



Commission for
Communications Regulation

Broadcasting

Proposed amendments to tariffs by 2RN and RTE

Information Notice

Reference: ComReg 14/15

Date: 14/02/2014

An Coimisiún um Rialáil Cumarsáide
Commission for Communications Regulation

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1. On 26 July 2013, ComReg found RTÉ Transmission Networks Limited¹ and RTÉ to have Significant Market Power² respectively in the markets for:
 - wholesale access to national terrestrial broadcast transmission services³;
 - wholesale access to DTT Multiplexing Services⁴.
2. One of the obligations imposed on 2RN/RTÉ is the price control obligation of cost orientation and this applies since 26 July 2013.
3. In December 2013 ComReg received pricing submissions from 2RN and RTÉ. ComReg has reviewed these submissions. However, as noted in ComReg Decision D11/13, ComReg intends to conduct a review of the Weighted Average Cost of Capital ("WACC")⁵ of 2RN and RTÉ. It is envisaged that a public consultation on the WACC will take place in Q2 2014 with a final decision anticipated to be published in Q4 2014.
4. Based upon information available, ComReg does not see any reason to intervene at this stage, subject to the completion of its review of the WACC. The proposed changes to tariffs will be implemented by 2RN and RTÉ from 1 April 2014 but are to be considered interim until the WACC review is completed. Once the WACC review is completed and should ComReg consider that tariffs require adjustment on foot of this review or of any new information that come to light in the meantime, 2RN/RTÉ will be required to adjust its tariffs effective 1 April 2014. ComReg regards 2RN/RTE's published tariffs as being interim until then.

¹ Trading as 2RN

² ComReg Decision No. D11/13 dated 26 July 2013 and titled Response to Consultation and Decision Notice – Broadcasting Transmission Services in Ireland

³ Known as Market A

⁴ Known as Market B

⁵ The WACC is an important determinant of the amount of return 2RN/RTE are allowed make on their regulated businesses