



Commission for
Communications Regulation

Submissions to Consultation

The Future Provision of Telephony Services Under Universal Service Obligations

Submissions received from respondents

Document No:	06/29a
Date:	25 July 2006

Consultation:	06/16
Response to Consultation:	06/29

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1 Respondent A

alto

alternative operators in the communications market

**Provision of Telephony Services
Under Universal Service Obligation
Document (06/16)
Response to ComReg Consultation**

11 May 2006

Introduction

The current designations of a universal service provider are due to expire in June, and a review and/or renewal are necessary at this time. The scope of the Universal Services is specified in the USO Regulations (SI 308/2003), and aims to ensure that all consumers can be assured of some minimum access to communications services. It includes measures to ensure those who might not ordinarily be able to do so under commercial market conditions can obtain this access. The areas covered include access to the fixed network, directories, public payphones, specific measures for the disabled, and ensuring affordability of services.

ALTO believes the services currently provided under USO are essentially all that can be required to be provided within the scope of the USO Regulations, and that they meet the requirements of consumers within this context. Though provision of “functional internet access” might not seem sufficient in current times when Broadband is the preferred method of internet access for many consumers, the regulatory framework is limited to requiring this level of access. In this context, the services currently provided seem sufficient to meet the objectives of the Universal Service Regulations, and should not require significant change.

ComReg is required to take into consideration the willingness and ability of an undertaking to meet the universal service requirement. Eircom is currently the designated provider, and ALTO believes there has been insufficient change in the relevant markets to warrant any change to this.

Response to Questions

Q1: What are your views on the factors identified above in considering Universal Service Obligations? Are there other factors which need to be considered regarding the provision of Universal Service? Please give reasons for your answer

Overall, ComReg has examined the correct factors for review. In relation to designating a provider, it is most important to examine the markets for provision of fixed calls and access. Though there is not necessarily a link between Significant Market Power and designating a USO provider, the market analysis carried out in these markets provides directly relevant information for designating a provider of USO services.

Though many consumers might not consider that narrowband internet access is sufficient, ALTO believes that at present this the extent of the requirement under the regulatory framework, however this might well have changed by 2010.

Q2: What are your views on the factors outlined above in the context of defining an appropriate designation period?

ALTO agrees that the designation should be made for a number of years, and that it makes sense to link the designation period to the expected time for the next set of Regulations to come into effect. It would seem, however that to “lock-up” consideration of the issues until 2010 is too long. ComReg should allow for a revision or review within this period if required.

Q3: What are your views in relation to the proposal above? Are there other factors which should be considered by ComReg in making this designation?

The current arrangement whereby consumers are required to meet cost above €7,000 seems appropriate. This scheme is relatively new, and was consulted on prior to its introduction. ALTO is not aware of any deficiencies having been highlighted with this scheme that would require a change at this time.

Q4: In your view what is the most appropriate way to deal with the situation described above?

The situation described (where an exclusive arrangement for provision of service has been made with a provider other than the USO provider) should not impact on the USO designation. The general obligation to provide access throughout the country would remain, however in the particular circumstance where the USO provider is denied physical access to the building to install an access line, then the service can not be provided. This is not due to a fault on behalf of the USO provider, and could not reasonably be held to be a breach of the obligation, so long as the USO provider had made all reasonable attempts to gain access.

Q5: What are your views in relation to the preliminary view that *Eircom* should be designated as the Universal Service Provider with respect to the provision of a subscriber directory and the directory enquiry element should it remain part of the universal service requirement? Are there other factors which should be considered by ComReg in making this designation?

Eircom should continue to be designated under Regulation 4(1) as the provider of a directory. The vast majority of subscribers with directory entries are *Eircom* customers.

Q6: Do you believe that the present provision of directory enquiry services meets the needs of end-users?

Q7: Do you think there is any benefit in removing the Directory Enquiry element from the Universal Service?

ALTO sees no practical difference in whether the current directory enquiry designation is continued or not. The services are available to all users on the same basis, there is no geographic differentiation of the service, and retail tariffs are not subject to regulation. If the designation was removed, it is unlikely that

Eircom would discontinue the service. By the same token, the current designation of Eircom as USO provider of a directory enquiry service does not seem to place any restrictions or cost on Eircom, so its continuation in the current form should not raise any objections.

There will be an on-going requirement to designate a provider of the National Directory Database. This is essential for the provision of all directories.

Q8: What are your views in relation to the preliminary view that *Eircom* should be designated as the universal service provider with respect to the provision of public pay telephones? Are there other factors which should be considered by ComReg in making this designation?

There is a continuing requirement that public payphones are provided, and Eircom should be the designated provider. Eircom is the largest provider of payphones, and is the only undertaking that has the ubiquitous network necessary to meet the requirement. Any other undertaking would still be dependant on Eircom to meet the requirement.

Q9: What are your views on setting of requirements to ensure that the needs of people with disabilities are met? Is the current set of obligations appropriate, or should a larger or smaller set of obligations be imposed?

Q10: Do you believe that the current measures outlined above provide suitable protection for vulnerable users? Alternatively, please comment on how additional protection could be best delivered or unnecessary requirements removed.

Q11: Do you agree with the approach regarding call itemisation above?

ALTO believes the current schemes for provision of service to people with disabilities, protecting vulnerable users, and call itemisation meet the needs of users.

Q12: Do you believe that the call barring options are reasonably sufficient to enable users to control their expenditure?

Q13: What are your views in relation to charges for availing of call barring options as a means of controlling expenditure?

The current options include five different levels of call barring, and ALTO is not aware of a requirement to change these at the present time. It would however be wise for ComReg to hold open the option of reviewing these options during the term of the next USO designation, in response to a specific requirement.

Q14: What are your views on the possibility of facilitating end-users to set a credit limit on their telephone account as an aid to control expenditure?

The proposal to allow subscribers set a threshold of spending is to some extent already provided by calling card products. ALTO is not aware of how much development work would be required in order to provide the proposed facility, and would be concerned that there is not sufficient demand for this facility to justify it becoming a mandatory requirement. This would need to be examined in detail before the requirement was mandated.

Q15: Do you believe that the option of spreading payment of connection fees is useful to enable subscribers to get connected to the network?

The option will continue to be useful for some consumers, and should not be changed at this time.

Q16: Do you believe that the current disconnection policy is reasonable?

The current disconnections policy and their implementation in practice provide a measured response to non-payment of bills, while also allowing for protection of commercial interests. ALTO does not see any requirement for changes at this time.

2 Respondent B

BT Ireland Response to the ComReg USO Consultation of the 30th March 2006

Introduction

BT Ireland welcomes the opportunity to comment on this important consumer issue. Since the last USO consultation, key aspects of the Irish telecoms market have not progressed at the same pace as other European and international markets, particularly the growth of the broadband sector. BT Ireland feels that this slow growth is disadvantaging the Irish consumer and business through lost opportunities to fully exploit internet applications and services. The lack of progress is limiting the ubiquitous introduction of alternative technologies such as VoIP and it is noticeable in the consultation that many of the ComReg conclusions remain unchanged.

BT Ireland is disappointed at the lack of development of LLU services that would act as a stimulant to the Irish communications sector. Hopefully, the next review will provide greater choice as to who would be able to support USO services.

Response to Consultation Questions

BT's response addresses the ComReg questions as below:

Q1: What are your views on the factors identified above in considering Universal Service Obligations? Are there other factors which need to be considered regarding the provision of Universal Service? Please give reasons for your answer

A1: The incumbent, eircom, still operates and controls the ubiquitous copper access network and it is improbable that an alternative will be established in the foreseeable future. For this reason the USO should remain with eircom.

Q2: What are your views on the factors outlined above in the context of defining an appropriate designation period?

A2: BT Ireland agrees with ComReg to set a four year review period as there is little confidence that access will change significantly over that time. Additionally, there is always the safeguard that ComReg could review specific issues as necessary during this period.

Q3: What are your views in relation to the proposal above? Are there other factors which should be considered by ComReg in making this designation?

A3: BT Ireland agrees that eircom should remain as the designated USO provider. As indicated in the introduction, little has changed in the access arena since the last consultation. Eircom still own and control the nationwide access network. It is impractical and uneconomic for other operators to lay a new national access infrastructure in the foreseeable future. It would also be environmentally unwelcome.

Q4: In your view what is the most appropriate way to deal with the situation described above?

A4: Operators providing electronic communications services to customers on new housing developments have to be authorised to provide such services. Authorised operators are required by the Access and Interconnect Directive to negotiate access and interconnection.

BT Ireland's view is that the access seeker and access provider should be allowed to try to reach a commercial agreement. Where this fails and a formal regulatory dispute is triggered, then ComReg should seek to establish a fair and reasonable outcome which enables consumers to avail of a USO service.

BT Ireland's view is that the consumer should have the right to be able to receive USO services.

Q5: What are your views in relation to the preliminary view that eircom should be designated as the Universal Service Provider with respect to the provision of a subscriber directory and the directory enquiry element should it remain part of the universal service requirement? Are there other factors which should be considered by ComReg in making this designation?

A5:
NDD

In terms of the National Directory Database, this is a foundation to the industry both in terms of Directory Enquiries and Data Protection. Going forward it will maintain the opt-in list of customers for marketing companies. BT Ireland agrees with the ComReg view that eircom should be designated as the USO for maintaining the NDD.

Telephone Directories

BT Ireland supports the distribution of paper telephone directories and over the next four years, with the growth of broadband, would expect to see greater availability of on-line directories.

Q6: Do you believe that the present provision of directory enquiry services meets the needs of end-users?

A6: BT Ireland is not aware of any major issues with directory enquires, however, it is important that enquiry pricing is kept at a reasonable level. High directory enquiry pricing in other countries has been a major issue, even with significant competition.

Q7: Do you think there is any benefit in removing the Directory Enquiry element from the Universal Service?

A7: BT Ireland supports the principle that regulation should be discontinued where it is no longer required. In the case highlighted where there is now competition in the limited area of directory enquiries, ComReg should evaluate that market to decide whether the competition is competitive or merely prospectively competitive. If prospectively competitive ComReg should look to what is needed to sustain such competition going forward, and evaluate the impact of de-regulation.

Q8: What are your views in relation to the preliminary view that eircom should be designated as the universal service provider with respect to the provision of public pay telephones? Are there other factors which should be considered by ComReg in making this designation?

A8: BT Ireland agrees with ComRegs views regarding the provision of public payphones.

Q9: What are your views on setting of requirements to ensure that the needs of people with disabilities are met? Is the current set of obligations appropriate, or should a larger or smaller set of obligations be imposed?

A9: BT Ireland agrees with the ComReg view that the current obligations should be maintained.

Q10: Do you believe that the current measures outlined above provide suitable protection for vulnerable users? Alternatively, please comment on how additional protection could be best delivered or unnecessary requirements removed.

A10: BT Ireland considers that the current measures achieve the correct balance between protecting the vulnerable whilst not undermining normal business practice.

Q11: Do you agree with the approach regarding call itemisation above?

A11: BT Ireland supports the current industry approach for itemised billing.

Q12: Do you believe that the call barring options are reasonably sufficient to enable users to control their expenditure?

A12: Call barring has been used successfully for many years to control expenditure. In cases of persistent non-payment of bills it can provide a step in the procedure before disconnection. However, operators must maintain the right to directly disconnect customers for major breaches of contract.

Q13: What are your views in relation to charges for availing of call barring options as a means of controlling expenditure?

A13: The application of call barring requires an activity to be conducted, both for the application and the removal of the barring. BT Ireland believes that it should be the choice of the provider as to whether to directly make a charge to the customer, or whether to average the charge into general costs. Not all customers will avail of the barring feature, hence some may argue cost causation should apply – i.e. those that use the service should pay for it.

Q14: What are your views on the possibility of facilitating end-users to set a credit limit on their telephone account as an aid to control expenditure?

A14: BT Ireland has some sympathy with this concept; however, there is little evidence as to whether fixed lines customers would use such a service in sufficient volumes to make the development viable. BT Ireland considers that it should be an operator's commercial choice as to whether to support this feature. BT Ireland believes that ComReg need to provide greater justification and supporting evidence to validate the need for such a service feature.

Q15: Do you believe that the option of spreading payment of connection fees is useful to enable subscribers to get connected to the network?

A15: BT Ireland believes that it should be the operator's choice as to whether allow the spreading of the connection charges, rather than making it mandatory.

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11th May 2006

Q16: Do you believe that the current disconnection policy is reasonable?

A16: BT agrees that the current disconnection policy is satisfactory.

Q 17 What are your views on the general approach taken in this regulatory impact assessment?

A17: BT Ireland agrees with the regulatory impact statement, however, with regards some of new initiatives such as in Q14, ComReg need to provide a more detailed rationale, such as consumer groups have voiced a request for such features.

End

3 Respondent C

***eircom* Ltd.**
Response to
ComReg Consultation
“The Future Provision of Telephony Services
Under Universal Service Obligations”

DOCUMENT CONTROL

Document name	<i>eircom</i> Response to Future Provision of USO consultation
Document Owner	Regulatory Strategy
Last updated	Final version, 11 May 2006
Status	Non-confidential

Please note that for the purposes of the Freedom of Information Acts, 1997 and 2003, and indeed generally, information supplied by *eircom* to you may contain commercially sensitive information consisting of financial, commercial, technical or other information whose disclosure to a third party could result in financial loss to *eircom*, or could prejudice the competitive position of *eircom* in the conduct of its business, or could otherwise prejudice the conduct or outcome of contractual or other negotiations to which *eircom* is a party.

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EXECUTIVE SUMMARY

- *eircom* supports the principle of universal service, and we accept our wider responsibilities as the current and the proposed future universal service provider (USP) in the provision of certain services, which have significant social benefit but are commercially unattractive or loss making.
- As USP, *eircom* is required to provision all reasonable requests for connection with its network and other specified services at standard prices, irrespective of geographical location. This requirement is particularly valuable to customers in remote rural areas whom the market might otherwise not serve.
- *eircom* is willing to accept ComReg's proposal that *eircom* be re-designated as the USP provided that the universal service obligation (USO) imposed is proportionate and aligned with the principles of the European Union Universal Service Directive and that *eircom* has the necessary rights to comply with the obligation in a cost-effective manner.
- The viability of the universal service regime requires that it can be implemented. To achieve this, we believe it is essential that *eircom* be granted statutory wayleave to private property on a similar basis to the rights of other utilities, such as the ESB. This would be of significant benefit to consumers who have experienced delays with service due to *eircom*'s inability to gain physical access to necessary infrastructure and facilities in housing and commercial developments on private property.
- *eircom* maintains that it is disproportion under the EU Universal Service Directive for the USP to have the obligation to provide connections at a fixed location where the market is not failing to provide such services, e.g., where a supply agreement has been established between the property developer and an alternative operator(s). This position was supported by recent guidance by the European Commission to national regulatory authorities on the implementation of universal service across Member States.
- Pursuant to the Universal Service Regulations, *eircom* is using this consultation response as a formal request to ComReg for compensation for the net cost of meeting the USO. This is being done on the basis that *eircom* has been and will continue to be subject to an unfair burden in its capacity as USP. For close to a decade, *eircom* has delivered universal service for the benefit of consumers, businesses and the industry, absent commendation or contribution from the many interests that benefit and profit from it.
- On foot of a costing exercise by ComReg to determine the scale of the net cost borne by *eircom*, an appropriate funding mechanism should be established and contributed to by all authorised operators, including mobile network operators.
- *eircom* believes that the application of the 'reasonable access threshold' as a factor in determining the scope of the USO is a sensible approach that meets the needs of efficiency, consistency and fairness. It ensures that customers with exceptionally costly requirements are not inappropriately subsidised by other customers. In the context of the unprecedented housing formation in Ireland and, in particular, ribbon and once-off housing build, we believe

that ComReg should establish a programme for reviewing the threshold for connections on a regular, periodic basis.

- *eircom* cannot accept, however, that the reasonable access threshold, developed in a specific policy implementation context, now is to be used as a general condition to assess the ‘reasonableness’ of a consumer’s request for access. *eircom* believes that other factors are relevant in this broader context, for example, alternative sources of supply and its ability to access property.
- At a time when telephony has never been more affordable, *eircom*’s “Vulnerable Users” scheme provides an important option for consumers who have problems affording fixed telephony service as a result of special social needs or low income.
- *eircom* remains committed to providing and maintaining a quality public payphone service that meets consumer needs. However, the social role and economics of call boxes have changed fundamentally. *eircom* thus calls for this element of the USO to be removed or at a minimum to be reviewed annually, so as to maintain a reasonable balance between this USO burden and changing usage patterns.
- The provision of directory enquires is increasingly being offered on a commercial basis and by an increasing number of players. Accordingly, *eircom* believes that directory enquiry services should be removed from the scope of the USO.

GENERAL REMARKS

Request for industry funding for the provision of universal service

Universal service provides a safety net that ensures basic fixed line services are available at an affordable price to all citizens and consumers across Ireland. There are both social equity and economic grounds for USO. It provides services to customers in remote and rural areas, which the market might not otherwise choose to serve, allowing them to take their full part in the economy and society. It also provides services to customers who may be vulnerable as a result of special needs or low income. In addition, all citizens benefit by having a larger telephone network; they can contact and be contacted by more people. Affordable communications also enhances economic growth.

The provision of USO, however, is not without cost. If services are to be made available to those who might not otherwise be able to afford them (or consumers who live in rural areas the market might not serve), this requires a subsidy from other users of the telephone network. While there are social and economic arguments in favour of these cross subsidies, the burden of this subsidy has to be eliminated, and the subsidies have to be targeted effectively.

Universal service is currently funded entirely by *eircom*. The provision of universal services imposes costs on *eircom* as the USP. Costs of universal service arise for some customers or groups of customers, because *eircom* as the USP is required to offer standard tariffs to all customers in their designated areas, while the costs of service provision differ between different parts of the country (and between customers). This represents an “unfair (financial) burden.” And this burden risks increasing significantly as *eircom*’s currently most attractive customers, in terms of generating revenues, or subsidies in this context, in densely populated urban and suburban areas are being targeted by its competitors.

Pursuant to the Universal Service Regulations, a USP may seek to receive compensation for the net cost of meeting the USO obligation concerned where, on the basis of such net cost calculation, ComReg determines that the undertaking in question is subject to an unfair burden. *eircom* would like to use the opportunity of this consultation to make a formal request to ComReg for compensation for the net cost of meeting the USO. This is being done on the basis that *eircom* has been and will continue to be subject to an unfair burden in its capacity as USP.

To prompt the creation of a universal service fund in the past, *eircom* previously submitted a study done by Analysys, which estimated the net cost of USO provision for a specific year. Given that ComReg likely will want to commission a study with independent consultants to determine whether *eircom* is subject to an unfair burden, *eircom* will not make any costing submission at this time.

eircom calls upon ComReg to undertake a detailed assessment of the net costs of the USO on *eircom* immediately after the proposed universal service designation is made. *eircom* recognises that a detailed assessment of net costs, including costs and benefits, will be a challenging task, both in developing a model that is logically correct and practical while obtaining enough data to populate it in a meaningful manner. *eircom* will co-operate fully with ComReg and any consultants employed in supplying the necessary data inputs and guidance on the methodology to be used.

Regular review of reasonable access threshold required in interim

Meeting the USO imposes a financial burden on *eircom*, in particular in rural and very rural areas where other operators are unwilling to invest in access network infrastructure. *eircom* nevertheless regards its social obligations as an integral part of the service it delivers to the Irish consumers.

We welcomed the introduction of the reasonable access threshold for connection in autumn 2005. However, until such time that a USF is created and becomes operational, the reasonable access threshold should be reviewed on a regular basis to address the net costs driven by extraordinary connection costs.

eircom reminds ComReg of our submission of 6 April 2004, "Response by *eircom* Limited to Commission for Communications Regulation Document 05/17 Universal Service Requirements: Provision of access at a fixed location – connections to the public telephone network and provision of functional internet access." This response contained a detailed submission on the appropriate level of the threshold. The threshold level submitted by *eircom* would not result in 'over recovery' of its local access network costs and is entirely consistent with previous submissions to ComReg on the local access network.

In the context of the unprecedented housing formation in Ireland and, in particular, ribbon and once-off housing build, which is discussed later in this document, we call upon ComReg to establish a programme for reviewing the reasonable access threshold for connections on a regular, periodic basis.

"Reasonable request for connection at a fixed location"

eircom's duty as USP to provide all reasonable requests for connection at a fixed location has traditionally been measured in terms of the fixed cost of building the connection for the customer in situations where *eircom* does not have existing network. An analysis of these costs and how they might inform the USO and a financial threshold in such cases was carried out towards the end of last year. A key element in this analysis is to ensure that costly one-off connections do not have the effect of increasing costs for all subscribers. That analysis determined that the customer would only contribute to the cost of building a connection where the cost was more than €7000, and then would only pay amounts above €7000. *eircom* would provide all connections below that amount at the standard connection rate of €121.93 (inc. VAT).

eircom believes that the RAT is an important factor in determining whether a request falls within the scope of the USO. However, it is not the only relevant factor, and other issues must also be considered in determining whether a request is a USO "reasonable request" in any given case.

In this regard, *eircom* refers to the policy context and the spirit in which the RAT was established in 2005. The threshold was set for individual customers who are 'off network' and in rural communities or ribbon housing. It was not intended to be a general condition of "reasonableness" for all connection requests, or for example to include urban settings and 'gated communities' in private property development.

The other factors to be considered in assessing whether a request is reasonable for purposes of the USO are evident from recent experience and market developments. These are the treatment of requests for connection and service from 'on network' customers, i.e., those that can avail of

services from alternative operators, and circumstances where *eircom* is not permitted by property owners to build network out to the customers. The former is a feature of the competitive state of the market; the latter a consequence of the apparent trend towards exclusive supply arrangements entered into by other network providers. As discussed below, *eircom* does not believe it is appropriate (or consistent with the Framework) that a request for connection would be deemed to fall within the USO in either of these circumstances.

Derogation of USO where market is delivering services

eircom notes that its position in relation to the impact of competitive supply on the USO aligns with that of the European Commission in its recent communication to national regulatory authorities on the scope of universal service¹. On this point, it states as follows:

“Member States must ensure that the defined set of services is made available to all users in their territory, independently of geographical location, upon reasonable request. They are also required to find the most efficient means of guaranteeing universal service obligations, including giving all undertakings an opportunity to fulfil them. **Only if the market fails to deliver the defined services may obligations be imposed on undertakings to provide services at specified conditions.** (Arts. 3, 4 and 8)” [our emphasis]

As noted by the European Commission in a separate document², “Germany and Luxembourg have not carried out a formal designation as, according to the NRAs, the service is ensured by competitive market conditions.”

Where possible, *eircom* believes that ComReg should attempt to identify areas where these conditions exist and exempt them from the designation. Alternatively, this might be achieved by confirming that while the USO is not restricted in terms of geography, the fact that alternative suppliers are available in a given location is considered in determining whether a request to the USP for connection in that area is reasonable.

eircom considers that this approach reflects the requirements of the Universal Service Directive, and refers in particular to the following provision:

Article 3

1. Member States shall ensure that the services set out in this Chapter are made available at the quality specified to all end-users in their territory, independently of geographical location, and, in the light of specific national conditions, at an affordable price.
2. Member States shall determine the most efficient and appropriate approach for ensuring the implementation of universal service, **whilst respecting the principles of objectivity, transparency, non-discrimination and proportionality. They shall seek to minimise market distortions, in particular the provision of services at prices or subject to other terms and conditions which depart from normal commercial conditions, whilst safeguarding the public interest.** [our emphasis]

¹ European Commission, “Communication on the Review of the Scope of Universal Service in accordance with Article 15 of Directive 2002/22/EC,” COM(2005) 203, (24 May 2005).

² Communications Committee Working Document, “Universal Service Designation – results and analysis of replies from Member States,” COCOM06-06, (1 Feb. 2006).

Article 4

1. Member States shall ensure that all reasonable requests for connection at a fixed location to the public telephone network and for access to publicly available telephone services at a fixed location **are met by at least one undertaking**. [our emphasis]

In light of the European Commission communication and the Universal Service Directive, *eircom* maintains that it is disproportionate and otherwise inconsistent with those provisions to impose the elements of universal service where the market is not failing to deliver them. We thus call upon ComReg to define conditions under which the USP could seek systematic derogation for geographical areas where the market is supplying the services on a competitive basis, and/or to confirm that by way of alternative a request for access in such circumstances is not reasonable within the meaning of the USO. *eircom* also requests that the treatment of costs incurred in such situations with regards to the RAT is considered and addressed in this context.

Access to property

Before 1999, *eircom*'s statutory wayleave rights ensured that it could access property in order to respond to customer requests for service. The importance of such rights in ubiquity of universal service is widely recognised across a range of sectors, from electricity to water supply.

In the period since then, *eircom* has observed an increasing number of situations where it is not given access to property and is precluded as such from building its network in those locations. This raises very complex issues, and *eircom*'s proposals for addressing them having regard to the USO are discussed elsewhere in this response.

In the context of considering the scope of the USO as it relates to reasonable requests, *eircom* notes that the fact that it is excluded from a particular area is highly relevant and must mean that a request for service in locations that it is locked out of cannot be said to fall within the scope of the USO.

RESPONSE TO CONSULTATION QUESTIONS

Q1: What are your views on the factors identified above in considering Universal Service Obligations? Are there other factors which need to be considered regarding the provision of Universal Service? Please give reasons for your answer

eircom supports the principle of Universal Service, and we accept our wider responsibilities in the provision of certain services, which have significant social benefit but are 'uneconomic,' or commercially unviable. *eircom* delivers universal service for the benefit of consumers, business, and industry in Ireland, absent commendation or contribution from the many interests that profit enormously from it.

As USP, *eircom* is required to provision all reasonable requests for connection with its network and other specified services at standard prices, irrespective of geographical location. This requirement is particularly valuable to customers residing or running businesses in remote rural areas that the market might otherwise not serve.

Ireland's continued high-rate of household formation

The scale of activity in housing construction and household formation since the last review of universal service requires a specific economic analysis by ComReg in order to reach a valid conclusion on the effectiveness and reasonableness of the current USO regime.

Ireland is now building houses at a faster rate than any EU Member State. In 2004 we built 14 units per 1000 of population compared to 3.5 per 1000 in the UK. Higher housing output in the years 2005 and 2006 have increased this trend. In 2005, 80,957 new houses were completed (up 5.2% on 2004), and it is expected that the completion rate in 2006 will be higher³.

According to the 2002 census⁴, there were 1.287 million households in the country. By 2005, the Department of the Environment estimates that the total national housing stock had reached over 1.6 million units (unlike the Census returns, the Department of the Environment includes in the housing stock all permanent occupied and unoccupied habitable residential dwellings)⁵. While allowing for over 200,000 houses built in the period 2003-2005 and allowing for housing obsolescence factor of .0007%, this suggests a large number of unoccupied houses mainly in rural areas. These are predominantly summer homes that generate little revenue for any operator following disproportionately high service provision costs.

While the national housing stock compares favourably with our EU Member States at over 400 houses per 1,000 persons or 2.5 persons for every house, the statistics on house type and housing dispersion are radically different to any other EU Member State.

Over 30% of the national housing stock have been built in the past 10 years. 46% of the national housing stock are detached houses, semi-detached houses account for 27%, terraced houses for 20% and apartments represent 6% of the total stock. While apartment construction is growing rapidly it is significantly behind other EU countries. Close to one third of the national housing stock is made up of once-off housing, i.e. detached housing in the open countryside.

³ Minister for Housing and Urban Renewal report (23 Jan. 2006)

⁴ 2002 census of Population, Volume 13 CSO.

⁵ Annual Housing Statistics Department of Environment and Heritage

While attempts have been made to curb ribbon developments⁶ on the outskirts of towns and villages, the relaxation of the rules on once off housing in the open countryside seems to have had a stimulus effect on the construction of this type of house in rural areas.

A closer examination of the house-type statistics illustrates a further distortion in the costs of constructing an access network in Ireland. While the national average of individual houses as a percentage of the total is 25.3%, the average is significantly higher for counties on the western seaboard. While these counties were classified as uneconomic areas in previous analysis of the USO, recent trends in housing construction have exacerbated the situation. In 2005, individual houses accounted for 46% of all new houses in Donegal, 45% in Mayo, 42% in Kerry, and 39% each in Galway and Clare. While the more urban east coast would be expected to skew the national average percentage downwards, it is clear that predominantly rural counties are not planning new housing developments around existing urban areas.

Separate to new house construction, household formation is also a significant factor. In 2005, 34% of all house loans were for first-time buyers. If one discounts for the number of houses bought without loan assistance, it can be assumed that a large percentage of house moves are relocation which, while incurring significant access network costs, do not add to the national telephony customer base.

Against this background, the competitive nature of the telecommunications industry has a particular significance. Unlike other utilities, e.g., the ESB, which can reasonably assume that all household connections will result in service use, *eircom* cannot assume that houses to which access infrastructure is constructed, will in the event, agree to use a fixed telephone line. At present the percentage of houses that use only mobile telephony stands at approximately 25% and is increasing annually.

eircom calls upon ComReg to take the specific national conditions cited above into consideration when designating the USP and implementing universal service policy generally, including any estimation of net cost of the USO to be conducted.

Q2: What are your views on the factors outlined above in the context of defining an appropriate designation period?

eircom supports ComReg preliminary view that the designation period should be for a period which extends beyond the anticipated date for transposition of any new framework, i.e. an approximate four-year period ending on 30 June 2010.

eircom maintains, however, that ComReg Decisions introducing implementing regulations related to the following be reviewed and revised on a periodic basis, for example, the reasonable access threshold [see the General Remarks section].

⁶ Ribbon development is defined as five or more houses side-by-side on the same side of a stretch of road, not exceeding 250 metres in length.

Q3: What are your views in relation to the proposal above? Are there other factors which should be considered by ComReg in making this designation?

eircom does not consider that the Consultation Paper presents an adequate analysis of the issues to be considered in agreeing “the Future Provision” of universal service and would request ComReg to substantively reconsider the matter to take account of the points made in this submission.

The Consultation Paper avoids any substantive review of the framework for USO in Ireland and seeks simply to roll-over the current arrangement, including the designation of a USP and is unsupported by any cost-benefit analysis or a Regulatory Impact Assessment. There is no economic or market analysis justification presented to support the ComReg proposal to redesignate *eircom*. The sole rationale presented is contained in Section 7 which refers to “*eircom* by virtue of its ownership of the public switched telephone network (PSTN) is capable of meeting the reasonable requests of end-users on a nation wide basis. In addition, *eircom* remains the major fixed line provider in the market, with a current estimated market share of 77% based on fixed line revenues.” *eircom*’s considers that this is a wholly inadequate approach.

Q4: In your view what is the most appropriate way to deal with the situation described above (i.e., private commercial agreements)?

eircom welcomes ComReg’s consideration of this issue within this consultation, as there are considerable regulatory questions that remain unresolved in this context. *eircom* has requested resolution on these matters in bilateral correspondence and exchanges since April 2005.

We thus are concerned by ComReg’s statement that “the legal issues around this issue have not been fully tested.” Nor does ComReg, who has a legislative mandate to enforce the USO, does not propose a regulator solution. Instead, ComReg poses an open-ended question.

As *eircom* has discussed in bilateral meetings with ComReg, neither the Communications Regulation Act 2002 nor under the Universal Service Regulations (2003) include provisions in respect to the universal service provider’s access to private land⁷. *eircom* reminds ComReg that it no longer enjoys statutory wayleave, or rights of entry to land, as an ‘essential service’ provider as it did previously under The Telegraph Acts 1863 to 1916, as amended by the Postal and Telecommunications Services Act 1983.

Also, ComReg stated in a bilateral meeting with *eircom* on 29 March 2005 that the Communications Act 2002 appears not to grant ComReg sufficient enforcement powers for the implementation of the USO in property developments on private land where the property owner (or his designee) will not grant access.

In these situations, *eircom* then is reliant on the volition and operational co-operation of third parties to allow access to private property for it to deliver against its USO. *eircom* thus could not accept that it could be found in breach of its USO in areas where the owners of private property refused the necessary access to it. If *eircom* is not obliged to provide unreasonable requests for access, then it must follow that it is not obliged to provide impossible requests for access, for

⁷ This is in contrast to the situation in the United Kingdom under the Electronic Communications Code, whereby the USPs, BT and Kingston Communications, have necessary rights.

example, where *eircom* is denied access to private property and no longer has statutory wayleave. Even if that were not the case, there would be no purpose in finding *eircom* in breach, because there is nothing *eircom* could do to remedy the situation [see related comments in the General Remarks section].

Amendment of Communications Act 2002 needed

Concurrent with this consultation response, *eircom* will be making a submission to the Department of Communications, Marine and Natural Resources (DCMNR) to express its concern and to highlight the deficiency of the Communications Act 2002 to allow the USP to comply fully with its USO. *eircom* will call for amendment to the Communications Act in the context of the on-going consultation on the Miscellaneous Provisions Bill for revision of the Communications Act. *eircom* calls upon ComReg for support in this approach.

Interim measures required of ComReg

In the interim, we call upon ComReg to issue guidance on relevant regulatory issues to the industry, including to property developers and to the operators exclusively supplying communications services in such developments. Guidance is needed in particular on the implications of the USO. This communication might, for example, take the form of an Information Notice, a letter issued to specific parties or an industry forum. As you may be aware, the Office of Communications (Ofcom) issued guidelines appropriate for the U.K. market recently: "Fibre access for new build premises and Community Broadband Access networks - Guidance document"⁸.

In property developments where an other authorised operator (OAO) has already deployed local access infrastructure for the exclusive or competitive supply of communications service, *eircom* may seek to fulfil its obligation to provide connections by means of obtaining a commercial contract for wholesale services with the OAO. If commercial negotiations with the OAO should fail, *eircom* asks ComReg to explain its position in regard to ComReg's possible regulatory intervention and imposition regulated access on the OAO on the basis of Article 5 of the Access Directive as transposed into Irish law with Regulation 6 of the Access Regulations.

In a letter received from ComReg on 11 May 2006 (the response date for this consultation), in response to earlier expressed concerns by *eircom* on the matter, ComReg stated that it is "currently developing a process surrounding the provision of service in new developments by the Universal Service Provider and by Other Authorised Operators. ComReg plans to meet with relevant parties and stakeholders regarding this issue." We look forward to such developments and will participate actively in whatever fora are organised.

⁸ <http://www.ofcom.org.uk/telecoms/ioi/orp/fibreaccess/>

Q. 5. What are your views in relation to the preliminary view that *eircom* should be designated as the universal service provider with respect to the provision of a subscriber directory and the directory enquiry element should it remain part of the universal service requirement? Are there other factors which should be considered by ComReg in making this designation?

eircom remains committed to providing and maintaining a quality subscriber directory and believes that this element should remain part of the universal service requirement.

In contrast, as ComReg has stated itself, the provision of directory enquires is increasingly being offered on a commercial basis with an increasing number of players. Accordingly, *eircom* calls for the directory enquires element to be removed from the scope of universal service.

There is increasing competition on the directory enquiries market. This has been demonstrated by new entrants entering the market place and gaining market share and the development of exciting business models within the directory enquiries market. The directory enquiries business is commercially viable and will support a number of service providers. This has been demonstrated in Ireland and throughout Europe.

Removal of the directory enquiries from the scope of the USO will not deteriorate levels of service, as competitive activity will ensure and dictate that all directory enquiry providers offer a consistent and competitive quality of service.

In addition, market developments such as the widespread availability of online enquiry services suggest that a competitive provision of these services be ensured by the market.

Q. 6. Do you believe that the present provision of directory enquiry services meets the needs of end-users?

Yes, *eircom* believes that the current service meets the needs of end users for basic directory enquiry services. While we believe the market for basic directory enquiry services is falling, volumes remain significant, and there is steady positive customer feedback on the service.

However, as in other markets internationally, we are experiencing a customer led demand for availability of information in association with our “11811”-branded directory enquiry services.

Furthermore, we note that only a small proportion of the current 4.2 Irish million mobile subscribers have been made available for inclusion in the National Directory Data. This does not seem to align with the policy objective of directory enquiry services covering fixed and mobile customers. We believe there is a need to address this imbalance.

Q. 7. Do you think there is any benefit in removing the Directory Enquiry element from the Universal Service?

Yes. A directory enquiry is a service of convenience. The law of supply and demand will determine whether a directory service continues. The customer will support a directory enquiry service they feel best fulfils their needs. Removal of the directory service enquiry element

ensures that there are no obligations to provide a service in the scenario that the customer does not want it or no longer perceives it to be essential or relevant.

Q. 8. What are your views in relation to the preliminary view that *eircom* should be designated as the universal service provider with respect to the provision of public pay telephones? Are there other factors which should be considered by ComReg in making this designation?

eircom believes that the inclusion of the provision of public pay telephones in the scope of the USO is no longer necessary. This position is based on market facts and our experience within the payphone market. There is a high cost in providing, servicing and maintaining payphones and this is an unfair burden to place on one operator. The payphone market continues to decline at about 25% to 30% per annum. This coupled with a mobile penetration rate of over 100% leads *eircom* to the conclusion that public payphones should not be included within the USO.

Another factor is the timeframe for this USO designation of three to four years, for the payphone market. This period appears to be too long and, based on current revenues/costs, it is not inconceivable that *eircom* will have no option but to withdraw from the payphone business within this time period. At a minimum, *eircom* believes that any obligations relating to the provision of public payphones needs to be continually reviewed and changed to reflect a current balance between social needs and the cost of provision.

The requirement for the provision of public payphones as included in the current Directive dates back to the ONP-Directives of the 1990s. Since then, mobile phones have revolutionised the way consumers communicate while on the move, allowing them to use their mobile phone for voice or data communications (e.g., SMS). The Internet is now providing the second revolution of voice telephony on the move, as voice over Internet Protocol (VoIP) service providers enable nomadic access to voice calls from any PC with an Internet access. This opportunity is increasingly used, e.g., by non-EU citizens living in the EU who do not have a fixed or mobile subscription or for whom mobile calls to their home country may be cost-intensive. For those users, Internet cafés or phone shops offer a viable and cheap alternative to public payphones. These developments have led to a decline in the use and importance of public payphones and will continue to do so.

ComReg should also note that in other European Union Member States, such as Finland, national regulators have removed the provision of public payphones from the scope of universal service.

Interim removal/ relocation procedures for public pay telephones

eircom welcomes the long-overdue agreement and publication by ComReg Information Notice of the removal/ relocation procedures for public pay telephones for *eircom* as USP. As long as the provision of public pay telephones remains within the scope of universal service, *eircom* will continue to work closely with ComReg with regard to the removal or relocation these single site payphones.

Q. 9. What are your views on setting of requirements to ensure that the needs of users with disabilities are met? Is the current set of obligations appropriate, or should a larger or smaller set of obligations be imposed?

eircom believes that current requirements and *eircom*'s provision of its USO are meeting the needs of the disabled community adequately.

In the case of Special Directories, *eircom* believes that these obligations should be maintained while allowing for active controls to ensure that those availing of the service are genuinely in need of this service. We believe that service provision should be reviewed in light of any reductions in demand.

eircom calls for the obligation to provide a text relay service should be removed, as there is a small and declining demand for this service.

Q. 10. Do you believe that the current measures outlined above provide suitable protection for vulnerable users? Alternatively, please comment on how additional protection could be best delivered or unnecessary requirements removed.

Yes, *eircom* agrees.

ComReg considers that it is necessary to maintain affordability in rural and high cost areas and for vulnerable user groups, such as the elderly and for users with disabilities. In the Consultation document, ComReg states, "From the point of view of end users and the competitiveness of the economy generally, Irish communication costs should not exclude the most vulnerable in the community from making a minimum use of telephony services. While communications services are a basic necessity for all users, ComReg feels strongly that protections for vulnerable customers need to remain in place. These should aim to protect vulnerable customers from a rapid increase in overall bills." It is not immediately clear that excluding vulnerable users would damage the competitiveness of the economy generally, so we invite ComReg to explain this statement.

It is also unclear how a fixed telecommunications service might be a basic necessity, when mobile penetration is over 102%, but fixed line penetration is now less than 80%. Nevertheless, price is not a major reason in the decision for those households who do not have a fixed telephone line.

At present, affordability is maintained by way of a number of different measures, which include:

- within the price cap regime, there is an overall safeguard control on consumers' bills (on line rental and calls). An overall basket price cap (on access and domestic calls considered together) of CPI – 0% has been imposed on *eircom* since February 2003. The maximum average price increase of the services is therefore limited to the rate of inflation, so that fixed line telecommunications cannot become less affordable relative to other goods. Previously the price cap was CPI-6% from 1996, and CPI-8% from 1999, so that fixed telecommunications are at least 50% less expensive in real terms than the equivalent services 10 years ago.

- the Department for Social and Family Affairs (DSFA's) Free Telephone Rental Allowance (FTRA), which ensures line rental, CPE and a call allowance is made available free of charge to almost all old age pensioners, and those in receipt of disability pensions; (similar state schemes operate for other pensioners). A substantial number of these customers have high use levels, and they avail of other discount schemes in addition to the DSFA allowances.
- The Vulnerable Users scheme is targeted at low users, including those who may qualify for the *eircom* social benefit scheme. ComReg has previously decided that low usage might indicate vulnerability, but this hypothesis has never been verified. Under this scheme, which is an optional scheme with a reduced line rental charge, if a user currently spends less than €10 a month on calls, the user is granted a rebate of 52 cent per month on rental, and the first €5 worth of calls are free. Once the normal value of calls made exceeds €5, call rates double so that the saving reduces to €4 at a spend of €6, a €2 saving at a spend of €8, etc. A user therefore gets all calls free, if the usual spend is €5 or less. This benefit is clawed back, however, so that those spending over €10 per month do not benefit. There is a small penalty of up to a maximum of €1 per month after €5, which is designed to discourage those who would not regularly benefit. A separate price cap of CPI+0% applies to the median vulnerable users' telephone bill. [All figures are inclusive of VAT.]
- ComReg has imposed an obligation of geographic averaging on *eircom*'s prices, so all users, including those in rural or other high cost areas, benefit. While there is a benefit to users in rural areas, this overrides the underlying obligation that *eircom* must have cost oriented prices, requiring instead that users in low cost areas must cross-subsidise those in high cost areas. The resulting high average prices may cause distortions in low cost areas, permitting inefficient entry of alternative infrastructure. It may also cause distortions in high cost areas, deterring entry of lower cost alternatives. We note ComReg does not propose to change this requirement at this time, but we urge the commission to examine whether potential harmful distortions might result in the future, in particular during the period of the proposed designation.

We note there are a range of alternative schemes provided in other countries, and under active consideration elsewhere. However, many of these schemes deliver fewer benefits, less effectively and at higher administration cost than the measures currently used in Ireland. We consider the combined effect of the existing schemes in Ireland is currently adequate to protect the needs of those ComReg has decided to protect and do so at the minimum cost. We therefore do not propose any significant change at this time.

Q. 11. Do you agree with the approach regarding call itemisation above?

Yes, *eircom* agrees.

Q. 12. Do you believe that the call barring options are reasonably sufficient to enable users to control their expenditure?

Yes, *eircom* agrees.

Q. 13. What are your views in relation to charges for availing of call barring options as a means of controlling expenditure?

eircom has developed the call barring facility as there is a need for this service and it is being used by customers in controlling their expenditure. However, this is a product offered by *eircom* and there is an associated cost in providing this service. *eircom* has an obligation to the customer, and have met this by providing the facility to bar particular call types, while there is a cost allocated to this, customers are made aware of this and continue with these barring types. The benefit to the customer of calling barring is likely to exceed the cost of activating this service due to the overall saving made by them. In addition, *eircom* also has an obligation to ComReg given that we have SMP in this market, owing to this *eircom* must be cost orientated, if this service were offered free of charge, *eircom* would be in breach of this obligation.

There are ongoing costs in supporting, providing, changing and ceasing these services as per the customer request. Some of these costs involve:

- Marketing, order processing, service provision, facilities to handle customer queries, product maintenance and general overheads.
- Call processing resources are involved across the network and therefore incur a cost. These calling attempts to barred destinations involve recognition at the local exchange that this call type cannot continue, overheads are incurred, as the network needs to recognise that this call type is barred and once received at the local exchange it must block the call. While the call won't succeed, any attempted call has to be processed in the network involving switching resources. This constitutes a real cost to *eircom*.

It should be noted that BT in the UK currently has a monthly charge for call barring, Ofcom permits this.

The costs overhead in providing these services is significant and must be recovered via charges that are reasonable and proportionate. The current model is designed to achieve this.

Q. 14. What are your views on the possibility of facilitating end-users to set a credit limit on their telephone account as an aid to control expenditure?

eircom maintains that we are already addressing expenditure control for customers as there are a number of cost restricting products available allowing customers to control their spend:

- Customers can view their latest bill (via the internet), next bill issue date, payments made and balance outstanding and also choose to sign up for email alerts on their account for billing-this service allows customers to manage and pay their bill.
- Customers can avail of monthly billing.
- A 'call calculator' is available on the *eircom*.ie website, these assists in customers budgeting call spend and to determine costs.
- Availability of the Vulnerable User Scheme

- Call barring services, allowing customers to control calling types and patterns.
- Development of call barring with PIN, allowing customers to control call types and expenditure, while allowing the facility to make a call to these barred destinations when the correct PIN is entered.

The functionality to offer such a service does not currently exist in the *eircom* network / billing system. It is anticipated that the costs involved in developing and introducing such a service would be substantial, and *eircom* are not aware of a customer requirement for this service. In addition to this, the options highlighted above offer customers many choices and features to assist in controlling expenditure.

Q. 15. Do you believe that the option of spreading payment of connection fees is useful to enable subscribers to get connected to the network?

eircom does not agree that allowing spread payments associated with the connection fee has been useful in enabling subscribers to connect to the network. The demand for this payment option is low, customers are not seeking this service and are not availing of this when informed of its existence. In addition to this, the number of customers connecting to the network owing to the existence of spread connection fee payments has not increased.

eircom has initiated a number of incentives for customers, these include a number of promotions allowing free connection on in-situ and pre-cabled lines. This has driven customer demand and connection to the network.

The concept of spread payments allows the customer to control expenditure and to enable maximum connections to the network. The idea is that customers won't be presented with a first bill with the total connection fee. With the introduction of monthly billing and other expenditure control devices, the customer can control their bill on a continuous basis enabling them to take ownership of their total bill and payment options.

Spread payments have not facilitated increased numbers to the network, since the launch of this service in October 2004, only 530 customers have availed of this service - this accounts for 1% of the total PSTN connections on a monthly basis.

There are also substantial costs associated in providing this service, and we would question if these costs are offering any true benefit to the customer?

Consequently, we believe that spread payments are not necessary.

Q. 16. Do you believe that the current disconnection policy is reasonable?

Yes, *eircom* agrees that the current disconnection policy is reasonable. A disconnection policy is required to minimise the *eircom*'s exposure to bad debt and represents a key communications tool for credit management and to ensure payment on delinquent accounts. It strikes a balance between facilitating customers and protecting revenues.

For reference, we outline here the disconnection policy/process applies to residential customers, who are billed on a bi-monthly basis:

Day	Action
1	Bill issues to customer
14	Full payment due
28-34	1 st reminder letter issues where balance owing is > €63.49
42-48	2 nd reminder letter where balance owing is > €63.49
69	New bill issues
70-76	Final letter issues for outstanding accounts with arrears of €31.74 or over and with a total balance outstanding of €120 or over
79-85	Disconnection

Additionally, if a disputed bill is still being investigated and the customer pays the undisputed proportion, the above process does not apply.

Disconnection rates not an indicator of affordability

eircom reminds ComReg of our recent response to ComReg's Data Direction of 2 March 2006 related to the Measuring Licensed Operator Performance Programme (MLOP), which included disconnection levels. In the Data Direction letter, ComReg implied that it might interpret the number of disconnections as an indication of a lack of affordability. This concern was also raised in bilateral meeting between ComReg and *eircom* on 23 February 2006. *eircom* would strongly object to ComReg positing such a casual relationship.

Disconnections might result from a number of customer factors: household affairs mismanagement, temporary or long-term debt, etc. It is impossible to know what percentage of disconnection – if any – is due to customers with affordability concerns.

To effectively measure "affordability," as referred to in the EU Directive and Irish Regulations on universal service, ComReg would have to develop some sort of means testing methodology for customers on low incomes or who have special social needs.

4 Respondent D



General Systems

UNIT 3 PARKWAY HOUSE
WESTERN PARKWAY BUSINESS PARK
BALLYMOUNT DUBLIN 12

Commission for Communications Regulation
Block DEF, Abbey Court
Irish Life Centre
Lower Abbey Street
Dublin 1

2nd May 2006

Dear Sirs,

In accordance with your recent invitation seeking views on the provision of Universal Service for Telecommunications Services in Ireland permit us to make the following representation.

For business users there is presently no “Service Level Agreement” between Telecomms providers in the event that a customer has to switch his lines (in an emergency situation) from his normal place of business to an alternate location.

As an example, lets assume that a User A’s normal day to day communications lines are provided by say, Eircom.

If that same user has a disaster at his normal place of business and has to relocate his operations to a site provided by a third party where for example Eircom is also the provider, his lines can be switched over using the Eircom Suretel service. Eircom provide this on a contractual basis.

If User B’s provider is Eircom and his disaster recovery site uses NTL, there is no Service Level Agreement between the telecomms companies to provide this.

However, on a day to day basis these companies can and do provide these interconnect facilities – but freely admit that “they will not put it writing”.

This is less than satisfactory for companies like General Systems whose core business is to provide Disaster Recovery for various business users.

We need the resilience of being able to switch our clients lines from one telco to another – in a disaster scenario.

We would therefore urge the Regulator to make the provision of such services **on a contractual basis** mandatory.

This will have the added advantage of increasing innovation and competition and make for a more open telecommunications market.

We will be happy to meet with the Regulator to discuss further.

Yours faithfully,

David Murphy
Managing Director

5 Respondent E

I am submitting this on behalf of IrelandOffline.

We thank ComReg for the opportunity to give our opinions on USO.

Firstly, in regard to Functional Internet Access we repeat our views on this as per the previous consultation:

" 28.8k is not good enough anymore. IrelandOffline would like to see the quality of lines measured using Signal to Noise ratios. IrelandOffline believes all lines must be above 30db SNR. This should be verifiable with a proof of performance test. IrelandOffline also believe that this minimum measurement be mandatory and not a "suggested" minimum. Proper cabling must be run to consumers and ancient cabling must be replaced, without a cost to the consumer, to bring the SNR to the correct levels for the distances involved.

If the SNR for a consumer's line is below the minimum as suggested by IrelandOffline we believe that a consumer should be compensated by having to only pay 50% of the standard line rental price until the issues with their line is resolved."

We would also like ComReg to be aware that their staff on the consumerline do not seem to think that people are now entitled to Functional Internet Access and they same can be said about eircom. We suggest that ComReg start a public campaign to let users know about Functional Internet Access and what they are entitled to.

In regards to question 4, we are hearing a great deal more complaints on such issues and we are hearing of considerable issues in some apartment complexes in Dublin such as Smithfield where consumers cannot install antennae so cannot get wireless broadband and their only other option is to get a combined TV/phone/broadband service from a supplier which has sole access to the complex. We are uncertain whether ComReg has much ability to mandate access to any supplier or whether this is more an issue with the Department of the Environment. Perhaps if a developer refuses access to the USP then they should automatically have to assume the obligations the USP has for that development.

In regards to question 10, the price "cap" has been abused numerous times to increase the price of line rental in order to make more money from customers who have stopped using the voice service of the USP. The current basket is cynically abused to increase profits and costs to the end user. Line rental needs to be removed from the basket to prevent further farsical price increases which previously saw line rental increase in price three times in 12 months.

IrelandOffline considers it quite short-sighted to ask about affordability in a telecoms market that has the highest line rental in the EU and the highest mobile ARPU and the 2nd highest composite basket prices according to the EU and then asking is enough being done to protect the consumer. The token Vulnerable User Scheme is not widely advertised or known and as a result has not been taken up as much as it should.

In regards to Q13, IrelandOffline would like to see an end to the fine imposed on users who do not want calls to be made to certain number ranges.

In regards to Q14, an upper spend limit appears to be a good idea.

Q15: Yes

6 Respondent F



Submission

on

the Consultation Paper

**The Future Provision of Telephony Services Under
Universal Service**

ComReg 06/16

May 2006

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Recommendations

Recommendation 1: Include the definition of “disabled users” which is in accordance with the Equal Status Acts 2000 to 2004 in ComReg’s decision on the Universal Service Obligation.

Recommendation 2: Develop standards of service for all specific measures for people with disabilities, based on international and national good practice.

Recommendation 3: Consider the specific implications of new technology such as broadband and mobile telephones for disabled users.

Recommendation 4: Consider the population of people with disabilities in Ireland and their varied needs in terms of physical, sensory, intellectual and mental disabilities as a factor in the provision of universal service.

Recommendation 5: Specify that all designated undertakings must comply with the obligations under Section 6 of Statutory Instrument 308

Recommendation 6: Review the quality of *eircom*’s performance as USP as a factor in determining its re-designation.

Recommendation 7: ComReg should use its powers to ensure access to USP-provided fixed line services for all end users.

Recommendation 8: A directory of subscribers should be provided on request, and free of charge in a range of alternative formats to users with a disability, including large print, CD-ROM, electronically and in Braille.

Recommendation 9: Electronic formats of the directory should be accessible to all users and should comply with WAI’s WCAG 1.0 standard.

Recommendation 10: All USP directory enquiries staff should receive training and guidelines on dealing with customers with disabilities, and in particular on the PIN-number system for directory enquiries.

Recommendation 11: The USP should provide a directory enquiries service using SMS-text messaging to facilitate deaf people and people with hearing impairments.

Recommendation 12: Provide a planned programme with annual targets for ensuring at least one fully accessible public payphone in all locations where public payphones are provided.

Recommendation 13: All accessible public payphones should meet the following criteria:

- All users, including users with wheelchairs, buggies or mobility aids, must be able to **get** to the public payphone without hindrance.
- All users, including users with wheelchairs, buggies or mobility aids, must be able to **reach** all the controls, inputs and outputs of the public payphone.
- All users, including users with visual impairment and limited dexterity, must be able to **operate** the payphone controls, inputs and outputs.
- All users, including users with sensory and cognitive disabilities, must be able to **perceive** the operation of controls, inputs and outputs from the public payphone.

Recommendation 14: Adhere to the relevant guidelines included in the NDA's Building for Everyone (2002) publication.

Recommendation 15: Research innovative location and usage of public payphones to improve the services offered to the public.

Recommendation 16: Public service organisations and emergency helplines should be accessible to users of minicomms.

Recommendation 17: Apply “Design for All” principles to the development of new services to address the needs of all users. (see Appendix 2).

Recommendation 18: Provide a range of domestic telephones with features that meet the requirements of users with a range of disabilities. Refer to “*Telephones - What features do disabled people need?*” (Gill & Shipley, 1999).

Recommendation 19: Ensure people with disabilities can get information on all the specific measures for people with disabilities from the USP’s regular customer service enquiry centre.

Recommendation 20: Assign standards of service for special services such as the text relay and directory enquiries service, and monitor compliance.

Recommendation 21: Ensure call barring is available free of charge for premium, international, national and mobile telephone numbers free of charge.

Recommendation 22: Establish a credit limit scheme available to all customers. Ensure that credit limit information is available in a format accessible to the user.

Recommendation 23: Retain the facility to spread payment of the connection fee.

Recommendation 24: Develop specific guidelines to protect vulnerable people with disabilities from disconnection and assign these under the

Universal Service Obligation (USO). See the analogous guidelines developed by the Commission for Energy Regulation.

1 Introduction

The National Disability Authority (NDA) welcomes this opportunity to advise ComReg on the Universal Service Obligation for telephony services.

In responding to this consultation paper the NDA limits its comments to those aspects of the issue which it considers itself competent to discuss. In so doing it addresses aspects of a number of questions of the Consultation Paper and also considers other matters which relate to telecommunication and people with disabilities.

This response addresses issues relating to the provision of telecommunications services to people with disabilities under the following areas:

- Telecommunications & People with Disabilities
- Definition of People with Disabilities
- Universal Service – Scope
- Universal Service – Designated period
- Designation of the Universal Service Provider
- Provision of Access at a Fixed Location
- Private Commercial Agreements
- Access to Directory Enquiry Services & Directories
- Access to Public Pay Phones
- Provision of Universal Service to Disabled Users
- Protection Against Disconnection
- Universal Service – Monitoring & Review Process

2 Telecommunications & People with Disabilities

Since the initial decision on the Universal Service Obligation (USO) there have been significant developments in telecommunications technology and the policy environment. Improvements in the broadband infrastructure in Ireland hold the potential to enable people with disabilities to access public services and carry out other day-to-day activities over the Internet more efficiently. In particular, Broadband has huge potential to enable the deaf community to communicate through webcam facilities to enable real-time site-to-site Irish Sign Language discussion. It also allows people with vision impairments to access a much wider range of information than previously by using assistive technology such as screen readers to access electronic information.

The telephone is one of the many tools of daily living. People call their friends, family, doctor, office, helplines and information services – in fact nearly everyone is available at the end of a telephone. For many people, and especially older people, the fixed-line telephone remains key to accessing the outside world from their homes. However, the telephone can be a barrier to communication if it is difficult to use. In addition, most Irish people access telephone services at some point through mobile telephones. While mobile telephones have improved accessibility for some people with disabilities, they have created new barriers for others.

While technology can be empowering and enriching as it permeates more and more of our daily activities, it creates a barrier between those who can use it effectively and those who cannot. If technology is designed with a sophisticated interface which is difficult to understand, or uses input devices whose controls are difficult to see, an instant barrier is created for large sections of society. This results in an exclusive society, which sets those who are technologically “au fait” (or “Information Rich”) apart from those who do

not or cannot effectively utilise the technology (“Information Poor”). In addition, the cost of the technology and economic inequalities already in existence in society further reinforce this segregation.

With regard to policy, the Disability Act 2005 creates a changed environment which will increase expectations on service providers to make their services accessible to people with disabilities. Section 26 requires all public bodies, where practicable and appropriate, to ensure that their services are accessible for people with disabilities by providing integrated access. Section 27 requires public bodies to ensure that the goods or services that they purchase are accessible, unless it would not be practicable or justifiable on cost grounds or would result in an unreasonable delay. Such services would include telephone services. Section 28 requires that communications by a public body to a person with a hearing or visual impairment must, as far as practicable, be provided in an accessible format, following a request. Taken together, these provisions create a framework of accessibility underpinning public services. Telephone service suppliers may need to take account of this changed environment in order to provide services to public bodies, and by extension, users of public services.

In the following pages, the NDA seeks to advise ComReg on how best it can utilise its powers under Statutory Instrument S.I. 308 (2003) to ensure effective access to fixed line, pay phone and directory enquiry services for people with disabilities. In addition, this submission highlights ways in which ComReg’s other powers could be utilised to benefit people with disabilities.

3 Definition of People with Disabilities

3.1 Consideration of Issues

The NDA welcomes the inclusion of people with disabilities in Statutory Instrument 308. However, the NDA notes that there is no interpretation provided in these Regulations as to who might be included in terms of “disabled users”. The NDA believes that ComReg should specify a definition of disabled person with relevance to the Universal Service Obligation. Given that the USO is a service which comes under the Equal Status Acts 2000 to 2004, the NDA recommends usage of the Equal Status Acts’ definition:

“Disability means: “(a) the total or partial absence of a person’s bodily or mental functions, including the absence of a part of a person’s body, (b) the presence in the body of organisms causing, or likely to cause, chronic disease or illness, (c) the malfunction, malformation, disfigurement of a part of a person’s body, (d) a condition or malfunction which results in a person learning differently from a person without a condition or malfunction, or (e) a condition, illness or disease which affects a person’s thought processes, perceptions of reality, emotions or judgment or which results in disturbed behaviour, and shall be taken to include a disability which exists at present, or which previously existed but no longer exists, or which may exist in the future or which is imputed to a person.” This definition covers all disabilities including physical and sensory disability intellectual disability and mental health, as well as multiple forms of disability

Using the Equal Status Acts’ definition should make it easier for the Universal Service Provider (USP) to fulfill its obligations, since it will be using the same definition both for its USP and its Equal Status Act obligations. Though the Disability Act 2005 is not directly applicable to the USP, who is a commercial body, nevertheless the Equal Status Acts’ definition of disability is

complementary to that in the Disability Act 2005 in covering the same range of disabilities including physical, sensory, intellectual and mental disability.

Consideration needs to be given to the range of difficulties people experience in the use of telephony. Some of these include:

- hearing impairment (ranging from moderate to severe to deafness)
- visual impairment (ranging from moderate to severe to blindness requiring users to rely on such things as tactile and audible signals)
- deaf-blindness
- speech impairment (ranging from moderate to severe and requiring such things as “send” amplification)
- limited dexterity (limited use of hands/arms; weak grip, hand tremor etc. requiring careful ergonomic design of phones)
- cognitive impairment (which effects memory, perception, problem solving. Users can get confused when asked to respond quickly etc.)
- restricted mobility (which has implications for the positioning of telephones and means of access).

Proposed Approach – NDA Recommends

Recommendation 1: Include the definition of “disabled users” which is in accordance with the Equal Status Acts 2000 to 2004 in ComReg’s decision on the USO.

4 Monitoring and Compliance

4.1 Consideration of Issues

The NDA notes that the Regulations under Statutory Instrument 308, Section 10 (4) give ComReg powers to create specific obligations on designated undertakings regarding their quality of service. In particular, Section 10(2) states:

“The Regulator may specify, *inter alia*, additional quality of service standards, where relevant parameters have been developed, to assess the performance of undertakings in the provision of services to disabled end-users and disabled consumers. A designated undertaking by the Regulator in respect of the services referred to in Regulation 6 shall publish and make available to the Regulator information concerning its performance in relation to the parameters.”

The NDA is not aware of such information having been published by the existing USP. In addition, as has been stated above, anecdotal evidence suggests that the USP is not currently providing an adequate standard of service under its existing obligation. The Regulations specify further powers available to ComReg such as setting performance targets with respect to services, arranging an independent audit of performance data and, in the case of persistent failure to meet performance targets, may issue directions to the undertaking concerned for the purpose of ensuring compliance (Section 10, Paragraphs. 4, 5 and 6.)

Proposed Approach – NDA Recommends

Recommendation 2: Develop standards of service for all specific measures for people with disabilities, based on international and national good practice

5 Universal Service – Scope (Consultation Paper Q.1)

5.1 Factors to be considered

In the consultation paper, ComReg identifies the following factors as relevant to identification of the scope and level of universal service obligation:

- disconnections
- fixed telecoms market developments
- trends in housing growth
- mobile penetration rate.

5.1.1 Disconnections

Regarding disconnections, the Consultation Paper suggests that the focus of ComReg's guidance should be upon measures to control the user's telephony expenditure. The NDA has recently advised the Commission for Energy Regulation with regard to the prevention of disconnection for vulnerable customers with disabilities. Sensory disability can make users vulnerable to disconnection through inability to access information such as bills and disconnection notices provided by the USP. The NDA is concerned to ensure that all vulnerable people with disabilities would be protected from disconnection. Protection from disconnection should be a key consideration in the context of specific measures for people with disabilities.

5.1.2 Fixed telecoms market developments and new technology

The NDA considers that the development of new technology is particularly relevant to people with disabilities and should be taken into account when assessing the USO.

Firstly, a recent report on broadband in the USA describes its benefits for people with disabilities:

“Broadband makes possible remote interpreting, which greatly enhances the quality of life for people who are deaf or hard of hearing. It also supports peer-to-peer signing, a revolutionary development that for the first time allows people who are both deaf and limited in reading and writing to engage in meaningful and rewarding communication at a distance.”

Given the enormous benefits that broadband can bring to large numbers of hearing and vision impaired people in Ireland, the NDA believes that it should be taken into account when reviewing the USO.

5.1.3 Mobile penetration rate

Ireland is unusual in having a very high rate of mobile telephone usage (102% “penetration”) and a relatively low level of fixed-line access (84% of households). Currently the Universal Service Directive does not apply to mobile communications. However, the reality is that mobile telephony is universally available. ComReg should take account of the specific implications of mobile telephony for people with disabilities when reviewing the USO. For example, mobile telephones can make it easier for deaf and hard of hearing people to communicate both with each other and with the hearing community by using SMS text-messaging. In other words, for some

people with disabilities the mobile telephone is not only a substitute for a fixed line, but the only accessible means of telephone service which they can use.

5.1.4 Disabled Customer Needs

The Statutory Instrument under which the USO operates makes specific requirements with respect to people with disabilities. It would seem appropriate, therefore, to outline the population of disabled people in Ireland and their varied needs as a factor in the USO. There is a significant proportion of the population whose faculties whether physical, intellectual or emotional, are impaired, temporarily or permanently. For example, the Census 2002 showed that 10.4% of adults had a disability. Amongst people over aged 65, this rises to more than 30%. An estimated 1 in 7 people in Ireland have some degree of hearing loss, while 10,000 people are registered with the National Council for the Blind as having severe vision impairment. To fulfil its requirements under the USO, the Universal Service Provider needs to identify and address the requirements of its disabled customers.

Proposed Approach – NDA Recommends

Recommendation 3: Consider the specific implications of new technology such as broadband and mobile telephones for disabled users.

Recommendation 4: Consider the population of people with disabilities in Ireland and their varied needs in terms of physical, sensory, intellectual and mental disabilities as a factor in the provision of universal service.

6 Designation Period (Consultation Paper Q.2)

The Consultation Paper proposes a four-year timeframe for the USO ending on 30th June 2010. Given the likelihood that a revised Universal Service Directive may be transposed into Irish law some time between 2009 and 2010, the proposed timeframe seems reasonable.

7 Designation of the Universal Service Provider

The Consultation Paper states that “different operators or sets of operators (undertakings) can be designated to provide different elements of universal service and/or to cover different parts of the state.”

The NDA notes that the measures for people with disabilities specified in Statutory Instrument 308, Section 6 apply to all designated undertakings providing publicly available telephone services and this should be specified in the designation.

Proposed Approach – NDA Recommends

Recommendation 5: Specify that all designated undertakings must comply with the obligations under Section 6 of Statutory Instrument 308.

8 Provision of Access at a Fixed Location (Consultation Paper Q.3)

The Consultation Paper takes “the preliminary view that the principal factors that resulted in Eircom being designated as the USP in July 2003, remain

present in 2006.” The NDA is of the view that Eircom’s performance under the existing USO should be considered as a factor in its re-designation as USO. ComReg should assess the quality of Eircom’s service under the USO as one of the factors determining its designation and consider how this could be improved.

Proposed Approach – NDA Recommends

Recommendation 6: Review the quality of Eircom’s performance as USP as a factor in determining its re-designation.

9 Private Commercial Agreements (Consultation Paper Q.4)

The Consultation Paper advises that ComReg is aware of claims that “some developers are denying physical access to operators who are not part of their own exclusive contracts” when installing fixed line services. Such action raises significant concerns regarding the accessibility of non-USP services to people with disabilities. Non-USP providers have limited legal obligations regarding people with disabilities and do not have the same requirements for providing access to fixed line services for people with disabilities as does the USP. The Universal Service Directive was enacted in order to ensure that all end users, including people with disabilities, have access to publicly available telephone services. The NDA is of the view that ComReg should use its powers to ensure access to USP-provided fixed line services for all end users.

Proposed Approach – NDA Recommends

Recommendation 7: ComReg should use its powers to ensure access to USP-provided fixed line services for all end users.

10 Access to Directory Enquiry Service & Directories

10.1 Consideration of Issues (Consultation Paper Q.5,6,7)

The Regulations require a designated undertaking to ensure that a comprehensive directory of subscribers is made available to all end users in a form approved of by the Regulator, whether reprinted or electronic or both, and is updated at least once in each year, or that a comprehensive telephone directory enquiry service is made available to all end-users, including users of public pay telephones. (S.I. 308, Section 4(1)).

10.1.1 Alternative Formats

As clearly identified by the Regulations, ComReg is charged with the definition of appropriate formats for the directory of subscribers.

Decisions about appropriate formats for publication must be based on the requirements of users. These users include users with physical, sensory and learning disabilities. Information from the VIPER database show that people with vision impairments prefer information primarily via large print (54%) and audio contact (35%). In addition, an SMS text-messaging service would enable access to directory enquiries for many deaf and hearing-impaired consumers.

Providers in other jurisdictions such as BT in the UK offer a good example of how information can be provided to people with disabilities in a wide variety of formats. The USP should be required to provide directory information upon request in a format accessible to the consumer wherever possible.

10.1.2 Accessible Electronic Formats

Certain people with vision impairments rely heavily on computers for access to information. The CD-Rom and web-based directory offer greater choice and flexibility to the general public, but for users with a visual impairment who have a computer, these services are particularly useful. Screen reader technology enable the results of key word searches to be read aloud, while screen magnifiers facilitate the enlargement of screen text.

However for an electronic communication technology to be accessible to the widest possible range of users it must be designed and built to certain standards. Currently the web-based “phonebook” is not fully accessible to people with disabilities. The NDA recommends W3C Web Accessibility Initiatives (WAI) Web Content Accessibility Guidelines (WCAG) 1.0 should be achieved by an electronic version of the directory.

10.1.3 Payment for CD-Rom Format (*Consultation Paper Q.7*)

As part of the initial designation, Eircom was required to provide a CD ROM version of the directory. ComReg has since removed this obligation upon the USP. Given that the printed directory may be inaccessible to people with disabilities, e.g. people with impaired vision or limited dexterity, Eircom should be required to provide the directory in CD ROM format upon request to people with disabilities.

10.1.4 Directory Enquiries

Directory enquiry services are provided free of charge to people with a disability. Users are identified by the combination of a PIN number and their name. At a recent NDA briefing on the USO, concern was raised that

operators are not adequately trained in how to facilitate people with disabilities accessing this service.

This service is very important for people with visual impairments or cognitive impairments who cannot use the printed directory. To ensure that the service adequately meets the needs of these users, directory enquiry staff should be provided with training and guidelines on dealing with customers with the full range of disabilities as indicated in Section 3 above.

Proposed Approach – NDA Recommends

Recommendation 8: A directory of subscribers should be provided on request, and free of charge in a range of alternative formats to users with a disability, including CD-ROM and over the Internet.

Recommendation 9: Electronic formats of the directory should be accessible to all users and should comply with WAI's WCAG 1.0 standard.

Recommendation 10: All USP directory enquiries staff should receive training and guidelines on dealing with customers with disabilities, and in particular on the PIN-number system for directory enquiries.

Recommendation 11: The USP should provide a directory enquiries service using SMS-text messaging to facilitate deaf people and people with hearing impairments.

11 Access to Public Payphones

11.1 Consideration of Issues

11.1.1 Accessible Placement of Public Payphones

Users who have a permanent or temporary condition which restricts their mobility may need to use a wheelchair, a motorised buggy or crutches to move around. If there are barriers in the way to the device, such as steps, posts or signage, it may be difficult or even impossible for them to get to it. These hindrances may also cause problems for people with restricted vision, particularly those who are totally blind.

The following directions should be followed when locating a public payphone:

- Provide a clear, level operating area large enough to turn a wheelchair or buggy. Provide a clear area of 1.5 metres radius directly in front of the telephone terminal with a floor surface that is level in a direction parallel to the fascia of the terminal. The gradient of any crossfall should not exceed 1 in 20.
- If it is necessary to raise the operating area above normal street or floor level, provide a ramp with a maximum slope of 6%.
- Place public payphones 900–1200mm above finished floor level.
- Ensure that public payphones contrast in colour and in tone with the surroundings. This will help users with poor vision to identify the payphone.

- When placing a public payphone ensure that it is placed out of the line of movement to prevent people from colliding with it. All street furniture should be placed in straight lines. Light standards define the main zone of objects in a street and public payphones should follow this line. The line of furniture should allow a clear, unobstructed circulation corridor of 1800mm, minimum 1200mm. This dimension allows a wheelchair users and a pedestrian to pass each other without having to give way. (see figure 1)

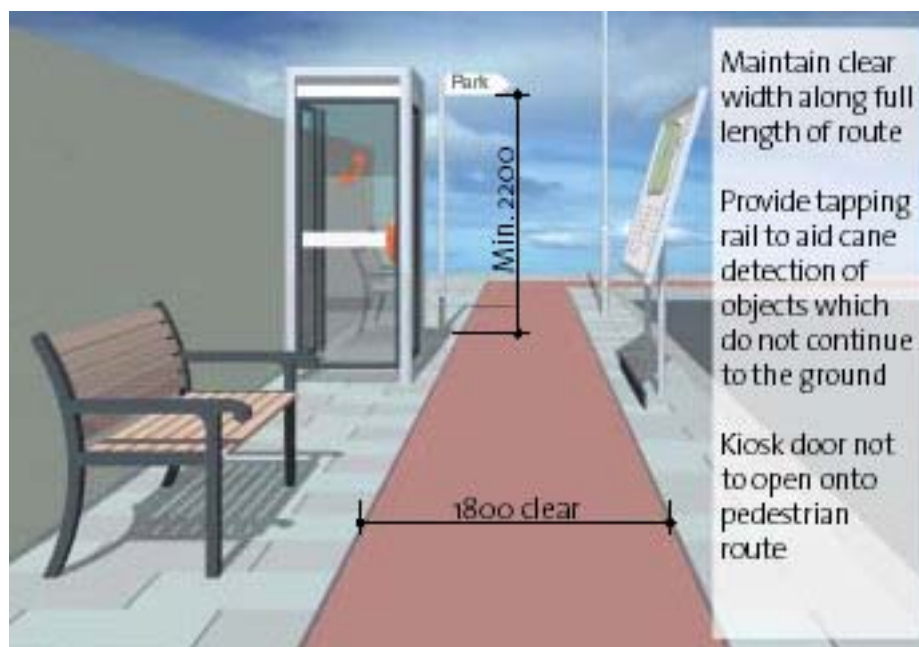


Figure 1: Clear circulation corridor with all street furniture placed in straight line

- Place a tactile indication on the pavement before and after a public payphone mounted on a pole. This will help prevent people with a visual impairment from colliding with the pole.

11.1.2 Accessible Payphone Interfaces

While induction couplers have improved the accessibility of public payphones to people with disabilities, further action must be taken to fully realise a public payphone service that supports the needs of all users with disabilities. The following comments illustrate mechanisms for improved accessibility.

- **Induction Coupler:** All payphones should have an induction coupler in the handset. It is essential that those for public use, and those used to summon help, e.g. in refuges, have this facility. They are easily provided in new payphones and can be fitted retrospectively in existing payphones. The device permits people with hearing aids to use a payphone efficiently. The European Telecommunications Standards Institute (ETSI) symbol should be used to indicate availability (see figure 2).



Figure 2: European Telecommunications Standards Institute (ETSI) symbol

- **Coin & Card Slots:** To facilitate wheelchair users, coin or card slots should be between 900 and 1200mm off the ground. This can be increased to 1350mm for sideways reach.

Coin and card slots should be funnel type, so as to facilitate people with impaired hand function. Returned cards should protrude at least 2cm from the slot surround (see figure 3).

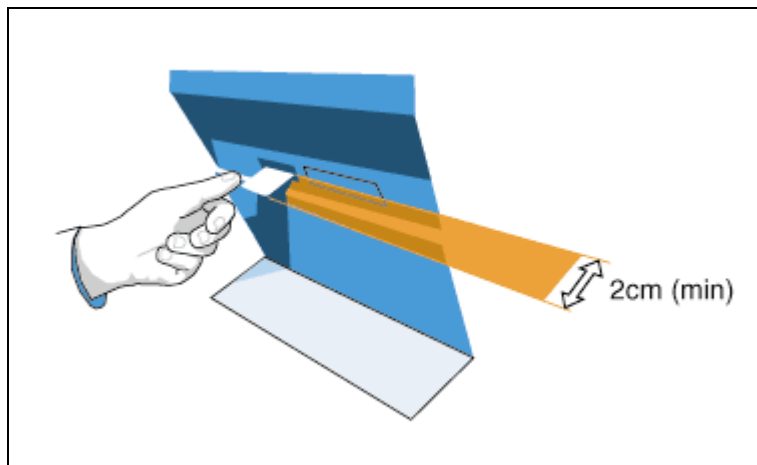


Figure 3: Payphone card protrusion

- **Call Cards:** Ensure that call cards can be inserted into the card reader in its correct orientation without requiring vision. A 2mm notch on the trailing edge of the card will enable the user to correctly orientate it for insertion into a horizontal slot by touch. (see figure 4)

Distinguish phone cards with tactile markings. Incorporate an embossed capital letter at least 10mm high with an embossing of at least 0.7mm. Note that, whilst Braille may seem a more obvious solution for tactile marking, less than 2% of visually impaired people can read Braille.

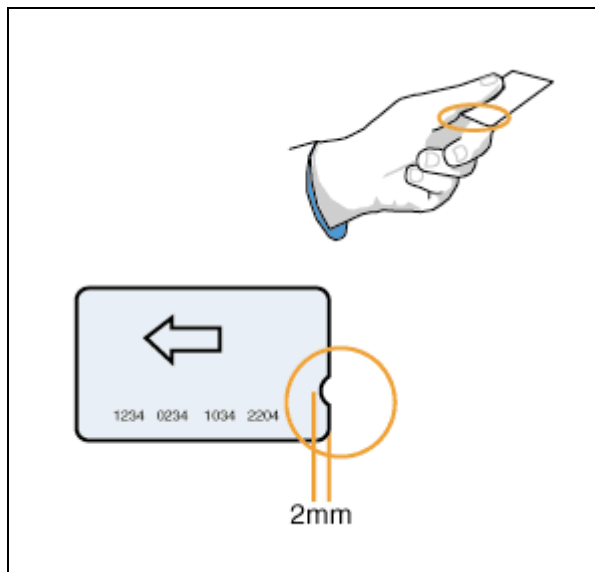


Figure 4: CEN 1332 compliant card layout. The notch on the trailing edge helps visually impaired users to orientate the card.

- **Payphone Buttons:** The edges of buttons should clearly contrast with the background tone and colour. Alternatively the buttons should have a ridged border or a border which is darker or lighter than the button itself.

There should be a gap of at least 2.5mm between the edges of adjacent buttons.

Push button payphones should have a small raised dot on the 'five button' to facilitate use by people with impaired vision.

- **Volume Control:** Provide volume controls for people with impaired hearing, so they can adjust the sound to 12-18dB(A) above the standard levels. This facility should be provided on all public payphones, with its provision indicated by the ETSI symbol. (see figure 2)

- A **telephone device for the deaf** (TDD), also referred to as a text phone or a minicom, is a keyboard linked to a telephone. A message can be typed in and received by a similar device at the other end. The telephones of public service organisations, including hospitals, Garda stations, health centres, bus and train stations, hotels and road recovery services, should have TDDs so that messages from users of minicomms can be received and responded to. Provision of this facility is essential for emergency helplines and should be indicated by the international TDD symbol. (see figure 5)



Figure 5: International TDD symbol

- A **seat** beside a payphone will facilitate people wishing to sit during use. The seat can be a folding or flip-up type, so that it doesn't obstruct access.

Proposed Approach – NDA Recommends

Recommendation 12: Provide a planned programme with annual targets for ensuring at least one fully accessible public payphone in all locations with a public payphone.

Recommendation 13: All accessible public payphones should meet the following criteria:

- All users, including users with wheelchairs, buggies or mobility aids, must be able to **get** to the public payphone without hindrance.
- All users, including users with wheelchairs, buggies or mobility aids, must be able to **reach** all the controls, inputs and outputs of the public payphone.
- All users, including users with visual impairment and limited dexterity, must be able to **operate** the payphone controls, inputs and outputs.
- All users, including users with sensory and cognitive disabilities, must be able to **perceive** the operation of controls, inputs and outputs from the public payphone.

Recommendation 14: Adhere to the relevant guidelines included in the NDA's Building for Everyone (2002).

Recommendation 15: Research innovative location and usage of public payphones to improve the services offered to the public.

Recommendation 16: Public service organisations and emergency helplines should be accessible to users of minicomms.

12 Provision of Universal Service to Disabled Users (Consultation Paper Q.9)

12.1 Consideration of Issues

The current Regulations require a number of specific measures for users with disabilities. Included are a number of assistive technology devices to improve access to phone services such as: inductive couplers, amplifier phones, teleflash visual alert telephones, push button telephone sets, hands free/loudspeaker phones, and restricted vision telephones which can help people with restricted vision to find other numbers more easily. Also included are text relay services, a rebate scheme for text calls and special directory enquiry arrangements for users with restricted vision.

12.2 Assistive Telephone Technology for People with Disabilities

The NDA is disappointed to reiterate, as in its previous submission in 2003, that provision of these services continues to be inadequate. The NDA notes that this contrasts sharply with comparable service in our sister jurisdiction, the U.K., where BT provides a wide range of accessible telephone products to people with disabilities and makes information on these products readily available via their website. The NDA's own spot check found that Eircom customer service staff had no information on an inductive coupler, which is a device that could make the telephone accessible to thousands of hearing-aid users in Ireland.

In addition to the features above there are a number of other features, which should be available on telephones to ensure accessibility for users with a range of disabilities. Some of these features are listed below, along with the types of disabilities they address:

- **Sidetone Reduction:** This facility improves the signal to noise ratio at the earphone. It minimises the effect of ambient noise picked up by the microphone and mixed with incoming speech. The sidetone level should be user adjustable.

Disability Categories: Moderate & severe hearing impairment, moderate speech impairment and cognitive impairment.

- **User Adjustable Ringer Pitch & Tone**

Disability Categories: Moderate & severe hearing impairment.

- **Microphone Amplification:** A telephone with a sensitive microphone will help people with quiet voices or restricted neck and chest movements. Amplification of the microphone should be user adjustable so that both users with weak and standard voices can use it.

Disability Categories: Moderate & severe speech impairment.

- **Guarded/Recessed & Enlarged Keys:** Enlarged, recessed or guarded keys help people with poor dexterity and hand tremor to press the correct key.

Disability Categories: Moderate & severe visual impairment, blindness, deaf-blindness, limited dexterity, limited use of hands/arms, weak grip, hand tremor.

- **Dial-out Memory Buffer:** A dial-out memory buffer enables people who are slow to dial a telephone number to avoid being timed-out.

Disability Categories: Deafness, severe visual impairment, blindness,

deaf-blindness, limited dexterity, limited use of hands/arms, weak grip, hand tremor, cognitive impairments.

- **Legible Key Legends:** The type face used on keys should have clear 'open' shapes e.g. Gill Sans.

Disability Categories: Moderate & severe visual impairment.

- **Large Character & High Contrast Displays:** Text displays that show small dark characters on a mid-tone background are difficult to read for most people with low vision. White or yellow characters on a black or dark background are more legible. Small or bold typeface can be illegible for some people.

Disability Categories: Moderate & severe visual impairment.

- **Synthetic Speech Display:** Information such as the last number dialled or caller identification can be spoken to users who have difficulty with a visual display. For deaf-blind users it should be possible to link the telephone to their own adaptive technology e.g. Braille keyboard.

Disability Categories: Moderate & severe visual impairment, blindness, cognitive impairment.

(The above guidance is adapted from "Telephones - What features do disabled people need?" (Gill & Shipley 2004)).

12.3 Standards for Special Services for People with Disabilities

The NDA is concerned that no standards have been applied to the specific services provided to people with disabilities such as the text relay service and the directory enquiries service. ComReg should establish service standards for both of these services and monitor compliance with the standards in order to ensure that they are being effectively provided to people with disabilities. Further details on monitoring service quality are provided in Section 4 above.

12.4 Proposed Approach – NDA Recommends

Recommendation 17: Apply “Design for All” principles to the development of new services to address the needs of all users. (see Appendix 2).

Recommendation 18: Provide a range of domestic telephones with features that meet the requirements of users with a range of disabilities. Refer to “Telephones - What features do disabled people need?” (Gill & Shipley, 1999).

Recommendation 19: Ensure people with disabilities can get information on all the specific measures for people with disabilities from the USP’s regular customer service enquiry centre.

Recommendation 20: Assign standards of service for special services such as the text relay and directory enquiries service, and monitor compliance.

13 Affordability of Tariffs/Control of Expenditure

13.1 Consideration of Issues

People with disabilities are twice as likely to be in poverty as non-disabled people. The NDA is concerned to ensure that vulnerable customers with disabilities are assisted in managing their telephone expenditure and measures put in place to prevent their disconnection.

13.1.1 Call Barring Facilities (Consultation Paper Q.12 & 13)

Currently Eircom allows users to bar Premium Rate Service calls free of charge, but a cost is associated with barring International, National & Mobile calls. The NDA is of the view that access to call barring free of charge should be in place for all domestic subscribers. This provision may limit the number of situations where users find themselves unable to pay their bills.

13.1.2 Setting of Spend threshold (Consultation Paper Q.14)

NDA is of the view that a credit limit scheme for subscribers would be a positive option to assist customers' control their expenditure. If implemented, such a facility would need to be available through a range of accessible formats, such as via voice telephone information, but also in writing, via SMS text messaging and electronically.

13.1.3 Phased Payment of Connection Fee (Consultation Paper Q.15)

The spreading of the connection fee over a number of repayments is a positive step towards including people in the telephone network. As identified in the consultation paper the initial connection fee can be prohibitive to potential subscribers on low income.

13.2 Protecting Vulnerable Users with Disabilities from Disconnection

(Consultation Paper Q.16)

The Consultation Paper states that ComReg is not proposing to amend the USP's disconnection policy currently (Section 12.5). However, the current disconnection policy makes no special provisions for vulnerable customers with disabilities. The NDA is of the view that access to fixed line telephone services is of vital importance to people with disabilities. The NDA has recently welcomed measures by the Commission for Energy Regulation to the prevent disconnection of vulnerable customers with disabilities. Sensory disability can make users vulnerable to disconnection through inability to access information such as bills and disconnection notices provided by the USP. The NDA is of the view that ComReg should take similar measures to those being taken by the CER to minimise the chance that vulnerable people with disabilities would be disconnected from their fixed line service. This could include:

- requiring the USP to maintain a register of vulnerable disabled customers
- setting specific obligations for maintaining service to vulnerable disabled customers
- requiring the USP to provide specified types of communications in a range of accessible formats such as contracts, customer charter, bills, disconnection notes, customer codes of practice, domestic tariff information, personalised domestic customer communications, etc. Evidence from the VIPER database has shown that people with vision impairments prefer information in the following formats:
 - Large print (54%)
 - Audio contact (35%)

- E-mail (6%)
- Braille (3%)

13.3 Proposed Approach – NDA Recommends

Recommendation 21: Ensure call barring is available free of charge for premium, international, national and mobile telephone numbers free of charge.

Recommendation 22: Establish a credit limit scheme available to all customers. Ensure that credit limit information is available in a format accessible to the user.

Recommendation 23: Retain the facility to spread payment of the connection fee.

Recommendation 24: : Develop specific guidelines to protect vulnerable people with disabilities from disconnection and assign these under the Universal Service Obligation (USO). See the analogous guidelines developed by the Commission for Energy Regulation.

14 Conclusion

The NDA welcomes the consultation that the Commission has undertaken in addressing the issues of regulation of the Universal Service Obligation for telephone services. In its previous designation, ComReg established positive measures to improve access to telephone services for people with disabilities. However, implementation of the obligation has been uneven, and certain gaps remain in the current specification of the USO. Through this submission, the NDA has advised on how the USO can be strengthened to further improve access to fixed line, directory enquiry and pay phone services for people with disabilities. The NDA has also highlighted changes in the marketplace such as the development of broadband and the high penetration of mobile telephones since the first designation.

It is important that ComReg look beyond the services and facilities for people with disabilities that are currently available and think in a user-centered and innovative manner about how to provide improved access. The NDA looks forward to working with ComReg in future to promote access to telecommunications services for people with disabilities.

15 References

1. Commission for Communication Regulations, Consultation Paper: The Future Provision of Telephony Services Under Universal Service Obligations 06/16 (2006).
2. National Disability Authority, Building for Everyone, (2002).
3. Gill, J. & Shipley, T. (2004) 'Telephones – What features do disabled people need?' available at <http://www.tiresias.org/phoneability/telephones/>.

Appendix 1: “Design for All” Principles

Design for All can be achieved by applying the following principles to all products, services & systems (transport, communications, consumer products, buildings, information technologies etc.)

Equitable Use: The design does not disadvantage or stigmatise any group users.

Flexibility in Use: The design accommodates a wide range of individual preference and abilities.

Simple, Intuitive Use: Use of the design is easy to understand, regardless of the user's experience, knowledge, language skills, or current concentration level.

Perceptible Information: The design communicates necessary information effectively to the user, regardless of ambient conditions or the user's sensory abilities.

Tolerance for Error: The design minimises hazards and the adverse consequences of accidental or unintended actions.

Low Physical Effort: The design can be used efficiently and comfortably, and with a minimum of fatigue.

Size and Space for Approach & Use: Appropriate size and space is provided for approach, reach, manipulation, and use, regardless of the user's body size, posture, or mobility.

7 Respondent G



RehabGroup

Investing in People, Changing Perspectives

**Rehab Group response to the Commission for Communications
Regulation, Consultation Paper on The Future Provision of Telephony
Services Under Universal Service Provision
May 2006**

Rehab Group welcomes this opportunity to contribute to this consultation process on the Universal Service Obligation (USO) for Irish telephony services to ensure that it takes all possible steps to meet the needs of people with disabilities. This submission is as much as possible a result of consultation with staff and service users of the Group. It's structure follows the guidelines provided by ComReg.

The main recommendations of this submission are as follows:

- Further effort is required to ensure the accessibility of this consultation process
 - The development of a plain English discussion document in accessible formats.
 - The development of an accessible consultation forum to include people with disabilities.
- The review of the USO must be in the context of wider policy developments
- People with disabilities, as customers
- The importance of telephone services to vulnerable groups must be stressed in the USO
- The USP should commit to a programme of continuous improvement and not minimum compliance
- There are a number of lessons to be learned from mobile services
- Technological advances must be continually monitored

10. Provision of Universal Service to Disabled Users

- The USO should recognise the diversity of people with disabilities
- The USO should require ongoing consultation by the USP
- Consider a person centred approach to the provision of telephone services to people with disabilities
- The USO should provide further guidelines in relation to the development of a code of practice for the provision of telephone services to people with disabilities.
 - The use of accessible language
 - Provision of ongoing monitoring should be included in the code
 - The development of a Disability service forum would be beneficial to the end service.
- Models for codes of practice could be employed here

5. Designation Period Duration

6. Designation of the Universal Service Provider

7. Directory Services

8. Public Payphones

11. Affordability

Introduction

Rehab Group is an independent, not-for-profit, public interest company dedicated to advocating, championing and progressing greater social integration, economic independence and equal opportunities for all. It respects and values its people and works with both staff and clients as partners in success, to deliver person centred and inclusive services.

One of the high level goals of the Rehab Group's Strategic Plan 2005-2009 is to be proactive nationally and internationally on issues of concern to people with disabilities and other disadvantaged groups.

Our Strategic Plan drives our ongoing motivation to influence policy and legislation on issues that affect people with disabilities and other disadvantaged groups.

Rehab Group offers a wide range of health and social care, training and employment services to approximately 60,000 people with disabilities including people with mental health difficulties across Ireland and the UK. In Ireland, services are provided through three companies.

- *National Learning Network*

National Learning Network is Ireland's largest non-Government training organisation with more than 50 purpose built training and employment units nationwide catering for over 4,500 students each year. Its objective is to assist people at a disadvantage in the labour market including people with disabilities to learn the skills they need to build lasting careers in jobs that reflect their interests and abilities. This is achieved through a brand of training, education, employment access and enterprise development that is respected and often replicated across Europe.

- *RehabCare*

Choice, quality and personalised services are the cornerstones of RehabCare. The organisation prides itself on the flexibility of its programmes, which are designed to meet the individual wishes and requirements of each service user. In essence, its goal is to ensure everyone is given the opportunities and help they need to achieve their full potential and enhance their quality of life. RehabCare provides a range of community based rehabilitation services for people with disabilities,

older people and carers in the community, in both Ireland and the United Kingdom.

- *Gandon Enterprises*

The Gandon group is Ireland's largest single employer of workers with disabilities. In total some 420 people are employed under the Gandon Enterprises umbrella, 217 of whom are workers with disabilities.

While its businesses operate in highly competitive markets, the company provides a supported environment for people with disabilities within the workplace.

This includes adapted working environments and procedures, facilitative supervision and management, along with services to ease the transition into employment for people who have been out of work for considerable periods.

General points

- **Further effort is required to ensure the accessibility of this consultation process**

The Commission for Communications Regulation is to be commended for its commitment to consultation in the development of this and other work that it is carrying out. Attendance at a seminar in the National Disability Authority at the beginning of April was a welcome first step, which yielded some very interesting feedback.

However, in the development of this submission we found that explaining the purpose of this document was a difficult task. In order to attain a meaningful level of consultation, this process must ensure that it reaches those who are directly affected by the obligations. Further steps must be taken as follows:

- 1. The development of a plain English discussion document in accessible formats.**

While it is true that this is a complex document, some simple questions directed towards answering the Commission's questions would make this document far more accessible to a wide range of people.

- 2. The development of an accessible consultation forum to include people with disabilities.**

Section 10 of the Consultation document refers to provision of universal service to people with disabilities. The Commission must take steps to ensure that those who have hearing difficulties, visual impairments or those with restricted manual dexterity are actively included in the development of this section. This could be achieved through focus groups at which the relevant supports could be provided, for example with an Irish Sign Language interpreter or the provision Braille documents. Such supports could be developed in discussion with the relevant groups.

- **The review of the USO must be in the context of wider policy developments**

The review of the Universal Service Obligations and the designation of a new Universal Service Provider must be considered in the context of wider policy developments in relation to access to services for people with disabilities and others who are marginalised; for example those on low incomes or those who are living in isolated areas.

- The enactment of the Disability Act 2005 which in Section 27 requires public bodies to ensure that their services are accessible to people with disabilities. The Department of Communications, Marine and Natural Resources is

currently completing its Sectoral Plan under the Disability Act 2005.

Submissions to this plan have highlighted the need to consider the communications requirements of those with hearing or visual difficulties and the impact this has on their social inclusion.

- The development of equality legislation such as the Equal Status Acts 2000 to 2004 which requires all service providers to take all reasonable steps to make their goods or services accessible to all.
- The work of the Office of Social Inclusion under the aegis of Department of Social and Family Affairs and the work of the Combat Poverty Agency in identifying the factors that increase the risk of poverty for some people. The National Action Plan against Poverty and Social Exclusion 2006-2008 is due for publication in coming months.
- In recent years there have been significant advances in the provision of telephony services. The USO must remain adequately flexible to enable it to take advantage of these advances and bring them to the groups who require them most.

- **People with disabilities, as customers**

8.3% of the population are people with disabilities, many of whom require accessible telephone services. In coming years, as the population in Ireland ages increased attention will be required to ensure that telephone services are accessible to as wide a group as possible. All telephone service providers should ensure an inclusionary approach to their services and should commit to taking steps to enable people with disabilities to avail of their services. A number of telephone service providers both fixed and mobile have already taken innovative steps in the right direction and this progress should be built on.

- **The importance of telephone services to vulnerable groups must be stressed in the USO**

For many people who have limited mobility, who are isolated or who live alone, the telephone represents a lifeline with the outside world, both in terms of social interaction and in the case of emergency. It is essential that all possible steps be taken to ensure that these groups do not lose this vital service as a result of reduced affordability or inaction in relation to the developments in assistive technology.

- **The USP should commit to a programme of continuous improvement and not minimum compliance**

Ensuring that affordable telephone service is available regardless of location, ability to pay and with the required assistive technologies must have a basis in law. However, the provision of such telephone services by the Universal Service

Provider (USP) must be undertaken through a programme of continuous improvements rather than compliance with minimum requirements. Regulations must remain adequately flexible to facilitate ongoing developments and reaction to the rapid changes in the technological environment while ensuring that they are adequately regulated to be of benefit to the people the USO is developed to serve.

- **There are a number of lessons to be learned from mobile services**

It is noted with some dismay that the USO relates only to fixed line telephone services however, some of the advances in mobile services could be replicated in fixed line services. These guidelines must be developed with recognition of the lessons that mobile services have to offer in terms of assistive technology. For example the texting services currently offered on a fixed line can often be complicated to use. The more user-friendly text services of mobile technology could be replicated here, thus making fixed line services more accessible to people with hearing difficulties.

In addition the proliferation of mobile services should not be allowed to force fixed line services into obsolescence in terms of their technology. Fixed line services remain very popular among older users and steps must be taken to ensure that they remain of high quality. The designation of a Universal Service Provider is important in maintaining these services but they must be encouraged to continue to innovate in order to stay current with technology.

- **Technological advances must be continually monitored**

Telephony services are currently changing rapidly. The benefits of this to the inclusion of marginalised groups must be harnessed in active ways. A number of actions could be taken:

- Monitoring of best international practice which could be imported into the Irish case.
- The establishment of a national telephone user forum to include the users targeted by the Universal Service provision and those who are experts in developing technology.
- Encouragement of opportunities to share expertise between telephone service providers.

Section 10 Provision of Universal Service to Disabled Users

Q9. What are your views on setting of requirements to ensure that the needs of users with disabilities are met? Is the current set of obligations appropriate, or should a larger or smaller set of obligations be imposed?

This section which deals with service provision for people with disabilities and is considered to be most important to this submission. There are a number of general points to be made in relation to the treatment of the needs of people with disabilities by the USO.

- **The USO should recognise the diversity of people with disabilities**

The USO must apply to all people with disabilities and must acknowledge the diversity that exists among people with disabilities. The main premise of the USO is to provide affordable telephone services to people on low incomes and other marginalised or vulnerable groups and in this way, in its entirety, it is relevant to people with disabilities. People with disabilities are two and half times more likely to be unemployed than a person without and as a result are often at risk of poverty. In considering the provision of affordable services the USO must also consider the needs of people with disabilities.

- **The USO should require ongoing consultation by the USP**

Accessible consultation as mentioned above would contribute significantly to this consultation process by identifying the core needs of people who have specific requirements in relation to telephone services such as people with hearing or visual difficulties. Ongoing monitoring of advances in technology would lie with a forum established to carry this out.

- **Consider a person centred approach to the provision of telephone services to people with disabilities**

At the seminar on the review of the USO held in the National Disability Authority a number of points were raised about text relay systems and induction couplers etc. Many of these points were specific to the person and require creative thinking to achieve. In the provision of services to people with disabilities, policy increasingly focuses on person centred services which provide for the needs of the individual with a disability. A similar approach should be taken by the USP to ensure that the services that it is providing do, in fact, meet the needs of the people who are accessing them.

In its current Code of Practice for the Provision of Services to Users with Disabilities, *eircom* proposes the development of a dedicated resource for customers with disabilities. This proposal should be given further thought with a view to establishing such a role. While all services must be accessible to people with disabilities, the USP should take steps to ensure that the services that they offer the individual cater to their needs. Such a one-stop-shop would facilitate the expertise required to ensure that this is the case. This is especially important in relation to the Assessment of Needs process provided for in the Disability Act 2005 which will give people the right to an individual assessment of their needs. While the USP would not fall under the remit of this legislation a similar approach to the needs of people with disabilities in the provision of telephone services could be beneficial.

- **The USO should provide further guidelines in relation to the development of a code of practice for the provision of telephone services to people with disabilities.**

The USO provides for the development and publication of a code of practice for the provision of services to users with disabilities. Further guidelines must be included in the USO as to the contents of such a code. Some suggestions for inclusion are identified here:

- **The use of accessible language**

In order for the Code of Practice to reach its audience it must be developed in an accessible way with the use of accessible formats and plain English text. Appropriate language should also be used, developed in consultation with people with disabilities. The guidelines contained in the Code should also be disseminated widely to ensure that those who are accessing the services are aware of what is available to them.

- **Provision of ongoing monitoring should be included in the code**

In *eircom's* current code it undertakes to monitor its performance and achievements in line with a programme of actions. However, some external monitoring would be of benefit and perhaps both ComReg and a national telephone user forum could play a role in this. As above, the USP should commit to a programme of continuous improvement to ensure that it remains current with advances in technology and that it effectively brings these advances to those members of the population who could benefit.

- **The development of a Disability service forum would be beneficial to the end service.**

eircom currently provides for the establishment of a disability service forum which would liaise with representative groups of people with disabilities. This is commendable but could take a further step by including people with disabilities in the forum and by making findings available to the public.

Other issues for inclusion in a code of practice include:

- A commitment to innovation in the provision of assistive technology
- Ongoing consultation with relevant groups to represent the diversity of people with disabilities.
- Disability awareness training for frontline staff
- Steps to ensure that customer services are easily accessible through the individual's preferred medium e.g. text relay system etc.
- Accessibility audit of both buildings and services
- **Models for codes of practice could be employed here**

The Disability Act 2005 requires six Government Departments to prepare and publish sectoral plans to outline their current and future service provision for people with disabilities. While requirements differ between Departments, the model of requirements is useful here and the relevant points are as follows:

- Information concerning codes of practice and regulations relating to the provision of services to people with disabilities by the USP
- Details of the complaints procedure which is easily accessible to people with disabilities
- Monitoring and review procedures and timeline for their completion
- The services currently being provided and planned future services for people with disabilities.
- Opportunities for information sharing and innovation between the USP and other providers.

5. Designation Period Duration

Q2. What are your views on the factors outlined above in the context of defining an appropriate designation period?

Given the rapid changes currently taking place in a number of areas of telephone service provision, it is clear that to ensure agility in service provision a shorter timescale would be most appropriate, for example:

- The preference of many to use mobile telephone services
- Rapid changes in the capacities of telephone technology
- Rapid changes in assistive technology to enable people with disabilities to take part in telephone services

It is essential that services to users on low incomes or people with disabilities remain up-to-date with advances and that flexibility to react to such advances is also maintained. For example the requirement of the USP to provide for Internet data transfer at a rate of 28.8kbit/s will rapidly become obsolete in terms of the requirements of the Internet and changes will be required.

ComReg has an opportunity here to go beyond the European Commission's guidelines and possibly pre-empting the transposition of changes in the law after 2008 by pushing the advancement of the USO towards the provision of mobile technology and broadband Internet. The embracing of mobile technology to a 102% market penetration is adequate evidence of Ireland's population's interest in the progress of the telephone services. The length of the designation period must reflect this.

6. Designation of the Universal Service Provider

Expressions of interest in becoming the USP should also include evidence of past expertise and commitment to providing services to those on low incomes, people with disabilities and others who require assistive technology. Candidates for the USP should also be able to demonstrate a commitment to information sharing in relation to technologies which improve telephone services for those with additional requirements.

7. Directory Services

Q. 5. What are your views in relation to the preliminary view that *eircom* should be designated as the universal service provider with respect to the provision of a subscriber directory and the directory enquiry element should it remains part of the universal service requirement? Are there other factors which should be considered by ComReg in making this designation?

Q. 6. Do you believe that the present provision of directory enquiry services meets the needs of end-users?

Q. 7. Do you think there is any benefit in removing the Directory Enquiry element from the Universal Service?

While it is true that Directory Enquiry services have begun to be provided on a commercial / competitive basis there is evidence that prices have risen dramatically over recent years. As this is the case, it would therefore be preferable that Directory Enquiry services remain under the remit of the Universal Service Obligation.

Some steps should be taken to ensure that a directory enquiry service is available on an affordable basis to those who cannot access printed directories because they require accessible formats such as large print or Braille. The withdrawal of the CD Rom, while understandable given its low demand, is unfortunate given its potential for making the Directory accessible to a wider group. Consideration must be given to providing a completely accessible web-based version and an alternative, accessible paper based solution. Other innovative solutions such as a text based services should also be considered.

8. Public Payphones

Q. 8. What are your views in relation to the preliminary view that *eircom* should be designated as the universal service provider with respect to the provision of public pay telephones? Are there other factors which should be considered by ComReg in making this designation?

Given the decreasing number of payphones available throughout the country, it is more important than ever that every payphone is made accessible. In the past where two or three phones have been located in close proximity, the provision of one accessible phone was usual. Now with the decrease in numbers, an inability to access a phone will likely make making a call impossible given the length of distance to the next accessible phone. The undertaking which commits to ensuring that all new payphones are accessible and accepts multiple forms of payment should be designated the USP for payphones.

11. Affordability

Q.10 Do you believe that the current measures outlined above provide suitable protection for vulnerable groups? Alternatively, please comment on how additional protection could be best delivered or unnecessary requirements removed?

In consultation with statutory agencies such as the Department of Social and Family Affairs, the Office for Social Inclusion and agencies such as the Combat Poverty Agency and community and voluntary organisations the USP should develop a targeted package of measures to increase the affordability of the services that it provides in particular to those who are particularly vulnerable.

8 Respondent H



**Vodafone Response to the ComReg Consultation –
Future Provision of Telephony Services under
Universal Services Obligations.**

INTRODUCTION

Vodafone welcomes the opportunity to respond to this consultation on the future provision of telephony services under universal service obligations. Vodafone considers that ComReg's current approach to the scope of universal service regulations, which is in accordance with EU Universal Service Regulations, is correct.

The reasons for universal service requirements, in particular with regard to promoting social inclusion, are of great importance and Vodafone would highlight that, in many instances, the needs of vulnerable users are already being met through the competitive provision of mobile communications services. Nonetheless, with respect to the provision of telephony services at a fixed location, eircom should continue to be designated as the sole USP. Vodafone's views on the nature and extent of the requirements following from this designation are detailed in response to the consultation questions below.

Q. 1. What are your views on the factors identified above in considering Universal Service obligations? Are there other factors which need to be considered regarding the provision of Universal Service? Please give reasons for your answer.

Vodafone believes that the factors identified by ComReg are relevant in considering Universal Service obligations. Vodafone's view on the growing number of commercial agreements for the provision by non-USO operators of telephony and other services for new developments is set out in response to question 4.

Vodafone agrees with ComReg that fixed and mobile communications services are presently in separate markets. The key factor in this regard is the additional functionality provided by mobile services relative to fixed services, with mobility as the key differentiator for the former.

Q. 2. What are your views on the factors outlined above in the context of defining an appropriate designation period?

It is Vodafone's opinion that the tenure period should be no greater than 3 years.

Q. 3. What are your views in relation to the proposal above? Are there other factors which should be considered by ComReg in making this designation?

Vodafone is in agreement with the view of the ComReg, in that any operator providing Universal Services should display technical competence and have an established process for fault management etc. However, Vodafone does not hold a specific view in relation to the specific targets proposed by ComReg.

Q. 4. In your view what is the most appropriate way to deal with the situation described above?

Vodafone is concerned about the current practice of exclusive contracts between developers and fixed operators and welcomes ComReg's comments on this issue. We see an increase in this trend and have serious concerns as to how this will impact on Universal Services providers in the future. This practice has a negative effect on the competitive consumer market. It is unclear from ComReg's document how an operator would be able to provide Universal Services to customers if they were legally restricted from gaining access to the customer's premises. One must consider that some service providers with these exclusive deals may prohibit customers in unforeseen circumstances, for example a television subscription service that is dependant on a Broadband line or vice versa.

Q. 5. What are your views in relation to the preliminary view that eircom should be designated as the universal service provider with respect to the provision of a subscriber directory and the directory enquiry element should it remain part of the universal service requirement? Are there other factors which should be considered by ComReg in making this designation?

Vodafone believes that Eircom should continue to have USO obligations in relation to the NDD and in relation to the paper directory, however it is Vodafone's opinion that the provision of Directory Enquiry Services is competitive and therefore the obligation should be relaxed or revoked.

Q. 6. Do you believe that the present provision of directory enquiry services meets the needs of end-users?

Yes.

Q. 7. Do you think there is any benefit in removing the Directory Enquiry element from the Universal Service?

Yes, as per response to question 5

Q. 8. What are your views in relation to the preliminary view that eircom should be designated as the universal service provider with respect to the provision of public pay telephones? Are there other factors which should be considered by ComReg in making this designation?

Yes.

Q. 9. What are your views on setting of requirements to ensure that the needs of users with disabilities are met? Is the current set of obligations appropriate, or should a larger or smaller set of obligations be imposed?

Yes, Vodafone agrees with Comreg's views and believes that the current obligations are appropriate. It is Vodafone's belief that obligations should be reviewed in conjunction with a new USP tenure.

Q. 10. Do you believe that the current measures outlined above provide suitable protection for vulnerable users? Alternatively, please comment on how additional protection could be best delivered or unnecessary requirements removed.

Currently, customers that avail of the DSFA phone scheme do not have the option to choose to have their mobile account included in the scheme. It is Vodafone's opinion that inclusion of mobile in the scheme will offer a wider choice for customers enabling them to manage their overall communication spending.

Q. 11. Do you agree with the approach regarding call itemisation above?

Yes

Q. 12. Do you believe that the call barring options are reasonably sufficient to enable users to control their expenditure?

Vodafone agrees with Comreg's position on call barring options.

Q. 13. What are your views in relation to charges for availing of call barring options as a means of controlling expenditure?

It is Vodafone's view that the current call barring options are sufficient to control expenditure.

Q. 14. What are your views on the possibility of facilitating end-users to set a credit limit on their telephone account as an aid to control expenditure?

It is Vodafone's view that the provision of a service to facilitating control of customer's expenditure is a commercial decision. We see no obligation for a USP to provide this service. Currently, customers that avail of the DSFA phone scheme do not have the option to choose to have their mobile account included in the scheme. It is Vodafone's opinion that inclusion of mobile in the scheme will offer a wider choice for customers enabling them to manage their overall communication spending.

Q. 15. Do you believe that the option of spreading payment of connection is useful to enable subscribers to get connected to the network?

Vodafone believes that spreading connection payments should again be a commercial decision rather than a universal service obligation.

Q. 16. Do you believe that the current disconnection policy is reasonable?

Yes.

9 Respondent I

Title : The Future Provision of Telephony Services Under Universal Service Obligations

Contact : retailconsult@comreg.ie

Expiry :

Respondents Name : John Mc Feely

Comments : Any future provision of telephony service under universal service obligations must address the issue of number portability between service providers as this currently represents a serious barrier to competition in the marketplace. In short customers must be free to move providers and keep their existing telephone number. This has already happened in the mobile telecoms sector.

10 Respondent J

Q1: What are your views on the factors identified above in considering Universal Service Obligations? Are there other factors which need to be considered regarding the provision of Universal Service? Please give reasons for your answer

=====

I believe the factors mentioned in the Consultation Document are fair. There is one glaring omission - the high failure rate for broadband on Irish phone lines.

Q2: What are your views on the factors outlined above in the context of defining an appropriate designation period?

Q3: What are your views in relation to the proposal above? Are there other factors which should be considered by ComReg in making this designation?

=====

My understanding is that the current functional Internet access rate in the USO is 0k i.e. ComReg do not make any requirement from the USP for a minimum data rate. This is absurd! The minimum data rate for a first world country should be ISDN @ 64k - if Germany and the Netherlands can manage this, why can't Ireland? Since I doubt very much that it will be set anywhere near 64k, I would consider 28.8k (with no line splitting) the very bare minimum this data rate should be set at. Irish telephone line rental rates are obscene; they are unjustifiable if a high standard of service cannot be guaranteed on the line.

Q4: In your view what is the most appropriate way to deal with the situation described above?

=====

I think that if the current USP, who I suspect to be the main complainant, cannot handle the heat, they should get out of the kitchen. It was only a matter of time before another company began offering innovative services in new housing developments when Eircom are taking their own sweet time enabling exchanges for DSL, and holding up LLU at every available opportunity. In regards introducing freedom of choice for people, ComReg should work with the planning authority to ensure that all new developments are wired by the developer - companies, including the USP, can then tender for the provision of service. Of course, LLU would be an important factor here.

Q5: What are your views in relation to the preliminary view that eircom should be designated as the Universal Service Provider with respect to the provision of a subscriber directory and the directory enquiry element should it remain part of the universal service requirement? Are there other factors which should be considered by ComReg in making this designation?

=====

I have no opinion on this.

Q6: Do you believe that the present provision of directory enquiry services meets the needs of end-users?

Yes.

Q7: Do you think there is any benefit in removing the Directory Enquiry element from the Universal Service?

=====
No.

Q8: What are your views in relation to the preliminary view that eircom should be designated as the universal service provider with respect to the provision of public pay telephones? Are there other factors which should be considered by ComReg in making this designation?

=====
I believe, given the scale of their network and the difficulty of other providers gaining access to this network, that Eircom should continue to be the USP for public pay phones.

Q9: What are your views on setting of requirements to ensure that the needs of people with disabilities are met? Is the current set of obligations appropriate, or should a larger or smaller set of obligations be imposed?

=====
I believe the current requirements are sufficient.

Q10: Do you believe that the current measures outlined above provide suitable protection for vulnerable users? Alternatively, please comment on how additional protection could be best delivered or unnecessary requirements removed.

=====
I believe that the line rental charge is extremely unfair to all users given the poor state of the network. Currently one of the highest line rentals in the EU, there is no competition whatsoever in this area. This unavoidable charge is conveniently removed from EU DSL access costs tables produced by ComReg.

Q11: Do you agree with the approach regarding call itemisation above?

=====
While I agree that the current level of safeguard are good, I would point to the mobile telecoms area where the providers can give contract customers a current balance on request from their handset (e.g. dialling *101# on o2). This is much better than a retrospective breakdown of charges, where a user suspects their bill may be high at the end of the month.

Q12: Do you believe that the call barring options are reasonably sufficient to enable users to control their expenditure?

=====
Yes.

Q13: What are your views in relation to charges for availing of call barring options as a means of controlling expenditure?

=====
I believe this is counter-productive. Charging people who block calls as they cannot afford to pay high interconnect charges between mobile and

fixed-line networks is unfair. I doubt the charge reflects the cost of provision.

Q14: What are your views on the possibility of facilitating end-users to set a credit limit on their telephone account as an aid to control expenditure?

=====

I think this is an excellent idea and should be implemented.

Q15: Do you believe that the option of spreading payment of connection fees is useful to enable subscribers to get connected to the network?

=====

Yes.

Q16: Do you believe that the current disconnection policy is reasonable?

=====

Yes, it seems fair.

Kind regards
John Noone

11 Respondent K

Title : The Future Provision of Telephony Services Under Universal Service Obligations

Contact : retailconsult@comreg.ie

Expiry :

Respondents Name : Joe O'Neill

Comments : The problem with broadband is not so much the cost but the availability of it. Costs are broadly inline with those available in the UK, France, Spain and the USA. Access is the big problem. For this reason I think Eircoms network should be removed from the company and made available on a per line rental system on equal terms to any service provider requesting it. Furthermore the company lacks innovation. Why has wireless broadband not been rolled out in rural areas, and if it is a matter of cost then why has Eircom not asked for a government subsidy to do so. Eircom is a failure in terms of service provision and innovation. Lack of broadband provision in rural areas should simply not be tolerated.