



Office of the Director of
**Telecommunications
Regulation**

Wholesale Price Reviews for Service Providers in the Irish Telecommunications Markets

Document No. ODTR 97/16

NOVEMBER 1997

Oifig an Stiúrthóra Rialála Teileachumarsáide
Office of the Director of Telecommunications Regulation
Abbey Court, Irish Life Centre, Lower Abbey Street, Dublin 1.
Telephone +353-1-804 9600 *Fax* +353-1-804 9680

Changes in Telecom Eireann Rates and the effect on Wholesale Service Providers

Process for requesting consultations and submissions from Service Providers following significant changes in Telecom Eireann rates.

Notification of commencement of “SwitchLink” ring fence audit process.

Introduction

The Director of Telecommunications Regulation (“the Director”) is committed to facilitating competition in the liberalised telecommunications market within a framework which is clearly understood and accessible to all parties.

The purpose of this document is to clarify some issues relating to wholesale rates introduced pursuant to this issue of the Decision Notice (D1/97) by this Office in September 1997.

This notice is not a legal document. The Director is not bound by this notice and may amend it from time to time. This notice is without prejudice to the legal position or the rights and duties of the Director to regulate the market generally.

Wholesale Rates Review

As stated in the Decision Notice (D1/97), wholesale rates will be subject to review by the Director from time to time in the period up to 1 January 2000. As part of the review processes, the Director may request submissions from service providers, to include such matters as costs and pricing of services. The Director wishes to inform Service Providers that she considers significant price changes which may be introduced by Telecom Eireann would represent a ‘triggering event’, which would give rise to the Director requesting submissions from Service Providers.

The Director wishes to clarify that the wholesale rate discounts contained in the Decision Notice (D1/97) will apply to any revised Telecom Eireann rates from the date that such rates become effective for retail customers.

The wholesale discount in respect of or undersea cable charges to Service Providers is under review by the Director at the present time. Pending the outcome of this review, the wholesale discount to service Providers is a 5% discount on Telecom Eireann’s lowest, discounted rate from 20th October 1997. It is anticipated that the results of the review in this area will be finalised in the near future. The agreed rate will apply from 20th October 1997.

Current Position

With effect from 20th October 1997, Telecom Eireann introduced the following wholesale rates which apply to telecommunications services supplied by licensed service providers:

Leased Lines	:	5% reduction on Telecom Éireann's lowest, discounted rates.
Termination call charges	:	30% reduction on Telecom Éireann's lowest, discounted rates.
Access call charges	:	60% reduction on Telecom Éireann's undiscounted retail rate
Line rental for new Switchlinks	:	£20 per month.

Connection fees related to the administrative costs of service apply to SwitchLink. However, pending review of these charges Telecom Eireann has agreed to suspend their application.

The ring fence audit

As outlined in the Decision Notice (D1/97), an audit of Service Providers' customers and other information is to be undertaken in order to effectively "ring fence" the position regarding certain value added services. All information provided to the Director will be kept strictly confidential. Professional consultants have been appointed by the Director to assist in this task, and it is intended that this audit process will commence in December 1997.

This document sets out the position of the director and does not constitute legal advice.

November 1997

ENDS

