £m	External £m	
<b>Components</b>	<b>Unit (c)</b>														
Co-mingling set up	rooms	3,164.34	23.1	-	-	-	-	-	-	-	-	-	-	-	-
Co-mingling rentals	hostels	44.85	24.4	-	-	-	-	-	-	-	-	-	-	-	-
Co-mingling power & vent	hostels	1.10	12.0	-	-	-	-	-	-	-	-	-	-	-	-
WLA tie cables	cables	29.70	-	11.0	8.0	-	-	-	-	-	-	-	-	-	-
Routing & Records	£/line	2.72	-	-	-	-	-	-	-	-	-	-	-	0.5	0.5
MDF Hardware jumpering	£/line	10.87	-	-	-	4.7	8.8	0.1	0.1	-	-	-	-	-	-
E side copper capital	£/line	6.62	-	-	-	-	-	-	-	-	-	-	-	-	-
E side copper current	£/line	3.49	-	-	-	-	-	-	-	-	-	-	-	-	-
D side copper capital	£/line	33.41	-	-	-	-	-	-	-	-	-	-	-	-	-
D side copper current	£/line	8.61	-	-	-	-	-	-	-	-	-	-	-	-	-
Local exchanges general frames equipment	£/line	0.96	-	-	-	-	-	-	-	-	-	-	-	-	-
Local exchanges general frames maintenance	£/line	1.13	-	-	-	-	-	-	-	-	-	-	-	-	-
Analogue line test equipment	£/line	0.13	-	-	-	-	-	-	-	-	-	-	-	-	-
Dropwire capital & analogue NTE	£/line	15.95	-	-	-	-	-	-	-	-	-	-	-	-	-
Analogue line drop maintenance	£/line	1.85	-	-	-	-	-	-	-	-	-	-	-	-	-
MPF line testing systems	£/line	3.25	-	-	-	-	-	-	-	-	-	-	-	-	-
Regulated time related charges	%	£69m	-	-	-	-	-	-	-	-	-	4.5	26.7	-	-
Ofcom Administration Fee - Openreach	%	£4m	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Special Fault Investigation	%	£47m	-	-	-	-	-	-	-	27.0	20.5	-	-	-	-
FTTC Development	%	£19m	-	-	-	-	-	-	-	-	-	-	-	0.4	0.4
Openreach sales product management	%	£22m	0.3	0.0	0.0	0.1	0.1	0.0	0.0	0.1	0.1	0.0	0.1	0.0	0.0
OR Service Centre - Provision WLA	%	£24m	0.0	1.3	0.9	1.4	2.6	0.5	0.7	-	-	-	-	-	-
Service Centre - Provision NGA	%	£12m	-	-	-	-	-	-	-	-	-	-	-	0.2	0.2
Local Loop Unbundling systems development	%	£4m	0.1	0.1	0.0	0.1	0.1	0.0	0.0	-	-	-	-	-	-
OR Service Centre - Assurance WLA	%	£7m	0.4	0.0	0.2	-	-	-	-	-	-	-	-	-	-
Service Level Guarantees WLA	%	£36m	-	-	-	-	-	0.9	0.9	-	-	-	-	-	-
Revenue Receivables	%	£37m	0.2	0.1	0.0	0.0	0.1	0.0	0.0	0.1	0.1	0.0	0.2	0.0	0.0
Rounding		-	-	-	0.2	-	-	-	0.1	-	-	-	-	-	-
<b>Fully Allocated Cost (£m)</b>		<b>60.5</b>	<b>12.5</b>	<b>9.3</b>	<b>6.3</b>	<b>11.7</b>	<b>1.5</b>	<b>1.8</b>	<b>27.2</b>	<b>20.7</b>	<b>4.5</b>	<b>27.0</b>	<b>1.1</b>	<b>1.1</b>	
	Volume (units)	(ux)	(ux)	(ux)	402,026	754,750	149,907	211,944	(ux)	(ux)	(ux)	(ux)	198,230	200,300	
	Unit cost £	(ux)	(ux)	(ux)	15.56	15.57	10.25	8.50	(ux)	(ux)	(ux)	(ux)	5.74	5.74	

# Annex

## WLA calculation of FAC based on component costs and usage factors variance to published

For the year ended 31 March 2017

Fully Allocated Cost (£m)	Average cost per unit	Co-mingling New Provide and Rental services			Tie Cables		Hard Cease Services		Other LLU Ancillary Services		Special Fault Investigations		Time Related Charges		VOLA Migrations	
		External £m	Internal £m	External £m	Internal £m	External £m	Internal £m	External £m	Internal £m	External £m	Internal £m	External £m	Internal £m	External £m		
<b>Components</b>	<b>Unit (d)</b>															
Co-mingling set up	rooms	(0.78)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Co-mingling rentals	hostels	(0.01)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Co-mingling power & vent	hostels	(0.04)	(0.4)	-	-	-	-	-	-	-	-	-	-	-	-	-
WLA tie cables	cables	(23.29)	-	(10.2)	(6.3)	-	-	-	-	-	-	-	-	-	-	-
Routing & Records	£/line	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
MDF Hardware jumpering	£/line	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
E side copper capital	£/line	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
E side copper current	£/line	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
D side copper capital	£/line	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
D side copper current	£/line	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Local exchanges general frames equipment	£/line	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Local exchanges general frames maintenance	£/line	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Analogue line test equipment	£/line	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dropwire capital & analogue NTE	£/line	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Analogue line drop maintenance	£/line	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
MPF line testing systems	£/line	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Regulated time related charges	%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ofcom Administration Fee - Openreach	%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Special Fault Investigation	%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
FTTC Development	%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Openreach sales product management	%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
OR Service Centre - Provision WLA	%	-	-	(0.2)	(0.1)	(0.1)	(0.2)	(0.1)	(0.1)	-	-	-	-	-	-	-
Service Centre - Provision NGA	%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Local Loop Unbundling systems development	%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
OR Service Centre - Assurance WLA	%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service Level Guarantees WLA	%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Revenue Receivables	%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rounding		-	(0.1)	0.1	-	(0.1)	-	-	-	-	-	-	-	-	-	-
<b>Fully Allocated Cost (£m)</b>		<b>(0.4)</b>	<b>(10.5)</b>	<b>(6.3)</b>	<b>(0.1)</b>	<b>(0.3)</b>	<b>(0.1)</b>	<b>(0.1)</b>	<b>(0.1)</b>	<b>(0.1)</b>	<b>(0.1)</b>	<b>(0.1)</b>	<b>(0.1)</b>	<b>(0.1)</b>	<b>(0.1)</b>	<b>(0.1)</b>
	Volume (units)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Unit cost £	-	-	-	(0.27)	(0.27)	(0.29)	(0.29)	-	-	-	-	-	-	-	-