



Office of the Director of
**Telecommunications
Regulation**

MEDIA RELEASE

30th November 2001

ODTR to review Service Level Agreements between *eircom* and other Licensed Operators

Leased Line delivery times have improved over the last 12 months

The ODTR is seeking views from interested parties with respect to Service Level Agreements provided to other licensed operators by *Eircom*. Service Level Agreements (SLAs) set out the minimum quality of service standards which *eircom* must meet when providing services to other operators.

Leased line delivery has been an issue of great concern to the ODTR and substantial emphasis has been placed on seeking improved performance, including the development of service level agreements with a strict penalty regime, close monitoring and publication of performance by *eircom*. *Eircom* is implementing an upgrade programme, and delivery times for leased lines supplied have improved over the last twelve months averaging between 36 to 43 days in October 2001 compared to and between 70-90 days in November 2000.

The consultation follows a detailed examination of the current arrangements and seeks views on measures to clarify and simplify the regime, thereby leading to

continued improvement in *eircom's* performance towards best international standards.

The delivery of leased lines and high quality maintenance is a key service for a liberalised market. Service level agreements are of critical importance to the development of competition, particularly as operators can be constrained in their ability to offer a credible level of service to their customers if they do not have certainty over the quality and timely delivery of service provided to them by SMP (Significant Market Power) operators. As leased lines are very important for enabling Internet access for small, medium and large users it is important that they have confidence around both the service quality and delivery timeframes.

eircom has for some time been implementing a service delivery transformation programme designed to improve its delivery and maintenance of leased lines and ISDN lines to other operators. There is now evidence of improved service delivery performance.

During the year, *eircom* proposed a year-end target of 80% of all leased line circuits ordered would be delivered according to their due date. The ODTR has undertaken analysis to assess, among other things, *Eircom's* ability to achieve this target. During September and October of this year Logica Consulting performed an audit of *eircom's* leased line delivery processes and concluded that *eircom* may achieve this target by end of December 2001.

According to Etain Doyle, Telecoms Regulator " I consider the current 80% figure to be a starting point, but it is not adequate for market needs into the future. We need to have sustained improvement in delivery and fault repair and *eircom* now needs to commit to improved performance targets for the coming year. I will be seeking proposals from them in respect to this as part of this consultation process. "

According to the Regulator " The continuous monitoring of performance provides a clear signal to both the domestic and international markets that Ireland is serious in tackling the historical difficulties around leased line delivery. The current consultation proposes expanding this performance measurement process."

Currently under the SLA, delivery time frames range between 22-26 days depending on the particular circuit. The Regulator believes that these approximate best practice in Europe and that these standards are attainable for Ireland.

One of the key benefits of quality improvements backed by an SLA regime for Other operators is that it permits operators to offer a back-to-back SLAs to their own customers. It is important the consumers are aware of the existence of the wholesale SLA in order that they can exert their own "buyer power" vis a vis other licensed operators, to provide similar guarantees as provided to them under the carrier Services SLA. In this consultation, the ODTR is seeking to ascertain whether or not other operators' customers are aware of the SLA regime, and whether back to back SLAs are offered to them.

All comments are welcome and the consultative process will run from 30th November 2001 to the 16th January 2002. A Decision notice will be issued in February.

The consultation paper can be viewed on the ODTR website www.odtr.ie " 01/92 Service Levels provided to Other Licensed Operators with Significant Market Power."

ENDS

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