

## **Consultation Paper**

# Access to Tariff Information on Directory Enquiry Services

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All responses to this consultation should be clearly marked:"Reference: Submission re ComReg 04/58" as indicated above, and sent by post, facsimile, e-mail or on-line at <a href="www.comreg.ie">www.comreg.ie</a>
(current consultations), to arrive on or before 5pm on 30<sup>th</sup> June 2004, to:

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Please note, ComReg will publish all submissions on its website, excluding any confidential material which should be provided as an annex to the submission.

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## 1 Background

A recent survey of Irish residential consumers indicates that 72% of consumers make use of directory enquiry services. The significant use of this service in Ireland is not surprising in light of increased fixed and mobile penetration and consumer demand for efficient and prompt access to the information they require, when they need it.

Currently, the two main directory enquiry service providers in Ireland are Conduit and eircom. Their services are used by consumers for easy access to national residential and business numbers that are listed in the directory. Conduit and eircom also offer international directory enquiry services.

Both service providers offer consumers the ability to connect their calls to the number they have requested.

Despite the high usage of these services, ComReg research indicates that a large proportion of consumers who use both the basic directory enquiry service and the additional option to have their call connected are unaware of the costs involved. In the survey,

- 61% of consumers using directory services were not aware of the cost of a directory enquiry call and;
- 51% of consumers, who avail of the option to have their call connected, were not aware of the increased cost of using this service.

This consultation examines these two aspects of charging for directory enquiry services. As part of its statutory functions<sup>1</sup>, ComReg is required to ensure that transparent and up to date information on applicable prices and tariffs are available to end-users (hereinafter referred to as consumers) in respect of access to and use of publicly available electronic communications services. In this paper ComReg provides details of its proposed approach to ensure that consumers are aware of the charges that apply when using directory enquiry services.

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<sup>&</sup>lt;sup>1</sup> Under Section 12(1)(a)(iii) and 12(2)(c)(iv) of the Communications Regulation Act, and under Regulation 18(1) & (2) of the European Communities (Electronic Communications Networks and Services) (Universal Service and Users' Rights) Regulations, S.I. 308 of 2003

## 2 Options to provide transparent tariff information

## 2.1 Basic Directory Enquiry Service

#### 2.1.1 Charges applicable

A consumer who dials a 118XX directory enquiry number is charged differently depending on the provider used. In general consumers are charged in two ways:

- a fixed fee per enquiry where the consumer is billed a set amount for connecting to the service regardless of how long they are connected to the directory enquiry service provider.
- a timed fee where the amount the consumer is charged depends on the length of time connected to the service (subject to a minimum call charge).

#### 2.1.2 Transparency issues that arise

It is evident from ComReg research that a relatively low number of consumers using the basic directory service are aware of the applicable charges. These charges will vary depending on the directory enquiry service provider called and the telephone service provider used.

Ultimately the decision to use a particular service is made by the consumer. It is therefore important that the consumer should be able to access information on the cost of the service before taking such a decision. ComReg has today set out its draft decision on principles for tariff presentation (Doc 04/57) to be complied with by providers of publicly available telephone services.

While the providers of a directory enquiry service are required to apply those principles, the characteristics of directory enquiry services are such that a more prescriptive approach is required if consumers are to be adequately informed.

#### 2.1.3 ComReg's proposed approach

ComReg considers that directory enquiry service providers should ensure that all tariff information and associated terms and conditions are communicated clearly to the consumer.

In all promotions or advertising, the service provider should either indicate the applicable tariffs or should indicate where the consumer can access information on the tariff. The consumer should not be required to call the 118XX number or other number involving a cost in excess of a local call in order to obtain the tariff information.

ComReg is proposing that service providers should publicise their separate customer service number and their website address when promoting their service. In addition the service provider should provide printed tariff information in response to reasonable requests from consumers.

#### 2.2 Call Connect Service

#### 2.2.1 Charges applicable

ComReg considers it particularly important that transparent tariff information is provided to consumers in respect of the use of call connect services. Without such information, the consumer may be under the impression that standard call charges apply.

#### 2.2.2 Transparency Issues

Both directory enquiry service providers offer call connection services. This is offered before the number sought is given. As a result, users of the service are required to make an immediate decision whether to use the service, or not. In one case, the caller is put through to an automatic announcement for their number which simply offers call connection, to which the consumer must answer 'yes' or 'no'. There is no opportunity to enquire at this point how much the service costs.

#### 2.2.3 ComReg's proposed approach

ComReg is of the view that in offering a service to a consumer the service provider should inform the consumer of the specific cost of that service before the consumer is asked to decide whether to avail of call connection. ComReg considers that this can be done be at the time of offering to connect the call.

Accordingly, service providers are required to give the per-minute cost for connecting the call along with any fixed charge. ComReg is not proposing to specify the script to be used as it believes that the operators should develop these to suit the specifics of their service. However, ComReg will require each operator to provide it with details of how it intends to implement this requirement. Should ComReg consider that the proposals do not adequately comply with the requirement for tariff transparency, ComReg will utilise its enforcement powers to achieve compliance.

### 3 Request for Views

ComReg is requesting views from interested parties on

- 1. The principle that directory enquiry service providers should make consumers aware of the cost of using their services
- 2. The proposed measures to ensure that consumers are provided with access to this information when using both the basic directory enquiry service and additional call completion/call connection services.

The specific measures are set out in Appendix A of this paper

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## Appendix A - Draft Decision

The decision is taken in furtherance of the duty placed on the Commission for Communications Regulation by Regulation 18 of the European Communities (Electronic Communications Networks and Services) (Universal Service and Users' Rights) Regulations 2003. This is a decision to which condition 18.1 of the General Authorisation<sup>2</sup> applies.

Section 12 of the Communications Regulation Act, 2002 sets out the objectives of the Commission for Communications Regulation to promote the interests of users within the Community and requires the Commission to take all reasonable measures aimed at achieving those objectives including promoting the provision of clear information, in particular requiring transparency of tariffs and conditions for using publicly available electronic communications services. This decision relates to the provision of directory enquiry services and providers of such services are required to comply.

This decision shall come into effect on 1 July 2004. All persons required to observe this decision are also required to submit to ComReg, on or before 30<sup>th</sup> of June 2004, details of how it will implement the draft decision.

- 1. When advertising or promoting its service a directory enquiry service provider shall:
  - a indicate the applicable charges, or alternatively indicate where such information may be obtained. The cost of obtaining such information should not exceed the cost of a local telephone call
  - b publicise their separate customer service number and their website address.
- 2. The directory enquiry service provider shall make available printed tariff information in response to requests from consumers.
- 3. When offering call completion or call connection the directory enquiry service provider shall inform the consumer of the specific cost of that service before the consumer is asked to decide whether to avail of the service:
  - a The information shall be presented as a per-minute cost for connecting the call along with any fixed charge.
  - b The time taken to provide such information should be sufficient to impart the information but should not be used to unnecessarily maintain connection to the service at directory enquiry rates.

<sup>&</sup>lt;sup>2</sup> General Authorisation Pursuant to Regulation 8 of the European Communities (Electronic Communications Networks and Services)(Authorisation) Regulations, 2003 (S.I. No. 306 of 2003) – Conditions for the provision of Electronic Communications Networks and Services – ComReg Doc 03/81, 25<sup>th</sup> July 2003