

Media Release- 5 November 2004

ComReg sets price for eircom's Local Loop Unbundling (LLU) Charge

The Commission for Communications Regulation (ComReg) today issued a Direction to fix eircom's charge for full Local Loop Unbundling (LLU) at €14.65 per month, a reduction of 13%. Eircom had previously sought a price of over €22 in 2003. ComReg has fixed the new LLU price in real terms until 1 December 2007.

Local loops are the copper wires connecting homes and businesses to their nearest telephone exchange. Local Loop Unbundling is the process whereby operators other than eircom take control of these loops by renting them from eircom in order to provide broadband and voice services to their customers.

The Chairperson of ComReg, John Doherty, said: "achieving the unbundling of the local loop is an important element to facilitating and enhancing competition particularly in Broadband. The resolution of this long-standing issue at a price below the one which eircom challenged last year is important. This reduction in the rental costs coupled with our active and determined approach to ensuring that all associated pricing and processes are competitive and user-friendly will, we believe, provide the basis to re-energise this area of the market. We look forward to working with eircom and the rest of the industry to ensure the success of these initiatives for the benefit of Irish consumers."

Full details of the Direction – ComReg 04/110 - are available publications section on the ComReg website.

ENDS

Issued By

Tom Butler Public Affairs Manager, ComReg Ph: 01 804 9639 Mobile: 087 2536358

tom.butler@comreg.ie

ComReg PR051004

EDITOR'S NOTE

The local loop is the copper connection between a local telephone exchange and a customer's premise. The vast majority of local loops are owned by Eircom. Eircom is legally obliged to give access to other operators to these loops so that they may provide their own services to customers. This is the process know as local loop unbundling.