



Office of the Director of
**Telecommunications
Regulation**

CONSULTATION PAPER

Chorus' Price Increase Application for Cable /MMDS Licensed Areas

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Oifig an Stiúirthóra Rialála Teileachumarsáide

Office of the Director of Telecommunications Regulation

Abbey Court, Irish Life Centre

Lower Abbey Street, Dublin 1, Ireland

Tel. +353 1 804 9600 Fax. +353 1 804 9680 E-mail info@odtr.ie

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FOREWORD BY DIRECTOR

This consultation paper deals with an application for price increases by Chorus Communications Limited (Chorus) in respect of the cable and MMDS services it provides under licence from the ODTR. It follows a comprehensive joint review by the ODTR and Chorus of key aspects of the company's broadcasting distribution network and services.

Chorus is an amalgamation of Irish Multichannel, Cable Management Ireland Limited and Suir Nore Limited and in the last few years has become an operator of national significance serving approximately 40% of households who subscribe to cable or MMDS services.

In recent years, costs have moved upwards more rapidly than revenues as Chorus sought to absorb and develop its expanded base and to deal with service quality and network development issues in an inflationary environment. It has sought a review of its regulated prices to enable it to generate the funding to maintain and develop its networks. Current pricing, numbers of channels offered and service levels vary significantly from area to area and the proposals made represent a major move to standardisation in the cable areas, which will itself result in greater efficiency and better service. There are technical limitations to increasing channel availability on analogue MMDS which can only be overcome by digitisation.

I am prepared to consider a review of prices. However, this should be dealt with in isolation from the range of issues concerning quality and service: customers must have a consistent, high quality service. These matters have been reviewed over the last few months and the position and plans of Chorus are outlined in this paper, together with our comments. The shareholders in Chorus have declared themselves to be fully committed to a programme of service quality and customer care improvement and network build and maintenance. A further £63 million is to be invested in the company over the next three years.

For the majority of Chorus subscribers, there has been no increase in prices since 1998, and in no case has there been increases since April 1999. Price increases proposed by Chorus average 14%. Currently Chorus' monthly prices range from £8.50 to £18.50; under the Chorus proposals they would range from £9.50 to £18.50. The details are given in Appendix 2. In taking a decision on these proposals, I would wish to take into consideration views and alternatives that may be expressed in response to this consultation.

This is an exceptional price application, which I propose to deal with on a once-off basis outside of the framework of the rate regulation formula set last year by my Office in document ODTR 00/56.

Unlike the position when the eircom price cap was set in 1999, the amount of company information available to the ODTR was limited when ODTR 00/56 was being finalised. This has now been rectified, but the complexity of existing rates and the proposed move to standardisation does not lend itself easily to a price cap formula.

No one likes to pay more for services, but inflation compounded over a number of years has been significant and the costs of capital investment in network up-grade, whether analogue repair or digital upgrade are substantial. Counties and cities seeking investment and upgrade in the communications services provided may assist their cause by seeking to reduce the complexities and delays in the planning process for such developments.

Some changes to the Chorus licences will be necessary and these have been agreed by Chorus. In particular, the period of in-platform exclusivity is to be shortened to 1 March 2002 in respect of all cable and MMDS licences currently held by the company. Other proposed changes are detailed in the body of the consultation paper.

In coming months, the ODTR will consider the issue of competition in the market for television distribution. It will issue a consultation paper on licensing for television distribution in a market without in-platform exclusivity, with a view to establishing a new licensing regime in early 2002. As already indicated, the ODTR will issue before the end of August a paper on sub-national Digital Terrestrial Television (DTT). The national DTT service is due for launch in the second half of 2002. Without prejudice to my obligations to regulate the market, I would intend to review competition in the television distribution market and the Chorus position in mid/second half of 2002. This will, inter alia, consider the future of price control, whether the existing formula should be maintained or revised/replaced, and/or whether adjustments should be made to reduce or remove rate regulation. The question of further standardisation of Chorus pricing for standard offerings will also be considered, having regard to delivery of service to targeted standards and all other commitments.

Etain Doyle,
Director of Telecommunications Regulation.

1 INTRODUCTION

The Director of Telecommunications Regulation (“the Director”) and her Office (“the ODTR”) are responsible for the regulation of the Irish telecommunications and broadcasting markets in accordance with EU and national legislation.

Last year, the ODTR issued the Report on the Consultation, *Rate Regulation Mechanisms for Cable and MMDS Television Operators* (ODTR 00/56) outlining the framework for evaluating price increase applications.

The cable/MMDS licences issued in 1999/2000 provide for a period of in-platform exclusivity until April 2004. Under the provisions of Regulation 15 (1) of the Wireless Telegraphy (Programme Services Distribution) Regulations 1999, the prior written consent of the Director is required for proposed charges for basic television services distributed by cable/MMDS and for any subsequent changes to those prices during any period of exclusivity. Similar powers exist in relation to cable licences issued under the Wireless Telegraphy (Wired Broadcast Relay Licences) Regulations, 1974.

The ODTR recently received a formal price increase application from Chorus. Chorus asserts that it is inappropriate to apply the rate regulation mechanism set out in ODTR 00/56 to its price increase application for reasons that will be outlined in Section 2. As the Director indicated that she reserved the right to review the mechanism, she is minded to address the Chorus request but before doing so wishes to engage in a public consultation on the issue.

The Director welcomes comments from interested parties in relation to any of the issues raised in this paper. The closing date for receipt of comments is Friday, 14th September 2001. Please see Section 4 for details on submitting comments on this paper.

Section 2 will set out the case made by Chorus as to why a greater increase than that provided for under the rate regulation mechanism detailed in ODTR 00/56 is warranted. In Section 3, the ODTR will address each of the issues raised by Chorus and Section 4 contains details for the submission of comments on this paper.

2 CHORUS APPLICATION

Since April 2001, Chorus has been in discussion with the ODTR concerning the price levels which apply to the provision of the basic television services throughout its licensed areas, and on a range of related licence issues.

Chorus made a formal application at the end of July for a price increase in its cable and MMDS licensed areas, outlining the reasons why it considers that a greater increase than that provided for under the rate regulation mechanism detailed in ODTR 00/56 is warranted.

These reasons as provided by Chorus are presented in the following sub-sections.

2.1 Period under Review

The period under review varies across licensed areas mainly because different operators, since acquired by Chorus, held the licences at the time of the last price increase. Such approvals were granted in respect of licences which were issued under the Wireless Telegraphy (Wired Broadcast Relay Licences) Regulations, 1974.

MMDS prices were not previously subject to prior price approval under the 1989 Regulations¹ and consequently this is the first opportunity to review an application for changes in MMDS pricing.

The ODTR last approved a price increase for the former Irish Multichannel cable systems in September 1997, based on CPI movement to July 1997. The increase was applied by the company in February 1998 and the licensed areas concerned were Athy, Cork, Ennis, Limerick, Portarlinton and Shannon.

In November 1998, the Director approved a price increase for all of the former CMI cable licensed areas (Appendix 1), based on CPI movement to September 1998. This increase was applied by the company in December 1998.

The former Suir-Nore group received approval for a price increase for cable services in Cashel, Clonmel, Kilkenny and Thurles in February 1999, based on CPI movement to December 1998. The increase was applied by the company in April 1999. The Department of Public Enterprise approved an increase for Tipperary town in June 1997, before the establishment of the ODTR.

2.2 Cost Increasing Factors

While revenue per subscriber has remained broadly static, Chorus asserts that the cost per subscriber has increased by 2% in 1998, 6% in 1999, 11% in 2000 and 9% to date in 2001 giving a cumulative increase to date of 30% over the 1997 cost base. It states that programming costs per subscriber per month have increased by 16% since 1997.

Chorus has provided information that indicates that, with the exception of miscellaneous costs which have decreased due to the increased capitalisation of own costs, all other costs have increased during the last 4 years. The principal components of the change were:

- Depreciation, which represents approximately 40% of total basic service costs have risen by more than 160% per subscriber during the period, an increase not far short of £20 per existing basic service subscriber and reflecting the substantial growth in capital expenditure.
- Staffing costs, representing approximately 25% of total basic service costs per subscriber have risen by more than 160%. Staff numbers have risen from 181 in 1997 to 536 in 2000. The major changes have been in field operations (increased from 49 to 139), network engineering (increased from 31 to 104) and customer services and collections (increased from 55 to 119). There have been increases in all departments but the increase in the sales and marketing department of 60 staff was principally due to the bringing of external agency staff in-house. Against an increase in the basic service customer base of 180%, overall staffing costs have increased partly due to high wage increases in the telecommunications sector averaging at least 7.5% per annum but principally due to efforts by Chorus to substantially improve both quality and service.
- Maintenance costs for basic service subscribers has increased by approximately £500,000 per annum over the period for the current customer base, again reflecting efforts being made by Chorus to improve quality and service.

2.3 Productivity Improvement Scope

Chorus has informed the ODTR that it is engaging in a process of streamlining and rationalising its operations. It states that it is in the process of rationalising its operational and commercial structures as regards programme offerings and prices charged. The company considers that this should reduce overheads in managing the system.

The company also informed the ODTR that it is introducing improvements in its billing systems and in its collection practices which it states should see substantial benefits for customers of the company. It has also committed to rationalising its product line-up. This should reduce overall costs.

¹ Wireless Telegraphy (Television Programme Retransmission) Regulations, 1989.

The company reports that other improvements have been introduced in terms of call centre operation, technician practices, training of relevant technical staff to improve overall efficiency and effectiveness within the company.

Chorus is targeted to achieve an increase in productivity of up to 10% in a number of operational areas over the next 12 months.

Specific service quality targets which Chorus is committed to achieve are as follows:

Installations

- Complete 98% of installations within the time agreed with the customer.
- Complete all installations within 10 working days from receipt of signed contract.

Repairs

- Complete 98% of fault repairs within the time agreed with the customer.
- Specific targets for call outs would be as follows:
 - ✧ Cable areas 2 working days
 - ✧ MMDS areas 5 working days

Network Faults

- Restore service within 24 hours. In most cases the fault should be repaired well within this time frame.

Billing

- Bills will be posted to customers at least 10 days before the payment due date.

Complaint Processing

- Acknowledge all complaints within 24 hours of receipt and resolve 80% within 28 calendar days.

2.4 Pricing Proposals

The pricing proposals for the various licensed areas where Chorus provides service are attached as Appendix 2. Chorus will make reductions available for customers who pay on an annual, semi-annual or quarterly basis and also for customers who pay by way of direct debit. Historically, the various companies that now make up Chorus have operated a range of local arrangements. The new pricing proposal is the first step in Chorus' move towards standardisation of prices and service offerings.

The average price increase which the company proposes to implement is 14%. It contrasts this with an overall cumulative increase cost per subscriber since 1997 of 30% as set out in Section 2.2 above. In no case is the price increase above 30%.

Chorus has committed to rationalising both its offerings and its pricing structure. In particular, Chorus has undertaken to move towards matching prices with the amount of programme offerings. In

view of the historical nature of a lot of the present programme offerings and pricing structures within the Chorus system, the company states it would not be practical to achieve this in a short frame of time.

2.5 New Basic Analogue Packages - Cable

Details of the new standard analogue packages to be introduced by Chorus before the end of 2002 are outlined in Appendix 3. Chorus makes the point that the size of the package to be offered depends upon the size and capacity of the individual cable systems.

Chorus claims that the agreed packages will, in the case of the smaller systems, provide customers with additional channels over and above what is already received. As outlined in Appendix 3, a minimum of 16 or 17 basic programme services will be provided, depending on network capacity.

2.6 Digital Rollout

Appendix 4 outlines Chorus' revised digital rollout schedule as agreed with the ODTR during recent discussions. Overall the totals to be achieved each year are maintained, but changes in scheduling have been proposed for efficiency reasons. In 2001, Swords, Malahide, part of Kilkenny, Thurles, and the major part of Cork will receive digital service and in 2002, the remainder of Cork will be completed along with Limerick and Athlone. In MMDS areas, digital service will be available in Cork, the North East and parts of the Mid West and South East in 2001. In 2002 the service would be extended to further parts of the Mid West and South East and to parts of the Midlands. Chorus has undertaken to have digital services available in all of its cable and MMDS licensed areas by 2004, the date by which the programme is to be finished under the existing licence terms.

As regards the build-out of analogue services, with a few minor exceptions, Chorus will complete its licence targets. In Nenagh, it argues that it has developed a sophisticated MMDS and fixed wireless system and for this reason asserts that the development of a cable system there would be uneconomic. The company has therefore agreed to hand back its cable licence for Nenagh. In Ennis and Tipperary, the ODTR has agreed to Chorus' request that the existing licensed area boundaries be redrawn to reflect the extent of the existing cable systems.

2.7 Network Quality

Chorus asserts that its aim is to give the highest level of service throughout all of its networks. It recognises, however, that at this point in time, not all of its networks meet the ODTR's technical conditions attached to the Licences issued under the Wireless Telegraphy (Programme Services Distribution) Regulations, 1999 (S.I. 73 of 1999).

Proactive Maintenance

Chorus has represented to the ODTR that it is committed to an upgrade policy of its engineering maintenance practices and has determined key areas where necessary actions need to be performed to provide excellent picture quality and service stability.

It states that those areas will be addressed with consideration given to headend location, correct installation practice of equipment, design modifications, repairs and/or replacement of defective plant with proof of performance documentation. The areas where network problems have been or will be addressed in 2001 are listed in Appendix 5.

In addition to the process detailed above, Chorus will undertake an ongoing routine sweep and monitoring programme to ensure that it can quickly identify and rectify faults as they occur. This process will assist the company in identifying equipment that may fail in the future, allowing it to proactively carry out repair or replacement before interruption or loss of service.

Rectification Process

Chorus has committed to carry out a sweep of the headend and system network for each licensed area, with proof of performance figures taken and logged. Those figures will allow the company to analyse the quality of the headend/network in its current state and at this time any necessary changes or repairs to equipment will be carried out.

On completion of the rectification works the company will undertake a leakage test to ensure the network integrity. It will then take a second sweep of the headend and system network, which will show improvements in carrier to noise, video to audio ratio's and signal levels and network equalisation. Proof of performance measurements will be taken and stored by the company.

Chorus will make available the proof of performance documentation on request to the ODTR. In order to ensure the ODTR is aware of progress and ongoing monitoring of the network improvements, a monthly update will be provided to the ODTR by the company. Progress on the key areas will be formally agreed with the ODTR at a meeting to be held in December 2001. A programme for future network improvements to be completed by September 2002 will be agreed with the ODTR before the end of 2001.

Network Reliability

As part of ensuring system reliability, main sites will be assessed in respect of vulnerability to power supply problems and where necessary Chorus will make provision for additional support. Chorus states that it will actively pursue any third parties who cause damage to its networks resulting in

reduced performance or loss of service. All costs associated with full restoration of service will be charged directly to the third party involved. Chorus has committed to attend to damage caused by third parties as a matter of urgency and customers can obtain updates by contacting the company directly.

2.8 Code of Practice

A Code of Practice (Appendix 6) for handling customer complaints has been agreed between Chorus and the ODTR and is being implemented. It covers items such as network integrity, bill and payment processing, complaint processing, installation, request of disconnection, fault servicing including targets for call-outs both for TV and telephony and providing contact details to all customers in respect of Chorus' customer service. Chorus is committed to compliance with these standards. The Code of Practice will be available in the next few days on the Chorus website at www.chorus.ie.

2.9 Performance Indicators

Chorus has undertaken to implement a programme to measure licensed operator performance (MLOP) for cable and MMDS operations on the same lines as that already in place for telephony. This will measure Chorus' performance in relation to billing, complaints, target repair times, fault clearance, fault management, variance from promised installation date, disconnection for non payment of bills, number of registered complaints and time taken to deal with complaints.

2.10 Separated Accounts

Chorus has agreed to prepare, from an early date, separated accounts in conformity with its licence requirements and in a form provided by the ODTR.

2.11 Conclusions

In summary, Chorus has agreed to the following programme:

- Make available digital services in all its cable/MMDS licensed areas by 2004 in accordance with the terms of its licence;
- Introduce standard packaging of basic analogue service in terms of the minimum number of programme services by the end of 2002;
- Implement a programme to restore all networks to meet the quality standards set out in the licences by the end of the third quarter of 2002;
- Implement the agreed code of practice for handling consumer complaints;
- Prepare separated accounts in conformity with licence requirements;

Chorus had already embarked on its programme of upgrade and development of better customer care in 2000/1, prior to the review. It states that it considers the delivery of high quality service to customers to be its top priority and is fully committed to achieving the targets set out in this paper. A further £63m is to be invested in the company over the next three years to ensure the success of the programme. Chorus indicates that it cannot deliver what is needed to consumers in terms of service without the price increases as outlined in Appendix 2. In the context of the overall review, Chorus and the ODTR have agreed to the shortening of in-platform exclusivity to 1 March 2002.

3 ODTR'S POSITION

3.1 Period under Review

In all cases the period under review is as indicated in 2.1. The last price increases were implemented following approval by the ODTR in September 1997 for the then Irish Multichannel, November 1998 for the former CMI and February 1999² for the then Suir-Nore.

As noted in Section 2.1, MMDS prices were not previously subject to prior price approval but the last price changes took place prior to the establishment of the ODTR.

3.2 Methodology

As indicated in Section 1, a rate regulation mechanism was established last year, but without the detailed information now in the possession of the ODTR. In the light of that information, the ODTR proposes to assess the Chorus application outside of the current rate regulation formula.

3.3 Cost Increasing Factors

The ODTR carried out a review of Financial and Management Accounting information provided by Chorus from 1996 to April 2001. Although income can be reported by product type, Chorus is not able to report expenditure by activity/product/location. With the exception of programming costs, it was necessary to apportion costs between regulated basic and non-regulated other services on the basis of the overall numbers in the revenue generating units. With regard to headcount numbers, salaries and programming costs, these are supported by financial and management information supplied by Chorus to the ODTR.

In summary, and based on the above allocation rules, the operating costs of the Chorus basic service are considered to have been increasing by an average of 6% p.a. which is broadly in line with the figures quoted by Chorus in Section 2.2.

This cost rise does not seem to be unreasonable when dealing with the technology and operating methods for basic TV service delivery, both of which are mature and no major breakthroughs in cost reduction have occurred during the period studied. However, operational efficiencies should be achieved from the reorganisation and rationalisation work already carried out by Chorus and activities planned for the future. A further factor is the cost of programming which is largely outside the control of any cable or MMDS operator.

As stated in the previous section, the former CMI and Suir-Nore received approval for price increases in November 1998 and February 1999, respectively. These increases equate to a less than one percent increase in the average annual Chorus subscription fee and compensate for just one percent of the 30% increase in Chorus' costs since it received its last price increase approval. The average price increase requested by the company is 14%.

3.4 Productivity Improvement Scope

The Director notes that Chorus is in a process of rationalisation of its operations following the acquisition of CMI and Suir-Nore last year and believes there is much scope to reduce overall costs through the streamlining of operations, particularly as there has been no evidence to date of such cost reductions. While a customer call centre has been in operation for the last year, certain key elements of Chorus' improved customer care and quality service are not yet in place. The variation of service between different networks and differing repair requirements means that the service provided by the call centre is not as efficient as it could be. Attention by Chorus to network quality issues and progress towards standardisation of services should help the efficiency of the call centre.

3.5 Pricing Proposals

Chorus is proposing price changes of up to a maximum level of 29%. It is proposed that some existing prices will not change. The average increase over the entire customer base is 14%. The increase in monthly prices proposed for cable services ranges from £1.00 to £3.96, with actual monthly prices ranging from £9.50 in Buncrana to £18.00 in Cork City and Shannon. The highest level of Chorus prices is for the MMDS areas where the monthly charge is £18.50. This will remain unchanged. The areas in which the monthly charge was previously £13.50, would rise by £2.50 to £16.00 under Chorus' proposals. And areas where the monthly charge was previously £12.25, would rise by £2.75 to £15.00 under Chorus' proposals.

The details of the proposals by licensed area are presented in Appendix 2.

The position put forward by Chorus is that the exceptional increases in its costs could not be compensated for by the application of the rate regulation mechanism as set out in ODTR 00/56. By way of illustration, the table below summarises the increases proposed by Chorus and the price level which would result from the application of the rate regulation mechanism to the three named networks.

² Excludes Tipperary Town which was approved by the Department of Public Enterprise in June 1997.

	Athy (£)	Cork (£)	Limerick (£)
Existing Annual Price	87.00	160.00	127.00
Proposed Chorus Annual Price	108.00	198.00	162.00
Mechanism Annual Price (incl. Capex)	89.60	167.64	133.08
Existing Monthly Price	9.00	15.35	13.54
Proposed Chorus Monthly Price	11.50	18.00	17.50
Mechanism Monthly Price (incl. Capex)	No Increase	No Increase	No Increase

As can be seen, there is a wide differential between the price levels applied for and those which would apply through the application of the price mechanism. In the context of the cost increases encountered by the company, the Director is willing to consider a temporary suspension of the price mechanism for the purpose of considering the application by Chorus.

The Director notes that there is some competition to Chorus through the availability of Sky Digital. While the service offerings are not directly equivalent in terms of content (Sky Digital does not provide the four Irish services, ITV or Channel 4 and only provides BBC 1 & 2 in its *Family Pack*) or number of services (five in the *Value Pack*; over 50 in the *Family Pack*), prices charged offer a basis for comparison. Sky Digital has recently announced increased prices to apply to new customers from 1 September 2001. The *Value Pack* will rise in price from £9 per month to £14.96 and the *Family Pack* from £16 to £21.26 per month.

The Director sees merit in the Chorus proposal to standardise both its offerings and its pricing structures. However, given the current wide range of service offerings and prices, the Director agrees that this could not be done all at once. Accordingly it would not be appropriate to standardise prices prior to a start being made on a programme to standardise service offerings.

As noted in Section 2.4, Chorus currently offers discounts in some areas for payment by Direct Debit or for payment on an annual, semi-annual or quarterly basis. Discounts are also offered to OAPs in a limited number of areas.

In the case of payments by Direct Debit and of payments for periods greater than monthly, a financial advantage to Chorus arises and the Director considers that this benefit should be shared with the customer on a transparent universal basis. While the current discounts are not standardised due to local arrangements made during previous ownership, the Director notes that a consistency in applying discounts is now proposed by Chorus. Chorus has proposed that a standard discount equivalent to 50p per month will apply to all customers who chose to pay by Direct Debit. The company has also indicated that it intends to apply a discount of £18 per year to customers who pay annually. This is in addition to the discount for direct debit. As a result, customers who chose to pay annually by direct

debit instead of monthly cash payments can effect a saving equivalent to £2.00 per month.

In the case of OAPs, the Director recognises that discounts offered in these categories are voluntary on the part of Chorus and decisions on whether to offer such a discount must be taken by the company exercising its commercial judgement. A decision to introduce standard OAP discounts in all areas with immediate effect would require increases greater than requested for other categories of customers. However the Director welcomes the stated policy of the company that existing OAP customers will not have a price increase greater than 10%.

3.6 New Analogue Packages

The Director accepts that the number of channels offered in a particular package depends on the size and capacity of the individual network. However, as expressed in the previous section, the Director is of the opinion that Chorus must propose a firm timetable for introducing standard services in each licence area. The Director considers that customers should have this information available in order to judge whether, in their individual circumstances, proposed prices represent value for money. Arising from discussions with the ODTR, Chorus has committed to complete a programme to standardise the basic service offered in cable areas as indicated in Appendix 3 by the end of 2002. Chorus has agreed to settle the detail with the ODTR in the coming months.

MMDS pricing is significantly higher than cable prices although fewer channels are delivered on MMDS than on cable. The number of analogue MMDS channels cannot be increased for technical reasons. Chorus has an accelerated programme for rollout of digital services covering most of its MMDS licensed areas.

3.7 Digital Rollout

The rollout requirements set out in the licences (summarised in Appendix 4) were accepted by the then licensees when licences were issued in May 1999. A condition of the Director's consent to the subsequent acquisition by Chorus of those licensees was that the licence obligations would be observed by Chorus. While the requirements for the provision of digital services have not been met in some areas, the Director accepts that Chorus has brought forward rollout in other areas. Subject to delivery by Chorus on commitments made as outlined in the paper and to completing the entire network quality programme by Q3 2002, the Director is willing to agree to the rollout programme as proposed by Chorus and would welcome views. The overall delivery of digital services is unchanged in aggregate but the timing of introducing such services has changed to make the process as efficient as possible.

3.8 Network Quality

The ODTR is aware from, inter alia, its own monitoring that some parts of the Chorus networks are not up to the standards required of the licenses and this is confirmed by its tracking of the locality and type of complaints received by the ODTR from subscribers. This data has been reviewed together with information from Chorus as to its network 'black spots'. Chorus has devised a strategy to deal with the first phase of remedial work in 2001 (see Appendix 5), and to identify a programme to deal with the remainder before the end of 2001 and to agree a programme for upgrade for the period to the end of Q3 2002. The Director considers it essential that the upgrade programme is completed by end Q3 2002. Should the programme not be completed by the due dates, a reduction of 10% of the prices obtaining after this consultation will be required in affected areas.

Chorus Strategy on Network Quality

As indicated in Section 2.7, Chorus has presented a strategy to address network quality and reliability issues raised by the ODTR. Chorus has stated that it has prioritised the areas and work in proportion to the number of complaints which it has received. After a detailed examination of the proposed strategy, the ODTR is satisfied that, when implemented, it will offer subscribers an improvement in picture quality, the number of services in cable areas and reliability in a relatively short period of time.

The ODTR requires Chorus to carry out all necessary remedial work by the end of the third quarter of 2002 and as each licensed area is completed the ODTR will examine work completed with a view to certifying that it has been carried out to the required standard. The shareholders have assured the ODTR that this programme will be additional to ongoing maintenance and HFC (Hybrid Fibre Cable) upgrade which will not be scaled back as a result.

Network Engineering: Cover and Efficiencies

Since the start of 2001 Chorus has embarked upon a routine maintenance programme and has dramatically increased the network engineering cover such that routine maintenance now takes place out of hours to avoid disruption of the service provided to subscribers. This level of engineering cover had not been provided by Chorus' predecessors and as a result the ODTR recognises that there is a proportional increase in cost in providing such a service.

The ODTR has seen and expects to see more improvements in efficiency in network engineering - an engineering Code of Practice is currently being drafted, automated and standard measurement equipment and a consolidated mapping programme have been introduced for all of the licensed areas. Along with network sweeps carried out after remedial works, these are leading to a uniform approach when dealing with faults, which will ensure that all work will be monitored and quality successfully

controlled.

Network Reliability

Chorus has supplied the ODTR with quarterly data on network failures which suggest that around 20% were as a result of ESB power supply failure and 31% were caused by third party damage. Action proposed by Chorus (see Section 2.7) on these issues has been noted. The ODTR considers it entirely appropriate that licensees pursue all third parties who cause damage to communications networks.

3.9 Code of Practice

Chorus has devised a code of practice that is in accordance with ODTR requirements and this is reproduced as Appendix 6. While Chorus was required to make copies of the code available to its customers by 1 July, it has requested a deferral pending incorporation of a similar code in respect of telecommunications services. The ODTR will shortly issue a Decision Notice in respect of such a code and accordingly the temporary deferral of publication has been accepted. In advance of distribution of the code to all customers Chorus will make it available on its web-site in the coming days and is implementing it at present.

3.10 Performance Indicators

Targets for addressing service quality for individual customers are contained in the code of practice and the ODTR will publish a record of all operators' performance. The Director will require records maintained by operators to be independently audited.

3.11 Conclusions

In view of the exceptional circumstances regarding cost increases, the Director is minded to consider the application outside the scope of the mechanism set out in ODTR 00/56. She is conscious that Chorus needs a substantial increase in revenue in order to maintain and develop services as outlined in the paper. As noted above, the Director considers commitments on the delivery of the entire network upgrade programme by the end of Q3 2002 to be essential, together with all the other elements outlined in this paper. These are necessary to agreement on a price increase.

3.12 Consultation Questions

Q1 Chorus asserts in Section 2 that its circumstances merit a price increase greater than that allowed for by the rate regulation mechanism. Do you agree that the case made by Chorus warrants consideration of its price increase application outside the scope of the rate regulation mechanism? If you disagree, please state reasons.

Q2 Do you agree with the price proposals as outlined in Appendix 2? If not, please state your reasons and indicate how otherwise Chorus might raise additional operational funding.

Q3 Do you agree with the improvements in packages proposed? If not, please state reasons.

Q4 Do you agree with the revised digital rollout proposals as detailed in Appendix 4? If not, please state reasons.

Q5 Do you agree that the improvement of network service quality merits particular attention as outlined in Section 3.8 above? If not, please state reasons.

Q6 Do you have any further comments on the arrangements outlined in this paper?

4 SUBMITTING COMMENTS

All comments are welcome, but it would make the task of analysing responses easier if comments were referenced to the relevant question numbers from this document. The consultation period will run from 16th August to 14th September 2001 during which the Director welcomes written comments on any of the issues raised in this paper. Please indicate if you are or ever have been a Chorus customer, and give your full name and address. Having analysed and considered the comments received, the ODTR will, unless persuaded otherwise by the comments received, review the Chorus price increase application and publish a report in September/October on the consultation which will, *inter alia* summarise the responses to the consultation. In order to promote further openness and transparency the ODTR will publish the names of all respondents and make available for inspection responses to the consultation at her Offices. Anonymous responses will not be considered.

The Director appreciates that many of the issues raised in this paper may require respondents to provide confidential information if their comments are to be meaningful. Respondents are requested to clearly identify confidential material and if possible to include it in a separate annex to the response. Such information will be treated as strictly confidential.

All responses to this consultation should be clearly marked "Reference: Submission re ODTR 01/63" and sent by post, facsimile or e-mail to:

Ms. Sinead Devey
Office of the Director of Telecommunications Regulation
FREEPOST (No stamp required)
Irish Life Centre
Lower Abbey Street
Dublin 1

Tel: +353-1-804 9668 Fax: +353-1-804 9671 Email: deveys@odtr.ie

to arrive on or before **5pm on Friday, 14th September 2001.**

Office of the Director of Telecommunications Regulation
16th August 2001

APPENDIX 1**Areas where Chorus provides television services****Cable**

Area	Previous Licensee	Area	Previous Licensee	Area	Previous Licensee
Arklow	CMI	Dundrum	CMI	New Ross	CMI
Ashbourne	CMI	Ennis	PHL	Newbridge	CMI
Athlone	CMI	Enniscorthy	CMI	Portarlinton	PHL
Athy	PHL	Greystones	CMI	Portlaoise	CMI
Ballina	CMI	Kilberry	PHL	Shannon	PHL
Ballinasloe	PHL	Kilcullen	PHL	Slane	PHL
Buncrana	CMI	Kildare	CMI	Sligo	CMI
Cappoquin	PHL	Kilkenny	Suir-Nore	Swords	CMI
Carlow	CMI	Limerick	PHL	Thurles	Suir-Nore
Cashel	Suir-Nore	Malahide	CMI	Tipperary	Suir-Nore
Castlebar	CMI	Maynooth	CMI	Trim	PHL
Celbridge	CMI	Mullingar	CMI	Tullamore	CMI
Clonmel	Suir-Nore	Naas	CMI	Tullow	CMI
Cork	PHL	Navan	CMI	Wicklow	CMI
Donegal	CMI	Nenagh	PHL		

MMDS

Area	Previous Licensee	Area	Previous Licensee
North West	CMI	Wicklow/Wexford	PHL
Tipperary/Carlow/ Kilkenny	Suir-Nore	Midlands	PHL
Cork	PHL	North East	PHL
Limerick/Clare	PHL		

APPENDIX 2

Price Changes Proposed by Chorus

All customers who pay by direct debit will receive a reduction of 50p per month, £1.50 per quarter, £2 per half year and £6 per annum. The table below only shows direct debit discount for those customers already receiving the discount. The discount will, however be extended to all customers and the relevant reductions will apply to all amounts where a customer transfers to direct debit.

In addition the company intends to apply a discount of £18 per year to customers who pay annually. This is additional to the discount for direct debit. As a result, customers who chose to pay annually by direct debit instead of monthly cash payments can effect a saving equivalent to £2.00 per month.

All prices shown include VAT at 20%. The Euro figures are the proposed Chorus prices converted at the rate of 1 Euro=£0.787564, rounded to the nearest cent. These are included for illustrative purposes.

I – Cable (Not all applicable tariffs shown)

Area	Category of payment	Current Charge	Proposed Charge (£)	Euro Equivalent	Increase	% Increase
Cork City Cappoquin, Tallow & Lismore	Annual	£159.96	£198.00	251.48	£38.04	24%
	Quarterly	£44.49	£53.25	67.61	£8.76	20%
	Monthly	£15.35	£18.00	22.86	£2.65	17%
	Monthly OAP	£13.60	£15.00	19.05	£1.40	10%

Area	Category	Current Charge	Proposed Charge (£)	Euro Equivalent	Increase	% Increase
Limerick	Annual	£126.96	£162.00	205.70	£35.04	28%
	Annual OAP	£126.96	£138.00	175.22	£11.04	9%
	Quarterly	£38.61	£49.50	62.85	£10.89	28%
	Quarterly OAP	£34.26	£36.75	46.66	£2.49	7%
	Monthly	£13.54	£17.50	22.22	£3.96	29%
	Monthly OAP	£12.18	£13.00	16.51	£0.82	7%

Area	Category	Current Charge	Proposed Charge (£)	Euro Equivalent	Increase	% Increase
Shannon	Annual	£147.00	£186.00	236.17	£39.00	27%
	Annual OAP	£126.96	£138.00	175.22	£11.04	9%
	Quarterly	£42.03	£54.00	68.57	£11.97	28%
	Quarterly OAP	£34.26	£36.75	46.66	£2.49	7%
	Monthly	£14.74	£18.00	22.86	£3.26	22%
	Monthly OAP	£12.18	£13.00	16.51	£0.82	7%

Area	Category	Current Charge	Proposed Charge (£)	Euro Equivalent	Increase	% Increase
Ennis	Annual	£138.96	£174.00	220.93	£35.04	25%
	Annual OAP	£126.96	£138.00	175.22	£11.04	9%
	Quarterly	£42.42	£47.25	60.00	£4.83	11%
	Quarterly OAP	£34.26	£36.75	46.66	£2.49	7%
	Monthly	£14.74	£16.00	20.32	£1.26	9%
	Monthly OAP	£12.18	£13.00	16.51	£1.82	7%

Area	Category	Current Charge	Proposed Charge (£)	Euro Equivalent	Increase	% Increase
Athy	Annual	£86.88	£108.00	137.13	£21.12	24%
	Quarterly	£25.65	£33.00	41.90	£7.35	29%
	Monthly	£9.00	£11.50	14.60	£2.50	28%

Area	Category	Current Charge	Proposed Charge (£)	Euro Equivalent	Increase	% Increase
Portarlinton	Annual	£86.88	£108.00	137.13	£21.12	24%
	Quarterly	£25.65	£30.75	39.04	£5.10	20%
	Monthly	£9.00	£10.50	13.33	£1.50	17%

Area	Category	Current Charge	Proposed Charge (£)	Euro Equivalent	Increase	% Increase
Ballina	Annual	£123.00	£150.00	190.46	£27.00	22%
	Monthly	£12.15	£14.00	17.78	£1.85	15%
	Monthly Direct Debit	£11.15	£13.50	17.14	£2.35	21%

Area	Category	Current Charge	Proposed Charge (£)	Euro Equivalent	Increase	% Increase
Buncrana	Annual	£75.72	£96.00	121.89	£20.28	27%
	Monthly	£8.00	£9.50	12.06	£1.50	19%
	Monthly Direct Debit	£7.50	£9.00	11.43	£1.50	20%

Area	Category	Current Charge	Proposed Charge (£)	Euro Equivalent	Increase	% Increase
Donegal	Annual	£94.80	£120.00	152.37	£25.20	27%
	Monthly	£9.00	£11.50	14.60	£2.50	28%
	Monthly Direct Debit	£8.50	£11.00	13.97	£2.50	29%

Area	Category	Current Charge	Proposed Charge (£)	Euro Equivalent	Increase	% Increase	
Sligo Celbridge Maynooth Kildare Athlone Mullingar Tullamore Ashbourne Carlow Swords Malahide Portlaoise	Annual	£126.48	£162.00	205.70	£35.52	28%	
	Annual Direct Debit	£141.60	£156.00	198.08	£14.40	10%	
	Monthly	£12.60	£15.00	19.05	£2.40	19%	
	Monthly Direct Debit	£11.80	£14.50	18.41	£2.70	23%	

Area	Category	Current Charge	Proposed Charge (£)	Euro Equivalent	Increase	% Increase
Newbridge Naas Navan New Ross Wicklow Arklow Enniscorthy Greystones	Annual	£112.44	£144.00	182.84	£31.56	28%
	Annual Direct Debit	£126.40	£138.00	175.22	£12.00	10%
	Monthly	£11.20	£13.50	17.14	£2.30	21%
	Monthly Direct Debit	£10.50	£13.00	16.51	£2.50	24%

Area	Category	Current Charge	Proposed Charge (£)	Euro Equivalent	Increase	% Increase
Tullow Dundrum Rush Rathnew	Annual	£90.96	£114.00	182.84	£23.04	25%
	Annual Direct Debit	£102.00	£108.00	175.22	£6.00	6%
	Monthly	£9.00	£11.00	17.14	£2.00	22%
	Monthly Direct Debit	£8.50	£10.50	16.51	£2.00	24%

Area	Category	Current Charge	Proposed Charge (£)	Euro Equivalent	Increase	% Increase
Clonmel	Annual	£118.92	£150.00	190.46	£31.08	26%
	Monthly	£12.50	£14.00	17.78	£1.50	12%

Area	Category	Current Charge	Proposed Charge (£)	Euro Equivalent	Increase	% Increase
Kilkenny	Annual	£114.96	£144.00	182.84	£29.04	25%
	Monthly	£12.50	£13.50	17.14	£1.00	8%

Area	Category	Current Charge	Proposed Charge (£)	Euro Equivalent	Increase	% Increase
Thurles	Annual	£126.00	£156.00	198.08	£30.00	24%
	Monthly	£12.50	£14.50	18.41	£2.00	16%

Area	Category	Current Charge	Proposed Charge (£)	Euro Equivalent	Increase	% Increase
Tipperary	Annual	£109.92	£138.00	175.22	£28.08	26%
	Monthly	£12.00	£13.00	16.51	£1.00	8%

Area	Category	Current Charge	Proposed Charge (£)	Euro Equivalent	Increase	% Increase
Cashel	Annual	£111.96	£144.00	182.84	£32.04	29%
	Monthly	£12.00	£13.50	17.14	£1.50	13%

Area	Category	Current Charge	Proposed Charge (£)	Euro Equivalent	Increase	% Increase
Kilcullen	Annual	£86.72	£108.00	137.13	£21.28	25%
	Monthly	£9.00	£10.50	13.33	£1.50	17%

Area	Category	Current Charge	Proposed Charge (£)	Euro Equivalent	Increase	% Increase
Kilberry Ballinasloe	Annual	£86.88	£108.00	137.13	£21.12	24%
	Monthly	£9.00	£10.50	13.33	£1.50	17%

Area	Category	Current Charge	Proposed Charge (£)	Euro Equivalent	Increase	% Increase
Slane Trim	Annual	£99.96	£126.00	160.00	£26.04	26%
	Monthly	£10.60	£12.00	15.24	£1.40	13%

II- MMDS (Not all applicable tariffs shown)

Area	Category	Current Charge	Proposed Charge (£)	Euro Equivalent	Increase	% Increase
Kilkenny (Former Suir Nore)	Annual	£139.92	£174.00	220.93	£34.08	24%
	Monthly	£13.50	£16.00	20.32	£2.50	19%

Area	Category	Current Charge	Proposed Charge (£)	Euro Equivalent	Increase	% Increase
Limerick	Annual	£178.92	£204.00	259.03	£25.08	14%
Tralee	Annual OAP	£160.56	£168.00	213.32	£7.44	5%
Kildare	Quarterly	£52.71	£54.75	69.52	£2.04	4%
Wicklow/ Newbridge	Quarterly OAP	£43.26	£44.25	56.19	£0.99	2%
Offaly	Monthly	£18.50	£18.50	23.49	£0.00	0%
Roscommon	Monthly OAP	£15.18	£15.50	19.68	£0.32	2%
Northeast						
Wexford						
Wicklow						
Cork						
Bantry						
(Former Irish Multichannel)						

Area	Category	Current Charge	Proposed Charge (£)	Euro Equivalent	Increase	% Increase
Donegal	Annual	£129.00	£162.00	205.70	£33.00	26%
Sligo (Former CMI)	Monthly	£12.25	£15.00	19.05	£2.75	22%
	Monthly Direct Debit	£11.90	£14.50	18.41	£2.60	22%

APPENDIX 3

Proposed Standard Analogue Programming Packages

Currently, Chorus has 40 different cable franchises each with varying capacity ranging from (300 MHz to 550MHz) and their own pricing and channel line up. The purpose of this exercise is to achieve a level of pricing and line up standardisation. The objective here is to standardise these line-ups. Chorus will only make changes where and when they are advantageous to the customer.

Cable – Smaller Systems

The following is indicative of how a possible channel line-up in smaller systems capacity (up to 450 MHz) might look with 16 channels provided in the basic service:

Basic Service

RTE1	Network 2	TV3	TG4	BBC1
BBC2	UTV	Channel 4	Sky1	Sky News
Nickelodean / Paramount	Eurosport	MTV	Discovery	History Channel
Chorus Sports / Local Channel				

The above channel line up is indicative and may change over time

Cable - Larger Systems

For larger systems (450 MHz and higher) i.e Athlone, Ballina, Cork, Kildare, Limerick, Malahide, Mullingar, Navan, Shannon, Swords, Thurles, Chorus will, by the end of 2002, standardise programme offerings at 17 channels or greater in the basic service where and when changes would result in an expanded service to customers.

APPENDIX 4**Proposed Revised Digital Rollout Schedule****Cable**

Licensed Area	Proposed deadline for completion	Licence deadline for completion	Licensed Area	Proposed deadline for completion	Licence deadline for completion
1. Arklow	Q1, 2003	66% by Q1 2002 Complete by Q1 2003	21. Portlaoise	Q1, 2004	Complete by Q1 2004
2. Ashbourne	2004	Complete by Q1 2004	22. Sligo	Q1 2003 (80%) Complete in 2004	80% by Q1 2003 Complete by Q1 2004
3. Athlone	Q4, 2002	80% by Q1 2003 Complete by Q1 2004	23. Swords	Q4, 2001	50% by Q1 2001 Complete by Q1 2002
4. Ballina	Q1, 2003 (80%) Complete in 2004	80% by Q1 2003 Complete by Q1 2004	24. Tullamore	Q1, 2003	80% by Q1 2003 Complete by Q1 2004
5. Buncrana	2004	Complete by Q1 2004	25. Tullow	Q1, 2004	Complete by Q1 2004
6. Carlow	Q1, 2003	80% by Q1 2002 Complete by Q1 2003	26. Wicklow	Q1, 2003	76% by Q1 2002 Complete by Q1 2003
7. Castlebar	Q1 2003 (80%) Complete in 2004	82% by Q1 2003 Complete by Q1 2004	27. Athy	Q1, 2004	Complete by Q4 2003
8. Celbridge	2004	80% by Q1 2001 Complete by Q1 2002	28. Cappoquin, Lismore, Tallow	Q1, 2004	Complete by Q4 2003
9. Donegal	2004	Complete by Q1 2004	29. Cork City	15% at present, Complete in Q1, 2002	33% by Q4 2001 66% by Q4 2002 Complete by Q4 2003
10. Dundrum	2004	Complete by Q1 2004	30. Ennis	Q1, 2004	20% by Q4 2002 Complete by Q4 2003
11. Enniscorthy	2004	Complete by Q1 2004	31. Limerick	Q2, 2002 (25%) Complete in Q4, 2002	33% by Q4 2001 66% by Q4 2002 Complete by Q4 2003
12. Greystones	Q1, 2003	80% by Q1 2002 Complete by Q1 2003	32. Nenagh*	Nil	Complete by Q4 2003
13. Kildare	2004	80% by Q1 2002 Complete by Q1 2003	33. Portlaoise	Q1, 2004	Complete by Q4 2003
14. Malahide	Q3, 2001	50% by Q1 2000 Complete by Q1 2001	34. Shannon	Q1, 2003	26% by Q4 2002 Complete by Q4 2003
15. Maynooth	Q1, 2003	80% by Q1 2001 Complete by Q1 2002	35. Cashel	Q1, 2004	72% by Q1 2002 78% by Q1 2003 Complete by Q1 2004
16. Mullingar	Q1 2003 (80%) Complete in 2004	77% by Q1 2003 Complete by Q1 2004	36. Clonmel	Q1, 2003	72% by Q1 2002 78% by Q1 2003 Complete by Q1 2004
17. Naas	Q1, 2003	80% by Q1 2001 Complete by Q1 2002	37. Kilkenny	50% at present Complete in Q4, 2002	67% by Q1 2002 73% by Q1 2003 Complete by Q1 2004
18. Navan	Q1, 2004	Complete by Q1 2004	38. Thurles	Complete at present	80% by Q1 2002 88% by Q1 2003 Complete by Q1 2004
19. New Ross	Q1, 2004	Complete by Q1 2004	39. Tipperary	Q1, 2004	90% by Q1 2002 95% by Q1 2003 Complete by Q1 2004
20. Newbridge	Q1, 2003	57% by Q1 2002 Complete by Q1 2003			

MMDS

MMDS Cell	Proposed deadline for completion	Licence deadline for completion
40. Cells 1, 2, 3 & 6 <i>N West</i>	Q1, 2004	Complete by Q1 2004
41. Cells 25, 26, 28, 19 <i>Cork</i>	Complete at present	43% by Q4 2002 Complete by Q4 2003
42. Cells 17, 22, 23 <i>Wicklow</i>	Q1, 2003	16% by Q4 2001 19% by Q4 2002 Complete by Q4 2003
43. Cells 18, 19, 24 <i>Limerick/Clare</i>	60% complete at present. Complete Q1, 2003	99% by Q4 2002 Complete by Q4 2003
44. Cells 10, 11, 14 & 15 <i>Midlands</i>	Q3, 2002 (30%) Q4, 2002 (60%) Complete Q1, 2003	36% by Q4 2001 97% by Q4 2002 Complete by Q4 2003
45. Cells 7, 8, 9 & 12 <i>N East</i>	85% complete at present. Complete Q1, 2003	80% by Q4 2001 82% by Q4 2002 Complete by Q4 2003
46. Cells 20 & 21 <i>Tipperary, Carlow, Kilkenny</i>	35% complete at present. Complete Q1, 2003	87% by Q1 2002 93% by Q1 2003 Complete by Q1 2004

APPENDIX 5**Chorus Network Upgrade Programme 2001**

Chorus is engaged in an ongoing programme to upgrade and improve older cable networks to improve picture and service quality for its customers. A programme of remedial work to be completed by the end of 2001 has been agreed between the ODTR and Chorus for the following areas:

Location
Donegal
Enniscorthy
Swords
Malahide
Limerick
Cashel
Trim
Kildare, Newbridge, Naas
Arklow/Wicklow

The above is in conjunction with and additional to works currently underway by Chorus in the following areas:

Sligo	Donegal	Ballina
Ballinasloe	Buncrana	Athlone
Tullamore	Mullingar	Navan
Trim	Swords	Malahide
Portlaoise	Carlow	Newbridge
Wicklow	Arklow	Enniscorthy
New Ross	Cellbridge	Maynooth
Greystones	Cork	Limerick

APPENDIX 6

Code of Conduct adopted by Chorus for addressing customer complaints.



Draft Code of Practice*

Contents

Introduction
Making Contact
Contacting Sales
Network Integrity
Installation
Fault Servicing
Billing & Payment Processing
Complaint Processing

*Draft pending finalisation of ODTR Code of Practice on Telephony Consultation.

8 June 2001

Introduction

This document describes Chorus's commitment to its customers. Our goal is to deliver Service Excellence in all aspects of our business. This code covers each of those areas and states clearly what service our customers can expect. This Code Of Practice does not diminish, in any way, customers' statutory rights. Customers may also seek independent advice from such bodies as the Director of Consumer Affairs and the Office of the Director of Telecommunications Regulation (ODTR). Addresses of such bodies are provided at the end of this document.

Making Contact with Customer Service

For advice, information or help with any problem related to the services we provide, customers can contact us by phone, email or by post. Queries are logged and prioritised. Where an issue cannot be dealt with immediately Chorus will keep customers informed on the progress being made in dealing with the query.

In common with other companies taking telephoned orders, complaints or enquiries from customers, or indeed originating calls, we monitor a proportion of them to ensure that our customers are getting the standard of service they are entitled to expect. This allows us to identify employees who need further training or who are not following approved procedures. One should therefore be aware that calls one makes to us or that we make to you, may be monitored by a Chorus supervisor.

By Phone

Customer Service 1890 – 417 888 From 9:00 – 22:00 Mon-Sat, 10:00-22:00 Sun

(or less local call rates) A messaging service is available outside of those hours

By email

Customer Service cs@chorus.ie

By Post

Send your letters/inquiries to: Chorus Customer Service,
Limerick Enterprise Development Park
Roxboro Road,
Limerick

In Person

Limerick Payment Office,
John's Street, Limerick
Cork Payment Office,
George's Quay, Cork
Mon – Fri 9:00am – 5.15pm, Sat. 9.00am – 1.00pm

Contacting Sales

Chorus's contact number for Sales is

1890 – 20 20 29 Mon-Sat between 8am and 8pm.

Installation

(including Transfers)

The company ensures that where service can be provided, that the customer will have optional dates available for the installation and that installation will not be withheld unreasonably. Where an installation cannot go ahead on the agreed date the customer will be informed and given the option to have the installation rescheduled or all paid monies refunded within 30 days.

Where customised installation is requested or necessary we will offer the customer the option to pay associated costs.

TV Services

Our goal is to complete 98% of all Installations within the time agreed with the customer.

(Excluding those cases where work is required from other telecommunications companies.)

In general we target to complete installations within 10 working days from receipt of signed contract.

Telephony Services

Our goal is to complete 98% of all installations within the time agreed with the customer.

(Excluding those cases where work is required from other telecommunications companies.)

In general we target to complete installations within 10 working days from receipt of signed contract.

Requested Disconnections

Where a customer wishes to have the service disconnected Chorus requires 1 month's notice in writing. In the event of termination of service the customer must return or allow removal by Chorus of any equipment which is no longer required. Charges may be applied where the customer does not return or facilitate return of Chorus' equipment within a reasonable period of time.

Fault Servicing

Chorus ensures that it has the resources available to service faults. Service Calls may be booked by contacting Customer Services. (See above for details). Customers will be given an option of an AM or PM appointment at the time of

booking. In some case, customers may be able to check their own equipment with assistance from Chorus Customer service staff.

TV Services

Our goal is to repair 98% TV Services faults within the time agreed with the customer. In general we would target to call out within 2 working days in areas where they are connected by cable and within 5 working days in areas where they are connected by wireless areas.

Telephony Services

Our goal is to repair 98% of Telephone Service faults within the time agreed with the customer. In general we would target to call out within 1 working days in areas where connection is by cable and within 5 working days in areas where connection is by wireless.

Charges

Where the cause of the fault lies with the customer the following charges will apply:

Minimum Call Charge: £30

Hourly Rate: £45

Network Integrity

The television and telephony networks are continuously monitored and managed and every effort is made to minimize interruptions to service. Routine maintenance will be undertaken from time to time and in the event that a significant part of the network has to be taken down, customers will be notified in advance.

Television Services

Should there be a network failure Chorus will respond immediately and target to have the service restored within 24 hours.

Telephony Services

Should there be a network failure Chorus will respond immediately and target to have the service restored within 24 hours.

Billing & Payment Processing

Chorus ensures that customer bills are clear and accurate and that payments received by the company are posted to the customers account in a timely manner. Bills state clearly the current balance and the payment options available.

Bills will be posted to customers at least 10 days before the payment Due Date.

The company has a policy of notifying customers prior to disconnection for non-payment.

All tariffs are clear, precise and publicly available.

Complaint Processing

We are committed to providing our customers with the best telecommunications service in Ireland. Despite our endeavours, things do go wrong, and when they do, we want to know so that we can put them right as quickly as possible. We have developed procedures to deal with complaints.

Our aim is to resolve the problem to our customer's complete satisfaction and our Customer Service Representatives will try to solve the problem as quickly as possible, preferably during the phone call. We will agree a course of action, indicating time scales if this is not possible.

Complaints are logged on our customer database and linked to the account of the specific customer. Each complaint is assigned a unique number which is issued to the customer making the complaint.

If a customer is not happy with the way a complaint has been handled, he/she may write, or ask to speak to a Supervisor or Customer Service Manager. If the supervisor / manager is unable to resolve the matter to the customer's satisfaction, they may refer it to their manager. The complaint will be investigated and a course of action agreed with the customer with a view to ensuring that the problem is resolved quickly and satisfactorily.

Where a complaint is concerning a payment that has not been applied to a customer's account, customers may be required to supply details of the date of payment, method (cheque, direct debt etc.) and relevant reference numbers, Bank or Post office details and amount paid. Only when confirmation of these details is received can Chorus proceed to process complaints of this nature. Where there is an ongoing investigation regarding a payment Chorus will not terminate service because of this payment.

Complaints about the conduct of any member of Chorus staff must be put in writing and sent to the Customer Relations Manager at the address outlined above.

Our goal is to acknowledge all complaints within 24 hours of receipt and resolve 80% within 28 calendar days.

Addresses for Independent Advice or Information.

<p>Advertising Standards Authority for Ireland IPC House Shelbourne Road Dublin 4 Telephone (01) 660 8766 Fax: (01) 660 8113 www.asai.ie</p>	<p>Broadcasting Complaints Commission c/o Department of Finance Government Buildings Dublin 2 Telephone (01) 676 7571 Fax: (01) 668 2182</p>
<p>Chartered Institute of Arbitrators (Irish Branch) 8 Merrion Square Dublin 2 Telephone (01) 662 7867 Fax: (01) 662 7891</p>	<p>RTÉ Authority RTÉ Donnybrook Dublin 4 Telephone (01) 2083111 Fax: (01) 208 3080 www.rte.ie</p>
<p>Department of Arts, Heritage, Gaeltacht and the Islands Dún Aimirgin 43-49 Mespil Road Dublin 4 Telephone (01) 647 3000 Fax: (01) 667 0826 eolas@ealga.irlgov.ie</p>	<p>European Consumer Advice Centre and Consumer Advice Shop 13A Upper O'Connell Street Dublin 1 Telephone (01) 809 0600 Fax: (01) 809 0601</p>
<p>Independent Radio and Television Commission Marine House Clanwilliam Place Dublin 2 Telephone (01) 676 0966 Fax: (01) 676 0948 info@irtc.ie</p>	<p>Office of the Director of Telecommunications Regulation (ODTR) Abbey Court Irish Life Centre Lower Abbey Street Dublin 1 Telephone (01) 804 9600 Fax: (01) 804 9680 www.odtr.ie</p>
<p>Office of the Director of Consumer Affairs 4 Harcourt Road Dublin 2 Telephone Lo-call 1890 220 229</p>	<p>Regulator of Premium Rate Telecommunications Services Ltd. (Regtel) Crescent Hall Mount Street Crescent Dublin 2 Telephone (01) 676 7025 Fax: (01) 676 7035 info@regtel.ie</p>