



Commission for
Communications Regulation

Information Notice

Provision of Universal Service by Eircom

Quality of Service

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1. The universal service

The Commission for Communications Regulation (“ComReg”) is responsible for the regulation of the electronic communications sector in accordance with national and EU legislation. One of ComReg’s functions is to regulate the Universal Service Obligation (“USO”) for the Irish market. Eircom has been designated as the Universal Service Provider (“USP”) since 2003. The current period of designation is from 1 July 2010 to 30 June 2012.

2. Performance Improvement programme

On 28 May 2008, ComReg established legally binding performance targets in relation to Eircom’s quality of service performance with respect to aspects of the USO. These targets relate to connections, fault rate occurrence, and fault repair times.¹

Subsequently, Eircom established a USO quality of service performance improvement programme for the periods 2010/2011 and 2011/2012.² Eircom put in place performance bonds (totalling €10m) to guarantee its performance. In addition, Eircom estimated that it would make an annual investment of over €30m in 2010/2011 and 2011/2012.

¹ See ComReg Decision No. D02/08.

² As outlined in ComReg Document No. 10/80.

3. Eircom's USO quality of service performance for the period 1 July 2010 to 30 June 2011

Some of the targets for the USO quality of service performance improvement programme for the period 1 July 2010 to 30 June 2011 were achieved by Eircom and others were not: For further details please refer to **Appendix 1**.

In summary, for the period 2010/2011 Eircom achieved its targets in relation to connections, fault occurrence, and certain fault repair targets. However, Eircom did not achieve its targets for fault repairs within 4 working days, fault repairs within 5 working days, and fault repairs within 10 working days.

Eircom has now paid the sum of €115,000.00 to ComReg arising from its failure to achieve the relevant targets.³

4. Eircom's USO quality of service performance since 2008

Since ComReg established the legally binding performance targets, Eircom's performance in respect of connections, fault repairs and fault occurrence has improved markedly. There are also indications that this improvement in Eircom's performance is continuing. The charts in **Appendix 2** detail this progress.

The number of line faults per 100 lines has decreased from 17.1 to 14.3. The performance level for fault repairs within 2 working days has increased from 60.7% to 80.5%. The performance level for connections within 2 weeks of request has increased from 73.1% to 87.8%.

ComReg has compared Eircom's quality of service performance for the years 2008/2009, 2009/2010 and 2010/2011, using the performance levels achieved in

³ This is the sum of the amounts indicated in the corresponding cells of column six of the table in **Appendix 1**.

2008/2009 as the base year. ComReg has estimated⁴ the following cumulative totals of the benefits from improved connections, repair times, and lower fault rates⁵:

- In excess of 12,500 additional phone connections have been completed within the specified time periods⁶ as a result of improvements in 2008/2009 performance levels;
- In excess of 80,000 additional fault repairs have been completed within the specified time periods⁷ as a result of improvements in 2008/2009 performance levels; and
- In excess of 30,000 additional line faults have **not** occurred as a result of improvements in 2008/2009 performance levels.

5. Eircom's legally binding performance targets

The measures that ComReg has taken since 2008 to bring about improvements in Eircom's quality of service performance for the USO are clearly working. ComReg notes and welcomes the improvements made by Eircom since 2008. However, it is also clear that Eircom still has improvements to make. In particular, further improvements are needed in relation to repair times, and lower fault rates must be achieved in 2011/2012 than in 2010/2011. Furthermore, it is just as important that Eircom ensures that the improvements it makes are sustained and that the consumer gains made to date are not lost.

⁴ The estimates are based on the improved performance achieved in 2009/2010 and 2010/2011 when compared with 2008/2009.

⁵ The figures presented do not include improvements in performance that occurred between 2007/2008 and 2008/2009, as relevant, as the metrics may not be directly comparable.

⁶ Including specified performance targets for in-situ connections, all other connections, and connections completed by agreed date.

⁷ Including specified performance targets for fault repairs and fault repairs completed by agreed date

In light of all of the above, ComReg does not intend to take further enforcement action against Eircom for the period 2010/2011.

ComReg remains fully committed to ensuring the quality of the universal service and believes that the measures it has taken will continue to give benefits to large numbers of consumers in the State.

ComReg will continue to closely monitor Eircom's USO performance and will publish quarterly reports on Eircom's USO performance. ComReg expects to see further improvements resulting from Eircom's efforts to fully achieve its required performance levels.

**Appendix 1 – Performance Improvement Programme (PIP) -
Annual quality of service performance targets and
performance bonds**

Description of Target	Annual PIP Target Value %	Performance Achieved %	Annual Performance Bond €	PIP Target Achieved (Yes/No)	Bond Payment Due
In-situ connections					
Within 24 hours of request	80.00	86.1	€5,000 per 0.1% deviation below PIP Target	Yes	NA
Within 2 weeks of request	99.00	99.6	€4,000 per 0.1% deviation below PIP Target	Yes	NA
Within 2 months of request	99.80	100.0	€5,000 per 0.1% deviation below PIP Target	Yes	NA

Description of Target	Annual PIP Target Value %	Performance Achieved %	Annual Performance Bond €	PIP Target Achieved (Yes/No)	Bond Payment Due
All Other Connections					
Within 2 weeks of request	80.00	87.8	€5,000 per 0.1% deviation below PIP Target	Yes	NA
Within 4 weeks of request	85.00	95.1	€5,000 per 0.1% deviation below PIP Target	Yes	NA
Within 8 weeks of request	90.00	98.4	€5,000 per 0.1% deviation below PIP Target	Yes	NA
Within 13 weeks of request	95.00	99.4	€5,000 per 0.1% deviation below PIP Target	Yes	NA

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Description of Target	Annual PIP Target Value %	Performance Achieved %	Annual Performance Bond €	PIP Target Achieved (Yes/No)	Bond Payment Due
Within 26 weeks of request	99.60	99.9	€5,000 per 0.1% deviation below PIP Target	Yes	NA
Connections completed by agreed date	93.00	94.3	€5,000 per 0.1% deviation below PIP Target	Yes	NA
Fault Repairs					
Fault Repairs completed by agreed date	95.00	96.1	€2,500 per 0.1% deviation below PIP Target	Yes	NA

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Description of Target	Annual PIP Target Value %	Performance Achieved %	Annual Performance Bond €	PIP Target Achieved (Yes/No)	Bond Payment Due
Within 2 working days	80.00	80.5	€5,000 per 0.1% deviation below PIP Target	Yes	NA
Within 4 working days	95.00	93.3	€5,000 per 0.1% deviation below PIP Target	No	€85,000.00
Within 5 working days	96.00	95.5	€5,000 per 0.1% deviation below PIP Target	No	€25,000.00
Within 10 working days	99.00	98.8	€2,500 per 0.1% deviation below PIP Target	No	€5,000.00
Fault Occurrence					
Line faults per 100 lines	14.7	14.3	€1,000,000 per 0.1% above PIP Target	Yes	NA

Appendix 2 – Eircom’s Annual quality of service performance since 2008





