



Commission for
Communications Regulation

Information Notice

Provision of Universal Service by Eircom

Performance Indicators Q3 2007

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Foreword

The Commission for Communications Regulation (ComReg) is responsible for the regulation of the electronic communications sector in accordance with national and EU legislation. Among ComReg's functions in this regard is to determine the scope of the Universal Service Obligation ("USO") for the Irish market and decide which undertaking(s) should be designated as the Universal Service Provider(s) ("USP"). In July 2003, Eircom was designated as the Universal Service Provider (USP) for a period of three years. Following a public consultation, in July 2006, Eircom was again designated as the USP for a period to end June 2010.

Regulation 10 of the Universal Service Regulations requires the USP to publish information on its performance in relation to the provision of the Universal Service Obligation (USO). In exercise of ComReg's general powers to publish information under regulation 17 of the Framework Regulations, ComReg has decided to simultaneously publish the performance indicators along with Eircom and the data will continue to be updated on a quarterly basis. ComReg considers that publication provides increased transparency regarding the fulfilment of the USO and will help to inform debate regarding related matters.

Looking at Eircom's reported performances for Q3 2007 there are no encouraging signs of improvement over Q2 2007. The rate of fault occurrence in the Residential segment has increased over performance reported for the second quarter of this year.

A Consultation on USO Performance Targets (ComReg 07/55) was published last year proposing new binding quality of service performance targets for the delivery of installations, the rate of fault occurrence and fault repair timescales. A Response to Consultation and Decision will be published in the first quarter of 2008.

John Doherty
Chairperson

1 About the Universal Service Obligation

The Universal Service Obligation (USO) is a set of requirements designed to ensure that all persons have access to a minimum set of telephone services.

The services to be provided under the Universal Service Obligation as set out in the USO Regulations¹ are set out in Regulation as the provision of:

- Meeting reasonable requests for connections at a fixed location to the public telephone network and access to publicly available telephone service. The connection is required to be capable of allowing voice calls, fax communications and data communications at data rates which would permit functional internet access
- Directory services – provision of Printed Directories and Directory Inquiry service along with the operation and maintenance of the National Directory Database
- Provision of Public payphones
- Specific measures for disabled users
- Affordability of tariffs for consumers and options to control expenditure

Eircom was designated as the Universal Service Provider (USP) in July 2003 for a 3 year period. Following a public consultation, in July 2006, Eircom was again designated as USP for a period to end June 2010².

Detailed requirements have been set in respect of some aspects of the above. Document 05/64³ amended an earlier decision requiring the production of telephone directories in CD format.

¹ European Communities (Electronic Communications Networks and Services) Universal Service and Users' Rights) regulations 2003 – S.I. No. 308 of 2003

² The Future Provision of Telephony Services Under Universal Service Obligations

Document 05/70⁴ sets out requirements to be followed by the USP when considering the reasonableness of requests for connections and also sets out guidelines to be followed (including performance targets) on providing such connections. The document also provided guidelines in respect of a target data rate for Functional Internet Access.

Document 06/14⁵ provided guidance on the criteria to be applied when considering requests for the removal or re-location of public payphones.

³ Directory Enquiry Services and Directories - Amendment of requirement to make directories available in CD format

⁴ Universal Service Requirements: Provision of Access at a Fixed Location – Connections to Public Telephone Network and Provision of Functional Internet Access

⁵ Universal Service Obligations - Removal/Relocation of Public Pay Telephones

2 Methodology for Quality of Service Performance Indicators

Regulation 10(1) of the Regulations requires the USP to publish adequate and up to date information on its performance in respect of the USO. The information is to be based on the quality of service parameters, definitions and measurement methods which are set out in the relevant EU Directive⁶. These, in turn are based on European Telecommunications Standards Institute (ETSI) standards which provide precise detail on definitions and methodologies and have been used in recording the performance indicators. Where the ETSI standards do not cover an aspect of the USO, specific indicators have been developed to ensure that the performance is measured.

In summary the performance indicators address the following aspects of the Universal Service Obligation:

2.1 Direct Access Public Service Telephone Network (PSTN) Provision

This section deals with the USP's record in completing fixed line installations. This section provides information on the percentage of installations which were completed by the date agreed with the customer. Also measured is the time taken for 95% and 99% of all installations. Both of these metrics are as specified in the ETSI standard.

In September 2005, ComReg issued as guidelines, performance targets for installations. The distribution of actual installations against the time periods set out in the performance targets is also shown.

2.2 Direct Access PSTN Repair

This section deals with how many line faults were reported to Eircom and how many were fixed during the reporting period.

⁶ DIRECTIVE 2002/22/EC OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 7 March 2002 on universal service and users' rights relating to electronic communications networks and services (Universal Service Directive)

All faulty lines that are reported in the specified quarterly period are included and reported as a percentage of total installed lines. It should be noted that fault reports which are subsequently found not to be justified (e.g. If a customer reports a fault and it turns out not to be a fault) are excluded i.e. the data reported here represents actual faults.

In terms of reporting on repair rates, the ETSI standard calls for the measurement in working hours for the fastest 80% and 95% of fault repairs which have been completed.

2.3 Functional Internet Access (FIA)

Broadband access does not fall with the scope of the USO with the Directive making clear that the requirement is for a single narrowband connection. In September 2005, ComReg specified a target data rate of 28.8 kbps (kilobits per second) as the minimum data rate which could be considered as capable of delivering functional internet access. Also issued by way of guidance was a performance target of 94% of lines to be capable of the target data speed by June 2006.

This section records the percentage of PSTN lines which are capable of the minimum data rate 28.8 kbps (kilobits per second) or greater. This is calculated by combining the total of working lines taking broadband (by definition, line capability will be above the target rate) and residual lines which are estimated as having a capability greater than 28.8kbps based on sample measurement of data speeds encountered by customers of Eircom's dial-up services.

2.4 Public Payphones

This section provides figures on the numbers of USO payphones provided and the proportion in full working order during the reporting period.

2.5 Affordability of Tariffs

This section provides information on the numbers of bill complaints and records the availability of the Vulnerable Users Scheme and support under the Department of Social and Family Affairs (DSFA) household benefit scheme.

2.6 Specific Measures for Disabled Users

This section records the services and equipment available for people with disabilities.

3 Appendix

All data relates to Eircom retail services only as the performance indicators are for the purpose of measuring compliance with the Universal Service Obligation. The data has been supplied by Eircom in accordance with Regulation 10(1) of the USO Regulations.

3.1 Direct Access PSTN Provision

	Q1 2007		Q2 2007		Q3 2007	
	Residential	Business	Residential	Business	Residential	Business
Supply time fastest 95% (in working days)	32 working days	36 working days	28 working days	26 working days	24 working days	35 working days
Supply time fastest 99% (in working days)	129 working days	95 working days	151 working days	103 working days	131 working days	105 working days
Percentage of requests completed by agreed date	89%	82%	90%	82%	90%	82%

Table 1.1 – Provision of Access

Supply time fastest 95% for the Residential segments has improved over Quarter 2 2007 while the Business segment has reverted to the Q1 2007 standard. Again, supply time fastest 99% for the Residential segment improved throughout Quarter 3 over Quarter 2 2007 performance with the Business segment remaining on a par with the Quarter 2 2007 performance. Requests completed by agreed date remained constant with Q2 2007 performance rating for both the Residential and the Business segments.

Fig 1.1 below illustrates the quarterly trend from January 2006 to September 2007.

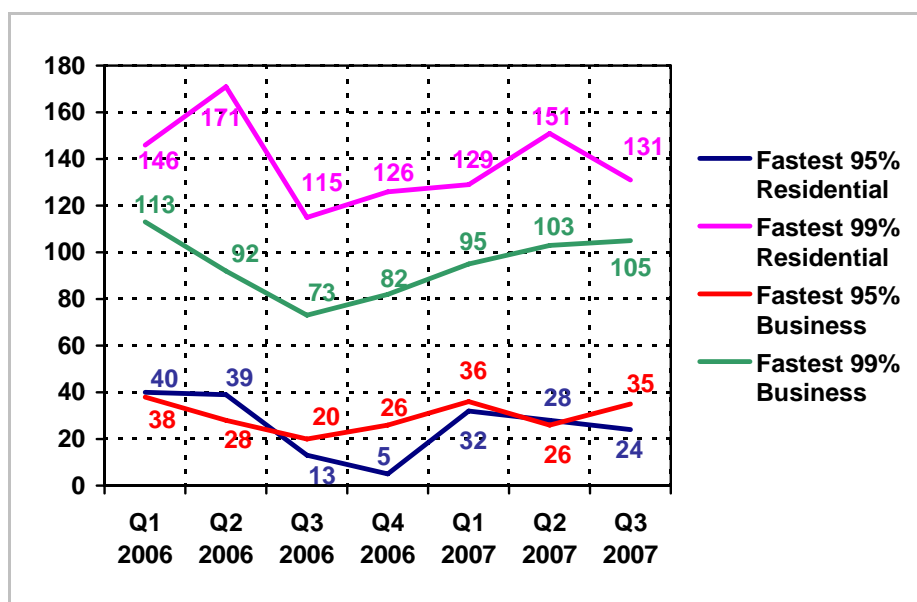


Fig 1.1 – Provision of Access (working days)

Table 1.2 – Age Profile of Completed Connections

	Perf Targets	Q1 2007		Q2 2007		Q3 2007	
		Res (%)	Bus (%)	Res (%)	Bus (%)	Res (%)	Bus (%)
Less than 4 weeks	60% of requests to be met in this time period	94.63	93.25	94.90	95.26	95.47	94.11
4 – 8 weeks	80% of requests to be met in this time period	96.91	97.05	96.79	97.87	97.33	97.06
8 – 13 weeks	90% of requests to be met in this time period	98.35	98.95	97.96	98.89	98.36	98.76

13 – 26 weeks	95% of requests to be met in this time period	99.58	99.68	99.34	99.83	99.45	99.74
26 – 52 weeks	All requests to be met in this time period	99.98	100.00	99.87	99.99	99.93	99.99

Table 1.2 – Completed Connections for Q1, Q2 & Q3 2007

Table 1.2 shows the age profile of completed connections. Both the Residential and Business segments met the set guideline performance targets throughout Quarter 3 2007. However, a very small number of connections took over a year to complete.

3.2 Direct Access PSTN Repair

Table 1.3 – Reported Faults and Fault Repair Time

	Q1 2007		Q2 2007 ⁷		Q3 2007	
	Residential	Business	Residential	Business	Residential	Business
Proportion of faults per 100 lines	7.5	3.1	6.1	2.8	6.4	2.8
Fastest 80% completed (in working hours)	38.8	33.9	31.6	29.5	32.2	29.6
Fastest 95% completed (in working hours)	74.5	71.7	66.9	65.0	67.1	65.3

Table 1.3 – Reported Faults and Fault Repair Time for Q1, Q2 & Q3 2007

Table 1.3 displays the reported fault rate per 100 lines for Q1, Q2 & Q3 2007. There are no signs of improvement for Q3 2007 over Q2 2007 performance.

⁷ Note: Values for both Residential and Business Fault Rate per 100 Lines have been revised due to incorrect data being submitted by Eircom in advance of Q2 2007 publication by ComReg.

Moreover performance reduced for all areas throughout Quarter 3 2007, with only the line fault index for the Business segment remaining constant with Q2 2007 performance.

Fig 1.2 illustrates the trend for fault rates per 100 lines from January 2006

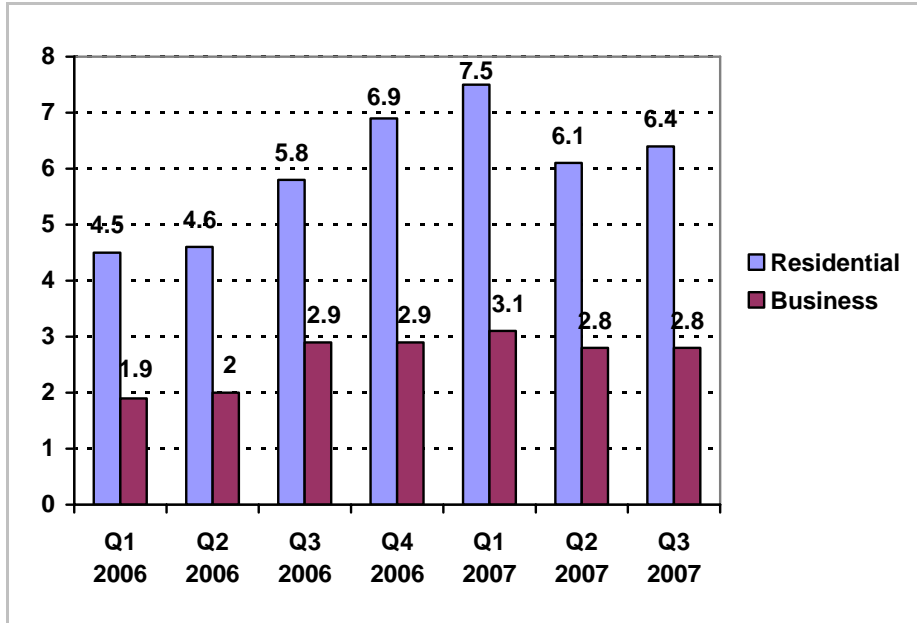


Fig 1.2 – Proportion of faults per 100 lines from January 2006 to September 2007

Figure 1.2 shows that the rate of fault reports increased steadily since the beginning of 2006, with only minor improvements to be seen in Q2 2007, and signs of a deterioration in performance for the residential segment in Q3 2007.

Fig 1.3 illustrates the trend for Fault Repair times from January 2006 in working hours

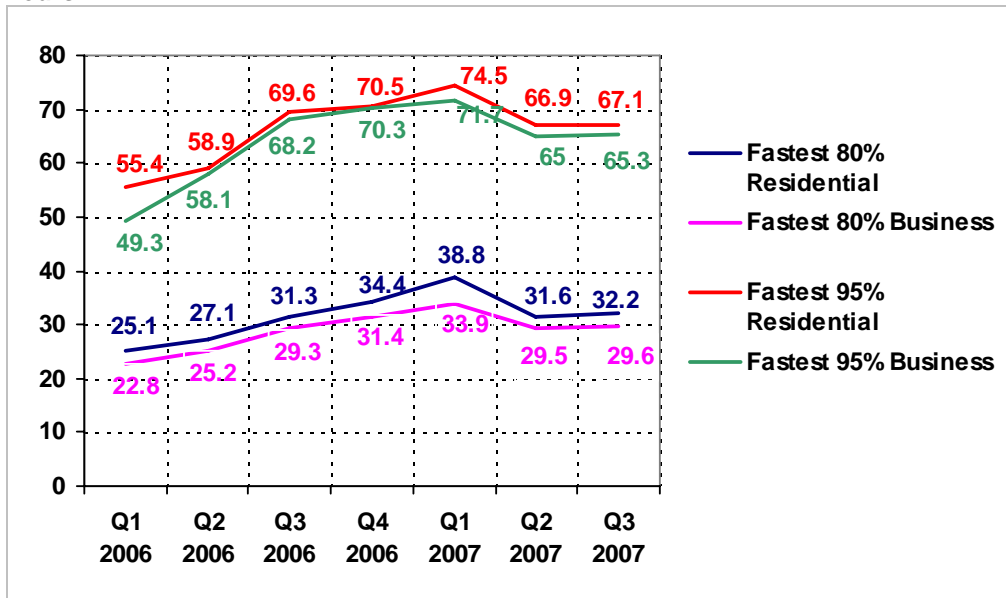


Fig 1.3 – Fault Repair times Jan 2006 to September 2007

Figure 1.3 highlights the consequential impact on the increase in fault rate per 100 lines by the time taken to repair faults and restore service to customers. Performance throughout Q3 2007 shows a slight deterioration in service levels over Q2 2007.

3.3 Functional Internet Access

	Performance Target	Q1 2007	Q2 2007	Q3 2007
No of access lines capable of data speed <= 28.8kbps	94%	94.50%	94.44%	94.1%

Table 1.4 – FIA for Q1, Q2 & Q3 2007

Percentage of lines capable of greater than 28.8kbps target (residential and business) for Q1, Q2 and Q3 2007 meet the performance target.

3.4 Public Payphones

Table 1.5 shows the number of USO payphones between January and September 2007.

	Q1 2007	Q2 2007	Q3 2007
Number of USO payphones for the period	3,800	3,787	3784
USO Payphones in full working order	90.56%	92.51%	89.79%

Table 1.5 – Public Payphones

Fig 1.4 shows the number of payphones since the beginning of 2006.

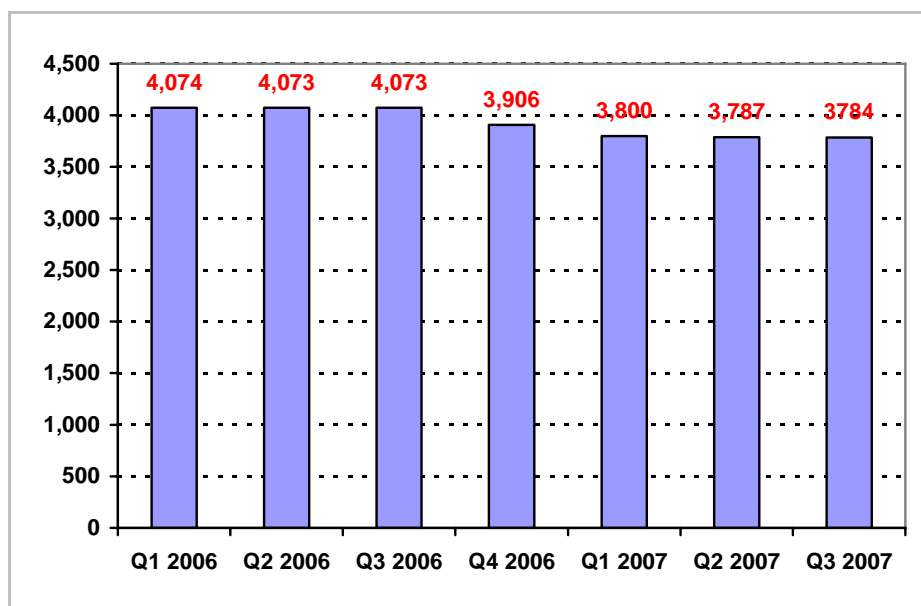


Fig 1.4 – Number of Public Payphones available - Jan 2006 to Sep 2007

3.5 Affordability of Tariffs

Residential consumers who qualify for the DSEFA free telephone rental allowance	Under the Department of Social and Family Affairs' Household Benefit Package, qualifying customers can avail of the telephone allowance which is valued at €24.70 per month (€25.90 per month from 1 August 2007)
Residential consumers subscribing to the Vulnerable Users Scheme	Customers can avail of the Vulnerable User Scheme which is targeted at users who need a telephone line but use it infrequently

Table 1.6 – Affordability of Tariffs

	Q1 2007		Q2 2007		Q3 2007	
	Res	Bus	Res	Bus	Res	Bus
Gross number of bill correctness complaints per 100 bills	0.03	0.00	0.02	0.00	0.01	0.00

Table 1.7 – Billing Complaints for Q1, Q2 & Q3 2007

3.6 Specific Measures for Disabled Users

For customers who are hearing impaired:

- Inductive Couplers
- An Amplified phone
- Visual indicator when phone rings
- The national relay service (Minicom)
- The STEP rebate scheme provides text telephone users with a rebate on text telephone charges

For customers with limited dexterity or mobility:

- Speed dial and automatic redial buttons
- Hands free facility
- Special directory enquiries

For customers with restricted vision:

- Braille billing
- Standardised layout of key pads around central number (5) with raised dot
- Extra large, high contrast buttons.