

## **Broadcasting – Market B**Saorview tariffs

## **Information Notice**

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1.1 In its last review of the Broadcasting Transmission Services market in Ireland (ComReg Decision D02/21, Document No. 21/14, dated 26 February 2021) ComReg imposed certain Significant Market Power obligations on RTÉ in relation to the market for wholesale access to Digital Terrestrial Television Multiplexing services<sup>1</sup>. One such obligation relates to *Price Control and Cost Accounting*, specifically cost orientation of tariffs.

- 1.2 RTÉ has notified ComReg of its intention to reduce tariffs from €244.61 per kilobit down to €204.86 per kilobit from 1 January 2023, representing a net reduction of approximately 16%. Reflected in this tariff reduction are the following:
  - (i) The launch of Virgin Media 4;
  - (ii) The upgrading of TG4 from standard definition to high definition;
  - (iii) The launch of another commercial service, and
  - (iv) An estimate for an increase in energy costs associated with running the Saorview platform since Summer 2022.
- 1.3 Prior to January 2019 tariffs were €388 per kilobit. Overall tariffs will have reduced by approximately 50% in four years.
- 1.4 In accordance with RTĒ's obligation of cost-orientation of tariffs, RTĒ is expected to ensure that the revised tariffs will reconcile as against costs, including costs incurred in 2022 as set out in RTĒ's accounts for 2022 which will be available in 2023, and to propose any further adjustments as and if required.
- 1.5 Pursuant to Section 10.4 of Annex 5<sup>2</sup> of ComReg Document 21/14, RTÉ is required to notify ComReg at least one month in advance of any proposed changes to its Reference Offer, including any proposed changes to wholesale prices, prior to such changes being publicly available two months thereafter. These periods may be varied with the agreement of ComReg or at ComReg's discretion.
- 1.6 ComReg sees no reason to delay the proposed tariff reductions and ComReg has informed RTÉ that it is waiving the requirement for a two month notice period and the reduced tariffs may come into effect from 1 January 2023<sup>3</sup>.

<sup>&</sup>lt;sup>1</sup> Digital terrestrial broadcast services are transmitted on multiplexes by 'Multiplex Operators'. Multiplex is defined in section 129 of the 2009 Broadcasting Act as meaning "an electronic system which combines programme material and related and other data in digital form and the transmission of that material and data so combined by means of wireless telegraphy directly or indirectly for reception by the general public". DTT multiplexing services means the above service provided via a DTT multiplex(es) by a Multiplex Operator

<sup>&</sup>lt;sup>2</sup> Broadcasting Transmission Services - Market B Decision Instrument

<sup>&</sup>lt;sup>3</sup> It should be noted that ComReg does not approve tariffs as the obligation to be cost oriented rests with RTÉ.