

Leased lines / circuits

FAQs

How do telcos calculate the cost for a circuit? / What are the component parts of a circuit?

Telcos tend to build up their prices for both installation and annual rental for circuits by considering a circuit comprising three parts:

- i) the 'local end' or 'tail' running from the customer premises to the local BT or other telco 'exchange' - this used to be a fixed price but now consists of a fixed element plus an amount dependant on the "excess construction" cost
- ii) the main link section running between generally BT or other telco 'exchanges' - this is usually related to the inter-exchange distance
- iii) the local end or 'tail' running from the local BT or other telco 'exchange' to the customer premises.

The greater the bandwidth for a particular circuit type, the greater the charge, for both installation and annual rental.

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