



## **Matrix Communications announce important changes to the SHDS/Ethernet product portfolio in the UK**

### **Overview**

Ofcom's strategic review of the Telecommunications Services in the UK has resulted in both the creation of Openreach and the need to operate an arms-length policy between BT and the newly created company.

Under the Telecoms Strategic Review, BT has agreed a series of legally binding commitments with Ofcom, known as the Undertakings. These involve making changes to BT's structure and processes that will ensure that Openreach treats the other areas of BT in the same way as it does all its other non-BT customers - known as Equivalence of Input.

This means that BT can no longer use the current costing model for Short Haul Data Services. These changes will mean that BT remains both customer and commercially focused.

### **Effects on the LAN/SAN Extension Services**

BT LAN-SAN Extension Service is required to make changes to the SHDS products and features it offers into the market place. In particular, the tariff structure we apply must be based on new input products provided by Openreach.

### **What exactly is happening?**

#### Phase 1

**The current BT LES (LAN Extension Services) will be withdrawn from new supply from 30 September 2006**

Customers with existing BT LES services will continue to be supported through to the conclusion of the current contractual term.

#### **BT will launch a new range of products called EES (Ethernet Extension Services)**

From 30 September 2006, BT's Ethernet portfolio will be available for new supply at prices which are based upon new input products received from Openreach. BT will deliver this requirement through the launch of a new product range called Ethernet Extension Services. Each EES product will be competitively priced using the new input costs from Openreach.

#### Phase 2

#### **Changes to existing LES portfolio**

BT proposes to implement in the next 6 months a further series of changes to the LES portfolio:

- A price change (increase) to the existing LES2 and LES10 portfolios.
- The introduction of new Upgrade and Migration options between LES and EES.
- The introduction of new resilience options for EES.

For more information on the changes BT are implementing please contact your Matrix Communications account manager on 0870 055 0000.