

Decision Notice

Decision Notice on Universal Service –

Future approach towards Provision of Access

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1 Provision of Access

1.1 USO Requirement for providing access

In July 2003, ComReg directed *eircom* to satisfy any reasonable request to provide, at a fixed location, connections to the public telephone network and access to publicly available telephone services. This arose from the designation of *eircom* as the Universal Service Provider (USP) under Regulation 7 of the European Communities (Electronic Communications Networks and Services) (Universal Service and Users' Rights) Regulations, S.I. No 308 of 2003.

In order to adequately define what is meant by a 'reasonable' request, ComReg also required *eircom*, to submit, for ComReg's approval, the criteria that would be used to assess the reasonableness of requests for connection at a fixed location.

It was considered that the availability of such transparent assessment criteria will be of benefit to users seeking access to the network as it will clearly set out the instances where they can obtain a telephone line at a standard installation cost, and the small number of instances where the user, whose request for access exceeds a pre-defined cost threshold, may, in the future be required to contribute to the cost of installing the line.

1.2 Status of Requirements

Discussions have been ongoing between *eircom* and ComReg on an appropriate cost threshold. In recent months *eircom* has initiated a costing study which it considers will allow it to develop a more informed proposal for the cost threshold. The indicative date for completion of this study is June 2004.

However, ComReg is concerned about delays in the process and considers that transparency in relation to access provision is required in the short term. In order to move the process forward, ComReg has required *eircom* to publish a policy statement outlining its current approach towards provision of access. ComReg understands that this will be published by *eircom* on its website tomorrow, (28th April 2004). In requiring publication, ComReg has not approved *eircom's* existing policy for the purposes of the USO regulations.

1.3 Access Provision – *eircom's* current policy

eircom's policy is to provide telephone service to anyone in the country who requests it, for the standard connection fee ($\in 129.99$ VAT inclusive). For certain orders, where network extension is required, and where *eircom* consider that order incurs exceptional costs, service provisioning may be delayed until network build can accommodate the request.

On receipt of a request for access *eircom* currently categorise their orders in the following manner

• no survey required - standard connection

- survey required standard connection
- survey required non standard connection

The trigger for a survey is where *eircom* identify that a full copper pair is not available to meet the user's order. The purpose of the survey is to assess whether a network extension is required or whether service can be provided over the existing network.

On completion of a survey, where it is found that a network extension is required, the order is categorised as non-standard. This order is placed on the order handling system and is reviewed periodically by a network design manager to assess when network build can accommodate this order.

eircom advise that there is no policy to charge customers any money for the telephone installation, other than the standard once off connection fee.

1.4 ComReg's views on future policy

ComReg is of the view that the future policy for access provision must be made more transparent for users. The policy should provide clear commitments to users as to how their order will be progressed. Below are examples of principles that ComReg considers should be incorporated in future policy on access provision.

On receipt of an order *eircom* should be able to quickly assess whether or not a survey is required. If no survey is required the user should be provided with a commitment as to when their service will be installed.

If a survey is required *eircom* should be able to provide the user with a commitment date as to when the survey will be complete. In communicating the results of the survey back to the consumer it should provide a clear commitment to the user as to when service will be installed.

After the initial survey where the request for connection has been categorised as nonstandard, *eircom* may carry out a more detailed assessment of the cost of provision. In such cases *eircom* should provide a clear commitment as to when the costing exercise will be completed. If, having completed the cost exercise, the user's request exceeds a pre-defined cost threshold the user should be provided with a detailed breakdown of costs of installation. In addition, the user should also be afforded the opportunity to contribute to the cost of installation. In such cases installation should be provided within a reasonable timeframe that is agreed with the user.

If the user wishes to wait until network expansion occurs in their area he or she should be provided with a record number of their order and some expectation as to when service will be provided in the future.

For both standard and non-standard orders it should also be clear to the user how access is being provided. For example if *eircom* decide that it can only provide access using carrier system equipment then the user should be made aware of this

fact as this will impact on the Internet speed that they experience. Any other affected customers should also be informed. ComReg recognise that in the absence of viable alternatives, the use of carrier systems may be necessary to ensure users have access to basic voice services, however, there is a need to reduce the number of carrier access systems in use and/or allocate the resource to those users who have no requirement for Internet access.

1.5 Next Steps

In view of the delay in proposing clear criteria for assessing the reasonableness of requests, ComReg is re-issuing its Direction (originally issued in July 2003¹) for *eircom* to submit such proposals no later than 30th June 2004.

ComReg would expect such proposals to address the issues outlined in Section 1.4 above. Following receipt of such proposals, ComReg will assess these and, subject to any modifications which ComReg may require, approve the proposals for implementation and publication by *eircom*.

¹ ComReg doc 03/87 – The future framework for Regulation of Universal Service in the Irish Telecommunications Market.

2 Direction

This Direction is issued pursuant to the powers of the Commission under Regulation 31 of the European Communities (Electronic Communications Networks and Services) (Universal Service and Users' Rights) Regulations, S.I. No 308 of 2003.

Direction

For the purpose of compliance with Regulation 3 of the European Communities (Electronic Communications Networks and Services) (Universal Service and Users' Rights) Regulations, S.I. No 308 of 2003; *eircom*, as the designated Universal Service Provider (USP) shall

On or before 30th June 2004, submit its formal proposal to ComReg on its proposed policy for assessing reasonable access for connection at a fixed location to the public telephone network and for access to publicly available telephone services. This proposal shall be fully detailed and cover all the relevant issues and approaches salient to arriving at a decision on reasonable access. This proposal should also include all the terms and conditions under which connections will be provided.

Following review and decisions by ComReg on the final approach to be implemented, *eircom* will be required to publish this information at a time and date specified by ComReg.