



Office of the Director of  
**Telecommunications  
Regulation**

**MEDIA RELEASE**

**Wednesday 17<sup>th</sup> October 2001**

## **ODTR accepts Chorus Price Increases subject to conditions on customer care and network quality.**

Etain Doyle, Director of Telecommunications Regulation today (Wednesday 17<sup>th</sup> October 2001) approved a price increase for Chorus in respect of its basic cable/MMDS television services following an extensive public consultation process. There were 136 responses received to the consultation. The price increase is subject to a number of conditions and details of the approved prices are attached. The Director has carefully reviewed all the points raised by respondents and has obtained commitments from Chorus in respect of service quality and customer care improvements in the company.

According to the Director " This has not been an easy decision to make. I have had to consider a number of factors in reaching this decision including the current market situation, costs incurred by the company in improving its services and customer service issues raised with this office."

She continued " While individual complaints raised have been or are being addressed by Chorus, the level of such complaints requires a coherent overall customer focused strategy and implementation to achieve results. The ODTR cannot take over the management of these issues from the company - the company itself must devise and implement measures to provide good service. I note Chorus' progress towards

development of such comprehensive programmes and their implementation in recent months. I believe that implementing the conditions attached to the approval of the price increase will ensure that customers will experience a real improvement in the service provided by Chorus over the next twelve months - some of them within weeks. The ODTR will monitor compliance with these conditions and failure by Chorus to deliver on them will result in the price increase being scaled back. "

Approval of the price increase application is subject to the following conditions:

- By end 2001, completion by Chorus of the first phase of the network rectification programme and the agreement of a programme to restore all networks to licence standard;
- Completion of the agreed programme to restore all networks to meet the quality standards set out in the licences by the end of the third quarter of 2002;
- Make available digital services in all its cable/MMDS licensed areas by 2004 in accordance with the terms of its licence;
- Introduce standard packaging of basic analogue service in terms of the minimum number of programme services by the end of 2002 in all cable systems;
- Implement the agreed code of practice for handling consumer complaints;
- Institute changed procedures to ensure that all complaints and fault reports are followed up. Chorus has agreed to implement this with immediate effect.
- Provide data to allow the ODTR to measure performance of specific customer service related parameters. The ODTR will publish results on a regular basis.
- Provide separated accounts within a time-scale to be proposed by the ODTR, in a form provided by the ODTR in respect of its current financial year and each subsequent year.

If these conditions are not met by the dates indicated above, the Director will require a 10% reduction in the new standard rate until the conditions above are fully complied with. If the first deadline for network rectification is missed then the 10% will only be restored after successful completion of all targets by the due date.

The shareholders in Chorus have given the Director commitments regarding its intention to finance and implement the programme as set out above. The company has agreed to a shortening of the in-platform exclusivity period to the 1<sup>st</sup> March 2002, which will facilitate competition in the television distribution market. The ODTR intends to issue a

consultation paper on licensing for television distribution in a market without in-platform exclusivity, with a view to establishing a new licensing regime in early 2002.

Earlier this year Chorus applied to the ODTR for increases across its cable/MMDS licensed areas. The approved rates will result in increases of up to a maximum level of 29%. The average increase over the entire customer base is 14%. The increase in monthly prices proposed for cable services ranges from £1.00 to £3.96, with actual monthly prices ranging from £9.50 in Buncrana to £18.00 in Cork City and Shannon. In MMDS areas, where the monthly charge was £18.50, no change was proposed. The MMDS areas, in which the monthly charge was previously £13.50, will rise by £2.50 to £16.00. And areas where the monthly charge was previously £12.25 will rise by £2.75 to £15.00. (See Appendix 1 for full details)

A copy of the response to Consultation 01/84 " Chorus Price Increase Application for Cable/MMDS Licensed Areas - Response to Consultation is available on the ODTR website [www.odtr.ie](http://www.odtr.ie)".

**ENDS**

**Issued By**

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## APPENDIX I: APPROVED PRICES BY LICENCE AREA

### I - Cable

Area	Category of payment	Current Charge	Proposed Charge (£)	Euro Equivalent	Increase	% Increase
Cork City Cappoquin, Tallow & Lismore	Annual	£159.96	£198.00	251.48	£38.04	24%
	Quarterly	£44.49	£53.25	67.61	£8.76	20%
	Monthly	£15.35	£18.00	22.86	£2.65	17%

Area	Category	Current Charge	Proposed Charge (£)	Euro Equivalent	Increase	% Increase
Limerick	Annual	£126.96	£162.00	205.70	£35.04	28%
	Quarterly	£38.61	£49.50	62.85	£10.89	28%
	Monthly	£13.54	£17.50	22.22	£3.96	29%

Area	Category	Current Charge	Proposed Charge (£)	Euro Equivalent	Increase	% Increase
Shannon	Annual	£147.00	£186.00	236.17	£39.00	27%
	Quarterly	£42.03	£54.00	68.57	£11.97	28%
	Monthly	£14.74	£18.00	22.86	£3.26	22%

Area	Category	Current Charge	Proposed Charge (£)	Euro Equivalent	Increase	% Increase
Ennis	Annual	£138.96	£174.00	220.93	£35.04	25%
	Quarterly	£42.42	£47.25	60.00	£4.83	11%
	Monthly	£14.74	£16.00	20.32	£1.26	9%

Area	Category	Current Charge	Proposed Charge (£)	Euro Equivalent	Increase	% Increase
Athy	Annual	£86.88	£108.00	137.13	£21.12	24%
	Quarterly	£25.65	£33.00	41.90	£7.35	29%
	Monthly	£9.00	£11.50	14.60	£2.50	28%

Area	Category	Current Charge	Proposed Charge (£)	Euro Equivalent	Increase	% Increase
Portarlinton	Annual	£86.88	£108.00	137.13	£21.12	24%
	Quarterly	£25.65	£30.75	39.04	£5.10	20%
	Monthly	£9.00	£10.50	13.33	£1.50	17%

Area	Category	Current Charge	Proposed Charge (£)	Euro Equivalent	Increase	% Increase
Ballina	Annual	£123.00	£150.00	190.46	£27.00	22%
	Monthly	£12.15	£14.00	17.78	£1.85	15%

Area	Category	Current Charge	Proposed Charge (£)	Euro Equivalent	Increase	% Increase
Buncrana	Annual	£75.72	£96.00	121.89	£20.28	27%
	Monthly	£8.00	£9.50	12.06	£1.50	19%

Area	Category	Current Charge	Proposed Charge (£)	Euro Equivalent	Increase	% Increase
Donegal	Annual	£94.80	£120.00	152.37	£25.20	27%
	Monthly	£9.00	£11.50	14.60	£2.50	28%

Area	Category	Current Charge	Proposed Charge (£)	Euro Equivalent	Increase	% Increase
Sligo	Annual	£126.48	£162.00	205.70	£35.52	28%
	Monthly	£12.60	£15.00	19.05	£2.40	19%
Maynooth						
Kildare						
Celbridge						
Athlone						
Mullingar						
Tullamore						
Ashbourne						
Carlow						
Swords						
Malahide						
Portlaoise						

Area	Category	Current Charge	Proposed Charge (£)	Euro Equivalent	Increase	% Increase
Newbridge	Annual	£112.44	£144.00	182.84	£31.56	28%
	Monthly	£11.20	£13.50	17.14	£2.30	21%
Navan						
Naas						
New Ross						
Wicklow						
Arklow						
Enniscorthy						
Greystones						

Area	Category	Current Charge	Proposed Charge (£)	Euro Equivalent	Increase	% Increase
Tullow Rush Dundrum Rathnew	Annual	£90.96	£114.00	182.84	£23.04	25%
	Monthly	£9.00	£11.00	17.14	£2.00	22%

Area	Category	Current Charge	Proposed Charge (£)	Euro Equivalent	Increase	% Increase
Clonmel	Annual	£118.92	£150.00	190.46	£31.08	26%
	Monthly	£12.50	£14.00	17.78	£1.50	12%

Area	Category	Current Charge	Proposed Charge (£)	Euro Equivalent	Increase	% Increase
Kilkenny	Annual	£114.96	£144.00	182.84	£29.04	25%
	Monthly	£12.50	£13.50	17.14	£1.00	8%

Area	Category	Current Charge	Proposed Charge (£)	Euro Equivalent	Increase	% Increase
Thurles	Annual	£126.00	£156.00	198.08	£30.00	24%
	Monthly	£12.50	£14.50	18.41	£2.00	16%

Area	Category	Current Charge	Proposed Charge (£)	Euro Equivalent	Increase	% Increase
Tipperary	Annual	£109.92	£138.00	175.22	£28.08	26%
	Monthly	£12.00	£13.00	16.51	£1.00	8%

Area	Category	Current Charge	Proposed Charge (£)	Euro Equivalent	Increase	% Increase
Cashel	Annual	£111.96	£144.00	182.84	£32.04	29%
	Monthly	£12.00	£13.50	17.14	£1.50	13%

**Cable (unlicensed areas)**

Area	Category	Current Charge	Proposed Charge (£)	Euro Equivalent	Increase	% Increase
Kilcullen	Annual	£86.72	£108.00	137.13	£21.28	25%
	Monthly	£9.00	£10.50	13.33	£1.50	17%

Area	Category	Current Charge	Proposed Charge (£)	Euro Equivalent	Increase	% Increase
Kilberry Ballinasloe	Annual	£86.88	£108.00	137.13	£21.12	24%
	Monthly	£9.00	£10.50	13.33	£1.50	17%

Area	Category	Current Charge	Proposed Charge (£)	Euro Equivalent	Increase	% Increase
Slane Trim	Annual	£99.96	£126.00	160.00	£26.04	26%
	Monthly	£10.60	£12.00	15.24	£1.40	13%

**II- MMDS**

Area	Category	Current Charge	Proposed Charge (£)	Euro Equivalent	Increase	% Increase
Kilkenny <i>(Former Suir Nore)</i>	Annual	£139.92	£174.00	220.93	£34.08	24%
	Monthly	£13.50	£16.00	20.32	£2.50	19%

Area	Category	Current Charge	Proposed Charge (£)	Euro Equivalent	Increase	% Increase
Limerick	Annual	£178.92	£204.00	259.03	£25.08	14%
Kildare	Quarterly	£52.71	£54.75	69.52	£2.04	4%
Offaly	Monthly	£18.50	£18.50	23.49	£0.00	0%
Northeast Tralee Roscommon Wexford Wicklow /Newbridge Cork Bantry <i>(Former Irish Multichannel)</i>						

Area	Category	Current Charge	Proposed Charge (£)	Euro Equivalent	Increase	% Increase
Donegal Sligo <i>(Former CMI)</i>	Annual	£129.00	£162.00	205.70	£33.00	26%
	Monthly	£12.25	£15.00	19.05	£2.75	22%