

# Information Notice

## **Leased Lines:**

# Further reductions to Eircom's PPC fibre access prices

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#### Leased Lines: Reductions in PPC fibre access prices

The term "leased line" refers to fixed, permanent telecommunications connections providing symmetric capacity between two points. A leased line is permanent, in that capacity is available between the two fixed points, and is generally used by business customers who require high bandwidth capacity. Private partial circuits ("PPCs") are a sub set of the leased line products set offered by Eircom Wholesale. PPCs enable an alternative operator to provide a service to a business customer using wholesale inputs from Eircom, while also leveraging its own leased line network infrastructure.

Prompted by ComReg, Eircom has now reviewed the PPC fibre access prices. These charges relate to the annual rental prices of PPC fibre access. Eircom will now reduce these charges on all wholesale bills issued from 1 April 2011 as bills are currently issued quarterly in advance. The reduction in annual charges ranging from 39% to 42% will be effective from 1 July 2011.

The reductions in question are with respect to the local access network element and in particular where PPCs local access<sup>1</sup> is delivered over fibre pairs. This applies to PPC circuit speeds ranging from 34Mb/s, 45Mb/s and 155Mb/s.

Eircom currently has SMP in the market for wholesale terminating segment of leased lines<sup>2</sup>. As a result of the designation of SMP on Eircom in this market a number of obligations have been imposed on it, including a cost orientation obligation.

Details of the reduced charges are included in the appendix.

<sup>&</sup>lt;sup>1</sup> PPC fibre access is the access network element from the main distribution frame ("MDF")/optical distribution frame ("ODF") in the nearest serving Eircom leased line equipped telephone exchange to a network terminating unit ("NTU") in the end-users premises.

<sup>&</sup>lt;sup>2</sup> ComReg Document No. 08/103 (Decision No. D06/08) Decision Notice and Decision Instrument: Market Analysis – Leased Line Market Review; 22 December 2008.

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# **Appendix:**

### **Reductions to PPC fibre access prices:**

PPC fibre access circuit speed	<u>Current</u> <u>annual</u> price*	<u>Proposed</u> <u>annual</u> price*	Annual reduction	<u>Annual</u> <u>reduction</u> <u>%</u>
34Mb/s	€13,210	€8,109	-€5,101	-39%
45Mb/s	€13,210	€8,109	-€5,101	-39%
155Mb/s	€14,305	€8,259	-€6,046	-42%

The cost per 100 metres, greater than 500 metres, will also reduce from €456 per annum to €324 per annum, a reduction of €132 per annum per additional 100 metres.

For full description and terms of the service please refer to Eircom's Wholesale website at <a href="https://www.eircomwholesale.ie">www.eircomwholesale.ie</a>

<sup>\*</sup>Annual rental first 500 metres