



Commission for
Communications Regulation

Broadcasting

Proposed amendments to tariffs by 2rn and
RTÉ

Information Notice

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An Coimisiún um Rialáil Cumarsáide
Commission for Communications Regulation

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1. On 26 July 2013, ComReg found RTÉ Transmission Networks Limited¹ and RTÉ to respectively have Significant Market Power² in the markets for:
 - wholesale access to national terrestrial broadcast transmission services³;
 - wholesale access to DTT Multiplexing Services⁴.
2. One of the obligations imposed on both 2rn and RTÉ is the price control obligation of cost orientation.
3. In accordance with Section 10.5 of ComReg Decision D11/13 in relation to Market A and Section 10.5 of ComReg Decision D11/13 in relation to Market B, 2rn and RTÉ, respectively, have notified ComReg of their decisions to publish proposed changes to wholesale prices on their respective websites.
4. Pursuant to Section 10.2 of ComReg Decision D11/13 in relation to Market A, 2rn is required to make publicly available and keep updated on its website, a Reference Offer. Under Section 10.3 of ComReg Decision D11/13, such Reference Offer shall include a description of the associated terms and conditions for supply and use, including prices, which shall include a detailed description of the tariff model and how it operates to derive such prices. Equivalent obligations are imposed on RTÉ pursuant to Section 10.2-10.3 of ComReg Decision D11/13 in relation to Market B.
5. ComReg has reviewed the pricing submissions received from 2rn and RTÉ. These pricing submissions reflect the cost of capital applicable to broadcasting of 8.11%⁵. The proposed tariffs for Market B include costs associated with the management and promotion of the multiplexes to end-users (e.g., the maintenance of a help-desk, website development and technical support management). At ComReg's request RTÉ has excluded airtime costs associated with the broadcasting of promotional material for the DTT platform.

¹ Trading as 2rn.

² ComReg Decision No. D11/13 contained in ComReg Document No. 13/71 entitled "Response to Consultation and Decision Notice – Broadcasting Transmission Services in Ireland" dated 26 July 2013.

³ Known as Market A.

⁴ Known as Market B.

⁵ See ComReg Decision No. D15/14 contained in ComReg Document No. 14/136 entitled "Response to Consultation and Decision - Cost of Capital" dated 18 December 2014.

6. ComReg considers that the proposed changes to wholesale prices may be implemented on 1 July 2015 and can be considered final. Such timing shall be conditional upon each of 2rn and RTÉ, respectively, complying with their obligations to publish such proposed price changes on their publicly available websites at least 2 months in advance of them coming into effect pursuant to Section 10.5 of ComReg Decision D11/13 in relation to Market A and Section 10.5 of ComReg Decision D11/13 in relation to Market B, respectively⁶.
7. It is important to note that the publication of this Information Notice does not imply that ComReg has formed any view as to 2rn's and/or RTÉ's compliance with their respective regulatory obligations imposed in ComReg Decision D11/13, including as to whether any amended Reference Offer to be published by 2rn and/or RTÉ is in compliance with 2rn's and RTÉ's regulatory obligations. ComReg reserves its right to intervene at a later stage should it consider it necessary to do so.

⁶ Section 10.5 of ComReg Decision D11/13 in relation to Market A (2rn) and Section 10.5 of ComReg Decision D11/13 in relation to Market B (RTÉ) provide that 2rn/RTÉ shall, unless otherwise determined by ComReg, make publicly available and publish on its publicly available website at least two months in advance of coming into effect, any proposed changes to the Reference Offer and proposed changes to wholesale prices (including prices for new services and facilities).