



## Submissions to Preliminary Consultation

### **Electronic, and other, itemised bill formats**

#### **Submissions received from respondents**

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## 1 Age Action

**Ref: Preliminary Consultation document 10/96 “Electronic, and other, itemised bill formats”**

I write on behalf of Age Action with comments on the above document. The consultation period coincided with the extended holiday period which meant limited our ability to consult with our members and other older people’s groups. Our comments and observations are, therefore, limited to a number of major principles.

Age Action is Ireland’s leading national charity for older people. We work to improve policies and services for older people, and to make Ireland a more age-friendly society.

The decision by O2 during 2010 to automatically switch customers from paper billing to electronic billing caused considerable concern for older customers, many of whom contacted Age Action at the time. Therefore, we welcome Comreg’s ruling on this issue.

The O2 issue highlighted the problems associated with e-billing for some older customers. At the heart of the issue for older people in Ireland is that 80% of over-65s do not have I.T. skills. Very often firms are not aware of this key detail. Older people felt, in the O2 case, that they were being forced against their will to adopt a new billing system, because it suited the service provider. Some of them did not have the I.T. skills, computer access or broadband, to access their e-bills.

We understand the considerable savings (postage, environment etc) which e-billing offers, but firms cannot introduce a blanket decision to switch customers. Your preliminary consultation paper is therefore welcome.

Age Action strongly supports the general principles outlined in your document (section 2.1) regarding the availability and transparency of details of the e-billing services offered. We believe these represent a reasonable, minimum requirement.

For older people, we believe that the default option which is most universally acceptable would be a paper bill. The exception to this would be those with a disability which make a paper bill inaccessible (for example the visually impaired). They should be provided with the billing format which is most suitable for them. We agree with ComReg that all other customers must explicitly agree to move to any alternative form of billing proposed by their service provider.

This default option should be provided free of charge. However, if service providers wanted to provide discounts to encourage customers to move to e-billing, that would be a decision for them.

Age Action believes that if a customer does not respond to requests to switch to e-billing, this should be taken by the service provider as a refusal by the customer to switch. We

cannot envisage a situation (in response to Question 6) where a person's billing method could be switched without their explicit consent.

Regarding section 2.7, Age Action is concerned that customers be alerted to the existence of e-bills, regardless of whether they are on-line or sent by email. Our experience is that some older people who have IT skills and use email, do not necessarily check their email on a regular basis. Texting may be an option, presuming that the customer has provided a mobile number.

These are our initial comments on your preliminary consultation paper. What is the next step in the consultation process and when is Comreg expected to make a decision on this issue?

Once again, we believe Comreg's consultation on this important issue is very valuable. If any of the above points require further clarification, please do not hesitate to contact me.

Yours sincerely,

Age Action,

## 2 ALTO

# alto

alternative operators in the communications market

**Response to Preliminary Consultation on Electronic, and other, itemised bill formats Ref: 10/96**

**Submission By ALTO**

**Date: January 13<sup>th</sup> 2011**

ALTO is pleased to respond to the Preliminary Consultation on Electronic, and other, itemised bill formats (hereinafter “eBilling”) in Ireland.

ALTO welcomes the opportunity to comment on these proposals from ComReg relating to eBilling.

ALTO is very supportive of Consumer, Business and indeed operator choice in terms of eBilling of, and for communication services. We highlight that ComReg’s focus in addressing this area now should not serve to overburden or dictate standards which are unworkable, costly or unnecessary. While ComReg has taken the time in the Consultation paper to highlight various regulatory levers and indeed the ability of ComReg to mandate certain elements through the Authorisation Directive and individual operators General Authorisations, we feel that the market is not in a position to adequately respond and/or address such change at this time. ALTO remarks that the legislation in this area requires ComReg or any other National Regulatory Authority – NRA, to objectively justify their actions before making any modification to the regime in being.

ALTO would urge ComReg to take time to further analyse Consumer inertia and what precise powers it has in terms of mandating standards. It may well be the case that ComReg should not intervene, other than to guide the market and protect consumers.

ALTO has and always remains committed to supporting efficient user access to services.



## **General Observations:**

ALTO suggests further qualitative and quantitative study by ComReg of this area. In particular, we would also like to highlight the following areas:

### **Consumer and Business markets for eBilling**

ALTO suggests that a distinction be drawn between the two markets. ComReg's paper seems to only focus on Consumer eBilling. We would not favour any form of mandated standard where Business or Corporate billing/eBilling is concerned. The rationale for this is that Business customers often have very discrete and often bespoke requirements when it comes to billing.

ComReg must recognise that interference in this area may be problematic when it comes to investment and servicing business customers.

### **New Entrants**

Where new entrant operators (and many ALTO members) are concerned, paper billing can be a huge resource overhead. Where an operator wishes to deploy a service that is only or more efficiently workable with eBilling and that billing format is made clear to the customer in the sales process there should be no regulatory barrier to this.

ComReg's consultation does not appear to recognise this scenario and seems to be premised on the starting assumption that all billing will be paper based. That is not the case and frankly is outdated and incorrect thinking.

### **VoIP or Over the top services**

ComReg should consider distinguishing the Next Generation suite of services from the Plain Old Telephone Services – POTS, thinking which seems to permeate this Consultation paper. An example of this distinction could be where a Voice service is provided by any number of alternative operators through the public Internet or

some form of Internet connection. In such circumstances the customer would only be expected to have Internet Access.

**Response to Consultation Questions:**

Q. 1. Do you agree with the principle that electronic communications service providers should provide detailed information, as outlined above, for consumers with respect to any e-billing service that they offer? If not, please provide reasons to support your view.

A. 1. ALTO agrees with the principle that electronic communications service providers should provide detailed information, as outlined in clause 2.1 of the consultation paper.

Q. 2. Do you agree with the principle that ComReg should establish a permissible default bill format(s) for each service, taking into account the nature of the service and the nature of the charges? If not, please provide reasons to support your view.

A. 2. We do not agree with ComReg's preliminary view in relation to permissible default bill format(s) for each service. Reasons:

1. Consumers or Users should be aware or are made aware of the type of bill they will receive before executing an agreement with an operator or service provider (generally an option to modify billing arrangements can also be present in a contract or service agreement).

The choice of billing format may also be made or accepted at that time. ALTO accepts that minimum standards could be mandated but we would caution strongly against this approach (see note on market differentiation, above).

2. ComReg seems to (incorrectly) suggest that paper bill formats are the

only mechanism to bill telephony services. The market would suggest growth in specific or diverse markets.

3. Setting or mandating default formats for bills would be a disproportionate response towards providers and could restrict innovation in terms of pricing, geography and investment.

**\*\*ALTO is opposed to any disproportionate measure that negatively differentiates Ireland from any other EU or other state. ComReg must insure against the implementation of standards that could potentially create difficulties for pan EU or global service providers. The consultation document seems not to consider the wider market at this time.\*\***

Q. 3. Do you agree with the principle that providers of electronic communications services should offer an alternative bill format, free-of-charge, to a particular customer with a disability, if the default permissible format(s) is not accessible by that customer? If not, please provide reasons to support your view.

A. 3. We agree, however the operator should be able to verify the disability to avoid any potential abuse of this approach. It is common place that this would in-fact be verifiable at the time of subscription to a given service.

Q. 4. Do you agree with the principle that the customer must explicitly agree, or opt-in, to moving to a particular bill format, including an e-bill, other than the permissible default format? If not, please provide reasons to support your view.

A. 4. We agree that the opt-in for future changes may be sensible. Although, we feel that it should be left to the operator to decide as long as the operator adequately informs customers. We do not agree with the regulator setting formats and suggest that doing so may result in problems nor do we agree with unnecessary intervention.

Q. 5. Do you agree with the proposed principles with respect to the mechanisms that should be in place to obtain the customers agreement to change from/to the permissible default bill format? If not, please provide reasons to support your view.

A. 5. We agree with the mechanisms but not with the setting of billing formats.

Q. 6. In your view, are there any circumstances where an individual customer could be moved by default by their service provider, without their explicit consent, to an e-bill, based on the method in which the customer interacts with his/her service provider? Please provide reasons to support your view.

A. 6. This could possibly occur, particularly in circumstances where a customer may wish to change to a product or product suite that is only supported through eBilling arrangements. In circumstances where a product is explicitly provided over or by eBilling *ab initio* (from the start), the operator has the choice to choose the customer as such.

Q. 7. Do you agree that, in some instances, customer 'inertia' is a factor contributing to customers not opting-in to an e-bill when, in fact, the customer would prefer this bill format? If you agree, please provide suggestions as to how customer 'inertia' could be addressed? If not, please provide reasons to support your view.

A. 7. We broadly agree with preliminary view expressed by ComReg in terms of opting-in. However, and as expressed above, we feel more detailed information is required by ComReg and the industry before we can just assume that inertia is the problem or cause in terms of not opting-in for or into eBilling.

Q. 8. Do you agree with the principle that no additional charge should be applied to the customer for receiving the permissible default format(s) or, in the case of a customer with a disability, a required alternative accessible format? If not, please

provide reasons to support your view.

A. 8. We agree with this principle. We reiterate that we do not consider it necessary or proportionate to regulate bill formats. Minimum standards might be more acceptable or workable when presented to operators.

Q. 9. What are the considerations with respect to service providers charging to provide a paper bill, where a paper bill is not the permissible default format? Please provide reasons to support your view.

A. 9. Service providers may provide eBilling formats by default. This is a purely commercial decision and indeed their customers may fully accept that.

Additionally, service providers may provide discounts to customers who opt-in to eBilling. ALTO sees this practice as absolutely logical and acceptable.

Where a customer opts to request a service provider, provided paper format bill the service provider may accrue certain additional costs that are unreasonable and unexpected (save for users with disabilities), such as postage, paper, printing and possibly labour. In those circumstances it would be reasonable to charge a fee for the processing of a non-standard billing format if available.

Q. 10. What is your view with respect to service providers granting a discount to customers who opt-in to an alternative bill format that it offers (e.g. an e-bill)? Please provide reasons to support your view.

A. 10. See question 9.

Q. 11. Do you agree with the principle that the Quality Standard for Bill Presentation, or aspects thereof, should form part of the minimum requirement for itemised bills? If not, please provide reasons to support your view.

A. 11. We agree with ComReg that a minimum requirement for bill quality is appropriate but this standard should take the EQIA input and be agreed by the industry and not just imposed on the industry as appears to have been the approach to date.

Our concern is that the industry is best placed to understand the services it offers and the billing system complexities whilst recognising that the welfare of the customer needs to be considered. The industry has both considerable experience and maturity in working together where such activity is required. Hence we are of the view that an industry group should be set up (with ComReg present) to agree the minimum requirement for itemised bills and taking advice from bodies such as the EQIA.

Q. 12. Do you agree with the principle that, for certain e-bill formats, an alert, containing certain relevant details, should be provided to the customer by alternative means? If not, please provide reasons to support your view.

A. 12. We do not agree with ComReg in relation to this question. Customers will be aware through the constant and habitual receipt of bills whether paper or eBilling formats of the receipt of a bill.

Customers generally will know through operation of billing cycles or indeed by contractual agreement when a bill will arrive.

Operators should have the option of providing an alert system to their customers, but by no means do we support the view that this should be mandated. Alerts would not add value to customers.

**ALTO believes that ComReg should be very cautious in terms of mandating provisions that may deter operators or investors from entering markets. Such a solution or solutions, if mandated, may pose problems and overburdening costs or outlay for operators.**

Q. 13. Do you agree with the principle that alignment of the timing of the issuing of the bill, the application of the subscription charge and the request for payment should be maintained by service providers? If not, please provide reasons to support your view.

A. 13. We generally agree with the principle that the alignment of the timing of the issuing of the bill, the application of the subscription charge, and the request for payment should be maintained. We believe this has been the industry approach. We are not aware of problems in the industry concerning this matter. If this has proven to be a problem then may be reasonable that ComReg should highlight and consider regulatory intervention, however if there has been no issue then regulation would appear inappropriate.

Q. 14. Do you agree with the principle that, for prepaid services, a bill or at a minimum a log of billing records for a specified period, should be made available to the customer, on request? If not, please provide reasons to support your view.

A. 14. ALTO members are involved in the provision of prepaid services (to include call card, VoIP, MVNO, and other services). Our view is that regulatory intervention over and above very high-level guidance in terms of logs and other records (which actually are legal obligations in many instances) may be disproportionate.

While it might appear to be sensible to mandate some type of format in this specific market, ALTO urges ComReg not to interfere over and above current operating standards.

Prepaid services are generally in place and selected by customers in order to control their expenditure to a point or financial level selected by them in time.

Q. 15. Are there circumstances where a charge would be applied to the customer who makes a request to receive a bill, or a log/history of billing records, for prepaid services for a specified period? Please provide reasons to support your view.

A. 15. ALTO suggests that this might be possible on a case-by-case basis. Operators will generally already be providing facilities either through: web portals, IVR, SMS, or other systems, to enable the customer check/validate the remaining prepaid credit balances. In certain instances, transaction history data will also be available to customers on prepaid services. It is our experience that these services are usually provided for, free of charge.

Q. 16. Do you agree with the principle that the customer's chosen format for their bill is separate from the mechanism used for 'other' correspondence? If not, please provide reasons to support your view.

A. 16. We agree with ComReg. We point out that there may be instances where efficiencies arise in terms of marketing or other correspondence travel in the same form or manner. Some service providers' use messaging systems to convey messages on billing/eBilling invoices, this is a business decision and should not be mandated or interfered with.

**ALTO**

**13<sup>th</sup> January 2011**



### **3 An Post**

# Electronic, and other, itemised bill formats

Preliminary Consultation

ComReg Document 10/96

**Response by An Post**

13 January 2011

## Section 1: Introduction

An Post is pleased to respond to this consultation, having detailed knowledge in the attitudes of people towards billing methods, and having access to some in-depth customer research in the area from household diaries administered by two leading agencies, Ipsos MRBI and Millward Brown Lansdowne.

As Ireland's leading postal provider we process and deliver more transactional mail and have a great understanding of people's attitude towards the totality of their mail received than any other organisation.

This is our business and we have taken great care to appreciate people's attitudes towards mail in developing our commercial strategy. Not only is this our core business, but we have built upon this expertise to develop specialities in our businesses, PrintPost, BillPost, BillPay and most recently postfone.

We trust that this response will be of benefit in informing this consultation and will, of course, be willing to develop this further with ComReg and other stakeholders.

We note that ComReg will not be responding to this preliminary consultation separately but look forward to our views being taken into account when preparing the formal consultation scheduled for Q1 2011.

## Section 2: General Comments

It is useful to review some of the reasons as to why customers may require a physical bill in preference to e-bills. This should be read together with the responses to the consultation questions. We support this in Section 3 with specific market research.

- Mail is tangible and can be viewed at any time as there is no need to be online. Particularly without ubiquitous broadband and readily accessible printing facilities, this may be an issue.
- Mail is a service which the customer receives rather than has to proactively access and hence provides for better consumer protection and information. For example, the customer does not have to remember different logins and passwords for different services. Notifications and bills risk getting lost in the accidentally deleted/junk mail folder. In the event that a company ceases to trade, electronic records may not continue to be available. Computer literacy is an obvious issue too.
- Mail acts as a continuous and visual reminder for tasks such as bill payment and hence is of benefit to consumers and service providers



alike.

- Indeed in the absence of a paper bill it is difficult to see how consumers could make payments, especially in the heavily used Post Office channel.
- Mail is also useful for identification purposes (e.g. bank accounts etc.) and is seen as more trustworthy and secure for sensitive information. There can be VAT, legal and accounting implications.
- For companies, mail has high levels of relevance and engagement with their customers.
- Mail remains, despite high levels of promotion of alternatives, the preferred communication channel - all consumers opting for e-billing need to have a working computer/web accessible device and a printer; for paper billing consumers need only a working letterbox – it's simpler and under their control.

### Section 3: Relevant Market Research

We have reviewed the following:

- Ipsos MRBI (on behalf of An Post) carries out quarterly household diary surveys which have found<sup>1</sup> (most recently Wave May/July 2010)
  - 93% keep paper bills as a visual reminder
  - 82% agree that confidential information is more secure by post than online
  - 75% of Irish consumers consider receiving mail as a pleasure
  - 72% actually put time aside to read the mail
  - 70% like the routine of receiving mail
  - 81% of households agree that receiving important documents by mail helps to organise their household

This shows that consumers are still very much engaged with physical media and specifically take time to read through their mail. All age groups consider receiving mail a pleasure and we continue to see concerns about the security of confidential information being shared online. We also asked consumers about their channel preference for receiving their bank statements and the over-whelming majority of Irish Consumers still prefer to receive bank statements by post than via email or online. Given that they have also told us that paper versions help them organise their household this is not surprising.

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<sup>1</sup>This information is also available broken down by age group should this be required, but is broadly consistent.

- Millward Brown Lansdowne (on behalf of An Post) also presented this research from July – September 2010
  - Only 28% of advertising e-mails are considered relevant (this is far below the relevancy reported for Direct Mail :Addressed DM: 72% and Unaddressed DM: 42%)
- ComReg’s recently published ‘Postal Services Residential Survey 2010’ (December 2010) (ComReg document 10/107b) which at Q.49 provides research on the likelihood of consumers switching transaction mail on line. This shows that 77% of households are very/quite unlikely to move such mail over the next twelve months. In fact the percentage stating that they very unlikely to move to such a format has increased from 52% in 2009 to 68% in 2010.
- A recent UK Study shows the importance attached to a paper bill:

*‘switching off paper statements can have the same negative effect on customer satisfaction as removing UK call centres or local branches. Four in ten people agree that paper statements are as important to them as UK call centres and 73 per cent would feel inconvenienced and annoyed if they were taken away’ (full link below).*

[http://www.news.royalmailgroup.com/article.asp?id=2765&brand=royal\\_mail](http://www.news.royalmailgroup.com/article.asp?id=2765&brand=royal_mail)

## Section 4: An Post Initiatives

We are aware of the potential interest in moving to e-Billing to reduce expenditure on postage costs.

However, working with utilities and employing worksharing techniques such as correct addressing, delivery requirements, sortability and readability, we are able to offer substantial discounts to those meeting such objective criteria. We believe that offering a paper bill provides excellent value for money.

Our consistently high ratings in the Corporate Tracking Survey carried out by Millward Brown Lansdowne bears out this fact, in which we out-perform all other measured brands across a number of criteria.

## Section 5: Specific Responses

*Q. 1. Do you agree with the principle that electronic communications service providers should provide detailed information, as outlined above, for consumers with respect to any e-billing service that they offer? If not, please provide reasons to support your view.*

A.1: We agree.



It is important that consumers have enough information to control and compare their bills. Consumers should understand the advantages of paper bills and all of these areas need to be explained to them at the time of choice.

There is no substitute for a paper bill that allows consumers to analyse and compare their usage over time. There are also practical reasons such as the need to retain paper bills for other reasons such as expenses claims, VAT, accounting or legal requirements.

It is important that any changes to current contracts, or those available at the time of purchase are explained in detail and the implications set out. This would require a rigorously developed and audited Code of Practice. A default paper bill is a much simpler and more easily understood option.

*Q. 2. Do you agree with the principle that ComReg should establish a permissible default bill format(s) for each service, taking into account the nature of the service and the nature of the charges? If not, please provide reasons to support your view.*

A: 2: We do agree that ComReg should set a default bill type. Given recent moves by certain utilities to unilaterally – and without notice – enforce a particular billing type, it would be beneficial to have that set as a default. This would also provide for easier compliance action were this not to be respected.

We believe that this should be paper with others provided as an add-on. We note and agree with ComReg's contention that paper bills may be the most appropriate way for customers to control and analyse their usage e.g. with increasing use of smartphones such printing and review facilities are unlikely to be available.

*Q. 3. Do you agree with the principle that providers of electronic communications services should offer an alternative bill format, free-of-charge, to a particular customer with a disability, if the default permissible format(s) is not accessible by that customer? If not, please provide reasons to support your view.*

A: 3: Given the special requirements of those of disabilities, alternative formats should be retained and provided free of charge. This is understood across communications industries with special arrangements being available as part of e.g. the An Post and eircom Universal Service Obligations (USOs).

*Q. 4. Do you agree with the principle that the customer must explicitly agree, or opt-in, to moving to a particular bill format, including an e-bill, other than the permissible default format? If not, please provide reasons to support your view*

A: 4: We agree that the customer should opt-in. Referring to the research set out above and given the widespread promotion of utilities such as the ESB

and Bord Gáis in promoting e-Billing as part of their bills, we understand that the level of take up is low, and that 70% simply do not wish to switch. This should be respected as a matter of consumer choice.

*Q. 5. Do you agree with the proposed principles with respect to the mechanisms that should be in place to obtain the customers agreement to change from/to the permissible default bill format? If not, please provide reasons to support your view.*

A: 5: Yes, we agree. It is important that a customer's wishes should be observed.

*Q. 6. In your view, are there any circumstances where an individual customer could be moved by default by their service provider, without their explicit consent, to an e-bill, based on the method in which the customer interacts with his/her service provider? Please provide reasons to support your view.*

A: 6: No, we do not agree. Customers must be given choice to move from their default paper billing method on the implications of this explained to them. For example, it may be more appropriate to deal with queries via text message/e-mail etc. but customers have clearly set out that they wish to continue to receive a paper bill.

*Q. 7. Do you agree that, in some instances, customer 'inertia' is a factor contributing to customers not opting-in to an e-bill when, in fact, the customer would prefer this bill format? If you agree, please provide suggestions as to how customer 'inertia' could be addressed? If not, please provide reasons to support your view*

A: 7: We point to the circumstances set out above in A 4 - 6 and the fact that customer choice should be facilitated.

*Q. 8. Do you agree with the principle that no additional charge should be applied to the customer for receiving the permissible default format(s) or, in the case of a consumer with a disability, a required alternative accessible format? If not, please provide reasons to support your view.*

A: 8: Yes, we agree. It is unacceptable to charge a customer for receiving the default bill type. Bills are required for a variety of legal, tax and accounting issues and should be costed into the price of providing the service.

*Q. 9. What are the considerations with respect to service providers charging to provide a paper bill, where a paper bill is not the permissible default format? Please provide reasons to support your view*

A: 9: As set out research shows that customers prefer to receive a paper bill and should be facilitated. This would effectively represent a price increase for consumers and this would not be commercially advantageous nor justified as

there is no increase in cost of provision. This is simply penalising a customer for retaining the status quo.

*Q. 10. What is your view with respect to service providers granting a discount to customers who opt-in to an alternative bill format that it offers (e.g. an e-bill)? Please provide reasons to support your view*

A: 10: This is a commercial matter for the utility involved.

*Q. 11. Do you agree with the principle that the Quality Standard for Bill Presentation, or aspects thereof, should form part of the minimum requirement for itemised bills? If not, please provide reasons to support your view.*

A: 11: This would seem appropriate, given that it has been developed with EIQA.

*Q. 12. Do you agree with the principle that, for certain e-bill formats, an alert, containing certain relevant details, should be provided to the customer by alternative means? If not, please provide reasons to support your view*

A: 12: This would seem appropriate, however it should also contain a reference that the customer can also request a paper bill. An Post supports any measures to increase customer awareness and transparency.

*Q. 13. Do you agree with the principle that the alignment of the timing of the issuing of the bill, the application of the subscription charge and the request for payment should be maintained by service providers? If not, please provide reasons to support your view*

A: 13: We do, as such alignment makes it easier for consumers to track and control their usage.

*Q. 14. Do you agree with the principle that, for prepaid services, a bill or at a minimum a log of billing records for a specified period, should be made available to the customer, on request? If not, please provide reasons to support your view.*

A: 14: This is a commercial matter for the operator.

*Q. 15. Are there circumstances where a charge would be applied to the customer who makes a request to receive a bill, or a log/history of billing records, for prepaid services for a specified period? Please provide reasons to support your view.*

A: 15: This is a commercial matter for the operator.



*Q. 16. Do you agree with the principle that the customer's chosen format for their bill is separate from the mechanism used for 'other' correspondence? If not, please provide reasons to support your view.*

A:16: We believe that the default mechanism should be paper even where the customer has opted for an e-bill. Marketing material and customer care information can only be properly explained and digested in such a format. There may also be legal requirements. It is also important as people may wish to retain the item for future reference, such as VAT, tax and accounting purposes.

/ends

13 January 2011

**4 BT**

# **BT Communications Ireland Ltd (“BT”)**

## **Response to**

### **ComReg’s Consultation Paper Electronic, and other, itemised bill formats (ComReg 10/77).**

#### **Issue 1 - 13th January 2011**

## **1. Introduction / Summary**

We note that this is a preliminary consultation and would like to raise a number of general issues to assist the discussion.

### **Consumer vs. Corporate billing**

The consultation appears to be fully focused on the consumer market and in our view greater clarification is required between the consumer and the business/corporate market where some customers have the power to stipulate their own bill formats, including providing bill formats capable of being processed electronically by the customer.

We have some corporate customers where we would have to supply their bill over two boxes of paper per month if ComReg were to mandate paper bills in itemised format hence our view is the scope of this consultation should be limited to the consumer market.

### **Customer Choice and Billing**

For small entrants to the market paper billing can be huge overhead and it’s not unreasonable that should an operator inform potential customers that they only support electronic billing, and such is made clear in the sales process, it is then reasonable to only support this form. I.e. The customer has knowingly and explicitly made their decision to accept electronic billing format at the time of purchase. The consultation does not appear to recognise this valid scenario which we consider is both reasonable and a demonstrably fair approach as paper billing is both expensive (printing, paper and postage costs) and is not akin to a small entrant model.

### **Voice over the Internet Services**

A distinction needs to be made in the definition of Voice Services to consider that some operators offer ‘over-the-top’ voice services, i.e. the voice is provide over the broadband access service and in these cases the customer would be expected to have internet access.

### **Printing an Electronic Bill**

We note that it is not until late in the consultation that ComReg recognises electronic bills can be printed and we feel this should be given more importance.

## **2. Detailed Responses**

**Q. 1. Do you agree with the principle that electronic communications service providers should provide detailed information, as outlined above, for consumers with respect to any e-billing service that they offer? If not, please provide reasons to support your view.**

A. 1. We agree with the principle that electronic communications service providers should provide detailed information, as outlined in clause 2.1 of the consultation with respect to e-billing.

**Q. 2. Do you agree with the principle that ComReg should establish a permissible default bill format(s) for each service, taking into account the nature of the service and the nature of the charges? If not, please provide reasons to support your view.**

A. 2. We do not agree with the proposal to establish a permissible default format per service for the following reason.

- Customers that sign up with an operator knowing the type of bill they will receive prior to the purchase of the service will have explicitly made a choice as to the bill format (paper or electronic). We accept that a minimum mandatory set of items could be specified.
- Telecoms is an innovative industry and to be overly prescriptive restricts the market. For example, ComReg discusses that Voice Services on their own should supply paper bills. However, some 'over-the-top' Internet Voice providers supply a voice service only but over the customer's broadband internet connection. Hence, for these services Internet access is accessible and electronic billing should be permissible. The Comreg discussion suggests otherwise.
- We also consider that setting a default format of bills is disproportionate towards providers as such could limit the ability of providers to innovate pricing approaches, i.e. a provider may decide a novel way to charge for services and would be hampered by the bill format.

**Q. 3. Do you agree with the principle that providers of electronic communications services should offer an alternative bill format, free-of-charge, to a particular customer with a disability, if the default permissible format(s) is not accessible by that customer? If not, please provide reasons to support your view.**

A. 3. Yes we agree, however the provider should have the right to verify in a respectful way, that the disability is registered to avoid any potential abuse of this approach.

**Q. 4. Do you agree with the principle that the customer must explicitly agree, or opt-in, to moving to a particular bill format, including an e-bill, other than the permissible default format? If not, please provide reasons to support your view.**

A. 4. We agree that customers can explicitly agree at purchase to a specific billing format, but we consider more discussion is required between ComReg and the industry to find a workable way or code of practice to transfer customers.

**Q. 5. Do you agree with the proposed principles with respect to the mechanisms that should be in place to obtain the customers agreement to change from/to the permissible default bill format? If not, please provide reasons to support your view.**

A. 5. Yes we agree with the mechanisms but not the setting of prescribed formats. Please also see our response to question 4.

**Q. 6. In your view, are there any circumstances where an individual customer could be moved by default by their service provider, without their explicit consent, to an e-bill, based on the method in which the customer interacts with his/her service provider? Please provide reasons to support your view.**

A. 6. We can see scenarios where a customer could be moved to another bill format. For example where a customer moves to a service that only supports one bill format and another where an operator gives an appropriate notice period and satisfactory information of the change to the customer. We believe that a discussion should take place between ComReg and industry to find a pragmatic approach.

**Q. 7. Do you agree that, in some instances, customer 'inertia' is a factor contributing to customers not opting-in to an e-bill when, in fact, the customer would prefer this bill format? If you agree, please provide suggestions as to how customer 'inertia' could be addressed? If not, please provide reasons to support your view.**

A. 7. We agree that inertia is a factor contributing to customers not opting-in to an e-bill for many reasons such as many customers not taking time to check or read their bills and associated bill inserts. One way of incentivising the customer is either to discount the electronic bill due to the savings being made, or to increase the price of the paper bill to recover the additional cost of that method.

**Q. 8. Do you agree with the principle that no additional charge should be applied to the customer for receiving the permissible default format(s) or, in the case of a consumer with a disability, a required alternative accessible format? If not, please provide reasons to support your view.**

A. 8. We agree that registered and verified disable users should not have to pay for alternative formats.

**Q. 9. What are the considerations with respect to service providers charging to provide a paper bill, where a paper bill is not the permissible default format? Please provide reasons to support your view.**

A. 9. We operated the discount method which is justified due to the reduced costs of printing; paper; handling; and postage etc. However, we also recognise that if the electronic bill were the default then for a person to request a more expensive form of bill such as paper, it would be reasonable to charge a modest sum to recover the additional costs. The same cost argument works either way.

**Q. 10. What is your view with respect to service providers granting a discount to customers who opt-in to an alternative bill format that it offers (e.g. an e-bill)? Please provide reasons to support your view.**

A. 10. Please see question 9.

**Q. 11. Do you agree with the principle that the Quality Standard for Bill Presentation, or aspects thereof, should form part of the minimum requirement for itemised bills? If not, please provide reasons to support your view.**

A. 11. We agree with Comreg that a minimum requirement for bill quality is appropriate but this standard should take the EIAQ input and be agreed by the industry and not just imposed on the industry as appears to have been the approach to date. Our concern is that the industry is best placed to understand the services it offers and the billing system complexities whilst recognising the welfare of the consumer needs to be considered. The industry has both considerable experience and maturity of working together where such is required.

Hence we are of the view that an industry group should be set up (with Comreg present) to agree the minimum requirement for itemised bills and taking advice from bodies such as the EIQA.

**Q. 12. Do you agree with the principle that, for certain e-bill formats, an alert, containing certain relevant details, should be provided to the customer by alternative means? If not, please provide reasons to support your view.**

A. 12. We do not generally agree with ComReg that customers do not generally know when a bill is available for the following reasons.

- Its standard practice for operators and indeed most utilities and most companies to bill ongoing services at a regular frequency such as monthly, bi-monthly or quarterly. Once the first bill has been received customers will have a good idea of when the next bill will arrive.
- We accept that sending alerts improves the consumer experience but we see no benefit of supplying to medium or larger companies.

**Q. 13. Do you agree with the principle that the alignment of the timing of the issuing of the bill, the application of the subscription charge and the request for payment should be maintained by service providers? If not, please provide reasons to support your view.**

A.13. We generally agree with the principle that the alignment of the timing of the issuing of the bill, the application of the subscription charge and the request for payment should be sensible and this has been our approach, but we are not aware of problems in the industry concerning this matter. If this has proven to be a problem then it's reasonable that ComReg should highlight and consider regulatory intervention, however if there has been no issue then regulation would appear inappropriate.

**Q. 14. Do you agree with the principle that, for prepaid services, a bill or at a minimum a log of billing records for a specified period, should be made available to the customer, on request? If not, please provide reasons to support your view.**

A. 14. BT is not involved in pre-pay services hence we are not responding to this question.

**Q. 15. Are there circumstances where a charge would be applied to the customer who makes a request to receive a bill, or a log/history of billing**

**records, for prepaid services for a specified period? Please provide reasons to support your view.**

A. 15. BT is not involved in pre-pay services hence we are not responding to this question.

**Q. 16. Do you agree with the principle that the customer's chosen format for their bill is separate from the mechanism used for 'other' correspondence? If not, please provide reasons to support your view.**

A. 16. We agree with ComReg position that the format for a bill is a different issue from other correspondence.

**End**

## **5 Disability Consultative Group (DSG)**



# **Submission regarding the ComReg pre-consultation on itemised electronic bills**

Disability Consultative Group (DSG)  
Communications Subgroup

13<sup>th</sup> January 2011

This submission is made by the Communications Subgroup of the Disability Consultative Group (DSG). It comprises representatives of the Disability sector, who represent the disability umbrella organisations. The DSG Subgroup for the Department of Communications, Energy and Natural Resources consists of representatives of the following organisations, who contributed to this submission on behalf of the DSG.

Not for Profit Business Association  
Disability Federation of Ireland  
National Council for the Blind of Ireland  
DeafHear  
People with Disabilities in Ireland

We welcome the opportunity to comment at the pre-consultation phase regarding electronic billing. As an overarching statement we would like to refer ComReg to the principles outlined in the National Disability Strategy and its attendant legislation. Accessibility and equity of access to services is highlighted as a way in which people with disabilities may enjoy full lives and exercise choice. At this preliminary stage of the consultation, we therefore recommend that the principle of universal access is upheld as a fundamental requirement in designing e-billing options and that the consultation is framed in this way. This would preclude the tendency to make any assumptions about customer preferences without offering choice at every point in the development of e-billing services. This would avoid the pitfall of assuming that the service that a person subscribes to is an indication of their preferences. As an example, the bill payer might not be the person in the household accessing a service such as broadband and assumptions made on the basis of the service being provided might therefore not automatically apply. Using a customer rather than service focused consultation is imperative to ensure that the right questions are asked that elicit the most useful answers.

## **Question 1**

Do you agree with the principle that electronic communications service providers should provide detailed information, as outlined, for consumers with respect to any e-billing service that they offer? If not, please provide reasons to support your view.

### **Answer to Question 1**

We agree with many of the recommendations. Providing details concerning accessibility for consumers using screen-reader software is a step in the right direction but this needs to be widened to take account of the full range of adaptations and assistive technologies used by people with disabilities to access electronic information. Screen-reader software is only one example. Others include screen magnification software used by people with low vision; alternative input hardware and software used by people who are unable to use a mouse or other pointing device; and the various adaptation features that are built into operating systems, web browsers and other software applications and which are used by many people who do not need more specialised additional adaptations. These built-in adaptations include, for example, zoom modes, high contrast modes, colour display controls and keyboard shortcuts. Bill formats should be designed to be compatible with all commonly used assistive technologies and adaptations. This is easily done by

following the relevant standards and doesn't require the bill provider to have in depth knowledge of assistive technologies.

Although compatibility with assistive technologies and adaptations is an important requirement for accessibility, accessibility goes beyond this, encompassing everything that is included within the Web Content Accessibility Guidelines (WCAG) 2.0. These guidelines, published by the World Wide Web Consortium's Web Accessibility Initiative (WAI) constitute the internationally agreed standard definition of accessibility for online content, covering web pages, online applications and electronic documents in formats such as PDF or Microsoft Word DOC. Since email bills are generally delivered as either documents in one of these formats or as HTML/CSS emails, WCAG covers email bills too. WCAG is referenced worldwide by public policies and national law, including in Ireland (e.g. in information society policy since 2000 and in the code of practice on Sections 26-28 of the Disability Act 2005). The appropriate compliance level is almost always stated as level AA.

As well as the bills themselves, WCAG also covers online registration and logging in procedures. This is important because many such procedures rely on the use of CAPTCHAS to 'prove' the applicant is a real person and not an automated software application. The standard visual CAPTCHAS present an insurmountable barrier to blind users and even those that include audio or other alternatives are equally inaccessible in practice. To achieve equality of access, registration and logging in should be as easy for people with disabilities as for those without. Security features should either be completely accessible throughout or should include 'alternative' methods that are as quick and convenient as the 'standard' methods. For example, consumers with disabilities should not be required to take the extra step of contacting a customer service representative.

Taking all the above into account, the preferred approach to covering accessibility for people with disabilities could be stated in these terms:

*"To provide information for consumers on whether the e-bill facility, including procedures for registering, signing-in to the system, etc., is accessible according to WCAG 2.0 level AA and compatible with assistive technologies and standard computer adaptations".*

## **Question 2**

Do you agree with the principle that ComReg should establish a permissible default bill format or formats for each service, taking into account the nature of the service and the nature of the charges? If not, please provide reasons to support your view.

### **Answer to Question 2**

We have reservations about this principle because for most services there is no universally accessible format that could be used as a default. Printed bills are not universally accessible because many people are print impaired. The only format that can be considered universally accessible is e-billing using a WCAG compliant method, and then only if it can be guaranteed that all those receiving the bill have internet access (e.g. possibly for broadband services).

We would encourage a more customer-centric approach in which the service provider proactively ascertains the individual customer's requirements and provides bills in the appropriate format from the start. We do not think it is acceptable to require someone to have to specially request and/or pay for a format that meets their needs.

There is clearly merit in the idea that service providers should be expected to provide bills initially in a format that will meet most customer's needs. The imposition by

ComReg of a carefully chosen default format would certainly prevent any given provider choosing their own default format according to their own interests rather than that of their customers. But to ensure equivalence it would have to be combined with a proviso that service providers should immediately and proactively seek to find out and serve the individual customer's needs.

With regard to the default format taking account of the nature of the service, it is important to be careful to examine assumptions. For example, it is commonly assumed that users of telephony services can access voice messages because people normally associate telephony with voice communication. However, many deaf people also use mobile telephones extensively in text mode and would be unable to listen to voice bills.

### **Question 3**

Do you agree with the principle that providers of electronic communications services should offer an alternative bill format, free-of-charge, to a particular customer with a disability, if the default permissible format is not accessible by that customer? If not, please provide reasons to support your view.

#### **Answer to Question 3**

Any format that meets a person's needs should be provided free of charge, otherwise the service is fundamentally discriminatory in nature. As previously stated, we do not believe that default formats are a good idea, but if, for any reason, it is necessary to rely on a default, it should be one that is designed to be maximally accessible and the service provider should take immediate steps to ascertain the consumer's needs and provide an appropriate format as soon as possible and without charge.

In ascertaining the needs of a customer, service providers should take an approach based on functional accessibility, not defined disability types. For example, a customer might be provided with example bills in various formats and asked to choose which one works best for them. In no cases should a customer have to prove they 'have a disability' or state what disability they have. Many people with functional impairments may be unwilling to 'label' themselves in this way. The variability in functional requirements, even within defined disability types, makes this approach less effective anyway. Customers should be able to elect to have their bill in their preferred format without declaring themselves as being 'disabled' in some way.

### **Question 4**

Do you agree with the principle that the customer must explicitly agree, or opt-in, to moving to a particular bill format, including an e-bill, other than the permissible default format? If not, please provide reasons to support your view.

#### **Answer to Question 4**

It is important for consumers that their bill format is not changed without their explicit consent, but as previously discussed, we do not think that they should be put in a position where they have to explicitly 'opt out' of an inaccessible default format in order to get a bill that meets their needs.

### **Question 5**

Do you agree with the proposed principles with respect to the mechanisms that should be in place to obtain the customer's agreement to change from/to the permissible default bill format? If not, please provide reasons to support your view.

### **Answer to Question 5**

Yes, we agree that the service provider should seek customers' agreement. Further, we believe that the service provider should proactively, for all customers offer a range of alternative billing formats and that this range should include formats suitable for any individual. ComReg may consider specifying, in addition to the default format(s) for a service, the range of alternative formats that should be offered and provided on request.

### **Question 6**

In your view, are there any circumstances where an individual customer could be moved by default by their service provider, without their explicit consent, to an e-bill, based on the method in which the customer interacts with his/he service provider? Please provide reasons to support your view.

### **Answer to Question 6**

We can see no rationale that serves the customer for their bills to be moved from one format to another by service providers by default. As previously stated, the bill payer might not be the user of the service provided.

### **Question 8**

Do you agree with the principle that no additional charge should be applied to the customer for receiving the permissible default format or in the case of a consumer with a disability, a required alternative accessible format?

### **Answer to Question 8**

Yes, we agree with this principle. To charge would be discriminatory.

### **Question 9**

What are the considerations with respect to service providers charging to provide a paper bill, where a paper bill is not the permissible default format? Please provide reasons to support your view

### **Answer to Question 9**

We do not think this is appropriate. As stated previously, a default format can be imposed if there is one that is most likely to meet the needs of most customers. But for most, if not all, services, no default format will be universally accessible, so some customers will require their bills to be in another format, such as paper. It would be discriminatory to then charge these customers to provide the only format that meets their requirements.

### **Question 10**

What is your view with respect to service providers granting a discount to customers who opt-in to an alternative bill format that it offers (e.g. an e-bill)? Please provide reasons to support your view.

### **Answer to Question 10**

We have reservations about this practice if packaged as an ongoing service discount rather than a once off 'gift'. If the discount is offered as a once-off 'gift', such as a 10% reduction in this month's bill, we see no problems. However, if continued long term as a permanent discount, there is the danger that any customers who are

unable to make this switch will then be permanently on the more expensive level of a two-tier pricing structure, which would be discriminatory.

### **Question 11**

Do you agree with the principle that the Quality Standard for Bill Presentation, or aspects thereof, should form part of the minimum requirement for itemised bills? If not, please provide reasons to support your view.

### **Answer to Question 11**

Yes, we agree with this principle. The discussion of a default format as a way to ensure that bills are more customer-centric seems to be so far restricted to the choice of overall delivery mechanism – paper, on-line, voice access, etc. The content and layout are also important from a usability and accessibility perspective. These aspects can be included within a Quality Standard.

Note that the quality standard use within the current voluntary scheme operated by ComReg does not sufficiently cover universal access requirements.

## 6 Eircom

**eircom Ltd.**

**Response on behalf of eircom Ltd to ComReg  
Preliminary Consultation 10/96:**

**Electronic, and other, itemised bill format**

*Minimum requirements for itemised bills for  
electronic communications services*



**13 January 2011**



**DOCUMENT CONTROL**

<b>Document name</b>	eircom Ltd. Response on behalf of eircom Ltd to ComReg Preliminary Consultation 10/96: Electronic, and other, itemised bill format – Minimum requirements for itemised bills for electronic communications services
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## **EXECUTIVE SUMMARY**

eircom welcomes the opportunity to respond to this consultation and to contribute to the development of policies that will advance the 'Green Agenda'. Initiatives that reduce paper consumption will bring definite gains for the environment and society. eircom is therefore fully supportive of the introduction, the promotion and adoption of electronic billing.

Electronic billing will bring benefits and convenience to customers. It will also permit operators to achieve efficiencies through the reduced use of paper and to embrace alternative methods for communicating directly with our customers.

eircom is concerned that ComReg is proposing to prescribe the billing format and questions why any such action is considered necessary. Such regulatory intervention is unwarranted, counter-productive and could restrict innovation. ComReg should of course ensure that operators comply with existing obligations in any future billing medium. eircom encourages ComReg to adopt a forward looking approach with regard to electronic billing and to provide flexibility for operators within their own customer bases.

In this response eircom puts forward options for consideration. A table summarising eircom's position with respect to the principles discussed is included in the General Remarks section.

When this Preliminary Consultation is complete ComReg should move quickly to the Formal Consultation in order to facilitate the widespread introduction of electronic billing and provide certainty to all operators.

The comments and recommendations contained within this submission represent the views of eircom and Meteor (hereinafter 'eircom').

## **GENERAL COMMENTS**

eircom notes that “electronic invoicing” is part of the European Commission’s flagship initiative “A Digital Agenda for Europe”<sup>1</sup>. The EU Commission is stating that it wants to see e-invoicing become the predominant method of invoicing by 2020 in Europe.

The EU Commission proposes to support the mass uptake of e-invoicing and comments that Member States are well-placed for advocating, developing and facilitating the use of e-invoicing. The EU Commission in its Communication to the European Parliament notes that the benefits from e-invoicing are also expected to affect consumers, in particular with regard to the convenience aspects of e-invoices in comparison with paper invoices. Any new regulations should, therefore, support the EU Commission aims and facilitate the widespread introduction of electronic billing.

Electronic billing will bring benefits and convenience to customers. These include saving time, ease of accessing billing information and reductions in paper usage. There is also the potential of linking electronic billing with electronic payments to bring further benefits to customers. eircom acknowledges that not all customers wish or are able to adopt electronic billing and need to be presented with the opportunity to retain paper billing. This mechanism would be facilitated through an ‘opt-out’ basis.

The purpose of this consultation process is to permit the introduction of alternatives to paper billing against a background of flexibility and achieving efficiencies for operators. In this context eircom disagrees that ComReg should prescribe the billing format.

It is unclear from the consultation what ComReg means by ‘format’. It could be taken to mean a billing medium (paper, electronic, text) or the content and layout of a bill. Clarification on this matter would be helpful in the formal consultation to ensure a common understanding of the term. For the purposes of this response eircom understands ‘format’ to mean the layout and content of the bill. eircom will refer to the

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<sup>1</sup> “Reaping the benefits of electronic invoicing for Europe”, COM (2010) 712 – Communication from EU Commission to the European Parliament.

‘billing medium’ when discussing how bills are delivered to customers, whether by paper or by electronic means.

In using clear communications with customers and providing adequate notice, operators should be permitted to automatically move suitable customers to electronic billing – while ensuring that a mechanism to retain to paper billing is clearly presented.

ComReg should not be prescriptive on whether any charges or discounts are applied to any billing medium. Operators require flexibility in their relationships with customers and the use of charges or discounts can be a means to guide customers when appropriate.

eircom notes that the needs of users with disabilities must be met. Arising from its Universal Service Obligations eircom has strong experience in this area and will continue to provide for the needs of users with disabilities.

ComReg should ensure that all operators continue to meet their obligations when electronic billing is introduced, including the obligations with respect to consumer references<sup>2</sup>.

In making its comments on electronic billing, eircom refers to ‘customers’ throughout the response document. This should be taken to refer to both consumers (residential customers) and business customers. eircom wishes to achieve as high as possible adoption of electronic billing across the entire customer base.

A table summarising eircom’s position with respect to the principles discussed follows.

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<sup>2</sup> Sections 18.6.1 and 18.6.2 of the General Authorisation (per ComReg Decision Notice 04/10)

Principle	eircom Position
Provision of information to assist customer decision to choose electronic billing	<ul style="list-style-type: none"> <li>– The necessary information should be provided to customers along with adequate notice of any changes</li> </ul>
Establishing bill formats (layout and content)	<ul style="list-style-type: none"> <li>– Operators must be free to determine bill formats (layout and content) appropriate to the billing medium</li> <li>– Provide suitable formats for disabled users</li> <li>– All existing obligations must continue to be complied with</li> </ul>
Choice of bill medium and change of bill medium	<ul style="list-style-type: none"> <li>– When appropriate and efficient to do so operators should be able to move suitable customers to alternative billing mediums</li> <li>– Customers can request to remain with their existing billing medium on an ‘opt-out’ basis</li> </ul>
Application of discounts and / or charges	<ul style="list-style-type: none"> <li>– Operators need flexibility to apply discounts and charges in order to guide customers towards environmentally friendly billing methods</li> </ul>
Alert for electronic billing	<ul style="list-style-type: none"> <li>– An alert should be provided to customers using an appropriate medium (e.g. SMS, e:mail)</li> <li>– The alert should advise only that the bill is available. It should not provide any further bill or account information which is considered private</li> </ul>
Billing frequency	<ul style="list-style-type: none"> <li>– Operators must have the flexibility to maintain existing billing frequencies and to amend these if necessary to meet market demands or new product features</li> </ul>
Pre-paid services	<ul style="list-style-type: none"> <li>– Where possible operators should meet customer requests for historic information and have the freedom to apply a charge if appropriate</li> </ul>

## **Responses to Consultation Questions**

### **Availability and transparency of details of the e-billing service offered**

Q. 1. Do you agree with the principle that electronic communications service providers should provide detailed information, as outlined above, for consumers with respect to any e-billing service that they offer? If not, please provide reasons to support your view.

Electronic billing is designed to reduce paper consumption and to provide a better all round customer experience. The electronic billing process is ideally suited to direct debit and online payments and should therefore be encouraged.

In the consultation paper ComReg comments that the provision of an e-bill should not automatically mean a requirement for the customer to pay by particular methods (e.g. by credit/debit card or direct debit). Operators should have flexibility, if necessary, to link automatic electronic payment methods as a condition of availing of electronic billing.

Payments methods such as direct debits or standing orders are convenient and beneficial for customers by preventing missed payments. This minimises the risk that customers may forget to pay their bills on time thereby requiring reminders and possible disconnection. Neglecting to pay the bills could occur simply if customers did not regularly check for e:mail alerts or were on holiday.

eircom plans to provide electronic billing for fixed line customers over a secure page on the internet with password access. A separate e:mail will be sent to alert the customers that the bill is available. eircom's mobile arm, Meteor is currently assessing the possibility of employing greater usage of e-bills and encouraging customers to move away from the traditional paper medium.

There are no specific software requirements that customers would need to view their eircom bills. The standard web-browsers are sufficient to view the bills and any associated billing information (e.g. call details). The eircom bills are available on-line in Portable Document Format (PDF). PDF reader software is made available free of charge on many web pages. Printing of bills, if desired, is facilitated by the PDF reader software.

Customers may if they wish archive their bills either by printing the bills or 'downloading' them onto their own computers for future reference.

eircom agrees that electronic communications service providers should provide the necessary information to assist customers in their decisions to move away from the traditional paper medium to electronic billing. The information provided to customers will outline the benefits of electronic billing and will also include:

- How to access the electronic bill
- Username and password
- What the bill will look like
- How to print the bill
- How to archive the bill.

Customers will also be given adequate notice of when a change to electronic billing would occur. Customers will additionally be advised of an 'Opt-Out' mechanism which could be facilitated through a call centre or online form.

eircom will continue to meet its obligations in respect of the provision of bills by paper or electronically.



## The permissible default format of itemised bills

Q. 2. Do you agree with the principle that ComReg should establish a permissible default bill format(s) for each service, taking into account the nature of the service and the nature of the charges? If not, please provide reasons to support your view.

It is unclear from the consultation what ComReg means by ‘format’. It could be taken to mean a billing method (paper, electronic, text) or the content and layout of a bill. It would be helpful if ComReg would clarify this in the formal consultation to ensure a common understanding of the term.

Nevertheless eircom disagrees that ComReg should prescribe a ‘permissible default bill format’, which eircom understands to mean the content and layout of the bill. There is no basis for ComReg to prescribe bill formats. The matter of bill formats has never arisen in the past and given the absence of complaints to eircom it is clear that our customers are quite satisfied with the bill formats that are currently used.

eircom is aware of, but has not adopted the Quality Standard for Bill Presentation – which is voluntary. eircom does, however, meet many of the aims of the Standard but regards some measures in the Standard as unworkable, burdensome and, indeed, counter-productive.

eircom is continually reviewing its relationship with customers and the ‘bill’ is one aspect of this relationship. It will become clear through customer research and feedback if any change may be necessary. It is worth noting that two years ago eircom revamped its fixed line bills based on customer feedback. Over the last number of years Meteor has revised its bill presentation to ensure that information is presented in a manner which best responds to customers’ requirements.

eircom can see no reason to radically alter a process that has shown to date to deliver a high degree of both customer protection and information. eircom may alter bill formats from time to time to adapt to any alternative billing medium.

In any event eircom bill formats comply with all legal and regulatory obligations and eircom will continue to meet its obligations with any future bill format.

ComReg should be aware that prescribing a bill format, may result in unnecessary burdens on operators. A standard bill format may not be easily implemented without significant investment in billing systems. Electronic billing aims to achieve efficiencies and cost savings, prescribing bill formats may defeat those aims.

Operators need flexibility to define and implement billing mediums based on customers' needs and customers' ability to receive electronic bills.

## Other formats of itemised bills

Q. 3. Do you agree with the principle that providers of electronic communications services should offer an alternative bill format, free-of-charge, to a particular customer with a disability, if the default permissible format(s) is not accessible by that customer? If not, please provide reasons to support your view.

eircom's view is that ComReg should not prescribe the bill format, as outlined in the response to the previous question. This view extends to alternative bill formats. eircom will always work with its customers to achieve the optimum billing medium and formats.

With respect to users with disabilities, eircom has considerable experience as the provider with the Universal Service Obligation for many years. eircom will work with disabled users and their representatives to ensure that eircom continues to meet their needs with the available billing mediums.

Q. 4. Do you agree with the principle that the customer must explicitly agree, or opt-in, to moving to a particular bill format, including an e-bill, other than the permissible default format? If not, please provide reasons to support your view.

eircom does not agree that explicit agreement is the most appropriate mechanism before moving to an alternative bill medium. The most effective mechanism will be to present customers with the full information and benefits of electronic billing. eircom will communicate the benefits that electronic billing will bring. These include a convenient, hassle free and more environmentally friendly way to check their bill. This will save customers time and reduce paper usage with convenient and easy online access to their bill. eircom will provide adequate notice to customers of a change to electronic billing, allowing customers opt out of this billing medium before the change takes effect.

Once informed many customers are likely to appreciate the benefits of electronic billing when presented as an option and regard doing nothing as the simplest way to

say 'yes'. Customers can be advised "*if you are happy to proceed with electronic billing then you do not need to do anything*". Customers will have the opportunity and the facility to retain paper billing if they so choose through an 'Opt-Out' mechanism which could be facilitated through but not limited to existing communication channels for example, call centre or online form.

## Process to change a customer from a bill format

Q. 5. Do you agree with the proposed principles with respect to the mechanisms that should be in place to obtain the customers agreement to change from/to the permissible default bill format? If not, please provide reasons to support your view.

As stated in response to the previous question eircom does not agree that explicit agreement is the most appropriate mechanism before moving to an alternative bill medium. The communication method outlined in response to the previous question will provide customers with a convenient way of moving to electronic billing.

All operators need flexibility to develop billing mediums and also need to respond to the more general needs of their customers. eircom therefore regards 'opt-out' as the best mechanism. eircom will respect any customer's preference regarding their existing billing arrangement and will of course facilitate customers that wish to retain the traditional billing medium for whatever reason.

For those customers that over time retain paper billing, further contact may be made with them again in respect of their billing preference once a reasonable period has elapsed

Q. 6. In your view, are there any circumstances where an individual customer could be moved by default by their service provider, without their explicit consent, to an e-bill, based on the method in which the customer interacts with his/her service provider? Please provide reasons to support your view.

Operators need flexibility to meet the opportunities that alternative billing mediums offer, both in the present and in the future. As customers become more technologically astute, they are likely to prefer electronic billing mediums.

It may arise in the future that a critical mass would be reached such that it would be inefficient to provide bills by paper and that electronic billing is a clear, efficient and viable alternative for those customers. Affected customers would comprise those that

had explicitly opted-out and had over time become relatively small in numbers. This would only occur when electronic billing is an alternative for customers (e.g. those with internet access or capable of receiving SMS) and the business requirements become compelling.

Q. 7. Do you agree that, in some instances, customer 'inertia' is a factor contributing to customers not opting-in to an e-bill when, in fact, the customer would prefer this bill format? If you agree, please provide suggestions as to how customer 'inertia' could be addressed? If not, please provide reasons to support your view.

The fact that some customers may not respond to communications does not necessarily constitute inertia. As outlined in response to earlier questions many customers regard doing nothing as saying yes. Therefore a mechanism to move customers to electronic billing as described is the most practical while at the same time quickly reverting customers to the previous billing medium if desired by the customers. When communicating the benefits of paperless billing, customers will also be given adequate notice of the change to the billing medium and a clear mechanism to 'opt-out'.

## **Charging for itemised bills and application of discounts for certain bill formats**

Q. 8. Do you agree with the principle that no additional charge should be applied to the customer for receiving the permissible default format(s) or, in the case of a consumer with a disability, a required alternative accessible format? If not, please provide reasons to support your view.

Charging, not charging or applying a discount for any billing medium can be used when appropriate to guide customers towards efficient billing mediums. Operators need flexibility in managing the relationship with customers. Additionally operators must have freedom to manage their billing systems and mediums to maximise customer service and efficiencies.

In line with its Universal Service Obligations eircom is and will continue to meet the needs of users with disabilities. eircom already has a range of billing mediums to meet their needs.

Q. 9. What are the considerations with respect to service providers charging to provide a paper bill, where a paper bill is not the permissible default format? Please provide reasons to support your view.

Please see the response to Question 8.

Q. 10. What is your view with respect to service providers granting a discount to customers who opt-in to an alternative bill format that it offers (e.g. an e-bill)? Please provide reasons to support your view.

Please see the response to Question 8.

## Bill layout, content and presentation

Q. 11. Do you agree with the principle that the Quality Standard for Bill Presentation, or aspects thereof, should form part of the minimum requirement for itemised bills? If not, please provide reasons to support your view.

eircom disagrees with these principles. Operator participation in the Quality Standard for Bill Presentation is voluntary. eircom has reviewed its billing systems (both fixed line and mobile) against the Standard and finds that, while eircom meets many of the aims of the Standard, there are many aspects that are unworkable and would be prohibitively expensive to consider.

It would be entirely disproportionate of ComReg to decide that all or part of the Standard should be adopted for itemised bills. There is no evidence that the Standard requires adoption by operators. In the event that there is further consideration of adoption of the Standard or parts of the Standard, ComReg should first of all conduct a full consultation and include a Regulatory Impact Assessment.

eircom will continue to meet its obligations and customer needs with respect to billing its customers no matter what billing medium is used.



## Alerts to signal e-bill availability

Q. 12. Do you agree with the principle that, for certain e-bill formats, an alert, containing certain relevant details, should be provided to the customer by alternative means? If not, please provide reasons to support your view.

eircom agrees that a suitable mechanism be used to alert customers that the electronic bill is available. This can be by e:mail, SMS message or some other appropriate means.

The alert will state that the bill is now available. eircom will not provide any further information (for example the account number, the amount of the bill and the date that payment is due) to ensure details of customer accounts remain private.

## Billing frequency

Q. 13. Do you agree with the principle that the alignment of the timing of the issuing of the bill, the application of the subscription charge and the request for payment should be maintained by service providers? If not, please provide reasons to support your view.

Currently subscription based services are billed in advance and usage based services are billed in arrears. This model is well established and familiar to customers, with bills being either monthly or bi-monthly<sup>3</sup>. There are no current requirements to change this model.

Operators should have flexibility to alter the billing frequency to meet with market demands or the features of products as they arise. eircom will of course be sensitive to the needs of its customers.

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<sup>3</sup> eircom also bills for Leased Lines on a quarterly basis.

## **Bills for pre-paid services**

Q. 14. Do you agree with the principle that, for prepaid services, a bill or at a minimum a log of billing records for a specified period, should be made available to the customer, on request? If not, please provide reasons to support your view.

Operators should provide information to customers within the limits of their systems. Subscription based services (e.g. line rental and leased lines) are billed in advance and customers will have clear billing records and payment receipt confirmation (which appears on the subsequent bill).

Customers have not raised issues of requiring historic records with eircom and can be encouraged to maintain their own records when making pre payments.

Q. 15. Are there circumstances where a charge would be applied to the customer who makes a request to receive a bill, or a log/history of billing records, for prepaid services for a specified period? Please provide reasons to support your view.

In a competitive marketplace, Operators must have the freedom to apply a proportionate charge if necessary.

## **‘Other’ customer correspondence**

Q. 16. Do you agree with the principle that the customer’s chosen format for their bill is separate from the mechanism used for ‘other’ correspondence? If not, please provide reasons to support your view.

eircom disagrees with the principle outlined by ComReg. While eircom notes ComReg’s comments, this should not restrict operators in how they communicate with their customers. Currently ‘other’ important correspondence may be included as a bill insert. This mechanism could continue to complement electronic billing, whereby a bill alert and/or the electronic bill could be accompanied by ‘other’ important correspondence. eircom recognises that in certain cases, additional communications methods may be warranted.

## **7 Irish National Organisation of the Unemployed (INOUE)**

## ***Submission from the Irish National Organisation of the Unemployed to ComReg's Consultation on Electronic, and other, itemised bill formats***

<b>Consultation Questions</b>	<b>INOU Response</b>
<p>Q. 1. Do you agree with the principle that electronic communications service providers should provide detailed information, as outlined above, for consumers with respect to any e-billing service that they offer? If not, please provide reasons to support your view.</p>	<p>The INOU would support the details outlined by ComReg in Section 2.1 entitled 'Availability and transparency of details of the e-billing service offered'. It is very important that people are given the option to opt <i>for</i> e-billing or opt <i>out</i> if the person finds it is unhelpful in the management of their expenditure.</p>
<p>Q. 2. Do you agree with the principle that ComReg should establish a permissible default bill format(s) for each service, taking into account the nature of the service and the nature of the charges? If not, please provide reasons to support your view.</p>	<p>The INOU would agree with ComReg's proposal that for voice only services that the default bill option should be paper as we are conscious that not everyone has access to a computer nor can afford a printer. With regard to Broadband services or packages containing same e-billing would be the reasonable default option. However it would be important for people to be able to opt out if they feel it does not meet their needs and in particular if their circumstances change from loss of employment.</p>
<p>Q. 3. Do you agree with the principle that providers of electronic communications services should offer an alternative bill format, free-of-charge, to a particular customer with a disability, if the default permissible format(s) is not accessible by that customer? If not, please provide reasons to support your view.</p>	<p>Yes, the INOU agrees with this proposal.</p>
<p>Q. 4. Do you agree with the principle that the customer must explicitly agree, or opt-in, to moving to a particular bill format, including an e-bill, other than the permissible default format? If not, please provide reasons to support your view.</p>	<p>Yes, the INOU agrees with this proposal.</p>
<p>Q. 5. Do you agree with the proposed principles with respect to the</p>	<p>It is very important that the principle of customer choice is</p>

<p>mechanisms that should be in place to obtain the customers agreement to change from/to the permissible default bill format? If not, please provide reasons to support your view.</p>	<p>maintained and that people are not moved from their existing billing method with their explicit consent.</p>
<p>Q. 6. In your view, are there any circumstances where an individual customer could be moved by default by their service provider, without their explicit consent, to an e-bill, based on the method in which the customer interacts with his/her service provider? Please provide reasons to support your view.</p>	<p>None: it cannot be taken as implicit permission that the customer would not mind moving from the default option just because they are communicating with the service provider in particular fashion. In line with our answer to Q5 unless the explicit agreement of the customer is received by the service provider they should not be moved from the default option.</p>
<p>Q. 7. Do you agree that, in some instances, customer ‘inertia’ is a factor contributing to customers not opting-in to an e-bill when, in fact, the customer would prefer this bill format? If you agree, please provide suggestions as to how customer ‘inertia’ could be addressed? If not, please provide reasons to support your view.</p>	<p>Regardless of customer ‘inertia’ or not the service provider must pro-actively engage with the customer if they wish to change the billing method. Providers don’t seek change to billing methods to suit the customer but to reduce their costs and improve their profits and so it is up to them to properly communicate and engage with their customers.</p>
<p>Q. 8. Do you agree with the principle that no additional charge should be applied to the customer for receiving the permissible default format(s) or, in the case of a consumer with a disability, a required alternative accessible format? If not, please provide reasons to support your view.</p>	<p>Yes, the INOU agrees with this principle of no additional charge.</p>
<p>Q. 9. What are the considerations with respect to service providers charging to provide a paper bill, where a paper bill is not the permissible default format? Please provide reasons to support your view.</p>	<p>The INOU believes that service providers should not be allowed to do this. If a customer is looking for a paper bill where it is not the default option then it would be reasonable to assume that they have very good reasons e.g. management of family finances resulting from unemployment and / or a reduction in income.</p>
<p>Q. 10. What is your view with respect to service providers granting a discount to customers who opt-in to an alternative bill format that it offers (e.g. an e-bill)? Please provide reasons to support your view.</p>	<p>It is understandable that service providers should seek to use such an approach to encourage customers to change their billing choices. However, it would be important that the flip-side of this arrangement is not allowed to prevail i.e. those customers who do not change from a paper billing method are not penalised for same.</p>

<p>Q. 11. Do you agree with the principle that the Quality Standard for Bill Presentation, or aspects thereof, should form part of the minimum requirement for itemised bills? If not, please provide reasons to support your view.</p>	<p>Yes, the INOU agrees with this proposal.</p>
<p>Q. 12. Do you agree with the principle that, for certain e-bill formats, an alert, containing certain relevant details, should be provided to the customer by alternative means? If not, please provide reasons to support your view.</p>	<p>Yes, the INOU agrees with this proposal.</p>
<p>Q. 13. Do you agree with the principle that the alignment of the timing of the issuing of the bill, the application of the subscription charge and the request for payment should be maintained by service providers? If not, please provide reasons to support your view.</p>	<p>Yes, the INOU agrees with this proposal.</p>
<p>Q. 14. Do you agree with the principle that, for prepaid services, a bill or at a minimum a log of billing records for a specified period, should be made available to the customer, on request? If not, please provide reasons to support your view.</p>	<p>Yes, the INOU agrees with this proposal.</p>
<p>Q. 15. Are there circumstances where a charge would be applied to the customer who makes a request to receive a bill, or a log/history of billing records, for prepaid services for a specified period? Please provide reasons to support your view.</p>	<p>The INOU would have concerns about this proposal. In many cases the prepaid option is used by those with less disposable income and so it would be important that people can verify their expenditure without the penalty of a charge.</p>
<p>Q. 16. Do you agree with the principle that the customer's chosen format for their bill is separate from the mechanism used for 'other' correspondence? If not, please provide reasons to support your view.</p>	<p>Yes, the INOU agrees with this proposal.</p>



## 8 MABS



**MABS Helpline**  
**1890 283 438**  
Monday to Friday: 9am - 8pm

**Commission for Communications Regulation**

**Preliminary Consultation**

**On**

**Electronic, and other, itemised bill formats**

**ComReg10/96**

**January 2011**

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## 1. Introduction

**The Money Advice and Budgeting Service (MABS)** was established in 1992 to help people on a low income to cope with debts and take control of their own finances. It is a free, confidential and independent service. It currently comprises 53 MABS Services, located in over 60 offices nationwide. MABS is funded and supported by the Citizens Information Board.

MABS National Development Limited (MABSndl) was established in 2004 to further develop the MABS Service in Ireland. It provides training and technical support to MABS staff nationally. MABSndl also assists the MABS service in providing educational and informational supports as well as assisting in highlighting policy issues that arise in the course of the money advice work on behalf of clients. MABSndl has responsibility for the ongoing development of the MABS website [www.mabs.ie](http://www.mabs.ie) and for providing the MABS national helpline service.

While MABS acknowledge the economic benefit of electronic communication we are concerned that many of our clients do not have secure and private access to email. Even where clients may have such access, it may be an expenditure item that is cut from a family's budget when they experience a loss of income. While we recognise that free internet access is available from certain locations, including libraries, consumers may not feel comfortable or secure viewing or printing bills for their records in such public locations. We are therefore strongly of the view that consumers need to be able to exercise choice in this regard and should not be subjected to additional charges because they do not have safe, secure or private access to email.

## 2. MABS Submission

Please find below the MABS response to the questions posed in your preliminary consultation document:

- Q. 1. *Do you agree with the principle that electronic communications service providers should provide detailed information, as outlined above, for consumers with respect to any e-billing service that they offer? If not, please provide reasons to support your view.*
- A. 1. We agree that service providers should provide detailed information to assist consumers in making informed decisions regarding their bill format preference.
- Q. 2. *Do you agree with the principle that ComReg should establish a permissible default bill format(s) for each service, taking into account the nature of the service and the nature of the charges? If not, please provide reasons to support your view.*
- A. 2. We are of the view that providers of electronic communications services should offer alternative bill formats, free-of-charge, to customers. Default format(s) may not be

accessible by some customer as they may not be the primary user and may not even be familiar with the product or its workings.

Q. 3. *Do you agree with the principle that providers of electronic communications services should offer an alternative bill format, free-of-charge, to a particular customer with a disability, if the default permissible format(s) is not accessible by that customer? If not, please provide reasons to support your view.*

A.3. We are of the view that alternative bill formats should be available to all customers. If disability is the criterion for the provision of alternative bill formats what definition of 'disability' is to be used?

Q. 4. *Do you agree with the principle that the customer must explicitly agree, or opt-in, to moving to a particular bill format, including an e-bill, other than the permissible default format? If not, please provide reasons to support your view.*

A. 4. We agree with the principle that the customer must explicitly agree, or opt-in, to moving to a particular bill format, including an e-bill. The billing process should be made as simple as possible to protect customers, particularly vulnerable or otherwise erratic customers. Customers should be given the opportunity to make an informed decision as to the suitability or otherwise of alternative billing arrangements to those in place when they first entered into a contract with the provider.

Q. 5. *Do you agree with the proposed principles with respect to the mechanisms that should be in place to obtain the customers agreement to change from/to the permissible default bill format? If not, please provide reasons to support your view.*

A.5. While we recognise that service providers may wish to use electronic means, such as a phone call (including Interactive Voice Response (IVR)), e-mail or text message) to ask the customer if he/she would like to move to e-billing and to register the customer's explicit agreement, this, if it is the preferred option at the end of this consultation, should be limited to once a year.

Q. 6. *In your view, are there any circumstances where an individual customer could be moved by default by their service provider, without their explicit consent, to an e-bill, based on the method in which the customer interacts with his/her service provider? Please provide reasons to support your view.*

A.6. In our view there are no circumstances where, although the only permissible default format may be a paper bill, the default for a particular customer could be set by the service provider to an e-bill.

Q. 7. *Do you agree that, in some instances, customer 'inertia' is a factor contributing to customers not opting-in to an e-bill when, in fact, the customer would prefer this bill format? If you agree, please provide suggestions as to how customer 'inertia' could be addressed? If not, please provide reasons to support your view.*

A.7. As outlined in 2.4.1 above if a customer does not respond, then agreement/consent has *not* been obtained and cannot be presumed. We refer also to our response to Q5 above in this regard unless the provider has a record of the customer using online billing formats on a regular basis by way of a log of inputs of username / password online.

Q. 8. *Do you agree with the principle that no additional charge should be applied to the customer for receiving the permissible default format(s) or, in the case of a consumer with a disability, a required alternative accessible format? If not, please provide reasons to support your view.*

A.8. We agree with the principle that no additional charge should be applied. In this regard we refer to our response to Q3 above. Any changes made to the current default position would, presumably, already be to the benefit of the provider and, accordingly, the customer should not be charged for providing this benefit.

Q. 9. *What are the considerations with respect to service providers charging to provide a paper bill, where a paper bill is not the permissible default format? Please provide reasons to support your view.*

A.9. While we understand the cost/benefit to the service provider in encouraging customers to move away from a paper bill, it is often the financially disadvantaged consumer, for one reason or another, that pays the most expensive tariff. The paper bill, being the traditional format for billing, is the one most favourable to many vulnerable consumers, given that they are used to receiving it and use it as a reminder to pay by the specified date. These consumers should not be penalised for continuing to use paper billing.

Q. 10. *What is your view with respect to service providers granting a discount to customers who opt-in to an alternative bill format that it offers (e.g. an e-bill)? Please provide reasons to support your view.*

A. 10. See response to Q9 above

Q. 11. *Do you agree with the principle that the Quality Standard for Bill Presentation, or aspects thereof, should form part of the minimum requirement for itemised bills? If not, please provide reasons to support your view.*

A.11. It is very important that customers can easily understand and analyse their bills. We therefore support ComReg's Quality Standard for Bill Presentation and are of the view that it should be adopted by all service providers and form part of the minimum requirement for itemised bills.

Q. 12. *Do you agree with the principle that, for certain e-bill formats, an alert, containing certain relevant details, should be provided to the customer by alternative means? If not, please provide reasons to support your view.*

- A.12. We agree that alerts should accompany e-bill formats, however the information contained in these alerts must be relevant and worded so as not to put pressure on the consumer, e.g. a reminder that payment is due close to the due date would be helpful, however excessive reminders may be deemed harrassment.
- Q. 13. *Do you agree with the principle that the alignment of the timing of the issuing of the bill, the application of the subscription charge and the request for payment should be maintained by service providers? If not, please provide reasons to support your view.*
- A.13. We agree with this principle.
- Q. 14. *Do you agree with the principle that, for prepaid services, a bill or at a minimum a log of billing records for a specified period, should be made available to the customer, on request?*
- A.14. We agree with this principle.
- Q. 15. *Are there circumstances where a charge would be applied to the customer who makes a request to receive a bill, or a log/history of billing records, for prepaid services for a specified period? Please provide reasons to support your view.*
- A.15. In our view it is reasonable that a charge would be applied to the customer who makes a request to receive a bill, or a log/history of billing records if requested for a period in excess of one year from the date of the request.
- Q. 16. *Do you agree with the principle that the customer's chosen format for their bill is separate from the mechanism used for 'other' correspondence? If not, please provide reasons to support your view*
- A.16. We agree with this principle.

## 9 Magnet Networks



Magnet Networks welcomes this consultation. This consultation will endeavour to clear up any confusion that may exist around e-billing and transferring a customer to an e-billing format. Having a customer receive an e-bill should be the norm rather than the exception.

**Q. 1. Do you agree with the principle that electronic communications service providers should provide detailed information, as outlined above, for consumers with respect to any e-billing service that they offer? If not, please provide reasons to support your view.**

Overall, Magnet Networks agree with the level of information that should be provided to the customer about the billing services they provide. However, Magnet Networks feel that ComReg's reference to people receiving e-bills believing they are required to pay their bills electronically is an underestimation of the general consumer.

**Q. 2. Do you agree with the principle that ComReg should establish a permissible default bill format(s) for each service, taking into account the nature of the service and the nature of the charges? If not, please provide reasons to support your view.**

Magnet Networks does not agree that ComReg should establish a permissible default bill for each service. Creating different bills for different services is not something that is feasible to a supplier. Magnet Networks overall has no major objection to a bill format guideline or a generic bill format for all services but breaking the bills down individual per service is excessive regulation.

**Q. 3. Do you agree with the principle that providers of electronic communications services should offer an alternative bill format, free-of-charge, to a particular customer with a disability, if the default permissible format(s) is not accessible by that customer? If not, please provide reasons to support your view.**

Magnet Networks have no objection to this, if the default format is not accessible.

**Q. 4. Do you agree with the principle that the customer must explicitly agree, or opt-in, to moving to a particular bill format, including an e-bill, other than the permissible default format? If not, please provide reasons to support your view.**

From this statement Magnet Networks is assuming that ComReg intend to make a paper bill the default bill type. Magnet Networks believe that at the date of sign up a customer may be asked to choose their billing option and this is sufficient to satisfy the 'opt-in' requirement as proposed by ComReg.

**Q. 5. Do you agree with the proposed principles with respect to the mechanisms that should be in place to obtain the customers agreement to change from/to the permissible default bill format? If not, please provide reasons to support your view.**

Magnet Networks agree with the mechanisms available to the customer and the supplier to enable the customer to opt in to an alternative bill type or move from one bill format to another.

**Q. 6. In your view, are there any circumstances where an individual customer could be moved by default by their service provider, without their explicit**

**consent, to an e-bill, based on the method in which the customer interacts with his/her service provider? Please provide reasons to support your view.**

There are no circumstances Magnet Networks can think of where a customer would be moved from one bill type to another without that customers consent in the fixed broadband space. However, that is not to say that circumstances may not arise in other service types such as mobile, wireless etc.

**Q. 7. Do you agree that, in some instances, customer ‘inertia’ is a factor contributing to customers not opting-in to an e-bill when, in fact, the customer would prefer this bill format? If you agree, please provide suggestions as to how customer ‘inertia’ could be addressed? If not, please provide reasons to support your view.**

Magnet Networks agree that customers are insouciant about moving from one bill type to another. However, if they are penalised for staying on one type e.g. paper, this inertia would decrease.

**Q. 8. Do you agree with the principle that no additional charge should be applied to the customer for receiving the permissible default format(s) or, in the case of a consumer with a disability, a required alternative accessible format? If not, please provide reasons to support your view.**

Magnet Networks believe that no fee should apply to a person with a disability that requires an alternative accessible format more particular a blind person. However, it might be ‘greener’ to apply a fee to a paper bill and the default would be an ebill.

**Q. 9. What are the considerations with respect to service providers charging to provide a paper bill, where a paper bill is not the permissible default format? Please provide reasons to support your view.**

For a service provider not to have to incur the postage and printing cost for bills is something of an enormous benefit. Magnet Networks believe that paper bills should not be the norm more the exception and that ComReg should set ebills as the default standard when the customer receive broadband. However, Magnet Networks does acknowledge that if the customer receives a voice only service they should not be required to move to ebilling unless they give their express consent.

**Q. 10. What is your view with respect to service providers granting a discount to customers who opt-in to an alternative bill format that it offers (e.g. an e-bill)? Please provide reasons to support your view.**

Magnet Networks prefer to move people to ebilling and if that means offering a discount so be it, but realistically would prefer ebills to be the norm and place a charge on paper bills.

**Q. 11. Do you agree with the principle that the Quality Standard for Bill Presentation, or aspects thereof, should form part of the minimum requirement for itemised bills? If not, please provide reasons to support your view.**

Magnet Networks agrees that there should be a quality standard for bills but imposing the Excellence Ireland Quality Association (EIQA) as the minimum standard in some way defeats the purpose of having a minimum standard and an award for excellence.

**Q. 12. Do you agree with the principle that, for certain e-bill formats, an alert, containing certain relevant details, should be provided to the customer by alternative means? If not, please provide reasons to support your view.**

Magnet Networks agree that an alert may be required but feel that the level of information ComReg are proposing would seem to make the bill itself redundant. Magnet Networks feel a message such as “Your December bill is now available” is a sufficient alert.

**Q. 13. Do you agree with the principle that the alignment of the timing of the issuing of the bill, the application of the subscription charge and the request for payment should be maintained by service providers? If not, please provide reasons to support your view.**

Magnet Networks agree that it is a requisite to maintain all the same timelines as were set out in the paper bill in the ebill.

**Q. 14. Do you agree with the principle that, for prepaid services, a bill or at a minimum a log of billing records for a specified period, should be made available to the customer, on request? If not, please provide reasons to support your view.**

Magnet Networks agree that this is reasonable in relation to prepaid services.

**Q. 15. Are there circumstances where a charge would be applied to the customer who makes a request to receive a bill, or a log/history of billing records, for prepaid services for a specified period? Please provide reasons to support your view.**

Magnet Networks feel that if it is a request for duplicate bills or the request is for a period over 12 months prior a fee would be appropriate.

**Q. 16. Do you agree with the principle that the customer’s chosen format for their bill is separate from the mechanism used for ‘other’ correspondence? If not, please provide reasons to support your view.**

Overall, Magnet Networks agree that the other correspondence methods and their chosen billing are separate, however, that does not preclude a service provider from allowing the customer to opt in to receiving all correspondence by email, text or telephone.

## **10 National Disability Authority (NDA)**



**Submission**

**to**

**ComReg Preliminary Consultation 10/96**

**on**

**Electronic, and other, itemised Bill Formats**

**13 January 2011**

## Introductory Remarks

The National Disability Authority (NDA) welcomes the opportunity to make a submission to ComReg on its consultation document regarding the Preliminary Consultation on minimum requirements for itemised bills for electronic communications services. The NDA, as the lead state agency on disability issues in Ireland, is making this submission within its remit on disability issues and universal design.

The NDA is aware that a number of electronic communications services currently have the facility to provide the option of e-billing to customers and it is good that consumers who can avail of and access such options have that choice. The NDA would also acknowledge a number of advantages to e-billing such as being environmentally friendly, providing choice to consumers; enabling consumers manage and access their accounts and conduct business online or by email if they so choose, as well as, reducing costs for the service providers.

However, NDA is also aware that not all consumers can avail of or access this option and for a variety of reasons, including not using or having access to a computer and/or the internet. It is heartening to note that in the findings of ComReg's Consumers with Disabilities Telecommunications Research (April/May 2010) there is generally a rise in home internet access from 23% in 2007 to 65% in 2010 and this is in line with the general population. It is also worth noting, for example, that in the National Disability Survey(2006) there was an estimated 50,600 persons with a Seeing disability of which 7% indicated that they would use a computer as an aid and an estimated 57,600 persons with a Hearing loss of which 10% indicated their use of a computer for communication.

In summary, the NDA would recommend that when it comes to the development of minimum requirements for itemised bills for electronic communications services, that

- explicit prior consumer consent is obtained for the e-billing format
- consumers should not be disadvantaged by moving to e-billing and should have continued access to quality customer services as required and that consumers with disabilities should have equal access and choice
- preferences by people with disabilities for alternative formats of Bills is safeguarded with no additional costs incurred by such consumers and that Bills should be provided in a form that is accessible to the person concerned
- all information pertaining to such services is available in accessible formats and that it should not be assumed, with a person choosing e-billing, that is the persons preferred means of receiving communications in general
- related media such as websites and emailing should be compliant with international best practice. The current recommended international standard regarding web accessibility is WCAG 2.0. (See guidance on this from NDA's Centre for Excellence in Universal Design [www.universaldesign.ie](http://www.universaldesign.ie).)
- all aspects of the e-billing process is accessible, in line with WCAG 2, and that the onus is not on the consumer to have the appropriate software but on the

communications service provider to maximise the accessibility of the systems they are using

The NDA are happy to continue the constructive working relationship with ComReg and to provide advice and support if required.

## Consultation Questions

### **Q. 1. Do you agree with the principle that electronic communications service providers should provide detailed information, as outlined above, for consumers with respect to any e-billing service that they offer?**

The NDA would be generally supportive of the range of information to be provided to consumers with respect to any e-billing service offered by service providers, including:

- The precise electronic means (online, via e-mail, etc) offered by your service provider
- Whether the electronic means is available while in receipt of a paper bill
- Whether previous bills are available on request in paper format and if there is a charge applied
- The systems/software/facilities that are required to access the e-bill
- The security features that are available to ensure that there is no unauthorised access to details of calling users and called subscribers
- How to access the e-bill facility (procedures for registering, signing-in to the system, etc)
- If you can, and how to, “download” or store the e-bill on the individual’s personal computer
- If you can, and how to, print the bill
- The length of time the on-line system stores the bill and
- Details of the payment methods available

However, with regards to the suggestion that information be provided as to "whether the e-bill facility is accessible for consumers using screen-reader software" the NDA is aware of examples of websites that are theoretically accessible to customers with vision impairments, but only if those customers have the latest versions of the certain operating systems and screen readers. Operating systems and screen readers can be prohibitively expensive. Also, many customers have no idea what versions they have or how to upgrade to newer versions. It's important to make sure that customers can use websites and any documents from it, with the software and skills that they have now. Therefore, it is critical that the responsibility for access is placed with the service provider and not solely with the consumer and that the whole e-billing process is made accessible in line with best international practice.

**Q. 2. Do you agree with the principle that ComReg should establish a permissible default bill format(s) for each service, taking into account the nature of the service and the nature of the charges?**

The NDA is of the view that this is a reasonable approach. However, due consideration needs to be given as to the practicality of setting certain default options with certain services.

**Q. 3. Do you agree with the principle that providers of electronic communications services should offer an alternative bill format, free-of-charge, to a particular customer with a disability, if the default permissible format(s) is not accessible by that customer?**

and

**Q. 4. Do you agree with the principle that the customer must explicitly agree, or opt-in, to moving to a particular bill format, including an e-bill, other than the permissible default format?**

It is important that consumers with disabilities should have equal access and choice and of maximising the accessibility of whatever default options are applied.

With regards to the specific example cited in the consultation document relating to security software CAPTCHA, Web Content Accessibility Guidelines indicate that the use of CAPTCHA should test more than one sense e.g. vision and hearing. However, even this will exclude certain consumers with disabilities such as people who are DeafBlind. NDA is of the view that ideally it is preferable not to use CAPTCHA and recommends that alternative, fully accessible security systems, such as those used for internet banking, should be used with e-billing.

NDA suggests that the principle should be established of Bills being provided in a form that is accessible to the person concerned free of charge.

The NDA would agree that an explicit agreement must be reached with the consumer of opting in to a particular format and that agreement should be able to be independently verified, if so required. Such procedures would reduce the risks associated with bad practice of "implicit consent" because a consumer has not responded etc.

**Q. 5. Do you agree with the proposed principles with respect to the mechanisms that should be in place to obtain the customers agreement to change from/to the permissible default bill format?**

NDA is in agreement with the proposed principles that allow consumers exercise choice regarding the format of Bill they may wish to receive and that there are adequate safeguards requiring explicit consent and agreement for a customer to be moved to another Bill format. It may also be helpful for ComReg to consider reasonable timeframes which service providers should adhere to, before contacting a consumer again about seeking consent about switching to another format of Bill. Due



consideration needs to be given that a consumer, particularly a vulnerable person, does not feel "harassed" or begin to feel they may lose his/her service if one does not switch to e-billing.

**Q. 6. In your view, are there any circumstances where an individual customer could be moved by default by their service provider, without their explicit consent, to an e-bill, based on the method in which the customer interacts with his/her service provider?**

There can be situations where an individual customer has become incapacitated temporarily, for example, being admitted to hospital, and may have an agreed designated person acting on their behalf. In such situations it may be preferable for the designated person to conduct and manage the other persons Bills on line. Due consideration may need to be given here to any Data Protection issues that may apply.

**Q. 7. Do you agree that, in some instances, customer 'inertia' is a factor contributing to customers not opting-in to an e-bill when, in fact, the customer would prefer this bill format? If you agree, please provide suggestions as to how customer 'inertia' could be addressed?**

It is difficult to comment that "inertia" is a critical factor when it comes to consumers changing their Bill formats. There may be a number of other factors at work, such as, the formats that information is provided in, the way information is written and whether or not it is understandable. A number of issues around getting and understanding information became apparent in the ComReg Consumers with Disabilities Telecommunications Research (2010).

It is also worth considering that the information being provided about e-billing may need to address other issues as well, such as:

- in switching to e-billing will this impact in any way on my line rental allowance
- in printing a copy off, can it still be used as a means of proof/identification in other circumstances where a utilities bill is required
- will it be available in a printable version (black and white) and won't incur additional costs for colour printing etc

**Q. 8. Do you agree with the principle that no additional charge should be applied to the customer for receiving the permissible default format(s) or, in the case of a consumer with a disability, a required alternative accessible format?**

**Q. 9. What are the considerations with respect to service providers charging to provide a paper bill, where a paper bill is not the permissible default format?**

**Q. 10. What is your view with respect to service providers granting a discount to customers who opt-in to an alternative bill format that it offers (e.g. an e-bill)?**

NDA strongly supports the principle that no charges should be applied for a consumer with a disability requiring an alternative accessible format.

NDA would also emphasise that if an e-billing process has been designed in line with Universal Design accessibility principles then this will significantly reduce the need for alternative formats of Bills for those who could avail of e-billing.

**Q. 11. Do you agree with the principle that the Quality Standard for Bill Presentation, or aspects thereof, should form part of the minimum requirement for itemised bills?**

NDA would be supportive of the principle that ComReg's recently launched Quality Standard for Bill Presentation should be part of the minimum requirements. Again, NDA would emphasise the critical importance of maximising the accessibility of Bill formatting.

**Q. 12. Do you agree with the principle that, for certain e-bill formats, an alert, containing certain relevant details, should be provided to the customer by alternative means?**

NDA believes this reasonable particularly for e-billing on line. Alerts are particularly helpful for some people who may have difficulties remembering etc. Again, consideration needs to be given to the accessibility of the alert system and ensuring that audio and text alternatives are considered.

**Q. 13. Do you agree with the principle that the alignment of the timing of the issuing of the bill, the application of the subscription charge and the request for payment should be maintained by service providers?**

Yes.

**Q. 14. Do you agree with the principle that, for prepaid services, a bill or at a minimum a log of billing records for a specified period, should be made available to the customer, on request?**

Yes and the proposed 12 month previous period is a reasonable timeframe.

**Q. 15. Are there circumstances where a charge would be applied to the customer who makes a request to receive a bill, or a log/history of billing records, for prepaid services for a specified period?**

ComReg may have to consider timeframes for this and the current legal requirements on service providers to maintain records/logs and history of calls may be a guide in this regards. Also the costs that may be incurred by the service provider in retrieving, processing and providing such information. However, no charges should be applicable

where there are disputes over billing and/or where there are reasonable requests for such bills to be provided in alternative formats.

**Q. 16. Do you agree with the principle that the customer's chosen format for their bill is separate from the mechanism used for 'other' correspondence?**

Yes. It is particularly important with e-billing that a consumer should also have access to a person and can contact a customer care staff member if so required.

**11 02**

The background is a solid blue color. On the right side, there are two glossy, 3D-rendered spheres. The top one is larger and partially cut off by the edge of the page. The bottom one is smaller and fully visible. Both spheres have a gradient from light blue at the top to dark blue at the bottom, with a bright highlight on the upper left side, giving them a metallic or glass-like appearance.

$O_2$

Electronic and other itemised bill formats

Response to Consultation Document 10/96

13<sup>th</sup> January 2011

## 1. Introduction

Any examination of the retail markets for communications services in Ireland would show a number of providers vying to gain and retain customers. This is particularly the case for mobile markets which have been competitive for several years and now has eight independent retail providers. Giving a positive customer experience becomes a critical element of customer retention as the various service suppliers try to build market share and also hold-on to existing customers. This applies to each and every occasion in which a customer interacts with their service provider and for post-pay customers in particular, the monthly bill is one of the more important contact events. The service providers themselves are best placed to know what their own customers want and need, and competition will ensure that operators meet their customers' requirements when it comes to billing.

In O2, it is our intention to keep our customers at the heart of everything that we do, and we take the view that it is simply not in our interest to provide a poor customer experience. This applies to all aspects of our customer contact, including billing. We see billing as a core component of our customer experience, and our objective is to provide our customers with the information they need in a clear and accessible way. We do not subscribe to the view that a positive customer experience can be delivered only using traditional media and methods – there are plenty of examples of great customer experience being delivered on-line, e.g. i-Tunes, Amazon, Microsoft, etc. A customer's experience of billing can be enhanced by the use of innovative approaches, provided they can access clear, relevant and accurate information in a timely fashion. This is why O2 introduced the O2 Analyser (an on-line bill analysis tool); why we are the first Irish service provider to provide a smartphone application for account information ('My Account' App), and this is also why O2 is the only service provider to have achieved a four-star rating on the ComReg sponsored EIQA standard.

O2 welcomes ComReg's consultation on the general topic of billing at this time – the revised EU regulatory framework provides for national regulatory authorities (NRAs) to have additional functions to specify the level of detail which an itemised bill should contain in order for consumers to be able to verify their bills and control their expenditure. The revised Directive also gives NRAs the function to ensure that disabled users of communications services can have access to bill information which is equivalent to general users. However, a large part of ComReg's current consultation addresses the method of delivery of the bill for general users, rather than the level of detail provided in the bill. O2 does not believe the revised regulatory framework gives ComReg the function to specify the method of delivery of billing information in specific circumstances (except as is necessary for disabled users). The function of each national regulatory authority under the revised Directive is to specify the level of detail to be contained in itemised bills. So long as the specified level of detail is reasonably available to consumers when needed, then ComReg does not have any further function to intervene.

## 2. General Comments

In a competitive market, O2 is of the view that ComReg can and should only intervene in the relationship between service providers and their customers in limited circumstances – where provided for under the Regulatory Framework, and also where justified by a failing of the dynamics of the market to provide consumer benefits. Any intervention in the market should be objectively justified and proportionate as required under the Authorisation Regulations, and ComReg must have the statutory authority to make that intervention.

Electronic billing is a good thing. As ComReg is aware, O2 introduced electronic billing for its existing paper based consumers in 2010 and there have been several correspondences between O2 and ComReg in relation to this process. O2 has found that the introduction of electronic billing can provide benefits for both consumers and service providers alike. We have received many positive comments from our customers welcoming this initiative. We have also found that since the beginning of this process our customers have embraced the use of our on-line facilities, and their pattern of interaction with O2 is changing as a result. Customers use and view their on-line account information with increasing frequency, and this is particularly the case for customers who use the 'My Account' App. While an increasing number of customers visit O2 on-line to view their bill information, they are also more likely to view other sectors of the O2 web-site. They are now more likely to go on-line as the first point of contact with O2.

There are many other benefits of e-billing that ComReg has referred to in its consultation document, including cost reduction, and environmental impact. ComReg should be aware that investment is required to develop the systems and enhancements that will make e-billing of greatest use to consumers. It might not be possible for some service providers to make the necessary investment to deliver e-billing facilities without the benefit of the cost savings that it delivers. If service providers were required to continue to provide paper bills in addition to e-billing, this would eliminate the cost savings that make the investment in e-billing possible in the first place. As explained below, consumer inertia means that a significant number of consumers who are happy to receive an e-bill will not contact their supplier to make the change. Operators need to be able to convert these customers to e-billing in order to make the service viable.

During the introduction of e-billing, O2 provided several methods by which customers could elect to change the method used to deliver their bills. While we found that approximately 30% of consumers have elected to use paper as their billing medium, overall we have found that the process used to introduce e-billing has been a positive one. Customers have not had any difficulty in changing the delivery method for their bill, and for the 30% who have decided to continue to receive a paper bill this has not generally been a cause for a poor customer experience.

We have also found that some customers are happy to use e-billing, but the delivery method is not sufficiently important for them to contact O2 to elect to change the method one way or the other. We see this where new customers are given to option to receive e-bills at the point of joining O2 – the proportion of customers who have opted for e-billing at this point would be significantly higher than that which existed among the existing customer base. This natural inertia would mean that some customers will never make the effort to contact their service provider to change to e-billing and service providers need the freedom to change the standard billing method for existing customers, provided those who require an alternative can reasonably obtain it.

Current national and EU policy initiatives would indicate that ComReg should support moves by communications services providers to introduce e-billing as the method for delivery of bills. In its communication of 2<sup>nd</sup> December 2010 (Com 712/2010), the European Commission sets out its view of the benefits for Europe of a digital economy. The communication stated that e-invoicing will play a

key role in the EC initiative and calls for the removal of regulatory and technical barriers to e-invoicing. The EC estimates that a widespread move from paper to e-invoicing in Europe can generate savings of around €240 billion in six years. In addition Irish government policy as set-out in its document “Building Ireland’s Smart Economy” states that Ireland will work towards economic recovery through innovation and encouraging the development of the digital and green economies. In addressing the role that regulation should play in this environment, the document states that:

“ . . . it is vital that regulations operate effectively and that the cost and complexity of compliance is minimised. There are a number of tools which can be used in this regard including e-government and the use of technology for information sharing, regulatory impact assessment (RIA) and the simplification of the Statute Book.”

ComReg needs to be mindful that any regulatory intervention in the market, which might have the effect to introduce an unnecessary barrier to the implementation of e-billing would run contrary to government policy, and in the absence of objective justification would be contrary to ComReg’s statutory obligations.

While O2 has never claimed that its only objective in introducing e-billing was for the environmental benefits, these are nonetheless significant and should not be ignored. TIF/IBEC formed a Green Technology sub-Group in 2010 which examined the impact and benefits of paper bills among its members. The group calculated that the combined annual use of paper for billing among its members was 1,200 tonnes, equating to 3,300 tonnes of greenhouse gas emissions, and 3,700 tonnes of wood use. In addition, there are direct cost and efficiency savings that can be made by increased use of e-billing instead of paper. This is beneficial for both the industry and consumers, and should be encouraged by ComReg.

The General Authorisation specifies the terms and obligations under which all providers of electronic communications services operate in the Irish market. There is currently no specific requirement regarding billing or billing medium in the General Authorisation. With the exception of obligations on the designated provider of universal service, the only service providers who currently have any billing requirements are those who operate under mobile licences. There are currently eight retail providers of mobile services in Ireland, four of which operate under mobile licences in addition to the General Authorisation, and four of which operate under the General Authorisation only. Regulatory obligations in relation to retail billing are relevant to the retail market only, and the same obligations should apply to all providers. There is no objectively justifiable reason for including different obligations on mobile services provided by network operators than on Mobile Virtual Network Operators, or indeed any other provider of electronic communications services. Obligations on all Licensees and Authorised Operators must be non-discriminatory as required by the Authorisation Regulations (see further detail below). Accordingly, any billing obligations should be included in the General Authorisation only, and not in licences issued under the Wireless Telegraphy Acts.

In the current consultation document, ComReg has made no distinction between different types of customer. O2 would ask ComReg to clarify that it is only individual consumers who are the subject of the proposed consultation, and not large SME or Corporate customers.



Prepay products, because of their nature are already designed to meet the objectives of the Authorisation Directive – to give consumers the ability to verify charges, monitor usage, and control expenditure. ComReg has not provided any evidence of a failure of pre-pay products to meet these requirements, and O2 is of the view that any regulatory intervention would be unjustified. These products work well in the market and should be left alone.

O2 believes that while it would be incorrect for ComReg to intervene by introducing mandatory conditions in relation to billing generally, it might be useful to consider working with the industry to develop a voluntary guide or standard. This could have status equivalent to the current EIQA standard for bill presentation, and it might even be possible to amend the scope of the EIQA standard to cover the relevant issues.

### **3. O2's Experience of consumer e-billing**

As ComReg is aware, O2 has undertaken a process to introduce e-billing to its existing paper-only consumers during 2010, and there has been an exchange of correspondence between ComReg and O2 in relation to this matter. The majority of our post-pay consumers now receive an electronic bill only, and have done so for more than six months. While we believed in the benefits of introducing e-billing, we were aware that customer inertia would act against widespread adoption of e-billing. We were also conscious that its introduction should not lead to a poor customer experience. On this basis, it was decided to conduct a trial of 1,000 customers to test the proposed process and also customer reaction. The trial was extremely successful, not just in testing the process for introducing e-billing, but also for measuring consumer reaction. O2 found that overall customer reaction to e-billing was positive, with approximately 70% of customers opting to continue to receive an e-bill only. Of the customers who decided to continue to receive a paper bill, there wasn't a negative reaction to e-billing or the process used. The trial did reveal some information regarding customer inertia, and a survey of customers who remained on e-billing and were happy to do so revealed that only 50% said they would have taken action to change from paper to e-billing their selves. The remainder would have taken no action. In reality, O2 is of the view that significantly less than the 50% would have actually taken action to change to e-billing only, meaning that the take-up of e-billing would be poor if O2 was to simply wait for customers to contact us to request e-billing.

In the process used, customers were notified individually in writing of O2's intention to introduce e-billing, and for the purpose of obtaining agreement. They were informed of the process, and of their options to inform O2 if they wanted to continue to receive a paper bill, or to change the delivery medium. Several methods were provided for customers to change billing medium, including on-line, call to customer care, IVR, and text message. Customers received additional notifications of the process by text message prior to receipt of their first e-bill. When the monthly bill is produced, customers receive a bill summary by either text message or e-mail (depending on customer preference), which informs them of the charges and the due date.

It is important to note that the customers who converted to e-billing in this process always have the option to change to or from paper at any time. There is no time limit within which this change must be

made, and there is no charge for changing or electing to receive a paper bill.

ComReg and O2 engaged in lengthy correspondence regarding the process used by O2 to introduce e-billing, and O2 agreed to implement a process whereby O2 could record that the relevant customers are happy to continue to use e-billing. This process is ongoing.

Overall, O2's experience of the introduction e-billing has been a positive one, and the majority of our consumer subscribers continue to receive an electronic bill only. As previously stated, one of the overriding considerations for O2 was to maintain customer satisfaction throughout the process. While we have found that some customers have elected to continue to receive a paper bill, the process has not been a negative one for them – there has been no negative impact on O2's customer satisfaction. In fact some customers were delighted with the initiative and have told us so. The following are some verbatim quotes from our customers:

*"had a letter from you about my bill going on line, about time too, you big companies should go greener, I don't understand why you wasted paper telling us about it, why didn't you just send us a text"*

*"Ye wrote to me there during the week about getting either going online or getting the normal written statement from you every month, I'd like to go online please, it's about time too, I've been doing my bank statements on line for years"*

*"I'm just ringing there about my billpay... Can you make sure that I get them on the internet, I don't like paper with my personal details going through the post I live in an apartment building and it's not safe "*

*"I got a text from you about billing, it says 'we recently wrote to you about our online billing, if you still prefer a paper bill please call', do I have to tell you I want my bill online, because I do, it's much better than loads of paper coming in the letter box"*

Overall, O2 believes that the introduction of e-billing has been a positive customer experience. There has not been a negative customer reaction. We find that customers are now more likely to use the on-line "my Account" facility, and not just to check their bill – overall the number of visits to O2's internet site has increased, and customers are also viewing other sections outside of billing information. We have also notices that late payment has decreased since the introduction of e-billing, although we cannot yet state to what extent this is as a direct result of e-billing.

#### **4. Legislative Background**

This section considers the legislation relevant to ComReg's current consultation.

##### **Authorisation Regulations (SI 306 of 2003)**

Regulation 8(2) provides that

*"Any attachment of conditions to the general authorisation or non-application of conditions to undertakings of such class or description as may be specified by the Regulator under paragraph (1) shall be objectively justified in relation to the electronic communications network or service concerned and shall be non-discriminatory, proportionate and*

transparent.”

As ComReg is considering the introduction of new conditions in the General Authorisation, they must be objectively justified. ComReg has not presented any evidence that the current conditions are inadequate, or that any consumer harm is being caused that required the introduction of billing conditions as a remedy. ComReg should carry out a Regulatory Impact Assessment on any proposed conditions.

Regulation 10 provides as follows:

*“(1) Notwithstanding section 5 of the Act of 1926, but subject to any regulations under section 6 of the Act of 1926, where the Regulator attaches conditions to a licence, it may only attach such conditions as are listed in Part B of the Schedule. The Regulator may specify that certain conditions may not apply to undertakings of such class or type as may be determined by the Regulator.*

*(2) Any -*

- (a) attachment of conditions under paragraph (1), or*
- (b) non-application under paragraph (1) to undertakings of a class or description as may be determined by the Regulator of conditions listed in Part B of the Schedule,*

*to a licence shall be objectively justified in relation to the electronic communications network or service concerned and shall be non-discriminatory, proportionate and transparent.”*

Part B of the schedule does not include any reference to billing at all. Accordingly, ComReg may not include in a Licence under the Wireless Telegraphy Act conditions relating to the method of billing. O2 has addressed this point in response to Consultation documents 09/99, and 10/71, however ComReg has not responded to the detail of these responses as yet.

#### **Directive 02/22/EC as amended by Directive 2009/136/EC**

The amendment to the Universal Services has not yet been transposed into Irish Law, however it is possible to examine the scope of functions that the State might apply to ComReg as the NRA.

Article 29 Provides as follows:

#### **▼ M1**

*1. Without prejudice to Article 10(2), Member States shall ensure that national regulatory authorities are able to require all undertakings that provide publicly available telephone services and/or access to public communications networks to make available all or part of the additional facilities listed in Part B of Annex I, subject to technical feasibility and economic viability, as well as all or part of the additional facilities listed in Part A of Annex I.*

#### **▼ B**

*2. A Member State may decide to waive paragraph 1 in all or part of its territory if it considers, after taking into account the views of interested parties, that there is sufficient access to these facilities.”*

ANNEX I, Part A states:

*“(a) Itemised billing*

*Member States are to ensure that national regulatory authorities, subject to the requirements of relevant legislation on the protection of personal data and privacy, may lay down the basic level of itemised bills which are to be provided by undertakings to subscribers free of charge in order that they can: (i) allow verification and control of the charges incurred in using the public communications network at a fixed location and/or related publicly available telephone services; and (ii) adequately monitor their usage and expenditure and thereby exercise a reasonable degree of control over their bills. Where appropriate, additional levels of detail may be offered to subscribers at reasonable tariffs or at no charge. Calls which are free of charge to the calling subscriber, including calls to helplines, are not to be identified in the calling subscriber's itemised bill."*

The above provisions in the Directive clearly relate to the degree of itemisation that should be contained in a bill so that subscribers can control expenditure and monitor charges. The Directive does not provide for the specification of the medium used to deliver the bill. ComReg would be acting beyond the scope the relevant provisions if it was to rely on them as the basis to specify how itemised bills should be delivered.

*In the same Directive, Article 23a Provides:*

*"1. Member States shall enable relevant national authorities to specify, where appropriate, requirements to be met by undertakings providing publicly available electronic communication services to ensure that disabled end-users:*

*(a) have access to electronic communications services equivalent to that enjoyed by the majority of end-users; and  
(b) benefit from the choice of undertakings and services available to the majority of end-users.*

*2. In order to be able to adopt and implement specific arrangements for disabled end-users, Member States shall encourage the availability of terminal equipment offering the necessary services and functions."*

This Article is clearly limited in scope to requirements necessary to ensure users who have a disability can access the same services as the majority of end users. It does confer on a NRA the ability to specify billing conditions for the majority of users.

### **Current Mobile Licences**

The current Mobile Licences all specify similar requirements in relation to billing. The conditions provide that operators shall, unless agreed otherwise with individual customers, provide bills in paper medium – the licences specifically say that e-billing is permitted subject to agreement with customers. Contrary to what is expressed by ComReg in the consultation document, agreement does not require "explicit consumer consent". The licences do not stipulate any specific requirements as to how this agreement should be obtained, the term "agreement" has clear meaning in Irish law, and is not restricted to the specific form of prior explicit agreement as contended by ComReg. In the absence of any specification that it should be interpreted in any other way, this requirement to obtain consent can only be interpreted in accordance with its meaning as established under Irish law.

ComReg has questioned whether the process adopted by O2 in the introduction of e-billing satisfactorily obtained the agreement as required under the licence. O2 is satisfied that the process followed complies with the requirement in its licence to obtain consent as it must be interpreted under Irish law. There is no current requirement that explicit agreement, express agreement, or positive consumer consent should be obtained.

## 5. Response to Questions

*Q. 1. Do you agree with the principle that electronic communications service providers should provide detailed information, as outlined above, for consumers with respect to any e-billing service that they offer? If not, please provide reasons to support your view.*

While the details specified by ComReg seem reasonable at present, and for services currently provided, ComReg should not attempt to regulate this aspect of the relationship between service providers and their customers. No evidence has been provided to demonstrate that such intervention is warranted, as is required under the Authorisation Regulations.

The way people use of the internet is changing, and this creates a great opportunity for service providers to interact with their customers in a completely different way. Their billing experience will be enriched by the opportunities that developing technology creates. O2 believes that static regulatory obligations would remove flexibility for service providers to innovate and would ultimately be damaging to consumer welfare.

*Q. 2. Do you agree with the principle that ComReg should establish a permissible default bill format(s) for each service, taking into account the nature of the service and the nature of the charges? If not, please provide reasons to support your view.*

O2 does not support this proposal. In the first place we believe it is inappropriate for ComReg to intervene in the relationship between service providers and their customers in this manner. With the exception of circumstances covering end users who have a disability, we also believe this approach is not supported by the current or planned regulatory framework (see comments in section 4 above). The current regulations limit the scope and circumstance where conditions may be included in the General Authorisation. The revised framework will provide for the NRA to specify requirements regarding the level of detail included in itemised bills, and measures for end users who have a disability only.

It seems that ComReg has formulated this proposal on the basis of incorrect assumptions, e.g. there is no evidence that an electronic bill is more complex or less informative than a paper one; equally it is incorrect to say that services which have variable charges are better to be billed through paper. O2's experience is quite the opposite. Electronic bills are not limited to a once-monthly update as paper bills are. They give the possibility to analyse, sort, filter, and graph data. In addition, O2's e-billing facility allows a customer to view billing information covering current and previous 11 months.

ComReg is also wrong to assume that mobile phone accounts are unsuitable for e-billing, as the e-bill can be accessed through methods other than the mobile phone, including "large screen" viewing over the internet, or by e-mail. ComReg should be aware that one of the fastest growing means to check billing and account information is through smartphone application. For many users, this has proven to be significantly the preferred means of checking billing information. O2 has found that the average customer will visit the My Account page twice per month, whereas those using a smartphone application will visit 7 times per month. These applications are very accessible and useful, and as a result mobile customers who use these applications make greater use of electronic account

information than either standard internet users or customers who receive paper bills. This is a growing trend, and is changing the way in which customers interact with their service provider. This is one small part of the digital economy. ComReg must not introduce inflexible rules that would prevent the growth of these type of services.

Finally, O2 have made a significant investment in technology to support the evolution of our billing capability. This continued investment required that we achieve a reasonable uptake of the service by customers. Any rule in relation to a default billing method could hamper that uptake, and would undermine the ongoing investment.

*Q. 3. Do you agree with the principle that providers of electronic communications services should offer an alternative bill format, free-of-charge, to a particular customer with a disability, if the default permissible format(s) is not accessible by that customer? If not, please provide reasons to support your view.*

O2 agrees with the principle that users with a disability should be able to avail of a reasonable alternative format bill in order that they can enjoy access to billing information equivalent to that available to other users.

*Q. 4. Do you agree with the principle that the customer must explicitly agree, or opt-in, to moving to a particular bill format, including an e-bill, other than the permissible default format? If not, please provide reasons to support your view.*

O2 does not agree with this proposal. ComReg is proposing to introduce a new restriction that is not warranted, and not supported by the Authorisation Regulations. Customer inertia will always act against service providers who wish to make changes, even in circumstances where the customers are happy to accept the change. In competitive markets, this proposal would introduce a barrier to innovation and is exactly the kind of restriction that government policy says should be avoided in best practice regulation.

O2 believes agreement to changes in terms and conditions, including billing format, can be sought through different approaches which address the risk of customer inertia and ensure the customer experience is not devalued

*Q. 5. Do you agree with the proposed principles with respect to the mechanisms that should be in place to obtain the customers agreement to change from/to the permissible default bill format? If not, please provide reasons to support your view.*

As described earlier in this document, O2 does not believe that it is appropriate for ComReg to impose any specific obligations in relation to the medium for delivery of bills. ComReg seems to be proposing a new barrier to the daily interaction between service providers and their customers. This is unwarranted.

*Q. 6. In your view, are there any circumstances where an individual customer could be moved by default by their service provider, without their explicit consent, to an e-bill, based on the method in which the customer interacts with his/her service provider? Please provide reasons to support your*

view.

It is not clear why ComReg has introduced the concept of explicit consent in the consultation. It implies that for matters relating to the method used to deliver bills, some form of procedure should be used to obtain agreement which is over and above that which is normally legally required to obtain agreement. O2 sees no justification for such exceptional treatment in this case, and does not see a legal basis on which ComReg could introduce it as a requirement.

There can be circumstances where it would be appropriate for service providers to introduce a change to the bill delivery method without having obtained this “explicit consent”, including where a suitable alternative is proposed, but inertia is preventing customers from taking action to indicate their preference for a change. This might also occur where a particular technology or method had reached “end-of-life” and was to be discontinued.

*Q. 7. Do you agree that, in some instances, customer ‘inertia’ is a factor contributing to customers not opting-in to an e-bill when, in fact, the customer would prefer this bill format? If you agree, please provide suggestions as to how customer ‘inertia’ could be addressed? If not, please provide reasons to support your view.*

Yes, O2 has seen evidence of this customer inertia in the process used to introduce e-billing in 2010. In a survey of customers who remained on e-billing and were happy to do so, only 50% said that they would have taken action to change from paper to e-billing their selves, the remainder would have taken no action. In reality O2 believes only a proportion of those who had the intention to take such action would actually have done so. In our view, the process followed by O2 was the most appropriate way to deal with this inertia.

*Q. 8. Do you agree with the principle that no additional charge should be applied to the customer for receiving the permissible default format(s) or, in the case of a consumer with a disability, a required alternative accessible format? If not, please provide reasons to support your view.*

As previously stated, O2 does not agree with the proposal for a default bill format. Customers who have a disability, and who need access to receive their bill in a particular format/medium for this reason should be able to do so without additional charge. Otherwise, ComReg should not intervene.

*Q. 9. What are the considerations with respect to service providers charging to provide a paper bill, where a paper bill is not the permissible default format? Please provide reasons to support your view*

Several operators provide products that are specifically on-line only, and they can develop a specific tariff structure based on the elements included in the product and the costs of provision. In some cases, these products are designed to use exclusively electronic billing. In the case where a customer decided to use one of those products, but in addition wanted to receive a paper bill, then it would be entirely reasonable for the service provider to offer this with an additional charge for the non-standard element. Any restriction on this would limit consumer choice and product innovation. This matter should be left to the service provider to decide, depending on the relevant market, product, and commercial circumstances.

*Q. 10. What is your view with respect to service providers granting a discount to customers who opt-in to an alternative bill format that it offers (e.g. an e-bill)? Please provide reasons to support your view.*

This matter should be left to the service provider to decide, depending on the relevant market, product, and commercial circumstances.

*Q. 11. Do you agree with the principle that the Quality Standard for Bill Presentation, or aspects thereof, should form part of the minimum requirement for itemised bills? If not, please provide reasons to support your view.*

O2 welcomed the introduction of the EIQA quality standard on a voluntary basis, and was the first service provider to obtain a 4-star rating. We believe it would be worth considering broadening the scope of the current voluntary standard to cover other issues in addition to presentation. However we do not believe it is appropriate to have a mandatory standard for bill presentation. Such mandatory standards could come at a high implementation cost that would be prohibitive for smaller service providers.

*Q. 12. Do you agree with the principle that, for certain e-bill formats, an alert, containing certain relevant details, should be provided to the customer by alternative means? If not, please provide reasons to support your view.*

O2 agrees that this is a good idea, however it should not be mandatory. We do not see that there is a requirement for intervention by ComReg in this matter.

*Q. 13. Do you agree with the principle that the alignment of the timing of the issuing of the bill, the application of the subscription charge and the request for payment should be maintained by service providers? If not, please provide reasons to support your view.*

Yes, O2 agrees that this is a good idea; however again we do not see that there is a requirement for intervention by ComReg in this matter.

*Q. 14. Do you agree with the principle that, for prepaid services, a bill or at a minimum a log of billing records for a specified period, should be made available to the customer, on request? If not, please provide reasons to support your view.*

Pre-pay services have been specifically developed to give customers a convenient way to monitor and control expenditure. Given that 65% of all mobile subscriptions are prepay, it has been well proven that current products are adequately meeting this need. ComReg needs to explain why in this circumstance it is proposing any change, and on what basis.

*Q. 15. Are there circumstances where a charge would be applied to the customer who makes a request to receive a bill, or a log/history of billing records, for prepaid services for a specified period? Please provide reasons to support your view.*

While O2 provides a facility for customers to obtain this information without charge, there might be circumstances where such a charge would be necessary, e.g. if a particular format was requested, or if data from outside the normal period was requested. In practice there is little demand for this



information, as pre-paid services have been specifically developed to give customers information about, and control of, their expenditure in advance. It is generally possible for a customer to check their remaining balance before and after each chargeable event. ComReg should be aware that any move to standardise the provision of this information could cause significant costs to be incurred by service providers. ComReg needs to explain why in this circumstance it is proposing any change, and on what basis.

*Q. 16. Do you agree with the principle that the customer's chosen format for their bill is separate from the mechanism used for 'other' correspondence? If not, please provide reasons to support your view*

Yes, in general it is not necessary to use the same method for billing and other correspondence; however there might be cases where there is a link. As an example, a service provider might decide to launch an on-line only product, with the tariff determined on the basis that most communication with the customer is electronic. There might also be other cases. Again we do not see any requirement for intervention by ComReg in this matter.

## **12 Telecommunication and Internet Federation (TIF)**

## **The Telecommunications and Internet Federation (TIF) Response to ComReg's 10/96**

### **(Preliminary consultation of Electronic billing and related issues) 13<sup>th</sup> January 2011**

The Telecommunications and Internet Federation (TIF) welcomes the opportunity to respond to ComReg 10/96 preliminary consultation of electronic billing and related issues.

#### **Background:**

The IBEC Telecommunications and Internet Federation is the representative body for leading industry and associated interest groups in the field of electronic communications. TIF represents companies involved in fixed, mobile, wireless, fixed wireless, satellite, broadcasting, cable based service provisions, outsourcing and internet service provision. There are currently over 70 members. Telecommunications and Internet Federation oversees:

- The advocacy of the long-term interests of participants in the electronic communications industry in Ireland.
- The publication and promotion of policy recommendations reflecting the views of operators and users in relation to telecommunications and internet matters.
- The provision of a forum for discussion on relevant issues amongst network operators, telecommunications users, internet service providers, application service providers and other communities of interest.

The telecoms industry contributes approx €4bn to the Irish economy and employs over 15,000 people. This does not include the number of other ICT and non-ICT industries that rely on a modern telecoms infrastructure to survive. The sector's success is therefore central to economic recovery and the creation of a dynamic enterprise-driven environment that can foster innovation and job creation.

#### **Electronic Billing Benefits:**

TIF believes that Electronic billing has a positive impact on the sector in terms of efficiency and cost reduction as well as delivering consumer and environmental benefits. As outlined in our previous

submission to ComReg by the TIF Electronic billing subcommittee on 28<sup>th</sup> May 2010, there are significant consumer benefits to Electronic Billing. These include the following:

- Cost savings
- Convenience
- Control
- More efficient organisation
- Enhanced Security
- Environmentally Friendly

In particular, the environmental benefits of electronic billing should not be underestimated.

In fact TIF Electronic Billing Subcommittee illustrated that the annual total paper consumption by member companies is almost **1,200 tonnes**. **This equates to greenhouse gas (GHG) emissions of over 3,300 tonnes and more than 3,700 tonnes of wood use, which is equivalent to over 26,000 trees.**

#### **Electronic billing and the Digital Society:**

TIF believes that more wide-spread adoption of Electronic-billing in Ireland would be a clear demonstration of progress in ICT adoption and best practice in a “Smart” economy. The use of electronic billing would encourage and promote the adoption of digital services and a digital society. This would be in line with “electronic invoicing” which is a key element of the European Commission’s flagship initiative “A Digital Agenda for Europe”<sup>1</sup>. The EU Commission wants to see e-invoicing become the predominant method of invoicing by 2020 in Europe.

The EU Commission proposes to support the mass uptake of e-invoicing and comments that Member States are well-placed for advocating, developing and facilitating the use of e-invoicing. The EU Commission in its Communication to the European Parliament notes that the benefits from e-invoicing are also expected to affect consumers, in particular with regard to the convenience aspects of e-invoices in comparison with paper invoices. Therefore, TIF believes that ComReg should support the EU Commission aims and facilitate the widespread introduction of Electronic billing.

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<sup>1</sup> “Reaping the benefits of electronic invoicing for Europe”, COM (2010) 712 – Communication from EU Commission to the European Parliament.

**Electronic billing and Non technical customers/disabled:**

While TIF understands that in the implementation of Electronic billing, the requirement to ensure that the needs of “vulnerable” customers should be accommodated, this should not be an obstacle to its general implementation. TIF agrees with the principle that providers of electronic communications services should offer an alternative bill format, free-of-charge, to a particular customer, if the default permissible format(s) is not accessible by that customer. TIF agrees with the principle that no additional charge should be applied to the customer for receiving the permissible default format(s) or, in the case of a consumer with a disability, a required alternative accessible format.

However, TIF believes operators, with the exception outlined above, should be free to charge for paper bills where this is not the default. The decision to do so will be a commercial one and will be just another form of differentiation in an already highly competitive market place. Should the imposition of such charges prove detrimental to customer acquisition or retention, rational providers will make the appropriate decisions to protect their commercial interests. TIF believes there is no case for ComReg seeking to impose any restrictions in relation to charging for non-standard billing formats. TIF suggests operators should be free to choose whether any charges or discounts are applied to any billing mechanism

**Implementation of Electronic billing:**

TIF does not agree with the principle that the customer must explicitly agree, or opt-in, to moving to a particular bill format, including an E-bill, other than the permissible default format. TIF believes operators should be free to choose the means by which customers can avail of different billing media.

TIF believes alerts to signal E-bill availability is an appropriate means of informing customers that their bill is due to be paid. For Electronic billing customers, ComReg considers that it is appropriate for the service provider to alert the customer, irrespective of the bill amount, to the fact that his/her bill is available. This could be done, for example, by text, e-mail alert or phone call. This alert should provide the period of the bill, the amount of the bill and the date that payment is due.

All operators need flexibility to develop billing mechanisms and also need to respond to the more general needs of customers. TIF believes that all operators should facilitate customers that wish to move to an alternative bill format for whatever reason.

### **Customer inertia**

TIF agrees that customer inertia is an issue preventing customers moving to Electronic billing. Some of our members have evidence from successful initiatives which offered customers the opportunity to change to Electronic billing (without incentive) to support the presence of inertia as a factor in preventing a greater uptake of e-billing. There is also evidence from members of cases where migrations to Electronic billing was undertaken which showed that a very small proportion of customers (less than 3%) opted to return to paper bills.

### **General Authorisation**

TIF believes that obligations on all Licensees and Authorised Operators must be non-discriminatory as required by the Authorisation Regulations. Therefore, any billing obligations should be included in the General Authorisation only, and not in licences issued under the Wireless Telegraphy Acts.

### **TIF Recommendation:**

TIF welcomes the proliferation of Electronic billing where customers would receive E-bills unless the customer requests to receive paper bills. Therefore, TIF recommends that any requirement that all customers must receive as default a paper bill unless they opt out of paper billing should be removed.

**13 UPC**

## **UPC response to ComReg consultation on electronic and other itemised bill formats** **ComReg doc 10/96**

### **General Introduction**

UPC welcomes the opportunity to provide input into ComReg's first consultation on eBilling. UPC is a communications provider that offers TV, broadband and voice services and has over 423.000, 184.000 and 87.000 subscribers respectively for each service. <sup>1</sup>Customers are provided with a single bill regardless of the number of services selected. It follows therefore that while UPC uses a standardised format for its bills, contents and length of bills can vary considerably depending on the chosen product portfolio.

UPC generates over 4 million bills on a yearly basis and has a range of bill cycles (monthly, bi-monthly, half yearly and yearly).

### **An overview of UPC's eBilling service**

UPC introduced its eBilling service on a phased basis in 2009. Currently, over 44% of UPC's customer can access their bills via this method.

#### *'MyUPC'*

All UPC customers are provided with a 'MyUPC' online account (accessible via the [www.upc.ie](http://www.upc.ie) website) through which the company provides an electronic PDF of each and every bill for the previous twelve bills. An eBill contains the same information as would normally be displayed on a paper bill equivalent. The UPC eBilling service is therefore already available to its full customer base regardless of whether or not subscribers rely on this facility to obtain their bills.

#### *Targeted customer groups*

Since the introduction of its eBilling facility, UPC has, on a phased basis, issued personalised correspondence to particular customer segments informing them of the existence of the service. Segments were selected on the basis of the customer's billing profile to ensure volumes were manageable and to ensure a phased approach. These letters advised that as their bills are available electronically in their 'MyUPC' account they would no longer be issued with a paper bill. Any customer that wished to continue to receive a paper bill was requested to notify this preference to the company. Customers were given one month within which to register their preference. <sup>2</sup> To date, of the 225.000 subscribers individually contacted by the company, over 88% have agreed to receive their bills via the eBilling service. That so many customers have chosen to receive their bills in this manner is testament to the popularity and customer preference for this method of delivery. That 12%

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<sup>1</sup> UPC also operates a MMDS platform which is limited to offering TV services only. UPC's submission to the eBilling consultation is therefore restricted to its cable footprint only.

<sup>2</sup> It is important to note however that UPC's business rules are such that customers can at any stage decide to opt-in or opt-out of the company's eBilling service.





registered a desire to continue to receive paper bills would indicate that they had no difficulty in making this preference known to the company. Finally, from UPC's perspective, this success rate would never have been achieved (particularly with the timeframes involved) if the approach had been that customers had to pro-actively register their billing preference with the company themselves. In UPC's experience, customer inertia is such that unless customers are prompted to take action, it can be very difficult (if not impossible) to solicit a response in relation to their particular preferences.

### *eBilling process*

For those that have chosen to receive their bills electronically, they are notified of the arrival of an eBill in their 'MyUPC' account by sms (text), which also indicates the payment due date and the amount due. For those paying by Direct Debit the text message will also indicate the date when the amount owed will be debited from the customer's bank account. The company is also exploring the possibility of developing an iphone application and if successful, will provide a new medium by which customers can review their bill.

### *New customers*

All new customers are advised at point of sale that they will be opted into the eBilling service. Should customers not wish to receive their bills in this way, it is noted on their account, and they will receive bills via their preferred delivery method.

### *Benefits of eBilling*

From a company perspective, eBilling is a convenient, secure and environmentally friendly way of delivering a customer bill. It also introduces the potential for cost efficiencies thus enabling a business to pass savings either directly (e.g. discounts) or indirectly onto customers (e.g. investing further in the development of products and services). In addition, same day notification to customers is guaranteed.

From a user perspective, it is a free service whereby customers can review their bills online and pay bills without incurring additional charges (postage, cheque costs, and cash handling costs). Customers are individually notified when the bill is uploaded to their MyUPC account and they benefit from the full payment period (usually fourteen days) by which they have to pay their bill (as opposed to receiving the bill by post a number of days after issue). Indeed the fact that UPC's cable footprint is limited to the urban centres means the majority of UPC customers can access their bill at a time and place of their choosing whether it is at home, at work or on the go.

UPC has found that customers are very enthusiastic and hugely supportive of its eBilling facility and this is evident in the phenomenally high percentage uptake of the service by customers. It is also apparent in testimonials recently received in response to an online



survey that included the question “what is the single most important thing that would make you more likely to recommend UPC?” to which customer feedback included as follows:

- “Phone, computer all in one bill. Paying online is also a great asset.”
- “Ability to manage your account online.”
- “‘MyUPC’ is excellent and it’s great to have my bills online instead of being posted out. “
- “Very efficient online billing system.”

On a final note and notwithstanding the various initiatives underway it is important to note that all UPC customers can, at any stage, even if they have previously indicated they wished to receive their bills electronically, decide to revert to receiving paper bills. Customers can register their opt-out with the company via a range of methods (phone/ email/ letter/online).

### **UPC responses to specific consultation questions**

#### **General**

UPC notes that this consultation is the first of two consultations on the issue of eBilling and itemised billing. The stated objective of this first phase is to obtain feedback so as to guide ComReg when developing its position for the second phase of the process. With respect to commentary in the ‘Introduction’ UPC notes the reference that “ComReg has a range of mechanisms available to it including consumer protection provisions that can be applied to the General Authorisation, if it were to seek to introduce specific obligations on providers of electronic communication services in respect of itemised bills.....“.

UPC would note that while consumer provisions do exist in the General Authorisation, these consumer provisions do not relate to any of the itemised billing issues which ComReg seeks to address as part of this consultation process. UPC therefore disagrees that ComReg has the powers that it suggests it does under the General Authorisation. Furthermore if ComReg were to propose as part of its second consultation amendments to the General Authorisation, it will be aware that any changes to an undertaking’s Authorisation can only be made in an objectively justified and proportionate manner.<sup>3</sup> As ComReg will also be aware, proportionality is a well defined legal test, which requires that measures implemented must be appropriate for attaining the objective pursued and must not go beyond what is necessary to achieve them.<sup>4</sup> UPC would therefore respectfully submit, should ComReg intend to propose specific measures in relation to any changes to the General Authorisation in its second consultation paper, that ComReg needs to set out how it intends to satisfy these two particular principles.

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<sup>3</sup> Regulation 15(1) European Communities (Electronic Communications Networks and Services) (Authorisation) Regulations 2003

<sup>4</sup> Joined Cases C-453/03, C-11/04, C-12/04 and C-194/04 ABNA and Others [2005] ECR I -10423 paragraph 68



Further UPC would request that if ComReg intends to introduce specific obligations for itemised bills, it should clearly state the legislative mechanisms under which these provisions are being proposed. It is simply not acceptable to state that ComReg has a range of mechanisms available to it and not to specify what these are. UPC indeed would submit that ComReg does not have a legal basis for mandating some if not all of the specific obligations that it proposes. If ComReg believes otherwise it should, in the interests of transparency, clearly set out the legal basis on which it intends to rely in the next consultation paper, so that interested parties can consider same and respond accordingly. We note the reference to Directive 2009/136/EC, again if it is the case that the measures proposed under this consultation paper would be made under the auspices of Directive 2009/136/EC, this needs to be stated clearly so that interested parties can consider all points relevant to the transposition of that particular Directive.

### **UPC feedback on specific questions**

**Q. 1. Do you agree with the principle that electronic communications service providers should provide detailed information, as outlined above, for consumers with respect to any e-billing service that they offer? If not, please provide reasons to support your view.**

UPC would agree that detailed information on eBilling facilities is already provided to customers securely. It is in an operator's interest to ensure customers are adequately informed facilitating ease of access and use of the service as otherwise the potential is there for customers to revert to requesting paper bills. Therefore while UPC has no issue with the list in section 2.1 it would caution against ComReg mandating what information would have to be provided by operators.

With respect to section 2.1, UPC's eBilling service supports the items identified as follows:

- The precise electronic means (online, via e-mail, etc) offered by your service provider.  
All customer bills are currently available securely online with regular username and password protection.
- Whether the electronic means is available while in receipt of a paper bill.  
UPC customer bills are available online regardless of delivery type
- Whether previous bills are available on request in paper format and if there is a charge applied.  
Previous bills are available upon request in paper format and charging is discretionary.
- The systems/software/facilities that are required to access the e-bill.  
Standard internet software is all that is required to access UPC's eBill service. This software is freely available (Adobe Acrobat).
- The security features that are available to ensure that there is no unauthorised access to details of calling users and called subscribers.



Online bills are only available by logging into MyUPC.ie where standard username and password security is used.

- Whether the e-bill facility is accessible for consumers using screen-reader software. UPC does not support screen-reader software, as it currently offers IVR bill reader for visually impaired customers. UPC would not support any moves by ComReg to mandate specific standards or software applications for eBilling services.
- How to access the e-bill facility (procedures for registering, signing-in to the system, etc). UPC's service can be accessed securely through MyUPC.
- If you can, and how to, "download" or store the e-bill on the individual's personal computer. The printing and downloading of bills on UPC's eBilling service has standard saving and printing functionality
- If you can, and how to, print the bill.  
As above
- The length of time the on-line system stores the bill  
Customers are advised the last 12 customer bills are available in their online account.

**Q. 2. Do you agree with the principle that ComReg should establish a permissible default bill format(s) for each service, taking into account the nature of the service and the nature of the charges? If not, please provide reasons to support your view.**

UPC would strongly oppose any proposal by ComReg to identify a permissible default format for particular services and has set out its reasoning below. Separately the company has serious concerns that despite initial reference in the consultation paper that "permissible bill format" is only a tentative proposal, subsequent references in the paper and notably the majority of questions raised would infer the proposal is more than just an initial idea. UPC would reiterate ComReg can only make such proposals where it has a clear legal basis to do so (which UPC submits it does not). Any attempt by ComReg to amend the General Authorisation can only be therefore carried out where it has undertaken the necessary legal and regulatory tests which would support that measure as being objectionably justified and proportionate to whatever problem ComReg believes such a move would address. ComReg should note this position is valid for all questions throughout the paper that reference the "permissible bill format".

UPC is a triple play provider offering TV, broadband and phone services. A single bill is issued to customers regardless of the number or product mix selected by a customer. ComReg's regulatory remit over UPC's services extends to its broadband and phone products only. If ComReg were to introduce specific billing provisions for either of these products, these would have a knock on impact on the bill format for its TV service. UPC does not believe such a measure could be ever objectively justified or indeed proportionate as to whatever end goal ComReg has this in mind. Indeed it is not clear to UPC the problem ComReg is seeking to address by proposing such a measure.

UPC customers are free to determine the delivery method of their bills and UPC fundamentally believes this should continue to be the case.



**Q. 3. Do you agree with the principle that providers of electronic communications services should offer an alternative bill format, free-of-charge, to a particular customer with a disability, if the default permissible format(s) is not accessible by that customer? If not, please provide reasons to support your view.**

UPC believes it should be left to the operator's discretion of whether or not to charge for an alternative bill format. Where possible, particularly given the competitive landscape of the telecommunications industry, operators do their utmost to accommodate all customers not just those with a disability. Costs incurred in offering alternative formats – particularly where these costs have the potential to be considerable – have to be left to the company's discretion. It would neither be proportionate nor reasonable for a Regulator to mandate otherwise.

**Q. 4. Do you agree with the principle that the customer must explicitly agree, or opt-in, to moving to a particular bill format, including an e-bill, other than the permissible default format? If not, please provide reasons to support your view.**

UPC does not agree there should be a permissible default format for particular services (please see response to Question 2). More generally, UPC would agree that operators should obtain the account holder's consent when moving to another delivery method. This consent however could be obtained by requiring customer's to register their preference with an operator. This approach would be similar to data protection requirements in relation to direct mail and telephone marketing whereby consumers are required to opt-out if they do not wish to receive that marketing information via that method. UPC believes that as long as account holders are fully informed, given an appropriate notification period (where required) and provide an opportunity to opt-out, this will ensure all relevant consumer rights are upheld.

UPC believes that customer inertia is such that seeking a customer's expressed opt-in on eBilling can be a very laborious process only because the onus is on the customer to proactively register their preference. In UPC's experience those that do care and have a particular preference have no difficulty and even less hesitation in registering this with the company. The exercise of customer choice should not therefore be viewed as only possible where a customer has expressly opted-in – it should and is also possible where a customer has been opted-into to a process and has actively chosen not to opt-out of such a move. (Please see commentary in the General Introduction section also).

Finally, it is important to note that from UPC's perspective, the success rate with eBilling has been due to the phased and targeted nature with which the company has rolled out this facility. It is also due to the considered approach the company has taken in identifying particular target groups and significant customer care resources the company has allocated to ensure smooth customer management throughout the process. UPC does not believe it is unique in this approach since it would be in any operator's interest to ensure as smooth a transition process as possible for its customers.



**Q. 5. Do you agree with the proposed principles with respect to the mechanisms that should be in place to obtain the customers agreement to change from/to the permissible default bill format? If not, please provide reasons to support your view.**

Please see response to question 4.

**Q. 6. In your view, are there any circumstances where an individual customer could be moved by default by their service provider, without their explicit consent, to an e-bill, based on the method in which the customer interacts with his/her service provider? Please provide reasons to support your view.**

UPC's success rate with eBilling is solely due to the process pursued by the company whereby specific customer groups were moved to the service and their express consent to opt-out from the service was required. Customers received personalised letters in advance of the proposed move and given adequate notice (30 days – notwithstanding the fact they can opt back, at no cost, to paper billing at any point after that). That 88% of those targeted chose to stay on eBilling is testament to the popularity of the service. UPC does not believe this success rate would have been possible were the company to rely on customers to opt themselves into the process.

UPC therefore believes that no special circumstances should be required in order for an operator to pursue a strategy similar to that adopted by UPC. Rather this approach should be left to the operator's discretion and an operator should be free to choose the approach that best suits the needs of its business.

ComReg should be aware that no operator would ever migrate its customer base (or part thereof) without careful consideration or planning. This would ensure the process is transparent, customers are informed and have the possibility to opt-out if they do not agree with the move. The alternative would be to alienate and antagonise customers, which given the competitive market in which telecommunications providers operate, would be a potentially risky and damaging strategy. UPC's customers like any other vote with their feet; if they disagree with a particular practice they will take their business elsewhere.

ComReg's sole concern should therefore be limited to ensuring customers are adequately informed, given sufficient notice and have the potential to opt-out of any proposed move.

**Q. 7. Do you agree that, in some instances, customer 'inertia' is a factor contributing to customers not opting-in to an e-bill when, in fact, the customer would prefer this bill format? If you agree, please provide suggestions as to how customer 'inertia' could be addressed? If not, please provide reasons to support your view.**

UPC strongly believes customer inertia is the only reason why customers do not register their preferences for their preferred bill format. In UPC's view the most effective solution to addressing this is to adopt the approach undertaken by the company, i.e. customers should be informed of any intention to move them to eBilling and any customer that wishes to continue to receive paper bills should register this preference with the company. (Please also see previous commentary in General Introduction and previous responses above).





**Q. 8. Do you agree with the principle that no additional charge should be applied to the customer for receiving the permissible default format(s) or, in the case of a consumer with a disability, a required alternative accessible format? If not, please provide reasons to support your view.**

UPC believes this should remain at the discretion of the individual operators. ComReg should not underestimate the competitive landscape of the telecommunications market. Decisions to charge for particular bill formats (though not in application currently by UPC) are not taken lightly by businesses since they are fully aware that all costs (whether it is for the actual service or ancillary costs such as sign up fees, bill fees etc) are carefully scrutinised by consumers (and other interested parties such as the media). Operators introduce charges in response to costs incurred. As such they have to remain free to price their service according to the cost of doing business and this includes (where relevant) charging for costs that may be incurred in issuing bills.

**Q. 9. What are the considerations with respect to service providers charging to provide a paper bill, where a paper bill is not the permissible default format? Please provide reasons to support your view.**

Please see answer to question 8.

**Q. 10. What is your view with respect to service providers granting a discount to customers who opt-in to an alternative bill format that it offers (e.g. an e-bill)? Please provide reasons to support your view.**

Please see answer to question 8.

**Q. 11. Do you agree with the principle that the Quality Standard for Bill Presentation, or aspects thereof, should form part of the minimum requirement for itemised bills? If not, please provide reasons to support your view.**

UPC's believes the EIQA standard is a useful reference tool that can serve as a guide to operators as a recommended best practice. UPC would wholly reject any proposal however to make the EIQA standard - or any variation therefore - a mandatory requirement on operators.

UPC is committed to providing transparent billing information and to present this is in such a way that helps customers to understand their bills. This would be consistent with the primary objective of any company, including UPC, whereby considerable effort is put into making the bills as customer-friendly as possible to ensure the timely payment of bills and limit, to the greatest extent possible, calls of a billing nature into our call centre. UPC intends to undertake a billing upgrade during the course of 2011 and a new bill format is planned as part of this project. The EIQA standard will be a useful benchmark for the company when assessing any changes to UPC's bill content and layout.



**Q. 12. Do you agree with the principle that, for certain e-bill formats, an alert, containing certain relevant details, should be provided to the customer by alternative means? If not, please provide reasons to support your view.**

UPC has no issue with this principle since the company currently issues a sms (text) alert to customers as soon as a new eBill is loaded onto their MyUPC account. The company has opted for this alert method since it has the mobile phone details for almost 90% of its customers.

The company has elected to do this since it recognises the benefit in prompting customers to go to their online account to review their new bill – particularly if the amount of the bill changes on a regular basis. Such an approach makes sense not only from a customer management perspective but also avoids a situation whereby bills are paid late, not paid or indeed calls are generated into the company call centre. That UPC voluntarily chooses to adopt this approach underlines that while the principle makes sense in practice, companies will choose the best method of notification for their customer base and the introduction of prescriptive forms of notification are not required by ComReg. Operators should be free to choose to alert customers as they see fit and via the mechanism best such particular customer segments.

**Q. 13. Do you agree with the principle that the alignment of the timing of the issuing of the bill, the application of the subscription charge and the request for payment should be maintained by service providers? If not, please provide reasons to support your view.**

Yes, UPC would agree with this approach which would be maintenance of the current status quo. Service providers cannot be put in a position whereby any of the suggested actions could be left to the discretion of third parties (including customers) as it would be impossible to manage from financial, billing, credit and collections management perspectives.

**Q. 14. Do you agree with the principle that, for prepaid services, a bill or at a minimum a log of billing records for a specified period, should be made available to the customer, on request? If not, please provide reasons to support your view.**

UPC does not offer pre-paid services and therefore has no opinion on this issue.

**Q. 15. Are there circumstances where a charge would be applied to the customer who makes a request to receive a bill, or a log/history of billing records, for prepaid services for a specified period? Please provide reasons to support your view.**

Please see answer to question 8.

**Q. 16. Do you agree with the principle that the customer's chosen format for their bill is separate from the mechanism used for 'other' correspondence? If not, please provide reasons to support your view.**

UPC would agree with this statement.





## 14 Vodafone



Vodafone Response to the Consultation on Electronic, and other, itemised bill formats - Minimum requirements for itemised bills for electronic communications services

## Introduction

Vodafone welcomes the opportunity to respond to this preliminary consultation of electronic billing and related issues. Please see below for Vodafone's response to specific questions.

## Response to Consultation Questions

**Q. 1. Do you agree with the principle that electronic communications service providers should provide detailed information, as outlined above, for consumers with respect to any e-billing service that they offer? If not, please provide reasons to support your view.**

Vodafone agrees that ComReg's description of the detailed information which should be made available to customers with respect to e-billing services is appropriate and comprehensive. In Vodafone's opinion, operators already offering e-billing facilities are likely to be providing such information to ensure customers using the service can do so in the most-use friendly means possible. Vodafone believes such information should be made available on operators web-sites and where possible at a single location.

**Q. 2. Do you agree with the principle that ComReg should establish a permissible default bill format(s) for each service, taking into account the nature of the service and the nature of the charges? If not, please provide reasons to support your view.**

Vodafone does not agree with ComReg's proposal to seek to establish a permissible default billing format (media), the form of which depends on the nature of the service and the nature of the charges. In particular, Vodafone would not support a proposal that paper billing should be the default medium when a customer is availing of voice-only services from a particular provider. We believe that extending an obligation to provide paper billing as the default medium to all operators (even for voice only services) is a retrograde step which runs counter to continued developments and innovation in the industry and is simply not consistent with progression towards a truly 'smart economy'. Before making such a proposal mandatory, ComReg should seriously consider the following points;

- Once paper bills are easily available on request, there should be no mandatory requirement to provide paper as the default billing medium. Providers should be free to choose the billing medium of their choice and customers should be free to choose the provider who best meets their needs. This is a feature of a normally operating competitive market.
- There is clear evidence from both Irish and other markets that customer inertia is a significant factor in customers continuing to receive paper bills when e-billing formats are available. A number of recent examples from the Irish market have shown that when customers are migrated onto e-billing, a very high percentage choose to remain on that format and express no wish to revert to paper. (Vodafone freely acknowledge that there is a cohort of customers for whom e-billing will not be suitable and these must be provided with a simple means of choosing paper bills.)
- Vodafone acknowledge that clear and comprehensive customer communication would be vital if operators are free to choose the default billing medium with alternatives such as paper billing applied only on an opt-in basis. Such a step would require a concerted communication strategy by the entire industry accompanied by a ComReg public information campaign. This could overcome any incomplete or partial information given by

the media and other sources which may imply that paper billing was no longer an option for customers. (The latter was clearly the case in the most recent example of a move to default e-billing where the overwhelming impression given by the media and some campaigners was that paper billing was no longer available to customers – when this was clearly not the case).

- The imposition on the telecommunications sector by an emanation of the state of a mandatory requirement to use paper based billing is, of necessity, a requirement to purchase services in the postal sector. Given the national nature of the telecommunications market, this is in effect an obligation to purchase services from the Universal Postal Service Provider. ComReg would have to consider whether such a mandatory requirement is tantamount to a “state aid”, constitutes a cross-sectoral subsidy of the provision of a universal postal service or is otherwise distortive of competition in the Postal Sector.
- ComReg should carry out an analysis of the consumer welfare surplus/deficit arising from any elevation in prices caused by the inclusion of additional bill production and postal costs. An analysis would also be required of the consumer welfare surplus/deficit arising from the enforced diminution of the scope for competitive differentiation.

Vodafone acknowledge that ComReg’s proposal in relation to permissible default billing mechanism is motivated by a concern for consumer welfare. However, Vodafone believes consumer welfare can be equally ensured without the requirement for mandatory billing formats, if customers are appropriately informed of their choices and properly provided with the means to exercise that choice. In Vodafone’s view operators should be free to choose the default billing medium provided that – if e-billing is the chosen default – paper billing is an easily exercisable option.

Notwithstanding the above, if ComReg were minded to make a link between the nature of the service and a default billing medium, then this should be done at an account level rather than a product level. For example, a customer on pay-monthly mobile might be defaulted to paper BUT a customer with pay-monthly mobile AND fixed broadband should default to ebilling for both, as they can use their broadband to access their mobile account. In addition such an assessment should not be limited to the services purchased from the same operator but on other indicators of broadband access even where the broadband is not purchased from the voice provider.

It is Vodafone’s view that as ComReg’s motivation in this regard is consumer welfare then any such requirements should only apply to consumers (i.e. not business customers) and not all end users.

In addition Vodafone believes that an approach whereby ComReg specifies a default billing format for the entire telecommunications sector is inappropriate and unworkable. Each Service Provider will have a distinct demographic in terms of its customer base and will target different market segments. Each segment will have different requirements. For example a company offering IP based call origination services will have a different demographic and customer profile than one offering CPS based voice services. In the former case broadband access is implicit in the service offering while in the second, no such inference can be drawn. In the first, e-billing may be the appropriate default and in the second paper based billing may be. However both offer the same service – call origination. A broad brush approach is not fit for purpose and a more granular approach would require ComReg to perform an assessment on a service offering by service offering basis which would be unworkable and be a barrier to market innovation.

Where ComReg has concerns that the needs of specific end-users are not being met by normal market dynamics, ComReg should detail the nature and extent of any such deficiencies and in the first instance seek to deal with them through Universal Service requirements.

**Q. 3. Do you agree with the principle that providers of electronic communications services should offer an alternative bill format, free-of-charge, to a particular customer with a disability, if the default permissible format(s) is not accessible by that customer? If not, please provide reasons to support your view.**

Vodafone agrees with the proposal that should the default format prove unsuitable for customers with a disability, other formats available should be provided free-of-charge.

**Q. 4. Do you agree with the principle that the customer must explicitly agree, or opt-in, to moving to a particular bill format, including an e-bill, other than the permissible default format? If not, please provide reasons to support your view.**

Vodafone would not support the proposal that customers should explicitly agree or opt-in to moving to a particular bill format. Vodafone believe operators should be free to choose the means by which customers can avail of different billing media. Vodafone have already referred to consumer inertia in relation to the take-up of more sustainable billing formats and have noted the recent experience for Vodafone and other providers which showed that the overwhelming majority of customers migrated to e-billing chose to remain and did not exercise the option to revert to paper. We acknowledge that such migrations were not without negative comment but in Vodafone's view the majority of the negative comment derived from a misunderstanding of the process and the choices regarding the billing format remaining to customers.

In December 2008, Vodafone made a comprehensive submission to ComReg in relation to migrating certain customers to e-billing with an option to opt back to paper if desired. We provided evidence from across the Vodafone group showing the success rate of such migrations in terms of the small percentage of customers (typically less than 10%) who reverted to paper. In that submission, Vodafone made it clear and repeats the point now, that operators have an overwhelming commercial interest in meeting and exceeding their customer's requirements in relation to all aspects of their services including billing arrangements. It is obvious that providers would not introduce changes which seriously inconvenience significant numbers of their customers knowing that the majority of these customers are free to move to its competitors.

A default opt-in active, opt-out mechanism is not uncommon in respect of changes to consumer preferences. In this regard Vodafone notes that ComReg itself has advocated the use of notification and default opt-in for changes to NDD preferences. Regulation 17 of the Universal Service and User Rights Regulations 2003 also has a notification and default opt-in mechanism for contract changes. Advice received by Vodafone from the Data Protection Commissioner indicates that even though a marketing consent may only be valid for 12 months, failure to actively opt-out in response to a marketing communications received within the first 12 months is sufficient to re-endorse the consent for a further 12 months. It would appear therefore that proposals for an active opt-in requirement are out of step with the principles and approach which have been adopted by ComReg, the DPC and telecommunications regulation.

**Q.5 Do you agree with the proposed principles with respect to the mechanisms that should be in place to obtain the customers agreement to change from/to the permissible default bill format? If not, please provide reasons to support your view.**

In line with the view expressed in Vodafone's answer to Q.4, (we believe providers should be free to choose the default billing media for their customers), Vodafone believe that providers should be

free to move existing customers to new media provided this is done with sufficient notice, comprehensive communications and easily exercised option to remain on the previous format.

Notwithstanding the view above, should providers choose to explicitly obtain customers consent prior to a change of billing medium, it should be permitted that this consent may be obtained using any or all of the number of contact methods available for customer interactions. This may be through online opt-in, an SMS campaign, IVR or email\letter correspondence. It may also be done as part of a conversation with customers who contact the care centres for other reasons (this is already done by Vodafone with good success).

Vodafone believe ComReg should not be overly prescriptive in relation to the audibility of consents in relation to billing formats. Any obligation imposed should not exceed the standard recording processes of customer interactions in relation to tariff changes, add-on purchases, fault reports or similar issues. These other standards already cover areas which will generally be of greater importance to customers (e.g. tariff plan queries and other pricing issues) than the format in which they receive their bills. In the latter case, the recording\auditing standards should be sufficient to cover billing media choices.

**Q. 6. In your view, are there any circumstances where an individual customer could be moved by default by their service provider, without their explicit consent, to an e-bill, based on the method in which the customer interacts with his/her service provider? Please provide reasons to support your view.**

Vodafone believes that there may be circumstances where an individual customer could be moved by default by their service provider, without their explicit consent, to an e-bill, based on the method in which the customer interacts with his/her service provider. By way of example, where a customer has registered for on-line self care facilities, which may include facilities such as changing service settings, purchase of tariff plans or per event services, access to personal information such as address/ bank account details etc. it is not unreasonable that subject to proper notification customers are also provided access to their bill via this mechanism. Another example may be where the customer consumes services which require internet access (e.g. SMS webtext) then consumer access to the internet has been demonstrated even if the customer only purchases a voice service from that particular service provider.

The basis on which such migrations may occur was clearly set out in Vodafone's submission to ComReg in December 2008. In summary, such a move can be justified where;

1. Customers can easily revert to a previous format and all system and other support requirements are in place to support that choice.
2. The new media can be shown to provide an equivalent and usually greater level of information and flexibility for customers viewing their billing information.
3. The new billing format allows customers to fulfil any business or legal requirements in relation to their invoices.
4. There is supporting information from this or other markets that similar migration programs proved readily acceptable to the majority of customers affected and overcame what was clearly customer inertia.

**Q. 7. Do you agree that, in some instances, customer ‘inertia’ is a factor contributing to customers not opting-in to an e-bill when, in fact, the customer would prefer this bill format? If you agree, please provide suggestions as to how customer ‘inertia’ could be addressed? If not, please provide reasons to support your view.**

Vodafone agree that customer inertia is an issue preventing customers moving to e-billing and have provided evidence to that effect in its December 2008 submission to ComReg. This showed (using examples for other Vodafone operating companies) that typically less than 10% of customers opted back to paper billing after been migrated to e-billing formats. Vodafone Ireland has also recent evidence from our Vodafone at Home service where less than 3% of customers reverted to paper after Vodafone migrated them to e-billing. In addition, Vodafone is of the view that the issue with inertia is not necessarily that customers who would “prefer” the e-bill format will not actively move, it is also that there are significant volumes of customers who are agnostic as to which billing mechanism is used and for whom the additional activity of an active opt-in is not sufficiently exceeded by a perceived benefit from the change.

**Q. 8. Do you agree with the principle that no additional charge should be applied to the customer for receiving the permissible default format(s) or, in the case of a consumer with a disability, a required alternative accessible format? If not, please provide reasons to support your view.**

Subject to its views set out in response to Question 2 Vodafone agrees with both of these proposals.

**Q. 9. What are the considerations with respect to service providers charging to provide a paper bill, where a paper bill is not the permissible default format? Please provide reasons to support your view.**

Notwithstanding or views on the concept of a permissible default format, Vodafone believes that providers should be free to charge for paper bills where this is not the default. Applying charges or not in this manner will be just another form of differentiation in an already highly competitive market place. Should the imposition of such charges prove detrimental to customer acquisition or retention, rational providers will make the appropriate decisions to protect their commercial interests. Vodafone believe there is no case for ComReg seeking to impose any restrictions in relation to charging for non-standard billing formats.

In addition, with the exception of the retail market for Fixed Narrowband Access, ComReg has found that all other retail markets are competitive. In light of this, Vodafone would expect that competitive downward pressure on retail prices may well leave insufficient margin for operators to absorb the costs of non-default billing mechanisms without a price increase across their entire base. Therefore a proposal to prohibit incremental charging for non-default billing mechanisms negatively impacts those customers who remain on the default mechanism.

**Q. 10. What is your view with respect to service providers granting a discount to customers who opt-in to an alternative bill format that it offers (e.g. an e-bill)? Please provide reasons to support your view.**

Applying discounts in this manner is just another form of differentiation in an already highly competitive market place. Should such discounts prove successful for customer acquisition or retention, service providers will make the appropriate commercial decisions. Vodafone believe there is no case for ComReg seeking to impose any restrictions in relation to such discounts. In a situation where ComReg specifies a high cost default mechanism, it is likely and rational that some providers will offer customers discounts which help avoid these additional imposed costs.

**Q. 11. Do you agree with the principle that the Quality Standard for Bill Presentation, or aspects thereof, should form part of the minimum requirement for itemised bills? If not, please provide reasons to support your view.**

Vodafone believe that the Quality Standard for Bill Presentation should remain voluntary provided billing presentation meets the relevant requirements under EU directives in terms of the information provided. Service providers already meeting the voluntary quality standards can use this as a differentiator in the market place. If the standards are of sufficient value to customers, they will have a positive effect on customer acquisition and retention and operators will make the appropriate commercial decision in relation to implementing the Quality standard. Vodafone does not believe there is a requirement for further regulation in this area.

**Q. 12. Do you agree with the principle that, for certain e-bill formats, an alert, containing certain relevant details, should be provided to the customer by alternative means? If not, please provide reasons to support your view.**

Vodafone believe such alerts are valued by customers and ComReg should encourage their use. Vodafone does not believe the alerts should be mandatory. Even where such an alert is provided the format of the content should not be prescribed. Vodafone does not believe that the IT development likely to be associated with having to personalise every alert with specific bill information is justified. In addition there are issues of data security where access to the alert, which would then contain detailed personal information, may be less secure than the e-bill itself.

**Q. 13. Do you agree with the principle that the alignment of the timing of the issuing of the bill, the application of the subscription charge and the request for payment should be maintained by service providers? If not, please provide reasons to support your view.**

Vodafone agree the described alignment should be maintained.

**Q. 14. Do you agree with the principle that, for prepaid services, a bill or at a minimum a log of billing records for a specified period, should be made available to the customer, on request? If not, please provide reasons to support your view.**

Vodafone believe that there should be no further obligations in relation to the retention of pre-paid records other than that required under law and for the support on standard customer enquiries. If further obligations are imposed in relation to providing billing or even log information for pre-paid services, then due to the large proportion of prepay customers in the Irish market there are likely to be significant resource implications for those operators and MVNOs who have not yet implemented such measures. In common with other proposals proffered by ComReg in this consultation, pre-pay



billing or call logging will occur if it is valued by customers and proves to be a positive differentiator in the market place.

**Q. 15. Are there circumstances where a charge would be applied to the customer who makes a request to receive a bill, or a log/history of billing records, for prepaid services for a specified period? Please provide reasons to support your view.**

It should be noted that it is inherent in the pre-pay service that there is no bill and no contract required. If the provision of prepay bills or logs/history is required then operators should be permitted to levy a charge for the service. As ComReg rightly notes, the majority of prepay customers do not require a monthly bill under normal circumstances. The ability to levy charges (if imposed) will allow operators to recover some of the costs incurred but will also limit the number of frivolous requests which may occur if a quasi-billing service is available. Allowing a charge to be levied would avoid operators having to spread the cost of this facility across all customers including those who do not require it.

Such a proposal would also raise data protection and security issues as significant volumes of pre-paid accounts are operated by unregistered users and persons under 18. In this regard specific guidance would be required from the DPC in respect of how request could be verified as genuine and how they would be fulfilled in a manner which protected the integrity of the information.

**Q. 16. Do you agree with the principle that the customer's chosen format for their bill is separate from the mechanism used for 'other' correspondence? If not, please provide reasons to support your view.**

Vodafone agrees that because a customer chooses a particular mechanism for receiving billing information, that this does not necessarily imply a similar preference for other notifications. While customers may receive other notifications by the same means as their bills, customer notifications will likely be received by a variety of methods depending on the nature, extent, urgency etc of the information being imparted. However given the critical nature of billing, once a customer has chosen a mechanism for billing then Vodafone believes that no other notification mechanism should be made mandatory which is more onerous than the billing mechanism chosen.