



## Submissions to Consultation

### **DECISION NOTICE (AND DECISION INSTRUMENT)**

Response to Consultation – The Provision of Telephony Services  
under Universal Service Obligations

Submissions received from respondents

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**An Coimisiún um Rialáil Cumarsáide**

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## **1 Alternative Licensed Telecoms Operators (ALTO)**

# alto

alternative operators in the communications market

**Response to Consultation on The Provision of Telephony  
Services under Universal Service Obligations - 10/35**

**Submission By ALTO**

Date: May 21<sup>st</sup> 2010

ALTO is pleased to respond to the consultation by ComReg on The Provision of Telephony Services under Universal Service Obligations – USO, in Ireland.

ALTO welcomes the consultation as many ALTO members address the Consumer markets at this time.

ALTO notes that while the USO consultation identifies some changes to the Irish communications landscape, the majority of the fixed line market remains firmly with eircom. We assess this at in excess of 70%. The majority of consumers and users own a mobile telephony device but that should not interfere with the fact that while the term substitution appears in the ComReg consultation, the majority of users retain a fixed line for service.

ALTO highlights Section 4 of the consultation in that it describes changes that have taken place in the market since the last Universal Service Provider – USP, designation in 2006. Whilst there are clear signs of fixed to mobile substitution, eircom's dominant position in the fixed market has hardly changed at all. We believe that this must have a significant bearing on this review.

We note that ComReg will review of the costing and financing of USO. ALTO has commented previously, publicly and in consultation that we continue to be concerned about the potential for application of retrospective costs to other operators should ComReg conclude at some stage that historic funding of a USO fund may be required.

We note that 70% of Irish homes continue to use a fixed-line service, and that Eircom has and continues to hold significant fixed-line market share of some 68%.

ALTO's view is that we broadly accept the recommendations made by ComReg in this consultation, and our specific replies (where applicable) follow.

## **Response to Consultation Questions:**

### **Duration of Designation Period**

Q. 1. What is your view on the factors outlined above in the context of defining an appropriate designation period? Are there other factors, which should be taken into account? Please give reasons to support your point of view.

A.1. ALTO notes the observations by ComReg regarding the potential impact of the transposition of the Amending Directive and the recently announced EU consultation on the future of Universal Service in the digital era. However, any changes arising from the EU consultation are likely to take a considerable time before, and indeed if, they are implemented in national law due to the complexity of some of the issues involved.

We also note eircom's unchanging and overwhelming dominance in the fixed market as set out by ComReg and question whether any material or substantive change will take place in the next two years that would warrant only a two year designation.

### **Provision of Access at a Fixed Location**

Q. 2. What is your view in relation to the current Reasonable Access Threshold? Please give reasons to support your point of view.

A. 2. ALTO agrees with ComReg's preliminary view that there have been no significant developments since the previous review. Therefore we support retention of the current threshold.

Q. 3. What is your view in relation to the preliminary view that eircom should be designated as the USP with respect to access at a fixed location? Please give reasons to support your point of view.

A. 3. ALTO agrees with ComReg's preliminary view that there have been no significant developments since the previous review that would suggest any reasonable alternative to eircom being designated as the USP with respect to access at a fixed location. ALTO therefore believes, for the reasons

outlined in the consultation document that eircom should continue to be so designated.

## **Directory Services**

Q. 4. Do you agree that the present provision of directory enquiry services on a commercial basis continues to meet the needs of consumers? Please give reasons to support your point of view.

A. 4. ALTO does not have a collective view on this matter. Members may choose to express views on this subject bilaterally.

Q. 5. What is your view regarding the continued requirement to provide a printed directory to all consumers? Please give reasons to support your point of view.

A. 5. ALTO does not have a collective view on this matter. Members may choose to express views on this subject bilaterally.

Q. 6. What is your view with respect to the legibility of the listings in the printed telephone directory? Please give reasons to support your point of view.

A. 6. ALTO does not have a collective view on this matter. Members may choose to express views on this subject bilaterally.

Q. 7. What is your view in relation to the preliminary view that eircom should be designated as the USP with regards to the provision of a subscriber directory, including the NDD? Please give reasons to support your point of view.

A. 7. ALTO agrees that eircom should be designated as the USP with respect to the provision of the NDD. ComReg must be mindful that the NDD is used in the context of the Wholesale Line Rental – WLR, market in Ireland and any change to this regime could materially impact this area.

## **Public Payphones**

Q. 8. What is your view in relation to the preliminary view that eircom should be designated as the USP with respect to the provision of public payphones throughout the state? Please give reasons to support your point of view.

A. 8. ALTO does not have a collective view on this matter. Members may choose to express views on this subject bilaterally.

## **Provision of Universal Service to Consumers with Disabilities**

Q. 9. Do you agree that the current set of obligations is appropriate for consumers with disabilities in the context of the current scope of universal service? Please give reasons to support your point of view.

A. 9. ALTO does not have a collective view on this matter. Members may choose to express views on this subject bilaterally.

## **Affordability**

Q. 10. Do you consider that the current measures (outlined above) provide appropriate protection for vulnerable consumers in terms of affordability? Please give reasons to support your point of view.

A. 10. ALTO does not have a collective view on this matter. Members may choose to express views on this subject bilaterally.

## **Control of Expenditure**

Q. 11. Do you agree with the approach with respect to call itemisation? Please give reasons to support your point of view.



A. 11. ALTO has no comment on call itemisation other than flexible and acceptable approaches to this area should be allowed.

ALTO has placed remarks on Control of Expenditure in the recent ComReg consultation on Premium Rate Services (ComReg - 10/27). We remark that the instances of fraud, whether they be phone system hacking, dialler scams or other is an area for concern for ALTO members.

ComReg should endeavour to address this at the Consumer, Business User and Inter-Carrier levels.

Q. 12. Do you consider that the call-barring options are sufficient to enable consumers to control their expenditure? Please give reasons to support your point of view.

A. 12. ALTO does not have a collective view on this matter. Members may choose to express views on this subject bilaterally.

Q. 13. What is your view in relation to charges for availing of call barring options as a means of controlling expenditure? Please give reasons to support your point of view.

A. 13. ALTO does not have a collective view on this matter. Members may choose to express views on this subject bilaterally. ALTO does remark that charging for such a service might not be appropriate given the nature and intention of what the end goal is in the circumstances.

Q. 14. What is your view on the possibility of facilitating customers to set a credit limit on their telephone account as an aid to control expenditure? Please give reasons to support your point of view.

A. 14. ALTO does not have a collective view on this matter. Members may choose to express views on this subject bilaterally.

Q. 15. Do you consider that eircom's current disconnection policy is reasonable? Please give reasons to support your point of view.

A. 15. ALTO does not have a collective view on this matter. Members may choose to express views on this subject bilaterally.

## **Regulatory Impact assessment**

Q. 16. Do you agree with the approach and conclusions in this regulatory impact assessment? Please give reasons to support your point of view.

A. 16. ALTO broadly agrees with the approach and conclusions in the regulatory impact assessment.

**ALTO – 21<sup>st</sup> May 2010**

## **2 BT Ireland**



**BT Communications Ireland Ltd (“BT”)**

**Response to**

**ComReg’s Consultation Paper entitled ‘The Provision of Telephony Services under Universal Service Obligations’ (ComReg 10/35).**

**21<sup>st</sup> May 2010**

**1. Introduction / Overview**

BT welcomes the opportunity to respond to this consultation. As we no longer run a consumer business we have expressed no opinion on consumer issues.

Section 4 of the consultation describes changes that have taken place in the market since the last USP designation in 2006. Whilst there are some signs of fixed to mobile substitution Eircom’s dominant position in the fixed market has barely changed. We believe that this has a significant bearing on this review.

We note that 70% of Irish homes continue to use a fixed-line service, and that Eircom has and continues to hold significant fixed-line market share of some 68%.

We note that ComReg intend to undertake a review of the costing and financing of Universal Service. As we have commented in the previous consultation we continue to be concerned about the overhang of potential retrospective cost to other operators should ComReg conclude at some stage that historic funding of a USO fund is required.

With regards to the substantive questions we broadly accept the recommendations made by ComReg in this consultation, and our specific replies follow.

## **2. Responses to Commission's Specific Questions**

### **Duration of Designation Period**

**Question 1: What is your view on the factors outlined above in the context of defining an appropriate designation period? Are there other factors which should be taken into account? Please give reasons to support your point of view.**

We note the observations by ComReg regarding the potential impact of the transposition of the Amending Directive and the recently announced EU consultation on the future of universal service in the digital era. However, any changes arising from the EU consultation are likely to take a considerable time before, and indeed if, they are implemented in national law due to the complexity of some of the issues involved.

We also note Eircom's unchanging dominance in the fixed market as set out by ComReg and question whether any material change will take place in the next two years that would warrant only a two year designation.

### **Provision of Access at a Fixed Location**

**Question 2: What is your view in relation to the current Reasonable Access Threshold? Please give reasons to support your point of view.**

We agree with ComReg's preliminary view that there have been no significant developments since the previous review, and therefore support retention of the current threshold.

**Question 3: What is your view in relation to the preliminary view that Eircom should be designated as the USP with respect to access at a fixed location? Please give reasons to support your point of view.**

We agree with ComReg's preliminary view that there have been no significant developments since the previous review that would suggest any reasonable alternative to Eircom being designated as the USP with respect to access at a fixed location. BT therefore believes, for the reasons outlined in the consultation document, that Eircom should continue to be so designated.

### **Directory Services**

**Question 4: Do you agree that the present provision of directory enquiry services on a commercial basis continues to meet the needs of consumers? Please give reasons to support your point of view.**

We do not have a view on this matter.

**Question 5: What is your view regarding the continued requirement to provide a printed directory to all consumers? Please give reasons to support your point of view.**

We do not have a view on this matter.

**Question 6: What is your view with respect to the legibility of the listings in the printed telephone directory? Please give reasons to support your point of view.**

We do not have a view on this matter.

**Question 7: What is your view in relation to the preliminary view that Eircom should be designated as the USP with regards to the provision of a subscriber directory, including the NDD? Please give reasons to support your point of view.**

We agree that Eircom should be designated as the USP with respect to the provision of the NDD.

### **Public Payphones**

**Question 8: What is your view in relation to the preliminary view that Eircom should be designated as the USP with respect to the provision of public payphones throughout the state? Please give reasons to support your point of view.**

We do not have a view on this matter.

### **Provision of Universal Service to Consumers with Disabilities**

**Question 9: Do you agree that the current set of obligations is appropriate for consumers with disabilities in the context of the current scope of universal service? Please give reasons to support your point of view.**

We do not have a view on this matter.

### **Affordability**

**Question 10: Do you consider that the current measures (outlined above) provide appropriate protection for vulnerable consumers in terms of affordability? Please give reasons to support your point of view.**

We do not have a view on this matter.

## **Control of Expenditure**

**Question 11: Do you agree with the approach with respect to call itemisation? Please give reasons to support your point of view.**

We do not have a view on this matter.

**Question 12: Do you consider that the call barring options are sufficient to enable consumers to control their expenditure? Please give reasons to support your point of view.**

We do not have a view on this matter.

**Question 13: What is your view in relation to charges for availing of call barring options as a means of controlling expenditure? Please give reasons to support your point of view.**

We do not have a view on this matter.

**Question 14: What is your view on the possibility of facilitating customers to set a credit limit on their telephone account as an aid to control expenditure? Please give reasons to support your point of view.**

We do not have a view on this matter.

**Question 15: Do you consider that Eircom's current disconnection policy is reasonable? Please give reasons to support your point of view.**

We do not have a view on this matter.

## **Regulatory Impact assessment**

**Question 16: Do you agree with the approach and conclusions in this regulatory impact assessment. Please give reasons to support your point of view.**

We broadly agree with the approach and conclusions in the regulatory impact assessment.

End

### **3 DeafHear**





**DeafHear.ie**

Services for Deaf & Hard of Hearing People

## **DeafHear.ie Submission**

**re**

## **The Provision of Telephony Services under Universal Service Obligations**

**May 2010**

## **1 Introduction**

DeafHear.ie is a national voluntary organisation providing and advocating for services for Deaf and Hard of Hearing people and their families. Our vision is of an inclusive society where deaf and hard of hearing people are fully integrated, with equality of opportunity and participation. It is our role to make this vision a reality by promoting the equal rights of Deaf and Hard of Hearing people and enhancing their life opportunities.

The key issues for Deaf and Hard of Hearing people in terms of broader telephony services are that such services are a major element in enabling Deaf and Hard of Hearing people to participate more fully in society. This includes greater access to information, services and communal activities in its broadest sense.

To date, developments such as sms and email have been almost apocryphal in that for the very first time Deaf and Hard of Hearing people have been able to access current information (e.g. news, emerging events, cancellations etc) in real time. They are no longer dependent on direct 'word of mouth' to receive information.

For some however, particularly some Irish Sign Language (ISL) users, these mediums may not be particularly accessible as they are conducted in English, which is their second language. However, the ability to connect visually via a broadband connection using a PC and webcam creates the opportunity for ISL users (and others who wish to do so) to communicate remotely in real time. This relatively recent development has a multitude of applications for ISL users and other service providers, e.g. in health consultations, business transactions and everyday social connectivity. In fact, these developments could be instrumental in addressing social isolation, particularly for Deaf ISL users living in rural areas where they have little or no direct daily contact with other Deaf people.

## **2 Nature and Prevalence of Hearing Loss**

Approximately 3 children per thousand are born with permanent hearing loss, while for people aged over 70 years of age, approximately 45% have a moderate to profound acquired hearing loss. Congenitally deaf people may use Irish Sign Language to communicate, and/or a combination of speech and lipreading. Most will use assistive technology in their daily lives, some may use hearing aids, and a smaller number may have a cochlear implant. It is estimated that there are approximately 5,000 ISL users in Ireland at present.

People with acquired hearing loss are most likely to use hearing aids and lipreading to assist communication, while a small number of profoundly deafened people use a cochlear implant. The preferred communication methods of Deaf and Hard of Hearing people are primarily influenced by the nature and severity of their hearing loss, and whether it is congenital or acquired.

### **3. Response to Consultation Paper Questions**

#### **3.1 What is your view on the factors outlined above in the context of defining an appropriate designation period? Are there other factors which should be taken into account? Please give reasons to support your point of view.**

DeafHear is of a similar view to those expressed in the Consultation Paper that given the present circumstances, particularly consultations at European Commission level, a period of approximately 2 years is appropriate. Furthermore, the pace of development and new applications, such as internet/broadband based video services, makes a shorter designation period desirable, to ensure that such new developments and applications are reasonably accessible to all into the future.

#### **3.2 What is your view in relation to the current Reasonable Access Threshold? Please give reasons to support your point of view.**

The parameters of the Reasonable Access Threshold are increasingly irrelevant to Deaf and Hard of Hearing consumers. Mobile phones and broadband services are the services of choice for the vast majority of this group, as these services offer real time and more equitable access for Deaf and Hard of Hearing people.

#### **3.3 What is your view in relation to the preliminary view that Eircom should be designated as the USP with respect to access at a fixed location? Please give reasons to support your point of view.**

DeafHear has no particular view on this aspect of the consultation.

#### **3.4 Do you agree that the present provision of directory enquiry services on a commercial basis continues to meet the needs of consumers? Please give reasons to support your point of view.**

DeafHear has no particular view on this aspect of the consultation.

#### **3.5 What is your view regarding the continued requirement to provide a printed directory to all consumers? Please give reasons to support your point of view.**

DeafHear has no strong view on this aspect of the consultation. In terms of general access and choice for both business and individual consumers, the availability of a printed telephone directory is desirable. However, in terms of environmental sustainability, the automatic distribution of such directories free of charge may not be appropriate or desirable. It is DeafHear's view that a printed directory should be available for purchase at a reasonable price.

#### **3.6 What is your view with respect to the legibility of the listings in the printed telephone directory? Please give reasons to support your point of view.**

DeafHear believes that ComReg should specify a reasonable standard of print for directories that balances the needs of people with visual impairments and with nature and volume of information to be included in directories.

**3.7 What is your view in relation to the preliminary view that Eircom should be designated as the USP with respect to the provision of a subscriber directory, including the NDD? Please give reasons to support your point of view.**

DeafHear has no particular view on this matter.

**3.8 What is your view in relation to the preliminary view that Eircom should be designated as the USP with respect to the provision of public payphones throughout the State? Please give reasons to support your point of view.**

DeafHear agrees with the rationale of ComReg that the ubiquity of Eircom's network means they are the best placed provider for this service. However, consideration should be given to enabling Deaf and Hard of Hearing people to use public payphones in emergency situations, and to incorporate this within the new emerging ECAS arrangements.

**3.9 Do you agree that the current set of obligations is appropriate for consumers with disabilities in the context of the current scope of universal service? Please give reasons to support your point of view.**

In the past DeafHear supported the introduction of 2 specific measures to enhance the accessibility of telephony services for Deaf and Hard of Hearing people, namely the Text Relay service and the rebate scheme. The rebate scheme relates to the use of a minicom (a text phone connected to a landline) to make calls. Service users who are Deaf and registered on the scheme can receive a rebate on their call charges in recognition that text telephone calls take more time than voice calls to exchange information.

Demand for both of these services has reduced dramatically in the intervening years as Deaf and Hard of Hearing people have benefitted from the introduction of SMS on mobile phones. However, this has resulted in Deaf and Hard of Hearing people incurring mobile phone charges well in excess of those for the hearing population. Research has shown that an average of one minute of a voice call requires an average of 23 text messages to transmit the equivalent amount of information. There is an urgent and ethical need to redress this situation through adapting the rebate scheme to allow for a rebate for mobile SMS charges.

**3.10 Do you consider that the current measures (outlined above) provide appropriate protection for vulnerable consumers in terms of affordability? Please give reasons to support your point of view.**

The current measures provide a measure of protection for vulnerable consumers. However, operational aspects of these measures require review. For example, recently the Telephone Allowance was discontinued for a person with a disability who had moved to a residential setting. However, the person's spouse, who also had a disability and was entitled to the allowance continued to live at the same address. When the Telephone Allowance was discontinued, the service provider automatically started billing the customer, although that person no longer lived at that address. There was no correspondence from the Department or the telephone provider to the customer or his/her representatives. This practice appears to be normal procedure, but is contrary to obligations placed on public service providers within the Disability Act. Such practices need to be reviewed, as they can cause distress, embarrassment and deepen the sense of exclusion and powerlessness.

**3.11 Do you agree with the approach with respect to call itemisation? Please give reasons to support your point of view.**

DeafHear believes that this facility is important, but cannot comment as to whether or not the present provision is sufficient to meet consumer needs in this area.

**3.12 Do you consider that the call barring options are sufficient to enable consumers to control their expenditure? Please give reasons to support your point of view.**

DeafHear is in agreement with the views expressed in the Consultation Paper on this matter, as they are consistent with providing consumer choice and protection.

**3.13 What is your view in relation to charges for availing of call barring options as a means of controlling expenditure? Please give reasons to support your point of view.**

DeafHear is not in agreement with the introduction of charges for call barring. It is abundantly clear that telephone providers provide facilities to certain third party businesses whose services are likely to be exploitative for certain service users and their families. The costs for providing protection through call barring to vulnerable service users and their families should rest with the telephone providers and the third party service providers concerned.

**3.14 What is your view on the possibility of facilitating consumers to set a credit limit on their telephone account as an aid to control expenditure? Please give reasons to support your point of view.**

DeafHear is in agreement with the views expressed in the Consultation Paper on this matter, as they are consistent with providing consumer choice and protection.

**3.15 Do you consider that Eircom's current Disconnection Policy is reasonable? Please give reasons to support your point of view.**

In general, DeafHear's view is that the Disconnection Policy is reasonable. However, DeafHear is of the view that where the status of a person's connection is changed (e.g. Telephone Allowance is revoked), that automatic billing does not take place until after contact and consultation with the relevant individual/consumer. Such arrangements and protocols (which may need to be developed) may in due course have some impact on specific aspects of the Disconnection Policy.

**3.16 Do you agree with the approach and conclusions in this regulatory impact assessment? Please give reasons to support your point of view.**

DeafHear agrees with the general approach of this regulatory impact assessment and with most of the conclusions. However in relation to point 4, DeafHear does not agree with the view that obligations imposed to address issues specific to consumers with disabilities should be limited to obligations that "should not add substantial cost to a USP in view that this USO component may be less than or broadly equal to voluntary measures provided by operators." It is DeafHear's strong view that any obligations imposed in this regard should be obligations consistent with the Disability Act and other legislation, and not primarily directed or motivated by the cost of implementation.

#### **4 Summary**

DeafHear recognises the importance of USO regarding the provision of telephony services for people with disabilities, particularly people who are Deaf or Hard of Hearing. The scope of the review impacts on a number of existing services and procedures which require review and updating. DeafHear looks forward to progress on these issues in the near future. Any clarification required on this submission may be addressed to the person named below.

[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

## **4 Eircom**

**eircom Ltd.**

*Response to ComReg Consultation Document 10/35:*

# **The Provision of Telephony Services under Universal Service Obligations**



21 May 2010



## DOCUMENT CONTROL

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# RESPONSE TO CONSULTATION QUESTIONS



## Duration of the Designation Period

**Q. 1. What is your view on the factors outlined above in the context of defining an appropriate designation period? Are there other factors which should be taken into account? Please give reasons to support your point of view.**

eircom agrees that, in light of developments at European level and the subsequent impacts at national level, two years is an appropriate period for the USO designation. The two year designation period provides the USP and the wider industry to prepare for change.

## Provision of Access at a Fixed Location

**Q. 2. What is your view in relation to the current Reasonable Access Threshold? Please give reasons to support your point of view.**

The Reasonable Access Threshold (RAT) was introduced in 2005. The purpose of the RAT is to provide a threshold in order to assess if a request for connection to the fixed network is to be considered reasonable. If the cost for eircom to provide the connection is less than €7,000 then the request must be treated as 'reasonable' and eircom will provide the connection for the standard connection fee. If the cost is above €7,000 then the applicant will pay the amount in excess of €7,000 in addition to the standard connection fee.

The value of the RAT threshold is crucial in mitigating the effects for eircom in meeting the USO obligation to provide connections when it is clearly uneconomic to do so. However, many of the connections provided by eircom which are 'once off' or based on long lines are below the €7,000 threshold. This means that the connection cost must be borne by eircom and, taking into account eircom's obligation of geographically averaged tariff for connections and access, the payback period for these connections can run into many years and may even extend beyond 15 years.

eircom is accordingly of the view that the current RAT does not permit a reasonable rate of return for eircom for uneconomic connections and should be lowered to a proportionate level that would be agreed with ComReg.

**Q. 3. What is your view in relation to the preliminary view that Eircom should be designated as the USP with respect to access at a fixed location? Please give reasons to support your point of view.**



## Directory Services

**Q. 4. Do you agree that the present provision of directory enquiry services on a commercial basis continues to meet the needs of consumers? Please give reasons to support your point of view.**

The USO obligation with respect to the provision of Directory Enquiry (DQ) Services was removed for the current designation, which began in July 2006. In the intervening period three DQ service providers, including eircom's 11811 services, have established themselves in the market place. Each of these DQ service providers has invested heavily in platforms to deliver the service and there has also been a considerable investment in advertising to ensure that the brands are well recognised.

eircom notes, through its own surveys, that there is a high level of consumer satisfaction with its service. Additionally there is a low level of consumer complaints and any complaints that are received are handled through a robust process. This evidence demonstrates that the DQ services are well established, trusted and provide value to consumers.

In effect, the removal of the USO designation from this service in 2006 has allowed the industry to grow in the manner described. eircom believes that there is no basis therefore for a USO designation. It is eircom's view that the provision of DQ services on the current commercial basis continues to meet consumer needs.

**Q. 5. What is your view regarding the continued requirement to provide a printed directory to all consumers? Please give reasons to support your point of view.**

eircom believes that the current practice of providing a free printed telephone directory to each end user, once a year should continue.

Regulation 4(1) of the Universal Service Regulations allows eircom to provide the directory, in a form approved by ComReg, whether printed or electronic or both.

As eircom has previously stated there would be significant systems/IT costs to capture and record customers' preferences for receipt of printed or electronic directory. This position is supported by eircom's printing and distribution partner (Truvo) which considers that partial distribution is uneconomic and ineffective. eircom has considered with Truvo the possibility of reduced deliveries based on preferences of customers. The analysis demonstrated that significant additional costs would arise in relation to the identification of all households and businesses who request a telephone directory. The IT-related costs to capture and record the preferences would also be significant. The delivery logistics would become more complex. eircom notes that there would be additional administrative costs to establish preferences of those households and businesses who are not eircom customers.

eircom believes that a wholly paper based directory is preferable because of the :

- (i) value end users place on having a printed directory - as evidenced by eircom's market research; and
- (ii) likelihood that certain users would be unable to access an electronic directory.

eircom supports the need to be environmentally sustainable and will review the feasibility of providing an electronic copy of the directory to some or all end users in the future.

**Q. 6. What is your view with respect to the legibility of the listings in the printed telephone directory? Please give reasons to support your point of view.**

eircom and Truvo are acutely aware of their responsibilities in relation to the legibility of the printed telephone directories. The design and layout of the telephone directories, including text size, are carefully considered and international best practice is followed with respect to the final production to ensure that the directories are legible.

The most recent review of the design and layout was for the 2009 directories. There were no changes to the style, font size or character width affecting the Names or Phone Numbers. The 'gutter spacing' was reduced slightly and character width was reduced in the Address Line. These changes were made to reduce the amount of paper used, to deliver cost savings and environmental benefits. It is important to note that in making these changes the legibility of the directories was not affected and international best practice was followed.

eircom notes that for users that cannot use the telephone directory there is the Special Directory service, which is free of charge and is accessible using the code '196'. eircom enables users to access this service by means of PIN Number identification, subject to prior approval by the National Council of the Blind in Ireland (NCBI). Given the initiatives that eircom undertakes with respect to legibility, eircom believes that the current printed telephone directories meet the relevant standards.



**Q. 7. What is your view in relation to the preliminary view that Eircom should be designated as the USP with respect to the provision of a subscriber directory, including the NDD? Please give reasons to support your point of view.**

eircom is supportive of the NDD and is pleased to continue to carry the obligations to manage the NDD on behalf of the industry. The NDD performs a number of important functions on behalf of consumers. These include the recording of all telephone numbers (Fixed Line, VoIP and Mobile), flagging if they should be 'Ex-Directory' and ensuring that consumer preferences on whether to receive marketing calls are flagged.

At a commercial level, the NDD provides the numbers that are to be listed in the printed telephone directories and also provides updates to the Directory Enquiry Service Providers. On a monthly basis the NDD sends a list, to third parties, of customers that have not opted-out of receiving the third party direct marketing calls.

However, it is worth noting that the NDD is dependent on other operators fulfilling their obligations to update the NDD entries for their customers regularly in order to function efficiently and to be accurate at all times. eircom notes that other operators do not always fulfil this obligation thereby causing the NDD to be inaccurate.

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## Public Payphones

**Q. 8. What is your view in relation to the preliminary view that Eircom should be designated as the USP with respect to the provision of public payphones throughout the State? Please give reasons to support your point of view.**

In eircom's view, the USO designation with respect to Public Payphones is no longer warranted due to the decline in payphone use and the corresponding costs associated with their provision.

The Public Payphone business has been in rapid decline during the period of the current designation. The reduction in the volumes of calls from payphones is declining rapidly. Specifically, the number of calls per month has fallen by 84% since July 2006. This is in stark contrast to the increase in mobile telephone penetration which currently stands at 119%<sup>1</sup>. Moreover, eircom's research<sup>2</sup> into the usage of public payphones shows that only 19% of those surveyed had used a payphone in the previous 12 months and most of those did so because of a problem with their mobile phone service. 83% of those surveyed indicated that they were unlikely to use a payphone in the next 12 months.

In the Regulatory Impact Assessment ComReg states that<sup>3</sup> "... a network of payphones may confer advantage through advertising, brand awareness and product availability". eircom submits that no such advantages arises from retaining a network of payphones and the extent to which such benefits existed in the past they no longer do so in the current market environment.

Put simply, public payphones are not economically viable. Indeed, the provision of these services is chronically loss making as shown in the regulatory accounts published each year. This is notwithstanding continued action by eircom to reduce cost and improve delivery of the service. Payphones are a financial burden that conveys no advantage to eircom. Furthermore, consumers have a range of alternatives that include fixed lines, mobile telephones and can make telephone calls from call shops/internet cafés. For tourists mobile roaming rates have reduced significantly and will continue to do so.

In this context, eircom urges ComReg to remove the USO designation with respect to public payphones and suggests that a range of alternatives to Public Payphones, in particular mobile telephones, allows ComReg to safely remove the USO designation. Indeed, a precedent has already been set in Europe for the removal of payphones from the designation: Denmark and The Netherland no longer have a provision relating to payphones and Sonera (Finland) and AT&T (USA) have withdrawn entirely from the public payphone business.

In the absence of regulatory change, eircom will continue to remove uneconomic payphones through the removal process. In this regard, eircom would be open to offers from Local

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<sup>1</sup> ComReg Quarterly Report for Quarter 4/2009 (ComReg 10/19) pages 51/52

<sup>2</sup> Millward Brown research commissioned by eircom in February 2008. Surveyed 1,000 adults aged over 15 years.

<sup>3</sup> ComReg 10/35 pages 29/30

Authorities or other interested parties, for them to take over any payphone, with eircom providing the telephone line and calls on a wholesale basis.

## Provision of Universal Service to Consumers with Disabilities

**Q. 9. Do you agree that the current set of obligations is appropriate for consumers with disabilities in the context of the current scope of universal service? Please give reasons to support your point of view.**

eircom is pleased that it has for many years provided services to consumers with disabilities and demonstrates that eircom has a socially responsible approach in this regard. eircom retains a range of services and products that go beyond the requirement of the USO designation.

eircom is a full and active participant in the National Disability Forum which is jointly chaired by ComReg and the National Disability Authority. Through the forum initiatives eircom has implemented special disability awareness training for eircom's customer facing staff. eircom has also improved its [www.eircom.ie](http://www.eircom.ie) web site so that it is compliant with accessibility standards. eircom is regularly engaged with ComReg in relation to disability issues. eircom's commitment to people with disabilities is attested to by its proud 25 year association with the Special Olympics.

eircom notes that current and emerging technologies offer opportunities for enhanced services for consumers with disabilities. Many of these technologies are available 'off the shelf' at competitive prices. In many cases there would be little or no modification necessary to enable the use of the technologies by persons with disabilities.

Nevertheless, eircom carries a range of equipment that meets and exceeds the requirements of consumers with disabilities. eircom also provides the Special Directory Enquiry service which is free of charge and is accessible using the code '196'. eircom enables access to the service for users by means of PIN Number identification, subject to prior approval by the National Council of the Blind in Ireland (NCBI). Access to this service has been extended to consumers even if they are customers of operators other than eircom.

The table below summarises the equipment and services that eircom provides.

<b>Specific Measures for Disabled Users</b>	<b>Specialised Equipment / Service</b>
For customers who are hearing impaired	Inductive couplers
	An Amplified phone
	Visual Indicator when the phone rings
For users that are hearing and / or speech impaired	National relay service (Minicom)
	The STEP rebate scheme
For customers with limited dexterity or mobility	Speed dial and automatic redial buttons
	Hands free facility
For customers with restricted vision	Braille billing
	Standardised layout of key pads around central number (5) with raised dot
	Extra large high contrast buttons

For users unable to use the phone book because of a disability	Special directory enquiries ('196')
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In eircom's view the current set of obligations is appropriate to meet the needs of consumers with disabilities.

## Affordability

**Q. 10. Do you consider that the current measures (outlined above) provide appropriate protection for vulnerable consumers in terms of affordability? Please give reasons to support your point of view.**

During the period of the current designation the Irish communications market has evolved significantly. The level of competition in consumer markets is healthy and intense. The retail calls markets are no longer required to be regulated demonstrating that competition is effective<sup>4</sup>. Consumers therefore have choice and can make decision based on price. (ComReg is incorrect to state that the price cap includes calls<sup>5</sup>. The current price cap<sup>6</sup> applies to the retail Fixed Narrowband Access Markets only.) The penetration of mobile telephones in Ireland currently stands at 119.8%<sup>7</sup>. Greater broadband penetration and internet access affords consumers the opportunity to avail of new technologies. Consumers are now making telephone calls over the internet. In quarter 4 of 2009 Voice over broadband (VoB) minutes accounted for approximately 3.4% of total fixed voice minutes, having grown by 18% from the previous quarter<sup>8</sup>. Overall consumers have a great deal of choice in terms of service providers, technologies and price.

The USO obligations ensure that users can have access to fixed networks at affordable prices. ComReg notes that “affordability has to be maintained for vulnerable user groups, such as the elderly, those on low incomes and for consumers with disabilities”<sup>9</sup>.

There is a range of measures to ensure affordability for vulnerable users:

- The retail price cap was introduced in 2007 and applies to line rental. The price cap operates by ensuring that any line rental price increase is no more than the increase in the Consumer Price Increase (CPI). Eircom, in compliance with its obligations, sets its retail line charges on a geographically averaged basis. The impact is that the same line rental is charged to consumers regardless of whether they live in a rural area where costs are high or if they live in an urban area where costs are relatively lower. eircom submits that in the current climate of declining revenues, increasing costs and universal mobile penetration, it may no longer be appropriate to set prices based on a geographically averaged basis.
- The Department of Social Protection (DSP - previously known as DSFA) provides an allowance to qualifying old age pensioners and persons in receipt of disability pensions. Recipients of the DSP allowance may also avail of discounts schemes from

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<sup>4</sup> ComReg Decision D07/07 Market Analysis – Retail Fixed Calls Market Review

<sup>5</sup> ComReg 10/35 page 22. This is also repeated on page 11 of the Consultation Summary ComReg 10/35a

<sup>6</sup> ComReg Decision D03/07 - SMP Obligation: Retail Price Cap Remedy Fixed Narrowband Access Markets

<sup>7</sup> ComReg Quarterly Report for Quarter 4/2009 (ComReg 10/19) pages 51/52

<sup>8</sup> ComReg Quarterly Report for Quarter 4/2009 (ComReg 10/19) page 23

<sup>9</sup> ComReg 10/35 page 21

eircom appropriate to the telephone call patterns. The eircom 'Social Benefit Package' is the application by eircom of the DSP allowance described above.

- The eircom Vulnerable User Scheme (VUS) provides a line rental and telephone call package for low users. The monthly fee of €24.81 (including VAT) includes a call allowance worth €5.53. Having regard to the difficult economic climate and the difficulties that certain consumers face, eircom sought to amend the VUS with a more up to date consumer offer. eircom remains committed to this process and is currently investigating options in this regard

Taking account of the competitive state of the communications market in Ireland and the choice available to consumers, eircom suggests that the current measures are appropriate, however eircom will endeavour to develop an alternative to the VUS and urges ComReg to consider seriously the possibility of re-negotiating its pricing policy with respect to fixed access as the current practice of geographically averaging prices is cost prohibitive.

## Control of Expenditure

**Q. 11. Do you agree with the approach with respect to call itemisation? Please give reasons to support your point of view.**

eircom agrees that the current arrangements for Itemised Billing are adequate and appropriate. Itemised bills are available free of charge to consumers and provide details of the calls made, the charges and the durations of the calls.



**Q. 12. Do you consider that the call barring options are sufficient to enable consumers to control their expenditure? Please give reasons to support your point of view.**

eircom considers that the range of call barring options is sufficient to meet consumer needs. eircom works closely with consumers that may incur high charges to Premium Rate Service (PRS) numbers. Following the launch of PRS TV shows, eircom has intensified this activity. In particular, the call barring facilities offered by eircom have proved to be a successful form of control for consumers and meet demand for control of expenditure.

**Q. 13. What is your view in relation to charges for availing of call barring options as a means of controlling expenditure? Please give reasons to support your point of view.**

eircom believes that the current barring charging regime is appropriate and fair. Consumers that avail of other call barring options obtain the obvious benefit of being able to control potentially high expenditure. The modest cost is far outweighed by the benefits obtained. The consumers have peace of mind knowing that the selected calls for barring are not possible. In addition, there is reassurance in the knowledge that the telephone line cannot be used for barred calls by another occupant of the household or a visitor to the household. This type of behaviour has been a feature of unexpectedly high bills in the past and in particular PRS related bills.

There are costs that eircom incur in making the barring facility available to consumers. These include the necessary administration charges to handle the order, establish the call barring for consumers and deal with any queries that may arise. In addition the call attempts to PRS numbers, when barring is in place, avail of network resources and switching capacity that carry costs. eircom notes that it does not charge for Premium Rate Service (PRS) barring.

**Q. 14. What is your view on the possibility of facilitating consumers to set a credit limit on their telephone account as an aid to control expenditure? Please give reasons to support your point of view.**

eircom does not believe that there is a consumer demand or need to introduce a credit limit on telephone accounts. The range of affordability and control of expenditure options available to consumers under the USO is extensive and is worth repeating:

- Consumers can avail of itemised billing
- Consumers can avail of PRS call barring
- The DSP scheme is available to qualifying consumers
- The eircom VUS is available to low users
- The eircom retail line rental carries a price cap
- The eircom disconnection policy is fair and reasonable

Additionally there are other measures open to consumers:

- Consumers can opt for monthly billing
- The eircom online billing options affords a number of facilities to consumers:
  - o View and manage the eircom bill information
  - o 24 hour availability
  - o Email alerts when the next bill is available
  - o Flexible online bill payment options
  - o Interactive bill explanation
  - o Fully itemised bill view
- There are a number of payment options available to consumers

The functionality to permit the setting of a credit limit does not exist on the eircom network and billing system. The costs of developing such a facility would be significant and there is no consumer demand for the facility. On this basis, eircom does not support the introduction of a credit limit.

**Q. 15. Do you consider that Eircom's current Disconnection Policy is reasonable?**

**Please give reasons to support your point of view.**

eircom considers that its Disconnection Policy is fair and reasonable. It is essential that bad debt exposure is identified and managed. The eircom disconnection policy is available on the eircom web-site and provides a process for consumers to have their outstanding debt managed. The policy does ultimately allow eircom to disconnect consumers for non-payment.

The process followed by eircom is set out in the table below.

<b>Day(s)</b>	<b>Action taken</b>
1	Bill issued to customers
14	Payment due
>14	eircom may restrict service, no outgoing call but can receive incoming calls (customers retain ability to contact emergency services via 112 or 999).
14-21	Reminder letter sent to customers
21-28	Urgent reminder letter sent to customers
>28	Full disconnection

If a customer disputes a bill and pays the amount that is not in dispute, eircom will not employ the above process. In eircom's view the Disconnection Policy is fair and reasonable.

## **5 Ireland Offline**

# **The Provision of Telephony Services under Universal Service Obligations Consultation May 2010**

NON CONFIDENTIAL.

## **Introduction**

We in IrelandOffline welcome to opportunity to respond to this consultation. We have always been acutely aware of the benefits that accrue to all stakeholders from a strong Universal Service Obligation.

The USO is vital to the protection of the consumer.

IrelandOffline would find it most encouraging if ComReg were to seriously take on board IrelandOffline's feedback to this consultation and realise that the consumer actually comes first and not solely the interests of the Universal Service Provider.

IrelandOffline is a leading consumer group campaigning For Affordable, Un-metered And Broadband Internet Access In Ireland, IrelandOffline is a voluntary organisation consisting of home and business Internet users. Its brief is to campaign for the development of high-speed Internet access services and to promote innovation and competition in the Irish Internet marketplace.

## **A Short History**

By setting a service floor commensurate with the technological capacity and requirements of a rich knowledge economy which is the obvious intent of the EU in producing the series of Universal Service directives ever since the early 1990s, certainty is provided to all stakeholders in the communications business over a time period.

The benefits of this certainty and knowledge clearly have economic benefits to all consumers of the telephony service.

Furthermore, and this applies to Ireland as it does to every other country, the Universal Service Obligation should be a key limitation that prevents asset stripping by investment syndicates to the detriment of the Universal Service Network itself.

The current situation where consumers are effectively entitled to almost nothing, as everything is done on a "best effort basis" is a recipe for disaster due to the loopholes and "get-out" clauses and a USO that is not, or nowhere near, universal is unsatisfactory and needs to be addressed urgently. It is obvious that Comreg defines Universal as "maybe". The provision of Universal Service to all citizens of the state is a must and needs to be strictly enforced.

During the last consultation on Universal Service we in IrelandOffline requested of the regulator that a meaningful definition of Functional Internet Access be inserted in the USO. At the time (early 2002 to mid 2002) the requirement was that every line support 2.4kbit full duplex communications as required under EU Directive 97/33/EC

which was in force at the time. Functional Internet Access was a new requirement from 2002 onwards.

While the 1997 figure was low it prevented a designated undertaking from loading grossly substandard multiplexing equipment or pair gaining equipment onto their network in order to provide Access on the network. It also required the removal of half duplexing equipment (old pairgains) and upgrades to RF systems used on islands and in rural locations. The consultation period completed in 2002 when maybe 80 exchanges had been broadband enabled out of a total of 1100 or so.

We then had to wait well over 6 months for Comreg to publish any responses.

IrelandOffline begged to differ with the 2.4k floor. IrelandOffline submitted then that FIA be a graduated distance related bitrate on the lines of 40k at 2k 25k at 3km and 30k at 4km etc.

Much to our shock Comreg reneged on the EU Requirement That Functional Internet Access be a user right.

The minimum bitrate of 2.4k and the key full duplex communications conditions were removed from the 2003 ante regulations and for a number of years thereafter. Other regulators set the floor at 28.8k based on the same EU directive, most notably but not uniquely the UK.

Ireland went from 2.4k down to 0k.

This Comreg Position held for a number of years until Comreg eventually reviewed the position around 2005/2006 and belatedly discovered that 28.8k was the only feasible floor at the time and even then all this did was formalise V.34 which was by then an antiquated standard. Other than a small bis modification to the V.34 and v.90 analogue modem standard that would tend to support an upgrade to 33.6k this time we believe that this minimum speed still largely holds correct for a well built and maintained copper network insofar as it refers to a synchronisation speed. We don't wish to discuss contention on networks of this sort, they simply should not occur.

A telephone line that supports functional Internet access at full 28.8k on a modem will generally support ADSL if available.

### **The market context**

Comreg has provided a rather interesting market context in the consultation. Comreg correctly notes that fixed line penetration has fallen to around 65% of households, down from around 80% at the time of that last USO.

However Comreg has carefully airbrushed 3 exorbitant line rental increases out of its market analysis. Ireland had more or less the highest line rental in the world in 2002 when the last USO directive was brought out in Europe.

Since then eircom have been allowed 3 line rental increases and we now have the highest line rental in the world without any question. This highest line rental position has been confirmed by the ITU and has long reached the point of diminishing returns.

It is simply, no longer economically viable for a household to maintain a fixed line for any other reason other than to avail of broadband (DSL) services.

However a USO should formalise Universal Service obligation in light of, at least, current "prevailing technologies".

Today, in 2010, well over 50% of residential lines and nearly 50% of business lines are now used for ADSL connections.

A Universal Service Obligation that does not take this into account would be as ludicrous and as unjustifiable as the 2003 decision by Comreg to set Functional Internet access at effectively 0k.

We believe that a significant proportion of lines are kept solely for the purpose of accessing broadband (DSL) services and that DSL is the "prevailing technology" used for "functional Internet access given that:

1. There are 1.5m lines in use today.
2. 720,000 had ADSL installed on them in February 2010
3. Growth continued in ADSL installations in 2009 and into 2010
4. NON ADSL lines continually shrank across 2009 Q on Q.

The inflection point will occur around end Q3 2010. 50% of lines (then 1.46m) will have ADSL installed, (then 740,000).

Thereafter from Q4 2010 for the rest of the USO designation over 50% of copper paths shall have ADSL installed on them.

Sadly the utter weakness of the USO in 2003 led directly to the 'Special Dividend' asset strip by Valentia and the ESOP who were the owners of eircom in 2002 and 2003. As soon as that inadequate USO was published on July 27th 2003 eircom stripped out a network maintenance contingency of €400m in a special dividend to Valentia and the ESOP on the 8th of August 2003.

This was the single most egregious policy failure in the history of telecommunications regulation in Ireland and that is the politest way we can put it.

### **Regulatory approach**

We quote from [this](#) document "the Private Equity Takeover of Telecom Infrastructure in Denmark":

*"Capital expenditures for eircom's network expansion declined dramatically from about EUR 600 million per annum in 2000 and EUR 700 million in 2001 before the Valentia takeover, to EUR 300 million in 2002 and EUR 200 million in 2003 and 2004. During 2000 and 2001, immediately before the Valentia takeover, eircom invested all its internally generated cash flow from depreciation allowances plus another EUR 475 million from its retained earnings: eircom grew (but there was no external investment).*

*There was network development. Between 2002 and 2004, after the Valentia takeover, eircom's investments were EUR 450 million less than its internally generated cash flow from depreciation allowances.*



*It did not invest enough even to replenish its asset depreciation. This provided funds for payment of a EUR 400 million special dividend – really a payout of part of eircom's capital base – to Valentia. Not surprisingly, eircom's telecom infrastructure did not improve significantly and Ireland fell even further behind most European countries in its telecom network development."*

Instructively TDC in Denmark was also taken over by Private Equity but maintained a much higher investment ratio in the network relative to revenue. The network is what delivers Universal Service.

You cannot deliver a Universal Service absent adequate investment.

While eircom was investing in its network in the sub 10% of revenue range TDC in Denmark was investing around 12% of revenue.

Furthermore TDC was loaded with around 100% of annual Revenue in debt where eircom was loaded with 200%. Of this 100% loading in Denmark it was said that:

*"Meeting universal service requirements will be far more difficult, more expensive, and take longer after the new owners have sold TDC leaving a debt mountain that constrains long-term investment and social investment in particular. During the five years of NTCH ownership, one can expect this public service obligation to get the minimum of investment, and be avoided entirely where possible. One can expect a similar minimal investment for special services for the disabled and for other social obligations that drain cash flow."*

And yet Denmark thrived and their telecoms regulator delivered an adequate USO since 2003.

### **Diminishing returns**

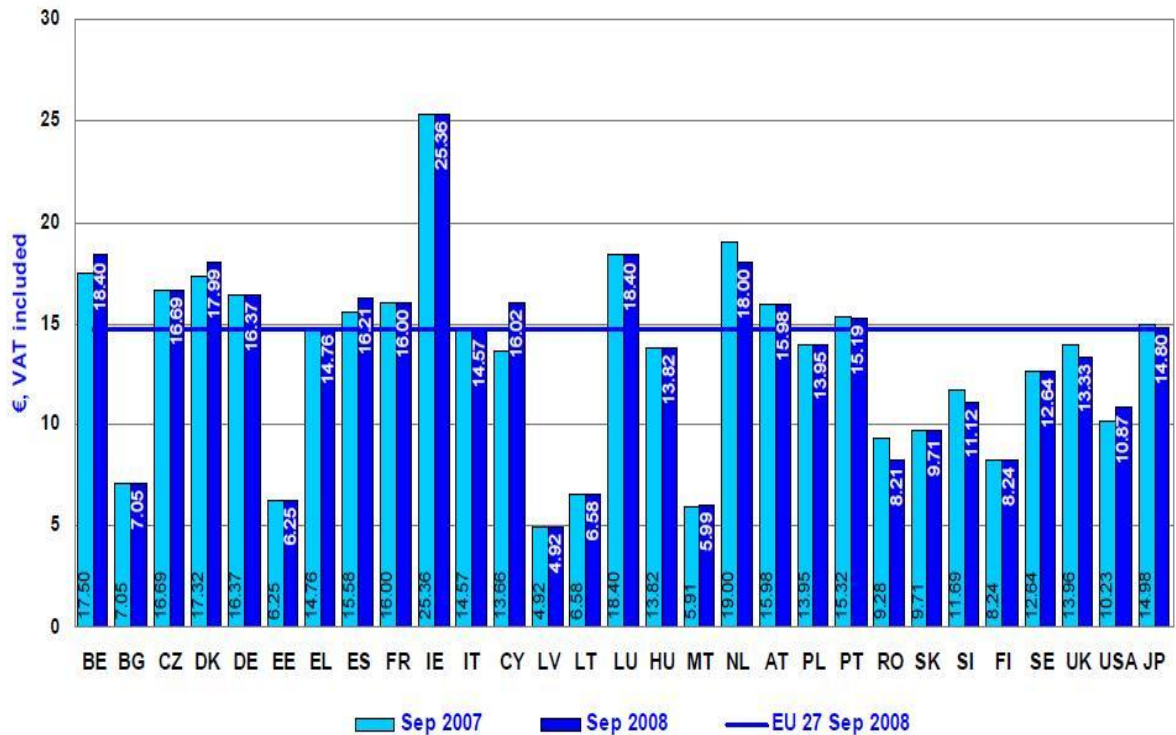
Were the cost of line rental in line with international norms we have no doubt that fixed line penetration would be higher and that it would be eminently more defensible in the marketplace.

The current situation is exacerbating the decline in fixed line penetration although we do appreciate that it cannot be addressed in a USO consultation per se. However we believe that a reasonable regulator cannot allow the current situation to continue and that a reasonable market analysis will show that the current level of line rental is unjustified and detrimental to the continuation of a reasonable and healthy marketplace.

Therefore we shall assume that this will occur over the lifetime of this USO and that the decline in Fixed Line Penetration will slow or stop or even reverse slightly.

We believe that a nominal target of 70% Fixed Line Penetration going forward is correct.

## Residential monthly rental



It is highly disingenuous to link Fixed Line Penetration to new build save to say that new build is more common on urban edges and in rural areas than in urban core areas where the highest density of communications providers and the shortest average line length is to be found.

In 2002 Ireland only really had two mobile operators, they had over 40% market share each and over 90% market share overall. This is not the case anymore. No one mobile operator has significantly over 30% of the market and their SMP has declined, relatively. Meteor penetration has increased to the point that Meteor subscriber acquisition has largely cancelled out Fixed Line Penetration declines.

### Further references:

[http://www.pes.org/en/system/files/Hedge\\_Funds\\_EN.pdf](http://www.pes.org/en/system/files/Hedge_Funds_EN.pdf)

Bill Melody

<http://www.infodev.org/en/Document.12.pdf>

Mr. Melody had done some work for Comreg in 2003 and he distilled many of his thoughts into an excellent read...for serious regulators.....called:

"Stimulating Investment in Network Development: Roles for Regulators" 2005

## **The Questions**

We note that the one question that Comreg has carefully avoided asking is concerning the Delivery of Functional Internet Access with regard to Prevailing Technologies.

We have therefore written their question for them, we call it Question 0 and will answer it first.

***Q. 0. What is your view on the factors outlined above in the context of defining an appropriate definition of Functional Internet Access and especially on the "prevailing technologies" that deliver Functional Internet Access.***

*Over the course of this USO and beyond the majority of lines shall be used to deliver xDSL services. Functional Internet Access should be defined at minimum 256k within 8km of an enabled exchange and at 28.8k elsewhere.*

*We expect Comreg to propose a suitable alternative for wireless delivery which would involve a minimum field strength at the outer curtilage of a home or business (net of cell shrinkage and climatological 99.7th percentile atmospheric conditions where copper is to be abandoned programatically for an alternative means of providing access and then at 256k minimum post abandonment of copper as a delivery means)*

***Q. 1. What is your view on the factors outlined above in the context of defining an appropriate designation period? Are there any other factors which should be taken into account?***

***Please give reasons to support your point of view.***

4 years is reasonable. This would be an opportune time for Comreg to state that at the end of every 4 year period all options including de-designation of a USC are open. It would be further opportune to state that a mix of mobile and fixed technologies will be taken into account in this and future reviews.

***Q. 2. What is your view in relation to the current Reasonable Access Threshold? Please give reasons to support your point of view.***

The reasonable access cost thresh-hold is in itself OK. However a detailed rationale should go to the intending customer in writing. Furthermore every request for service at a location should be responded to with a written and dated letter within 5 working days. eircom constantly refuses to acknowledge connection requests for new premises and to provide the connection within 1 year as required. This refusal to acknowledge access requests in writing is inimical to the end user who is entitled to this access under the Universal Service Obligation.

***Q. 3. What is your view in relation to the preliminary view that Eircom should be designated as the USP with respect to access at a fixed location? Please give reasons to support your point of view.***

We feel that on this occasion the decision is correct. We would allow eircom to

deliver universal service over mobile technologies in certain discrete geographic regions when and where eircom publish clear maps to show where this option is permitted and when eircom concede minimum field strengths and bitrates are an entitlement. We do not wish to see another denial of service farce such as happened with the Rurtel 2300mhz band and the 3500mhz FWPMA band since Comreg licenced them to eircom...who simply squatted them since.

***Q. 4. Do you agree that the present provision of directory enquiry services on a commercial basis continues to meet the needs of consumers? Please give reasons to support your point of view.***

No opinion.

***Q. 5. What is your view regarding the continued requirement to provide a printed directory to all consumers? Please give reasons to support your point of view.***

We feel that this not necessary going forward. However when the directory was available on CD in the past there were some data privacy issues. Penetration of always on technologies has improved and trees are there to be saved. Taken with the imminent arrival (again) of postcodes we feel that once a threshold of houses in a given postal district opts into online delivery then the delivery of phones books should be terminated along with a mechanism for those who wish to acquire one on request.

A national database UNDER the direct control of Comreg not of a single carrier should be created for this purpose and policy decisions based on this database should be published. As an interim a printed directory should not be automatically delivered but only available free on demand by all of phone, online, email, faxed or postal request. No details should be required for the request other than delivery to avoid capture of non-customer details by the directory provider. A survey might show how little use there is of the printed directory. Charges for phone directory inquiries should be capped at normal call cost + 20% and free online via Internet.

The intent would be to move to a completely paperless system over the next 4 years (1 review cycles) but in a fair and transparent manner. Over the course of the next USO review the issue of how someone with no always on contract checks the directory will have to be addressed. But let us start now by all means.

***Q. 6. What is your view with respect to the legibility of the listings in the printed telephone directory?  
Please give reasons to support your point of view.***

None, magnifying glasses are cheap..typically found in €2 shops.

***Q. 7. What is your view in relation to the preliminary view that Eircom should be designated as the USP with respect to the provision of a subscriber directory, including the NDD? Please give reasons to support your point of view.***

The maintenance of such directory should not be the obligation of eircom in the long term and should be brought in house by Comreg and used as a quality control

mechanism for number portability (Fixed mobile and non geographical). Comreg should now state that this obligation will be removed at the end of this 4 year designation. While Comreg has done extremely well with Mobile Number Portability it has performed abysmally with Fixed and Non Geographic portability and will shortly have to address Premium Number portability too. With over a 1/3rd of users not having a land line and 50% of the line line households using it only for broadband (Personal Mobile Phone used instead), a major source of incoming calls on land line for some is cold calling, so how valuable is a fixed line directory for domestic numbers when about 100% of domestic users use Mobile as primary "phone line".

The NDD should be brought in house.

***Q. 8. What is your view in relation to the preliminary view that Eircom should be designated as the USP with respect to the provision of public payphones throughout the State? Please give reasons to support your point of view.***

Comreg has notably failed to exert any control over eircom in this regard. Comreg does not inspect these and ensure they are working. While we would not worry unduly were the number of payphones restricted to 500 nationally, all in areas of high immigrant populations and high tourists numbers.

We would nevertheless expect Comreg to ensure they work and that they are configured to ring on an INCOMING call rather than remain silent.

***Q. 9. Do you agree that the current set of obligations is appropriate for consumers with disabilities in the context of the current scope of universal service? Please give reasons to support your point of view.***

No opinion.

***Q. 10. Do you consider that the current measures (outlined above) provide appropriate protection for vulnerable consumers in terms of affordability? Please give reasons to support your point of view.***

No opinion.

***Q. 11. Do you agree with the approach with respect to call itemisation? Please give reasons to support your point of view.***

No opinion.

***Q. 12. Do you consider that the call barring options are sufficient to enable consumers to control their expenditure? Please give reasons to support your point of view.***

No opinion.

***Q. 13. What is your view in relation to charges for availing of call barring options as a means of controlling expenditure? Please give reasons to support your point of view.***

Barring of all calls other than national and local should be free. ***OPT OUT (or subsequent opt in) to Mobile and to Premium and well as International should be free to the consumer for two events a year. Change requests to be recorded under***

*distance selling regulations.*

*Currently* the barring of calls other than Premium incurs an exorbitant charge.

We would also request that all non-Irish premium numbers, especially eircoms Band 13 Geographic Premium IDD numbers and high 15xx number incurring a charge of 50c and upwards per minute are only available to those who explicitly **OPT IN** as distinct from availing of the opt out mechanism that is call barring.

A number of functioning regulators have initiated call barring / opt in to the International Ranges that eircom charge €3.60 a minute for because of the prevalence of fraud/modem hijacks to these ranges.

IrelandOffline recommends the clear and proportionate Danish Response

<http://www.cullen-international.com/cullen/cipublic/studies/prs/prsannexi19.htm>

Denmark, "**TO COMBAT FRAUD**" Bar Sierra Leone, São Tomé and Príncipe, Guinea Bissau, Diego Garcia, St. Helena, British Guyana, Nauru and Kiribati. The barring also covers calls to satellite services. **OPT IN** is free of charge.

***Q. 14. What is your view on the possibility of facilitating consumers to set a credit limit on their telephone account as an aid to control expenditure? Please give reasons to support your point of view.***

We recommended this in 2001/2002 and we believe it is still desirable. This should be viewed in conjunction with call barring. The right of the consumer to request occasional but reasonable cost control measures should be enshrined in a reasonable USO. We would, however, restrict the consumer to one or two requests per annum and would require that they be recorded as per normal distance selling principles to protect ill informed or vulnerable customers whose requests may be malformed but nevertheless clear in their overall intent.

***Q. 15. Do you consider that Eircom's current Disconnection Policy is reasonable? Please give reasons to support your point of view.***

On balance it is reasonable. As long as barring/stop limiting is made easier and the structure of call barring/opt in proceeds from the principles outlined in our answer to Q 13 then we see no reason to modify the disconnection policy.

***Q. 16. Do you agree with the approach and conclusions in this regulatory impact assessment? Please give reasons to support your point of view.***

Stating an approach is one thing. Regulating is quite another and has proven beyond the ken of Comreg over the years. A properly function telephone line is a luxury in much of Ireland even after the transposition of two iterations of Universal Service directives between 1997 and 2003.

In 2003 we were regaled in an RIA with a long list of principles about the then 5000 payphones nationally. Now we have less than 1500 payphones and no regulatory

statement about the evaporation of the other 3500 nationwide. There probably was some regulatory impact since the publication of that statement in 2003 but we are not privy to the regulators side of it.

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IrelandOffline

[info@irelandoffline.org](mailto:info@irelandoffline.org)

<http://irelandoffline.org>

## **6 Irish Rural Link**





# Irish Rural Link response to ComReg Consultation on The Provision of Telephony Services under Universal Service Obligations

19<sup>th</sup> May 2010

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## Introduction

Irish Rural Link welcome this opportunity to respond to ComReg's consultation on the provision of telephony services under Universal Service Obligations. Irish Rural Link note ComReg's preliminary view that the principal factors, including network reach, experience and ability to satisfy reasonable requests for connection, that resulted in Eircom being designated as the USP with respect to access at a fixed location in July 2006 remain present in 2010. However ComReg must adopt a more proactive approach to ensure Eircom offers the services they are obliged to in an efficient manner to all parts of the country. This includes broadband infrastructure and it is regrettable that more attention was not paid to this in the consultation paper.

## About Irish Rural Link

Irish Rural Link (IRL) was formed in 1991 and is a national network of organisations and individuals campaigning for sustainable rural development in Ireland and Europe. IRL, a non-profit organisation with charitable status, has grown significantly since its inception and now directly represents over 300 community groups with a combined membership of 25,000.

The network provides a structure through which rural groups and individuals can articulate their common needs and priorities share their experiences and present their case to policy-makers at local, national and European level. Our mission is to influence national and European development policies and programmes in favour of those who are marginalised as a result of poverty and social exclusion in rural areas. Irish Rural Link is the only group represented at the national social partnership solely representing rural communities' interests.

Irish Rural Link's vision is "of vibrant, inclusive and sustainable rural communities that contribute to an equitable and just society".

Irish Rural Link's aims are:

- To articulate and facilitate the voices of rural communities in local, regional, national and European policy arenas, especially those experiencing poverty, social exclusion and the challenge of change in the 21<sup>st</sup> century.
- To promote local and community development in rural communities in order to strengthen and build the capacity of rural community groups to act as primary movers through practical assistance and advice.
- To research, critique and disseminate policies relating to rural communities including issues such as sustainability, social exclusion, equality and poverty.
- To facilitate cross-border networking between rural communities.

### **Reasonable Access Threshold**

We believe the Reasonable Access Threshold should increase to €10,000 for the next period. Rural incomes are significantly lower than urban incomes and rural households already face higher costs, such as electricity standing charges. Given the importance of fixed lines, described throughout the ComReg consultation paper, the €7,000 threshold is a barrier to some who wish to have a fixed line but cannot afford it. It may be a particular barrier in areas with limited mobile coverage. The moving of telephone poles is a significant issue and should be included in the €10,000 threshold and must be done speedily. There should be no survey charged initially levied on those seeking to have a pole moved.

### **Printed directory**

We believe the printed directory remains very important and useful. It has a role in connecting people with their local area and ensuring local services and individuals are accessible and contactable.

### **Payphones**

We welcome the consultation paper's recognition that payphones continue to provide a basic service to many people indicating their continued necessity. A public payphone may be valued and needed by many people without a land-line or a mobile phone or those away from home, or those whose mobile phone is out of credit or reception.

Details of how much money a phone takes in should be available to communities if the phone is earmarked for removal and communities must be more aware of the process to be followed where payphones are to be removed or moved. Opportunities to retain older style boxes should be given to the community so they can act as an attractive focal point. Payphones are linked to patchy mobile reception and they should not be removed if the area is one of weak reception as is still the case in some rural areas.

### **Controlling Costs**

We support mechanisms that enable people to limit the cost of their telephone bill, for example, by means of a facility whereby a subscriber could set a credit limit on his/her account.

### **Respondent organisation**

Name of Organisation:	Irish Rural Link
Address of Organisation:	Unit 2A, Moate Business Park Clara Road, Moate Co. Westmeath
Phone:	090 6482744
Fax:	090 6481682
Website:	<a href="http://www.irishrurallink.ie">www.irishrurallink.ie</a>
Name of Contact Person:	
Phone	
E-Mail Address:	

## **7 Martina Friel**

**Consultation Response to: 10/35 - Consultation - The Provision of Telephony Services under Universal Service Obligations**

<b>Full Name</b>	Martina Friel
<b>Email</b>	[REDACTED]
<b>Your Comments</b>	<p>I work with older people and groups which represent older people. They heard about your consultation and asked me to email you regarding the fact that the eircom phone book is getting harder to read each year it is produced. If you check it out by putting a couple of books from differing years side by side, as I have, you will realise how much smaller the print is becoming and how more condensed the lines are. Numbers are actually disappearing into the fold of the book and are just unreadable. Older people rely on the traditional ways of doing things - they rely on their phone book. I would ask that a readable size of print is returned to with proper borders used so as numbers do not disappear into the folds. If it is a cost issue, I would suggest printing half as many copies of a directory that CAN be read - currently many books lie rotting in hall ways of apartment complexes while older people or people with weaker sight try everything to read their 'bible for communication'. Not everyone has broadband or a capability on computers - so even this consultation has limited the scope of people to interact. Please take seriously this concern. Thank you</p>
<b>txtSPJgb21bCzx</b>	

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## **8 National Disability Authority (NDA)**



**Submission**

**to**

**ComReg Consultation 10/35**

**on**

**Provision of Telephony Services**

**under**

**Universal Services Obligation**

**21 May 2010**

## Introduction

The National Disability Authority (NDA) welcomes the opportunity to respond to ComReg's consultation on the Provision of Telephony Services under Universal Service Obligations 10/35 as the lead statutory advisory body on disability and universal design in Ireland.

In making this submission, the NDA notes that ComReg's consultation is referring only to narrowband connections and that issues like the availability of broadband and the Amending Directive 2009/136/EC, which must be transposed into Irish law by 24 May 2011, providing for consumers with disabilities to access and choose from the range of electronic communication services available to all consumers, is outside the scope of this current consultation document.

While recognising the focus of this consultation document, the NDA would like to highlight with ComReg two other important factors that should be considered by ComReg in the future and will have a bearing with regards to telephony services in Ireland. They are:

### **1. UN Convention on the Rights of persons with Disabilities - Article 9**

"To enable persons with disabilities to live independently and participate fully in all aspects of life, States Parties shall take appropriate measures to ensure to persons with disabilities access, on an equal basis with others, to the physical environment, to transportation, to information and communications, including information and communications technologies and systems, and to other facilities and services open or provided to the public, both in urban and in rural areas. These measures, which shall include the identification and elimination of obstacles and barriers to accessibility, shall apply to, inter alia:

- Buildings, roads, transportation and other indoor and outdoor facilities, including schools, housing, medical facilities and workplaces;
- Information, communications and other services, including electronic services and emergency services."

### **2. Disability Act 2005**

With regard to policy, the Disability Act 2005 creates a changed environment which will increase expectations on service providers to make their services accessible to people with disabilities. Section 26 of the Act requires all public bodies, where practicable and appropriate, to ensure that their services are accessible for people with disabilities by providing integrated access. Section 27 requires public bodies to ensure that the goods or services that they purchase are accessible, unless it would not be practicable or justifiable on costs grounds or would result in unreasonable delay. Such services would include telephony services. Section 28 requires that communications by a public body to a person with a hearing or vision impairment must, as far as practicable, be provided in an accessible format, following a request. Taken together, these provisions create a framework of accessibility underpinning public services. telephone service providers may need to take account of the changing environment in order to provide services to public bodies, and by extension, users of public services.

The transposition of the Amending Directive 2009/136/EC could provide the opportunity for enhancing the overall accessibility of telephony services in Ireland.

## Consultation Questions

The NDA makes the following responses in regards to the specific consultation questions :

**Q. 1. What is your view on the factors outlined above in the context of defining an appropriate designation period? Are there any other factors which should be taken into account? Please give reasons to support your point of view.**

The NDA would be supportive of the proposed limited designation period of approximately 2 years up to June 2012 because of the forthcoming transposition into Irish Law of the Amending Directive 2009/136/EC and given that the European Commission are currently examining the scope of universal service.

It is important that while it is for a limited period there is no diminution in the quality of any of the universal services provided for.

**Q. 2. What is your view in relation to the current Reasonable Access Threshold? Please give reasons to support your point of view.**

The NDA believes the current charges of anything below €7,000 are reasonable with the requester paying the standard connection fee.

**Q. 3. What is your view in relation to the preliminary view that Eircom should be designated as the USP with respect to access at a fixed location? Please give reasons to support your point of view.**

The NDA sees this as a reasonable approach given the limited time period involved and that Eircom own the public switched telephone network and is capable of reasonable nationwide reach in terms of any future requests for connection to the network as well as having a current market share of 68% of fixed line services.

**Q. 4. Do you agree that the present provision of directory enquiry services on a commercial basis continues to meet the needs of consumers? Please give reasons to support your point of view.**

**Q. 5. What is your view regarding the continued requirement to provide a printed directory to all consumers? Please give reasons to support your point of view.**



**Q. 6. What is your view with respect to the legibility of the listings in the printed telephone directory? Please give reasons to support your point of view.**

In relation to Questions 4-6 NDA would make the following comments:

- Decisions about appropriate formats for publication must be based on the requirements of users. These users include users with physical, sensory and learning disabilities.

Information, for example, for blind or people with vision impairment may require large print or audio contact or access to the information via the web.

On the other hand, people who are deaf or hard of hearing may prefer to access directory enquiries provided by a Universal Service provider using SMS-text messaging.

Providers in other jurisdictions such as BT in the UK offer a good example of how information can be provided to people with disabilities in a wide variety of formats.

The Universal Service Provider should be required to provide directory information upon request in any of these formats.

- Directory enquiry services are provided free of charge to people with a disability. Users are identified by the combination of a PIN number and their name. This free access should continue to be provided. In addition, it is also important for people who avail of this service to be able to be directly connected by the directory enquiry operator to the number if so requested with the caller paying for the actual phone-call.
- Electronic formats of the directory should be accessible to all users. The current recommended international standard regarding web accessibility is WCAG 2.0. (See guidance on this from NDA's Centre for Excellence in Universal Design [www.universaldesign.ie](http://www.universaldesign.ie)).
- The current printed version of phone directories is not in an accessible format. However, printed versions of directories do provide important information to people, for example government services, citizens information etc, who may not have access to websites and/or can't afford commercial directory enquiries.

NDA would recommend that these issues pertaining to directory enquiries could be addressed as a priority issue with the Forum on Electronic Communications Services for People with Disabilities so as to inform ComReg's decision prior to the forthcoming transposition into Irish Law of the Amending Directive 2009/136/EC.

**Q. 7. What is your view in relation to the preliminary view that Eircom should be designated as the USP with respect to the provision of a subscriber directory, including the NDD? Please give reasons to support your point of view.**

The NDA would support the view that Eircom should be designated as the Universal Service Provider with respect to the provision of a subscriber directory and with maintaining the National Directory Database and the "opt out" directory for direct marketing purposes.

**Q. 8. What is your view in relation to the preliminary view that Eircom should be designated as the USP with respect to the provision of public payphones throughout the State? Please give reasons to support your point of view.**

The NDA would support the preliminary view that Eircom should be designated as the Universal Service Provider with respect to the provision throughout the State for the proposed period specified, while ComReg will consider any submissions from interested parties for the provision of public payphones.

The NDA notes in the consultation document that while there has been a decrease in the use and number of public payphones with the take up of mobile telephony, nonetheless, there is still a demand and usage and the importance of having such a facility particularly where it may be needed in emergencies.

The NDA would also suggest to ComReg, that in this interim period and noting that the EU Commission is considering broadband and Universal Service Provision, consideration be given to the development of an Accessible Payphone Industry Guidance based on universal design principles. Such guidance could also embrace any future demands there may be in relation to broadband, such as public information kiosks for accessing internet etc. The guidance could include elements such as

- access and location
- phone operation
- varying methods of payment
- audio/visual displays
- equipment and keypads
- security and privacy
- installation and maintenance
- operational instructions

Such matters could be a focus for informed discussion with the Forum on Electronic Communications Services for People with Disabilities and NDA's Centre for Excellence in Universal Design would also be happy to advise.

**Q. 9. Do you agree that the current set of obligations is appropriate for consumers with disabilities in the context of the current scope of universal service? Please give reasons to support your point of view.**

The NDA would broadly support the preliminary view by ComReg that the range of current provisions for consumers with disabilities should be maintained during this interim period.

However, this interim period could also be used to review the current Eircom Code of Practice for the provision of services to consumers with disabilities with a view to informing a revised code for the Universal Service Provider after this interim period.

While NDA acknowledges that it is not the sole responsibility of ComReg for the Emergency Call Answering Service, it is critical that progress is made in relation to the accessibility of Emergency Call Answering Services particularly for people who are deaf or hard of hearing.

The NDA wishes to acknowledge the positive initiative undertaken by ComReg regarding the survey of consumers with disabilities with respect to telecommunications services and the importance of the findings of the survey, when completed, in informing proposed measures in relation to the accessibility of telecommunications services.

**Q. 10. Do you consider that the current measures (outlined above) provide appropriate protection for vulnerable consumers in terms of affordability? Please give reasons to support your point of view.**

The NDA is concerned to ensure that vulnerable consumers with disabilities are assisted in managing their telephone expenditure and a range of measures are in place to prevent disconnection. These measures include:

- Within the retail price cap regime - providing a safeguard on consumer's bills (line rental and calls). An overall basket price cap (access and domestic calls) of CPI – 0% has been imposed on Eircom since February 2007. The maximum average price increase of the services subject to the cap is the rate of inflation
- The Department of Social Protection's (DSP) Telephone Allowance. The DSP operates a number of schemes which are designed to protect vulnerable users (such as pensioners, widowers and defined disability groups) and ensures affordability for services. The Telephone Allowance provides consumers who qualify for the scheme with a payment towards their telephone bill (either landline or mobile phone)
- Eircom's "social benefit package", and
- Eircom's low usage scheme - Vulnerable Users Scheme ("VUS").

These current measures in terms of affordability are important, given that people with disabilities are twice as likely to be at risk of poverty than non-disabled people and

currently. There are over 200,000 people in receipt of disability-related payments whose typical incomes are €196 per week.

The adequacy of the current measures needs to be kept under review. The NDA would suggest that such a review could be aligned with reporting on actual disconnections and the profile of consumers who have been disconnected. This could then be brought for consideration to ComReg's Consumer Advisory Panel.

**Q. 11. Do you agree with the approach with respect to call itemisation? Please give reasons to support your point of view.**

The NDA notes that ComReg considers that the current level of itemised billing is sufficient to allow consumers to verify their charges and assist in the control of their expenditure and does not consider that this facility needs to be amended at this time.

The NDA would recommend that consumers with disabilities should be able to reasonably access their bill in a format of their choice. In some cases, particularly for consumers who are a risk of bad debt and/or disconnection this may mean being able to have an Eircom staff member to talk them through the bill, where this is an appropriate format for communication.

The NDA would also commend ComReg for the voluntary compliance quality assurance scheme they have established for billing which includes accessibility. Again, it may be useful in the review of this scheme to look at ways in which billing could be further enhanced.

**Q. 12. Do you consider that the call barring options are sufficient to enable consumers to control their expenditure? Please give reasons to support your point of view.**

**Q. 13. What is your view in relation to charges for availing of call barring options as a means of controlling expenditure? Please give reasons to support your point of view.**

In relation to Questions 12 -13 the range of options for call barring are reasonable for consumers who may need to use same to control billing. NDA would support the view that such options should be available free of charge or at minimal costs and consumers should not have recurring charges in relation to same once set up. This is particularly true for consumers who are on low incomes and who would include consumers with mental health difficulties and those with some degree of intellectual disability. In addition, being able to choose to bar certain telephony services such as premium rate services, would also reduce consumer harm risk to children with disabilities, who like other children (under 18 years of age) may not read or readily understand terms and conditions that are applying to such services; or may accumulate bad debt for others like parents/guardians as bill-payers.

**Q. 14. What is your view on the possibility of facilitating consumers to set a credit limit on their telephone account as an aid to control expenditure? Please give reasons to support your point of view.**

The NDA believes this is a reasonable choice option that should be available to all consumers to set a credit limit and would facilitate consumers on low incomes to manage their finances. It would be important that in establishing such a facility that consumers would not be excluded from availing of better call costs deals etc. If implemented, such a facility would need to be available through a range of accessible formats, such as via voice telephone information or in writing etc.

**Q. 15. Do you consider that Eircom's current Disconnection Policy is reasonable? Please give reasons to support your point of view.**

The NDA notes that ComReg, at this point in time, are not considering amending Eircom's current Disconnection Policy. The NDA would suggest that, again during this interim period, consideration be given to establishing a system that would identify potential vulnerable consumers who are dependent on the phone for essential communications with family and/or alerting help where some people have personal alarm systems that operate via fixed line phones. Such personal alarm systems are used not only by people with disabilities but increasingly by older people who continue to live independently in their own homes. As noted in ComReg's Quarterly consumer ICT survey(Q4 2009), fixed-line telephone ownership at home was higher among older age groups, with 92% of 65-74 year olds having a fixed-line at home. In identifying potential vulnerable users it would also be important to establish their preferred means of communications as this may be an important element in informing the formats used by Eircom in their endeavours to communicate with people regarding disconnections etc. If such a register could be established it would be useful in informing any review of current disconnection policies, as well as, informing such things as timeframes for completing repairs to faulty lines, connections etc for such consumers.

**Q. 16. Do you agree with the approach and conclusions in this regulatory impact assessment? Please give reasons to support your point of view.**

The NDA broadly supports the approach and conclusions in this regulatory impact assessment. The NDA believes ComReg have been proportionate in relation to the Universal Service Obligations, which essentially sets out the "minimum set of services, of specified quality to which all end-users have access, at an affordable price in the light of national conditions, without distorting competition" (Universal Service Directive).

The NDA would be supportive of the following impact assessment by ComReg that " It is considered that obligations imposed for Consumers with Disabilities should not add substantial cost to a USP in view that this USO component may be less than or broadly equal to voluntary measures provided by operators. In contrast, should such an obligation be withdrawn, and should operators simultaneously withdraw their voluntary measures, the impact on consumers with disabilities would be severe. "

## Provision of Telephony Services under Universal Service Obligations

The NDA would highlight the importance of Universal Design i.e. the design of environments, products, services and Information and Communication Technologies (ICT) so they can be readily used, accessed and understood, without the need for further modification, by people of any age, size, ability or disability. The more Universal Design principles can be promoted and applied within the telecommunications industry, both in terms of products and services, then one shifts the emphasis from "special obligations for consumers with disabilities" to the ability of everyone accessing services. As such, universal design principles are in line and widely accepted as the best expression of policies seeking to achieve equality of opportunity and participation, along with economic growth. Within this context, the key challenge going forward will be the Telecommunications Universal Service/Access policy that enables the development of an infrastructure and regulatory framework that provides each citizen with access to a point of communication, regardless of region or location, socio-economic status, disability or ability.

## **9 National Council for the Blind of Ireland (NCBI)**



**NCBI**

**Working for People  
with Sight Loss**

## **NCBI Submission on the Provision of Telephony Services under Universal Service Obligations**

### **About NCBI**

The NCBI (National Council for the Blind of Ireland) [www.ncbi.ie](http://www.ncbi.ie) is a not-for-profit charitable organisation that provides support and services to people of all ages who are blind and vision impaired throughout the country.

Our vision is for people who are blind and vision impaired to have the same opportunities, rights and choices as others to fully participate in society. Our mission is to enable people who are blind and vision impaired to overcome the barriers that impede their independence and participation in society.

### **Question 1: Designation Period**

To fit in with the timing of the transposition of the Amending Directive by May 2011 and introduce changes to the USO as early as possible, one and a half years should be a sufficient designation period, taking it up to the end of 2011. This will allow sufficient time for a period of consultation and decision making after the introduction of the new regulations.



## **Questions 9: Obligations for Customers with Disabilities**

NCBI believes changes and additions are required to the USO to properly serve the needs of people with vision impairments. These are described in response to other individual questions, below. Further issues not covered by questions within the consultation are addressed thereafter.

## **Questions 4: Free Directory Enquiry Service**

Although clear print layout and design of the printed directory is vital to many members of the public, there are some people who are blind or who have very significant sight loss that will not have enough vision to see to read it. For this group, the free directory enquiry service continues to be a lifeline towards obtaining a telephone number both independently and affordably. Calling a commercially operated directory enquiry services for a fee would not be effective for this group in terms of affordability.

NCBI has worked with eircom to ensure that the application form for the free directory enquiry service is accessible in terms of clear print layout and design. If the application form for this service is going to be revised by eircom or an alternative Universal Service Provider, NCBI would again be happy to advise on clear print layout as well as Braille and audio formats and accessible online.

NCBI believes that the directory service should be provided by the USP free of charge to all consumers, not just to its own customers. The provision of a free directory service by eircom currently extends only to its own customers. For customers of other telephone service providers, eircom provides access on a wholesale basis for a fee to the other service provider. The outcome for customers of those other service providers is therefore undetermined and is one of:

- No access because the service provider does not want to or is unable to pay eircom.
- No access because the service provider is not bothered to pass on the service.

- Access for a fee levied by the service provider on the customer with disabilities.
- Patchy access because of “technical difficulties” that may arise and take a long time to fix because they are considered low priority.
- Full and free access to the service provided by eircom.

The first four of these five possibilities are unacceptable and do not constitute a universal service. They effectively reduce choice for consumers with disabilities who rely on the free directory service because they are restricted to providers who can guarantee full and free access. Given the practical difficulties of switching between service providers and the need to take advantage of bundled services, this lack of choice leads to significant economic disadvantage.

NCBI calls on ComReg to specify the free directory service to include free connection to the requested number (call completion). Currently, the free directory service does not provide call completion. In the past, this was provided, but at a significant cost to the caller. Both situations are unacceptable.

A person who is unable to read the printed directory is often unable write down the number they are given. Remembering a telephone number is difficult or impossible for some people. So how are they to going to make the call? Free call completion should therefore be made an obligation under the USO.

## **Questions 5 & 6: The Printed Telephone Directory**

The printed telephone directory font size has progressively reduced in size each year since 2004 making it difficult for some members of the public to read it, even with their glasses on.

NCBI is concerned by the fact that:

1. The font size and page size of the printed telephone directory have been progressively reduced in size.

2. The spacing between the letters has reduced and
3. The gutter or column on the spine of the page has reduced so that the telephone book does not lie flat for magnification.

NCBI understands that these changes have been made in order to save paper for cost and environmental reasons. However, these considerations have to be balanced against readability and visual acuity standards. In addition, it is safe to argue that by making the printed directory as accessible as possible for people with low vision will automatically overcome the paper cost of producing it in large print or Braille.

### **Increase in sight loss with an ageing population**

With a rapidly ageing population, many more people are experiencing age-related mild to moderate vision impairments, so the 'standard' readability level should really be increasing rather than decreasing.

There are nearly 15,000 people who are blind or vision impaired known to NCBI and of this figure, just under 60% are over 65-years-of-age. It is forecast that the number of people with vision impairments in the Republic of Ireland (using World Health Organisation definitions) aged 55 years and over is likely to increase by 180% between 2006 and 2031 (Ref: Jackson, A.J. and O'Brien, C., Eyes on the Future Ireland 2008).

With all of this in mind, it is vital that visual acuity and other readability issues of the printed telephone directory be taken into account.

### **Clear Print**

Eighty-two per cent of people using NCBI services have low vision. Someone experiencing low vision may experience blurring, colours can become dulled and it may be difficult to see small details. The person may also have difficulty scanning text and may be able to see only a small part of an image or text at a time.

In order to increase the readability of printed information, NCBI is promoting the Royal National Institute of Blind People's (RNIB) best practice guidelines on clear print design "See it Right: making

information accessible for people with sight problems”  
[www.rnib.org.uk/seeitright](http://www.rnib.org.uk/seeitright). Clear Print is a design approach for written information, which makes the print easier to read for everyone including people with low vision.

Clear print guidelines recommend using a very minimum type size of 12 point or ideally 14 point. This means a very minimum x-height of 2mm or ideally 2.3mm.

Other clear print recommendations relevant to the printed telephone directory are:

- Use clear and simple fonts that are easily recognisable. Avoid decorative, ornamental or handwriting font styles.
- Avoid cramming or stretching letters.
- Use a font type that gives equal space between each letter (known as a mono-spaced font). Avoid altering the space between words or letters, or changing the proportion of the letters (horizontal scaling) to fit more text onto a line.
- Emphasise words using a bold type or a contrasting colour. Do not use underlining or italics.
- Avoid a light weight as it will not provide enough contrast with the background colour. Bolder weight are easier to see and read.
- The “leading” or space between one line and the next should be at least 1.5 to 2 times the space between words on a line. This is not the same as increasing the leading to 1.5 times the point size. This translates into something like 14 point set on 17 point leading, which is equivalent to a space of 2mm between each word and a space of 3.75mm between each line. Another example is 12 point set on 15 point leading.
- If using columns, leave plenty of space between the columns, known as the gutter. If the columns are too close together the reader may read across the page rather than down the column. If there is limited space, use a vertical line of at least 1 point thickness to separate columns.

NCBI Media Centre offers a clear print advisory service and quality mark to organisations that comply and would be happy to advise further Tel: 01 8642266.

### **What next?**

NCBI calls on Comreg to ensure that the print size and the layout of the printed telephone directory be based on visual acuity and other legibility standards. These standards should be calculated according to statistical data on the visual acuity of directory users as well as international best practice.

## **Question 8: Accessible Street Furniture - Public Payphones**

Public telephones that present a head height obstacle should not be used. Where a telephone booth consists only of a "hood" and does not extend all the way down to the ground, it should be either recessed into the building line or set in to a grass verge, if there is one. If not, then it should be positioned off the line of pedestrian travel, and there should be an easily discernible change of colour and texture in paving beneath the booth, extending at least 800mm from the outer edges of the hood, on all approaches. The hood itself should also be made as visible as possible, by the use of highly visible colour, especially on the outer edges, which should be rounded.

For pedestal type phones, the entry point to the phone should be perpendicular to the pedestrian traffic flow. It should not have sharp edges. NCBI would be happy to advise further in this regard.

The telephones should also comply with the Irish National IT Accessibility Guidelines on Telecoms ([www.universaldesign.ie/it-accessibility-guidelines/telecoms](http://www.universaldesign.ie/it-accessibility-guidelines/telecoms)).

## **Question 15: Disconnection Policies**

The telephone is a lifeline for many people with impaired vision, especially those who cannot get out by themselves. NCBI believes that eircom's disconnection policy will commit to making all

reasonable efforts to ensure that priority customers (people with disabilities and older people) are not disconnected for non-payment of their accounts.

## **Billing**

The Universal Service Provider is currently obliged to provide a Braille billing service if a person has difficulty reading their phone bill. This obligation should be extended to include talking bills where the Universal Service Provider calls the customer with sight loss to give them an opportunity to discuss their bill. The Universal Service Provider should also be obliged to provide bills by email and the customer should be able to view an accessible online version on the operator's website.

## **Identification of Customer Needs**

It is good practice to maintain a registers listing of customers who have particular or priority needs. Customers who are blind or vision impaired constitute a priority group. When customers switch to a new supplier, the new supplier should have an automated system for checking customers' communication needs and make a note of this on their data systems at the very beginning. This could be included within the USO.

## **Communicating with People with Sight Loss**

eircom's "Code of Practice for the Provision of Services to Users with Disabilities" commits to ensuring that information about its products and services will be communicated to all including people with disabilities through a combination of the print media, the broadcast media, postings on the eircom website and inserts in telephone bills sent to eircom customers. As pointed out above, it is essential that all inserts and not only the person's bill are available in alternative formats so that people with sight loss are not missing out. NCBI encourages telecommunications operators to record a customers' need for an alternative format and to use that format for all communications.

It is also essential that an operator's website is accessible to screen reading and magnification software used by many people with sight loss.

Advertising information using newspaper adverts and posters are not accessible to most people who are blind or vision impaired.

Appropriate channels include:

- All future publications, documents and leaflets, should state the following on front or back page: "This publication is available in Braille, audio, large print or email upon request. To request a copy please contact locall xxx or email xxx".
- NCBI can also help to promote the availability of these formats by informing our service users through our website, internal and external newsletter and our community based staff, for example.
- Information can also be communicated to people with sight loss via radio and television.

## **Disability Awareness Training for Staff**

NCBI is delighted to read in "eircom's Code of Practice for the Provision of Services to Users with Disabilities" that it has designed a brochure to assist employees who are working with customers with a disability. NCBI would be happy to work with eircom or another USP when this brochure is being revised in order to ensure that the needs of people with sight loss are fully considered.

eircom also recognises in its Code of Practice that although training has been undertaken in major customer interfacing areas, a more comprehensive training programme, designed and delivered with the assistance of the relevant representative disability organisations will need to be put in place and be disseminated to all employees throughout the business areas.

Disability awareness and equality training is of vital importance towards the provision of good customer service and facilitation of access to services by people with disabilities. Disability awareness training for both frontline and managerial staff will encourage a greater understanding of the issues around sight loss and promote quality customer services that are accessible to all. The aim of disability awareness training is to remove some of the

communication, attitudinal and physical barriers that prevent people with sight loss from fully participating in society. NCBI offers disability awareness training in partnership with other disability organizations, which covers physical and sensory disability as well as mental health issues. We would be happy to advise further in this regard.

When operators are choosing disability awareness training programmes for their staff, NCBI is of the opinion that a categorisation of disability awareness training is required.

For example:

Category 1: Training might only involve showing a video about the needs of people with disability during staff induction training.

Category 2: Training might be a 3-hour session showing perhaps some general advice about how best to facilitate people with disabilities as well as some practical training for example, basic skills on how to guide a blind person safely.

Category 3: Training could be a full 2-day interactive training course provided by professionals who have many years of experience in the field of accessibility and/or disability awareness training, as well as by presenters who themselves have a disability.

There could also be specialised training courses specifically for managers of services, rather than for frontline staff; and courses for people who design or maintain websites and/or information leaflets to explain to them how to provide such services in accessible formats.

To say that all staff within a public body have received disability awareness training, seems to imply that they all received the same type, quality and amount of training. It is not necessary or advisable for all training to take the same form, or the same length of time, or to be delivered by the same people.

NCBI would be happy to advise further in this regard.

## **Further consultation**



NCBI hopes that Comreg will consider our recommendations in light of these arguments on the basis that maximising accessibility as well as increased customer satisfaction. We would be happy to discuss the issues above in more detail and be involved further in the consultation process.

For more information, please contact [REDACTED] or [REDACTED] for more information.

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**May 2010**

**10 02**



O<sub>2</sub>

## Universal Service Obligations

Response to Consultation Document 10/35

May 2010

O2 welcomes the opportunity to respond to ComReg's latest consultation on "The Provision of Telephony Services under Universal Service Obligations. While we understand the need to consult at this time on the issue given the end of the current designation period in June 2010 we believe the timing is unfortunate. As ComReg mentions in the consultation document there are a number of significant related bodies of work which are soon to be completed including;

- EC consultation on future Universal Service in digital era
- ComReg's own survey of consumers with disabilities and the transposition of the Amending Directive in 2011 which also has implications for services in this area

as such, we believe ComReg's overall approach of effectively rolling over the existing designation as it stands to allow for completion of the above is sensible in the circumstances.

Q.1 What is your view on the factors outlined above in the context of defining an appropriate designation period? Are there any other factors which should be taken into account? Please give reasons to support your view.

O2 believes the factors considered are the most relevant and are sufficient to determine an appropriate designation period.

Q.2 What is your view in relation to the current Reasonable Access Threshold? Please give reasons to support your point of view.

O2 believes that the level of the threshold is appropriate and see no reason why it should be amended in the current economic climate.

Q.3 What is your view in relation to the preliminary view that Eircom should be designated as the USP with respect to access at a fixed location? Please give reasons to support your point of view.

As the current scope of Universal service deals with the provision of fixed voice-based services, O2 believes that it is still appropriate that Eircom be designated as the USP given that Eircom is still by far the dominant fixed line provider in the Irish market i.e. 68% by revenue Q4 2009.

Q.4 Do you agree that the present provision of directory enquiry services on a commercial basis continues to meet the needs of consumers? Please give reasons to support your point of view.

O2 agrees that the present provision of directory enquiry services on a commercial basis continues to meet the needs of consumers.

Q.5 What is your view regarding the continued requirement to provide a printed directory to all consumers? Please give reasons to support your point of view.

O2 would question the need to continue the requirement to provide a printed directory to all consumers. We believe that the requirement should be reviewed and more cost efficient and environmentally sound alternatives considered. It may be possible to change the requirement to “available to all consumers on request” while enhancing the on line service. ComReg points out the high usage of the printed directory in business sectors however O2 believes this usage can be better serviced on line. As regards the printed directory being used to provide contact information for government services we believe that this use is insufficient to warrant the continued obligation as it stands.

Q.6 What is your view with respect to the legibility of the listings in the printed telephone directory? Please give reasons to support your point of view.

As stated above O2 believes that the requirement to provide a printed directory should be removed and that the on line service should be enhanced. The on line service is the service for the future and is better equipped to deal with issues of legibility. We believe it would be wasteful to devote further resource to the archaic printed service.

Q.7 What is your view in relation to the preliminary view that Eircom should be designated as the USP with respect to the provision of a subscriber directory, including the NDD? Please give reasons to support your point of view.

In as much as the obligations with respect to the provision of a subscriber directory, including the NDD are maintained O2 believes that Eircom should be designated the USP.

Q.8 What is your view in relation to the preliminary view that Eircom should be designated as the USP with respect to the provision of public payphones throughout the state? Please give reasons to support your point of view.

In as much as the obligations with respect to the provision of public payphones throughout the state is maintained, O2 believes that Eircom should be designated the USP. Given that there has been a very significant fall in the number of payphones over the years i.e. 10,000 payphones in the state at the time of the last review in 2006, O2 would question the need for the continued obligation and believes a more thorough analysis of usage is required by ComReg in order to fully evaluate.

Q.9 Do you agree that the current set of obligations is appropriate for consumers with disabilities in the context of the current scope of universal service? Please give reasons to support your point of view.

O2 believes that the current set of obligations are sufficient pending the transposition of the Amending Directive and the outcome of ComReg's survey in this area.

Q.10 Do you consider that the current measures (outlined above) provide appropriate protection for vulnerable consumers in terms of affordability? Please give reasons to support your point of view.

O2 believes that the current measures are sufficient and provide appropriate protection in this area.

Q.11 Do you agree with the approach with respect to call itemisation? Please give reasons to support your point of view.

O2 agrees with the approach with respect to call itemisation.

Q.12 Do you consider that the call barring options are sufficient to enable consumers to control their expenditure? Please give reasons to support your point of view.

O2 agrees that the call barring options are sufficient.

Q.13 What is your view in relation to charges for availing of call barring options as a means of controlling expenditure? Please give reasons to support your point of view.

O2 believes that in principle operators should be able to charge for facilitating call barring services and as such believes that the current scope of free of charge call barring i.e. Premium Rate services is sufficient.

Q.14 What is your view on the possibility of facilitating consumers to set a credit limit on their telephone account as an aid to control expenditure? Please give reasons to support your point of view.

While O2 recognises the potential benefit to some consumers of such functionality we would question the imposition of this obligation on the USP. O2 believes that more detailed analysis is required by ComReg on the costs of implementing such a service and the likely take up by consumers in fixed telephony.

Q.15 Do you consider that Eircom's current Disconnection Policy is reasonable? Please give reasons to support your point of view.

O2 believes that Eircom's disconnection policy is reasonable.

Q.16 Do you agree with the approach and conclusions in this regulatory impact assessment? Please give reasons to support your point of view.

O2 broadly agrees with the conclusions in this assessment.

## **11 Senator Cecilia Keaveney**



## Consultation Response to: 10/35 - Consultation - The Provision of Telephony Services under Universal Service Obligations

Senator Cecilia Keaveney has completed the **Consultation Response to: 10/35 - Consultation - The Provision of Telephony Services under Universal Service Obligations** form on comreg.ie

Consultation Response to: 10/35 - Consultation - The Provision of Telephony Services under Universal Service Obligations	
<b>Full Name</b>	Senator Cecilia Keaveney
<b>Email</b>	<a href="mailto:cecilia.keaveney@oireachtas.ie">cecilia.keaveney@oireachtas.ie</a>
<b>Your Comments</b>	<p>I am inundated with older individuals and groups which represent older people about the phone book. It is being deemed to be getting harder to read and to get the number you are looking for. I was presented with examples of the phone book from a random 3 years and it is scary, when the 3 are put together, to realise how much smaller the print is becoming and how more condensed the lines are. Simple facts are that numbers are disappearing into the fold of the book and are just unreadable. If you have not already undertaken the exercise - do take out the phone book over the past ten years. I traced a particular name, address and number in the 2003, 2008 and 2009 editions. I photocopied the pages. In the 2009 version, no matter how I copied the page I could not get the number in a readable form. Older people ARE the ones who rely on the OLDER ways of doing things. I would ask that a readable size of print is returned to with proper borders used so as numbers do not disappear into the folds. If it is a cost issue, I would suggest printing half as many copies of a directory that CAN be read. Instead of sending every flat and house a directory (I note apartment complexes full of bundles of directories still bound in plastic), there should be a location in each town/village to collect their copy - be it the post office, local newsagents or another designated location. Those of us with good eyesight can note the descent of this font into ridiculous levels. I raise my concerns on my own behalf and on behalf of thousands of people with less clear vision but a wish to use their telephones for communication - particularly when other forms of technology might neither be available or useable. Thank you</p>
<b>txtSPJgb21bCzx</b>	

## **12 Truvo Ireland Ltd**

21<sup>st</sup> May 2010

Ms. Michelle Townshend  
Commission of Communications Regulation ("ComReg")  
Irish Life Centre  
Abbey Street  
Freepost  
Dublin 1

**Re: Submission re The Provision of Telephony Services under Universal Service Obligations – ComReg 10/35**

Dear Sirs,

We refer to ComReg's Consultation on Universal Service Obligations (the "consultation document").

As you are no doubt aware Truvo is engaged by eircom to discharge certain elements of eircom's USO relating in particular to delivery of telephone directory services in printed and electronic form. Truvo's observations on the relevant sections of the Consultation document, and in particular on section 8 of the consultation document are below.

**Q 4: Do you agree that the present provision of directory enquiry services on a commercial basis continues to meet the needs of consumers? Please give reasons to support your point of view.**

Truvo is not involved in the provision of directory enquiry services and has no view on this issue.

**Q 5: What is your view regarding the continued requirement to provide a printed directory to all consumers? Please give reasons to support your point of view.**

Truvo is aware that as a response to important political and environmental sustainability arguments (and in order to be seen to adopt an eco-friendly approach), certain Regulators within Europe (for example Belgium and Norway) are already moving towards alternative directory distribution systems for residential directories and we consider that electronic distribution is the ultimate result of this trend. In light of the importance of environmental factors to Irish policy makers, Truvo considers that the Irish directory service should lead the way by switching to electronic-only residential directory service immediately.

The wording in both the relevant EU Directive and the Irish Regulations (SI 308/2003) clearly states that the USO shall relate to the provision of a "directory of subscribers, whether printed or electronic or both" which is acknowledged at the beginning of Section 8 of the consultation document.

The ComReg consultation document does not expressly acknowledge that there is currently no legislative obligation to provide a printed directory. In light of the almost universal availability of the internet and the importance of efficiency and environmental sustainability, Truvo considers that ComReg should adopt what is increasingly becoming international best practice and provide that the appropriate mechanism for delivery of directory services is electronic-only. Truvo's position is that the provision of a printed residential directory is now obsolete and ComReg should accept that distribution in electronic form will be adequate starting from the conclusion of the consultation process.

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Truvo considers, that the existence of an option to pursue alternatives at statutory level is extremely important, as this allows the utilisation of the online alternatives to the delivery of a book immediately. Such an alternatives is both compatible with the law and more attractive in terms of sustainability and efficiency.

The distribution of residential printed directories throughout Ireland has become logistically difficult and costly. However, as referred to above, given the political and sustainability arguments in favour of an alternative mechanism, Truvo has been exploring the emergence of technical solutions. In our view, the ubiquitous nature of internet access renders electronic solutions available to the vast majority of residential directory end-users. Further, we consider that the requirement to provide directory services to the remaining population is adequately covered by the access of such persons to Directory Enquiries, whether on a cost free basis or otherwise.

Truvo would stress that an alternative distribution model faces serious commercial challenges, nonetheless Truvo, and would be happy to meet with ComReg to discuss the logistics of any alternative service provision.

**Q 6: What is your view with respect to the legibility of the listings in the printed telephone directory? Please give reasons to support your point of view.**

We note the query over legibility in the consultation document. Truvo takes great care in the preparation and publication of the directories in order to ensure optimum legibility and usability for the public. The most recent changes to the directories were made in 2009 and related to amending the interline spacing used in the books. Truvo has not changed the text size used in the directories. The interline spacing changes were made in an effort to reduce the amount of paper used in the production of the directories and to achieve related cost and environmental benefits. All such changes are consistent with international best practice. In our view the requirement to provide directory services is adequately covered by the access of persons with visual impairment to free Directory Enquiries.

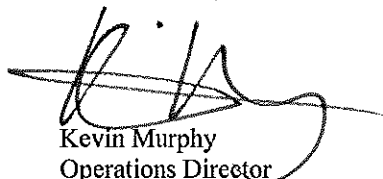
**Q 7: What is your view in relation to the preliminary view that Eircom should be designated as the USP with respect to the provision of a subscriber directory, including the NDD? Please give reasons to support your view.**

We would agree with ComReg's preliminary view that eircom should be designated as USP. Truvo further considers that that the administration of any alternative services should be streamlined as far as possible with the current "NDD service" and/or electronic services already provided.

We trust that the above views are of some assistance in the context of the consultation process. We would like to emphasise that we would be happy to enter discussions with ComReg in relation to the provision of directory services as we consider that as a business we are best-placed to advise on the logistics of delivering both electronic and printed directory services.

We look forward to discussing this matter with you further.

Yours sincerely,



Kevin Murphy  
Operations Director  
Truvo Ireland

## **13 Vodafone**



**Vodafone Response to the Consultation on The Provision of Telephony Services under Universal Service Obligations**

## Introduction

Vodafone welcomes the opportunity to respond to this consultation on the provision of telephony services under Universal Service obligations. Our views on the issues raised in the consultation document are set out fully in response to the consultation questions below.

## Response to Consultation Questions

**Q1. What is your view on the factor outline above in the context of defining an appropriate designation period? Are there any other factors which should be taken into account? Please give reasons to support your point of view.**

The current scope of universal service was set in the context of a primarily fixed voice communications environment and the transition from a fixed incumbent monopoly to competition in the electronic communications sector. Universal service obligations served a necessary social role in ensuring access to telecommunications services to certain user segments, such as vulnerable users and those living in remote locations, that the market might not otherwise have served.

In the period since the existing scope of universal service was established in 2003, and in the period since eircom was last designated as the USP in July 2006, there have been major changes in technological and competitive conditions in the electronic communications sector. In Vodafone's view these changes, such as the effect of competition in substantially extending the reach and diversity of affordable communications services provided to consumers, are leading to a continuing decline in the number of users in Ireland that might be regarded as being supported by the specific universal service measures currently in place. At least in the medium term, these developments would therefore appear to support a new approach that would replace universal service obligations on an individual firm or firms with collective objectives for industry around universal access to voice and basic broadband services. There may however still need to be a requirement for intervention and regulation in some areas to ensure important social objectives such as access to communications services for users with disabilities are met, where it is not clear that this would be achieved by the market.

In the context of the specific definition of universal service in place under current legislation within which ComReg is conducting the present consultation, the upcoming transposition of the amendments to the Universal Service Directive in mid-2011, and the ongoing EU Commission consultation on the scope of the universal service, Vodafone agrees on balance with ComReg's preliminary view that a USP designation for a limited interim period would be appropriate. A limited designation period is warranted until there is certainty around the timing and impact of any changes arising from the transposition and current EU review of the USO scope.

Vodafone considers that a 2 ½ year or 3 year designation period – but with a provision to end the designation period earlier if necessary in the event that ComReg were to conclude another review of universal service on foot of the completion of the transposition and EU Commission consultation on USO scope – would be optimal. This somewhat longer USP designation period would make provision against the possibility of unexpected delays in the transposition and/or EU Commission

universal service consultation processes, and the likely length of any consultation period and appeals that would follow upon the initiation of a subsequent ComReg review, while also retaining flexibility for a shorter designation period in the event that delays or appeals did not occur.

**Q2. What is your view in relation to the current Reasonable Access Threshold? Please give reasons to support your point of view.**

Vodafone agrees that the current Reasonable Access Threshold is appropriate.

**Q3. What is your view in relation to the preliminary view that Eircom should be designated as the USP with respect to access at a fixed location? Please give reasons to support your point of view.**

Vodafone agrees with ComReg's preliminary view that eircom should be designated as the USP for the limited designation period proposed. As the owner and operator of the national PSTN, eircom fully meets the requirements of network reach, experience, and ability to satisfy reasonable requests for connection at a fixed location that warranted its designation as USP from 2006 to the present.

**Q4. Do you agree that the present provision of directory enquiry services on a commercial basis continues to meet the needs of consumers? Please give reasons to support your point of view.**

Yes. Directory enquiry services are currently offered on a competitive commercial basis. As these services are already effectively provided by the market, there is no basis for placing a legal obligation on an undertaking, or undertakings, to provide this service.

**Q5. What is your view regarding the continued requirement to provide a printed directory to all consumers? Please give reasons to support your point of view.**

Availability of the telephone directory on-line may serve to reduce over time the rationale for providing a printed directory to all consumers. However where there is sufficient evidence that there is a requirement for printed directories by businesses and consumers that would not be effectively addressed by the market then it may be appropriate to retain this obligation on the USP.

**Q6. What is your view with respect to the legibility of the listings in the printed telephone directory? Please give reasons to support your point of view.**



**Q7. What is your view in relation to the preliminary view that Eircom should be designated as the USP with respect to the provision of a subscriber directory, including the NDD? Please give reasons to support your point of view.**

Vodafone considers that a subscriber directory, including the NDD, must continue to be maintained as it is necessary for the provision of effective and competitive directory services. As ComReg has stated, Eircom has built up a high level of expertise in managing the NDD. Even if submissions were received from interested parties to provide the services in place of Eircom, it would likely take a considerable amount of time for any undertaking other than the current USP to set itself up to be in a position to effectively fulfil the obligations. If the application of an operator other than Eircom to provide this service were accepted, Eircom would therefore almost certainly be required to continue to maintain the NDD for a significant proportion of the current proposed designation period until the other undertaking was in a position to take over provision of the services.

For the above reason, and due to the capability that Eircom as the current USP already has in this area, Vodafone considers that Eircom should continue to provide the universal service in respect of the provision of a subscriber directory and the management of the NDD.

**Q8. What is your view in relation to the preliminary view that Eircom should be designated as the USP with respect to the provision of public payphones throughout the state? Please give reasons to support your point of view.**

In the context of the essentially ubiquitous availability of mobile communications services, Vodafone does not believe that it is likely that there is any longer any necessary requirement for the imposition of a universal service obligation with respect to the provision of public payphones throughout the state.

Vodafone notes that a detailed cost-benefit analysis has not been included by ComReg as part of its Regulatory Impact Assessment to establish whether the costs of providing the remaining public payphones covered under the USO are proportionate relative to any economic or social benefit to consumers that may arise. If it is the case that the costs of public payphone provision are entirely disproportionate relative to the benefits to consumers then it must be seriously considered whether the resources devoted to public payphone provision would not be more efficiently deployed elsewhere to meet customer and wider societal needs.

Vodafone notes ComReg's view, as set out in the Regulatory Impact Assessment in Appendix A, that a network of payphones may confer advantage through advertising, brand awareness and product availability. To the extent that these benefits outweigh or offset the direct costs of public payphone provision, they will provide an incentive for the continued provision of the service even in the absence of a universal service obligation to do so.

Vodafone considers that a more detailed assessment of the relevant benefits and costs of public payphone provision is required before a final decision on the designation of a USP with respect to the provision of public payphones is made. However, on the basis of the available information, it is Vodafone's view that there is no clear justification for a universal service obligation on a designated

operator with respect to public payphone provision and that this obligation should accordingly be withdrawn.

**Q9. Do you agree that the current set of obligations is appropriate for consumers with disabilities in the context of the current scope of universal service? Please give reasons to support your point of view.**

Subject to the outcome of the proposed future ComReg consultation with interested parties in relation to proposed measures around the accessibility of telecoms services, Vodafone agrees that the current set of obligations is appropriate for consumers with disabilities in the context of the current scope of universal service.

**Q10. Do you consider that the current measures (outlined above) provide appropriate protection for vulnerable consumers in terms of affordability? Please give reasons to support your point of view.**

There are strong incentives for the market to provide competitively priced mobile communications services to consumers, and to maintain and increase the affordability of these services. This has been reflected in the significant downward trend in the prices of communications period since the beginning of the current USO designation period in 2006. This trend is likely to continue in the future and is progressively reducing the requirement for current affordability measures required under the universal service obligation.

Existing measures should be kept under continuous review in terms of determining their necessity and effectiveness in ensuring affordability for vulnerable user groups to the extent that this is not already being achieved by competition in the market. However Vodafone considers that existing measures to protect consumers in terms of affordability are appropriate.

**Q11. Do you agree with the approach with respect to call itemisation? Please give reasons to support your point of view.**

Vodafone agrees that a minimum level of itemised billing should be provided free of charge to consumers. However it is not clear to Vodafone, given commercial incentives to provide transparency to customers, that the necessary standard of call itemisation would not be provided even in the absence of a requirement as a USP to do so. If commercial incentives are sufficient to ensure that necessary call itemisation is provided then there is no objective justification to require that this be provided by a designated USP or USPs.

**Q12. Do you consider that the call barring options are sufficient to enable consumers to control their expenditure? Please give reasons to support your point of view.**

Vodafone considers the call barring options are reasonable as a facility to enable consumers to control their expenditure.

**Q13. What is your view in relation to charges for availing of call barring options as a means of controlling expenditure? Please give reasons to support your point of view.**

**Q14. What is your view on the possibility of facilitating consumers to set a credit limit on their telephone account as an aid to control expenditure? Please give reasons to support your point of view.**

**Q15. Do you consider that Eircom's current Disconnection Policy is reasonable? Please give reasons to support your point of view.**

Yes. Vodafone considers that Eircom's current Disconnection Policy is reasonable.

**Q16. Do you agree with the approach and conclusions in this regulatory impact assessment? Please give reasons to support your point of view.**

While in agreement with the majority of the conclusions, Vodafone believes that the impact assessment of what is reasonable as an implementation of the Universal Service should take the form of a cost-benefit analysis using quantitative and other objective evidence to a greater extent than currently so as to adequately demonstrate that all aspects of the proposed approach are objectively justified and proportionate. On the basis of the information currently provided in the RIA and elsewhere in the consultation document, Vodafone believes in particular that there is insufficient justification for the proposal to continue to implement a universal service obligation with respect to the provision of public payphones.

In relation to the question of financing of universal service, it has not been demonstrated that there is a net cost to a USP (or USPs) from meeting the universal service obligations proposed. Vodafone considers that only a comprehensive quantitative analysis could determine whether such a net cost of universal service provision arises. Even if a net cost of universal service provision to the USP were established as a result of such an analysis, Vodafone considers that this would most efficiently be financed through general taxation rather than on the electronic communications sector itself, particularly as the benefits of universal service accrue to the wider society.

A levy or other mechanism applied to operators in the communications sector to fund any net cost of universal service provision by the USP or USPs would risk distorting competition in the market by advantaging some platforms for the delivery of communications services, such as the fixed PSTN network, at the expense of others such as mobile and cable. Experience in other countries also indicates that industry financed mechanisms for compensating USPs for claimed net costs of universal service provision have failed to provide a fair, transparent and non-discriminatory way to fund such costs.