



Office of the Director of
**Telecommunications
Regulation**

MEDIA RELEASE

Thursday 13th September 2001

Regulator directs Eircom to complete ADSL pricing for other licensed operators

Telecoms Regulator, Etain Doyle today (Thursday 13th September 2001) noted the launch of Eircom's ADSL service, a product that provides a new type of high speed internet access increasing the choice available to Irish users. However she has serious concerns about the prices proposed by Eircom in respect of their wholesale ADSL product. Despite extensive contacts, Eircom have to date failed to satisfy the Regulator that their proposed wholesale prices are cost oriented and non-discriminatory. The information supplied to date on the relationship between wholesale and retail pricing raises concerns about the conformity of the pricing with competition law.

Accordingly the Regulator has issued a number of directions to the company which eircom must comply with by close of business on Monday 17th September. Eircom has also been directed that any launch date for provision of service (acceptance of orders) must be at least 21 days after satisfactory compliance with these directions. It is therefore in their interest to provide a concise, coherent and convincing analysis to the Regulator by Monday 17th September 2001. Any delay in the launch date may be expected to be short but it is ultimately within the control of eircom.

According to the Regulator " While the ODTR welcomes every new product which increases the choice available to Irish users, but the ODTR is required to ensure that the product is offered on a cost oriented and non-discriminatory basis. I have not yet

been satisfied that this is the case. The relationship between wholesale and retail rates appears inconsistent. The effect may be that other operators could not buy the wholesale product and use it to compete with eircom. This could have very serious implications for the development of competition in the marketplace. It is up to eircom to deal with this serious matter in accordance with directions issued today"

Eircom must set charges that are cost oriented and non-discriminatory and the Regulator has again reminded eircom of its obligations as a regulated company.

ENDS

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