



Office of the Director of
**Telecommunications
Regulation**

MEDIA RELEASE

For Immediate Release
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SEPARATED ACCOUNTS – ADDITIONAL DISCLOSURES

The telecommunications Regulator, Etain Doyle, today announced a number of new decisions in relation to the publication of separated accounts by eircom. These decisions have been made in the light of practical experience of the publication of separated accounts over the past year and are designed to make publication and implementation as smooth and effective as possible.

The main decisions include;

- Providing a derogation to eircom on some elements of the publication requirements which could not be met in the first year given existing accounting systems;
- Providing extra time for the completion of some elements of the work using new accounting systems;
- Including additional detail for disclosure in the future, in particular in relation to costs of interconnection services set out in the Reference Interconnection Offer (“RIO”);
- Terms of appointment of auditors of the separated accounts and the items on which the auditors must report.

Eircom, as an operator with Significant Market Power (“SMP”) in the telecommunications market in Ireland, is required to publish separated accounts. The aim of this publication is to assist in ensuring that charges are cost based, transparent and non-discriminatory, which in turn promotes a competitive environment in a number of ways, including;

- helping other operators to understand how the SMP operator's revenues relate to costs,

- building confidence that the interconnection arrangements are equitable and that there is no over or under recovery of the SMP operator's network costs, and
- providing supporting evidence that is no unfair cross subsidisation taking place.

ODTR 00/59 "Accounting Separation and Publication of Financial Information for Telecommunications Operators – Decision Notice D9/00 and Issue for Further Consideration" sets out the Director's position on accounting separation in relation to additional disclosures and publication dates for Separated Accounts in the liberalised telecommunications environment. It is available on the ODTR website at www.odtr.ie.

ENDS

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