

VoIP costs – correction in the BULRIC model for FTA

1 July 2010
14895-262

1 Introduction

On 26 April 2010, OPTA released the final version of the BULRIC model for fixed and mobile termination costs, developed by Analysys Mason. An error in the fixed network model has since been identified – this note explains the corrections made to the VoIP platform in the model.

2 VoIP costs correction

2.1 Applying the subscriber load-up profile to VoIP licences

The model has been updated to **apply the residential subscriber load-up profile** to the purchasing of VoIP licences. This is because unique fixed line subscribers should move over to the all-IP NGN in line with traffic. The chart below shows total fixed voice and VoIP subscribers applied in the model.

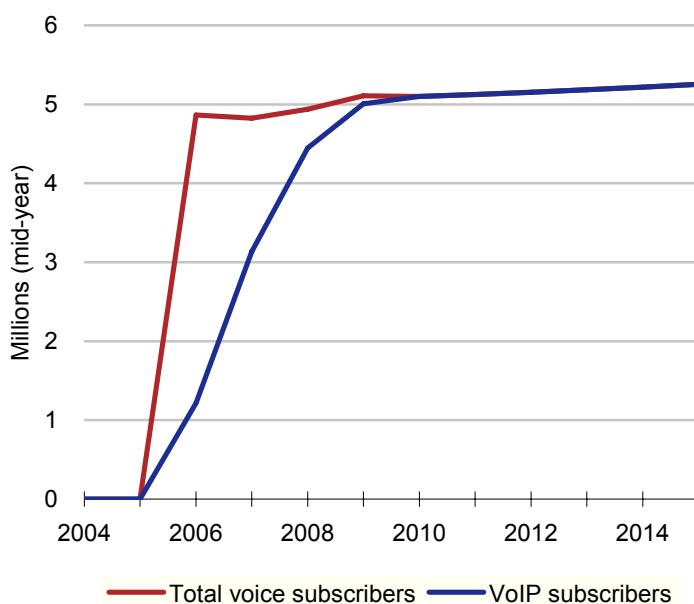


Figure 1: Fixed voice subscribers [Source: Updated final model July 2010]

This change to the model has been applied as follows:

File: *Fixed.xls* **Formula was** = *Voice_subscribers*
 Sheet: *Full_network*
 Row: 59 **Corrected** = *Voice_subscribers * Residential_line_migration*

2.2 Removing the 2016-2019 migration effect from VoIP licences and call servers

The model has been updated so that it **does not apply migration** off the VoIP call server and its software licences. The updated model now contains these network elements with regular replacement in perpetuity. This is because these items are already replaced rapidly with annual software opex and so can be upgraded to be next-technology compliant on an ongoing basis and without a reduction in traffic load on the system. This change places the call server and VoIP licences in the category of *platforms which are not technology specific and perform the same function for current and future generations with ongoing replacement* (see Annex C.6, *Discussion of operator responses on draft model*, Figure 3).

This change to the model has been applied as follows:

File: *Fixed.xls* **Formula was** = *migration_end*
 Sheet: *Asset_inputs*
 Cells: *F54 and F56* **Corrected** = *recovery_end_year*