The COTS Project

Commercial, operational and technical standards
for local independent access networks

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The context

- Commercial landscape is changing – expect a proliferation of new networks – particularly in the 'final third' but not exclusively

- New models being driven by partnerships between communities, public sector and a range of commercial players – the capacity to innovate and harness local resources is key – especially in low density areas

- Networks will be very different in terms of their scale, structure, scope and technology – no single model

- Debate tends to focus on the investment challenge - getting the infrastructure on/in the ground – but service provision is just as challenging

The concern

- Even where networks have been funded and built, they have often struggled to attract service providers

- Small scale means that service providers are faced with high 'back office' costs when they try and access these customers

- This is bad news for all:
  - Consumers have less or more often no choice of service provider
  - Service providers can't access potential customers
  - Network providers fail to optimise their potential revenues

- In the worst cases this can make the underlying business model unsustainable

- Not a problem that can be solved on an individual project basis – requires collective/collaborative effort to resolve

The objective

- To work with representatives of independent local and community–led broadband projects, national network operators and major ISPs to develop a low cost standardised approach to enable a broad range of service providers to offer retail services over local or community-led open networks to end users.

- As a result consumers and small businesses should be able to access a wide choice of service providers, regardless of how the underlying infrastructure is provisioned or owned.

- What its not: COTS not trying to address all issues related to new independent access networks. Many important issues - how projects are developed, designed, architected, funded etc - but for other fora (INCA etc).

The Win-Win-Win

- Consumers – choice and innovation

- Service providers – customers

- Network operators – wholesale revenues

The consensus

- ## Is there any?
  - Growing discussion and interest in this issue within the industry over the last 18 months
  - Increasing willingness to engage in finding a solution
  - Digital Region, USC & Final Third Project provided new impetus
  - Consensus about the need to address the problem
  - In other markets, the issue is being discussed (Sweden)

The focus

Part 1: Key (minimum) requirements

- Wholesale product set (active (ALA) and passive)
  - Product design
  - Product capabilities and level of ISP control
  - Support for variety of CPE

- Operation, administrative and maintenance (OAM) standards
  - Provisioning and install arrangements
  - Fault reporting/ mgt, incl engineer visits
  - Other technical, commercial and operational interfaces
  - Customer relationship mgt

- Other commercial and contractual arrangements
  - Contracts – SLAs, SLGs, and QoS
  - Migration and switching arrangements
  - Network development over investment lifecycle
  - Pricing policy and settlement (receipts and payments)
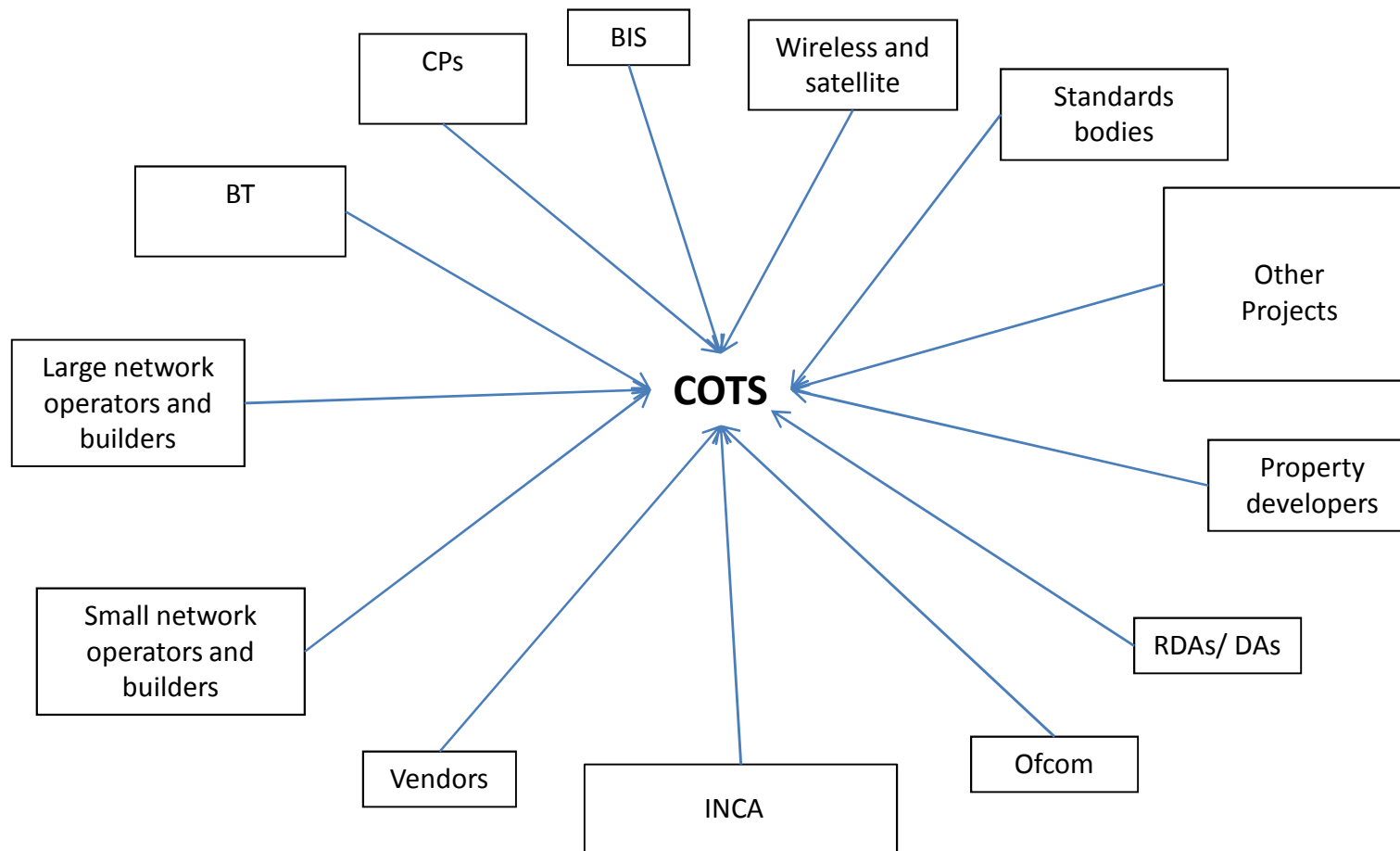
The focus

Part 2: Implementation(s)

- How COTS should be implemented is unclear at this stage.
- Various solutions being suggested – JON regional hubs; single national clearing house; localised implementation
- Preferred approach may become clearer once the requirements have been fully scoped.
- BSG has no view at this stage

The guiding principles

- The aim of this initiative is to promote inclusion, accessibility and consumer choice
- The approach should seek to minimise cost and complexity for both network operators and service providers
- The approach should maximise the opportunity for innovation at the local level, and the retail level
- The approach should seek to standardise and aggregate service elements where necessary to minimise cost and prevent geographic segmentation
- The approach should where possible build on existing work and standards
- The approach should be agnostic regarding the underlying access infrastructure
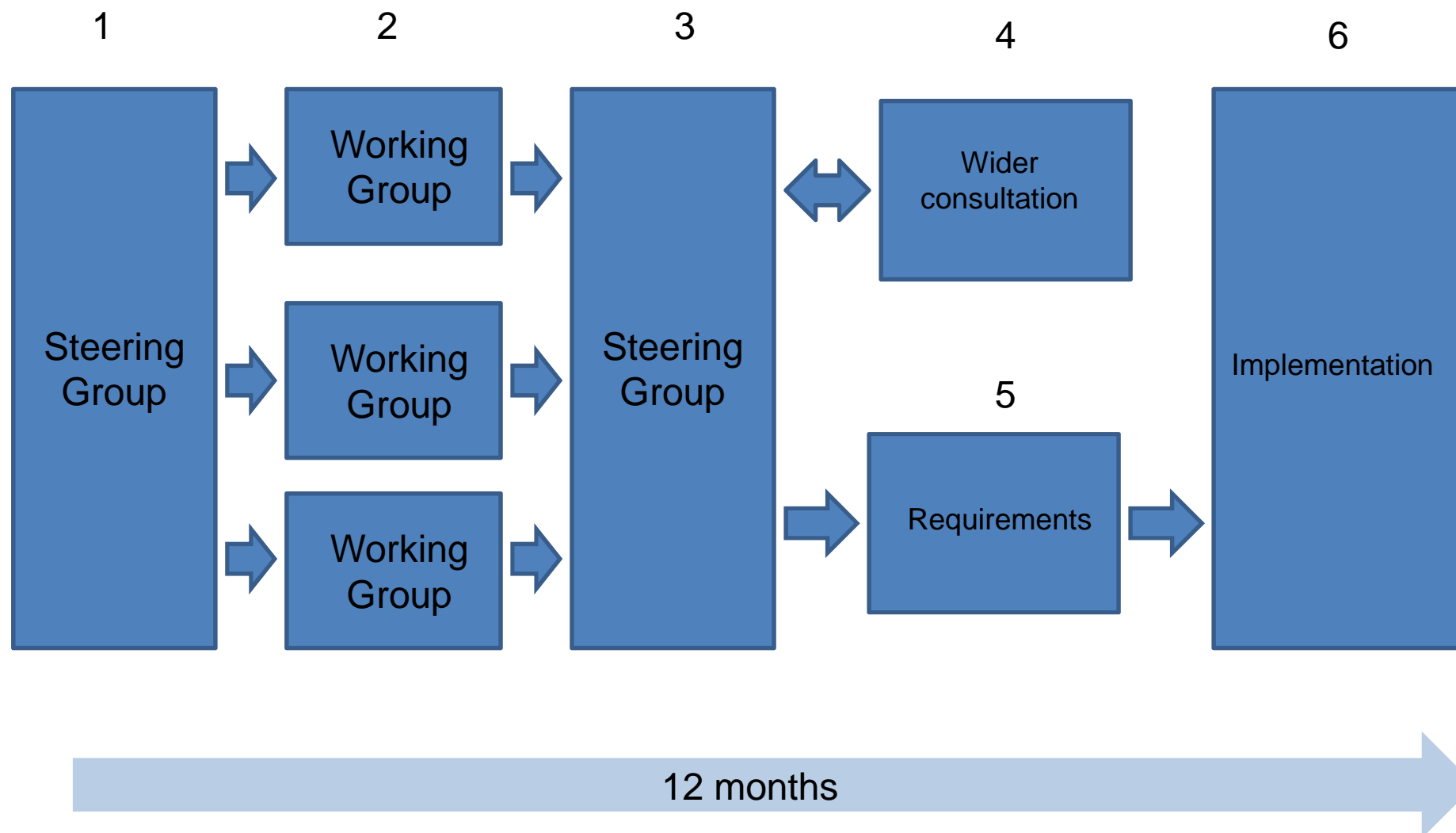
The stakeholders

The process

Provisional:

- Project steering group being established. 1st mtg 21st September. Steering group open to all those who are willing to actively participate.

- Working groups to develop set of draft requirements around each the three elements

- Steering Group to consult on draft requirements once developed

- Will then move on to implementation issues

The timescales

- Consensus will take time to develop - many stakeholders only just starting to think through the issues and implications for their businesses
- Indicative 12 month timescale, depending on work required
- Steering group will take a more definitive view
- NICC seeking early input into ALA development

Your help required

- This has to be a collaborative process and requires the active positive engagement of all stakeholders
- BSG will seek to make the process open and transparent to all participants