



Commission for  
**Communications Regulation**

Information Notice

**Status Update on Local Loop Unbundling -  
Issue 3**

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## 1. Executive Summary

In July 2006, ComReg published its second Local Loop Unbundling status update ([Information Notice 06/30](#)) which set out the then situation in relation to a number of issues. ComReg undertook to publish a monthly progress report in relation to the achievement of a number of set milestones and this is the third such update. The date of publication has been moved back from the date previously advised in order to allow for the collation of data and to provide feedback on key milestones which were due to be completed in early August. These are discussed below.

### 1.1. Main Developments

During July, industry has continued to make progress across a range of activities associated with the development of LLU. Engagement to date between the parties has continued, and while significant progress has been made in some areas, for others it has been less than anticipated due to the need to prioritise specific work items. Some six industry meetings were held over the period as well as several meetings between ComReg and individual operators. Progress is being made in a number of areas, including:

- **Number Portability and LLU (known as GLUMP):** The development of the GLUMP product (which will allow customers to retain their telephone number when moving to an operator's retail service which is based on Local Loop Unbundling) was launched (trial phase) by eircom on 8 August 2006 and orders have now been placed for this facility. This has involved a considerable amount of effort by all parties involved and ComReg commends the co-operative and intensive efforts to achieve this. As previously noted, Industry met on 9 August to begin the process of developing and implementing a more efficient and mass market oriented version of GLUMP (through partial or full automation). As well as developing the mass market solution, Industry has committed to further developing the phase 1 product in light of operational experience.
- **Co-existence of Line Share and Wholesale Line Rental:** ComReg previously reported that the facility to allow the LLU Line Share (LS) product to be ordered by operators where Single Billing-Wholesale Line Rental (SB-WLR) is already on the telephone line (and vice versa) had been introduced by eircom. This allows operators to provide combined telephony and broadband services to customers using these two wholesale products. ComReg understands that operators have been placing orders within these product combinations, albeit at a low volume. The low volume is a disappointment since this combination was introduced at the request of one operator, BT, which has not been making any significant use of it since its introduction. However, the availability of this facility will undoubtedly be one of a suite of LLU product combinations which will be significant in competitive use of the LLU products in the future. ComReg considers that the milestones associated with this particular work stream from a regulatory perspective have been achieved for now.
- **Ongoing provisioning problems associated with the existing LLU product:** The standalone LLU product continues to experience problems associated with delayed delivery of orders and performance standards which generally fall short of those specified in Industry agreed inter-operator processes and wholesale Service Level Agreements (SLAs). For the month of July 15% of orders were

delivered outside SLA timeframes. This represents a very slight improvement in performance on June's figure of 16% but nevertheless remains at an unsatisfactory level. Furthermore, for the 12 month rolling period up to June (the latest period for which data is available), only 64.7% of LLU faults were cleared within two working days. Industry has been working to get a better understanding of the cause of these problems over the last period and 4 priority issues are being addressed in the context of a review of the overall inter-operator processes supporting the standalone LLU product. While much has been done to identify the problems and to address the key issues, ComReg is acutely conscious that this activity needs to be translated into measurable improvements sooner rather than later. ComReg will continue to address this issue as a matter of priority

- **Migrations and Wholesale Product Combinations:** ComReg stated in Information Notice 06/21 that it would address the issue of movements between wholesale products and would communicate in more detail on the matter as part of its August update. ComReg does not consider that an operator's (not just an LLU operator) ability to provide retail services via a particular wholesale product(s) should be generally restricted because of the wholesale/network product currently being used to provide services to a customer. All operators should be able to compete effectively for the entire addressable market (where technically feasible). However, at present they are precluded from doing so by eircom's failure to implement Industry requests for some migrations. This raises concerns in light of eircom's obligations to provide certain wholesale services. ComReg has considered the issue from a regulatory perspective and is of the view that there is a case that the mechanism for obtaining such access to LLU products is adequately covered within existing regulatory obligations which were imposed on eircom in [Decision Notice D8/04](#)<sup>1</sup>. However, given the passage of time since earlier requests were made and potential changes to the strategies of the various operators, ComReg considers it appropriate that Access Seekers should formally state their LLU access requests to eircom by 7 September. ComReg will scrutinise the progress of those requests and will allow a reasonable period to provide for the possibility of a commercially negotiated solution. After a period of 1 month from the date date Access Seekers submit their requests ComReg will review the position and take appropriate action, as necessary.

## 1.2. Other Issues and Next Steps

Other issues such as the LLU Collocation Product (which allows operators to place their equipment in eircom's exchanges) and its supporting processes have also been discussed with potential improvements to these areas of the LLU product suite being pursued. Progress in this area has been slower than initially expected, mainly due to Industry being primarily focused on activities necessary to facilitate the launch of GLUMP on 8 August.

Over the coming weeks, the Industry focus will be to address the next phase of GLUMP development for increased volumes of orders, ongoing work to implement necessary process improvements to the standalone LLU product, as well as seeking to address the matter of movements between wholesale products.

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<sup>1</sup> Designation of SMP and Decision on Obligations – Market Analysis: Wholesale unbundled access (including shared access) to metallic loops and sub-loops; Document 04/70; D8/04

The next report will be published by 15 September.

## 2. Background

It was previously reported that 3 LLU operators are actively providing LLU based services to customers, namely, BT Ireland, Magnet Entertainment and Smart Telecom. 102 instances of collocation have been provided to these operators by eircom across approximately 59<sup>2</sup> exchange locations. This represents an increase of 7 instances of collocation on June's figure and demonstrates operators' continued commitment to rolling out their own network infrastructure via LLU.

The two previous LLU updates<sup>3</sup> published by ComReg set out the then status in relation to a number of issues associated with Local Loop Unbundling, in particular:

- Number Portability and LLU (known as GLUMP)
- Co-existence of Line Share and Wholesale Line Rental
- Ongoing delivery problems associated with the existing LLU product
- Wholesale Product Combinations and Migrations

This Information Notice reports on the developments since the publication of the last update [Information Notice 06/30](#).

## 3. Customer Right to keep the existing phone number when switching to another operator (GLUMP)

Customers have a right to keep their existing fixed line telephone number when switching between fixed line service providers. The process which is in place to enable this right to be delivered is known as Geographic Number Portability (GNP). While GNP and LLU have both been available independently for a number of years, the market requirement is for an integrated Industry solution which will allow a customer to take a broadband and telephony service, through LLU, without having to change their existing telephone number. This integrated solution for combining GNP and LLU is referred to as GLUMP.

Since the issue of the last Information Notice in June (and up to 11 August), a number of GLUMP specific Industry meetings have been held and agreement has been reached on several key areas which has facilitated the trial launch of the product by eircom on 8 August. The significant resource commitment and co-operative approach by all the parties to achieve the launch of the product within schedule is to be welcomed and has resulted in the publication (available at [www.eircomwholesale.ie](http://www.eircomwholesale.ie)) of the following supporting GLUMP documents:

- a detailed GLUMP product description
- an operational process manual to support the ordering and delivery of GLUMP
- an amended Access Reference Offer (ARO) which includes the contractual terms and conditions for the GLUMP service.

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<sup>2</sup> Figures are based on data supplied by Access Seekers. The number of cases of collocation is greater than the number of exchanges as more than one operator can be located at the same eircom exchange.

<sup>3</sup> [Information Notice 06/21 published in May 2006](#) and [Information Notice 06/30 published in July 2006](#).

- a GLUMP Code of Practice which sets out the rules and procedures that operators availing of GLUMP must use and customer contact procedures etc.

The product launch was preceded by the successful completion of Service Establishment testing (SET) between Magnet Entertainment, Smart Telecom and eircom. ComReg notes that BT Ireland chose not to participate in SET at this point, but that they have committed to supporting the ongoing development of GLUMP and other LLU development work.

While the launch of the GLUMP product is welcome, a strong focus must continue to be maintained by the parties to ensure its effective and efficient operation in a live service environment, particularly as order volumes ramp up to the agreed throughput level of 120 orders per day and, following review, to the subsequent levels beyond this.

ComReg has also noted previously that the GLUMP product would require further development in order to upgrade it to a more efficient, mass market solution. eircom has previously committed to commence work on this phase of development with Industry and, to this end, Industry discussions commenced on the 9 August. While still at an early stage, over the coming weeks it is intended to explore some possible options in light of eircom's system capabilities and, on foot of this, to start detailed work regarding product specification, feasibility and implementation. ComReg expects industry to work together to develop and agree a detailed work programme to facilitate the launch of the next phase of GLUMP within a reasonable timeframe. This is important in ensuring that the right of customers to maintain their telephone number when moving to alternative operators is upheld.

Performance metrics on a range of parameters associated with GLUMP provisioning and its ongoing management are being discussed by Industry and will be published once an initial period of operation of the product has elapsed. ComReg expects to be in a position to publish performance figures on GLUMP in October.

#### **4. Coexistence of Line Share and WLR**

The facility to allow the LLU Line Share (LS) product to be ordered by operators where Single Billing-Wholesale Line Rental (SB-WLR) is already on the telephone line (and vice versa) was introduced by eircom on 19 June last. ComReg understands that operators have been placing orders within these product combinations, albeit at relatively low volumes.

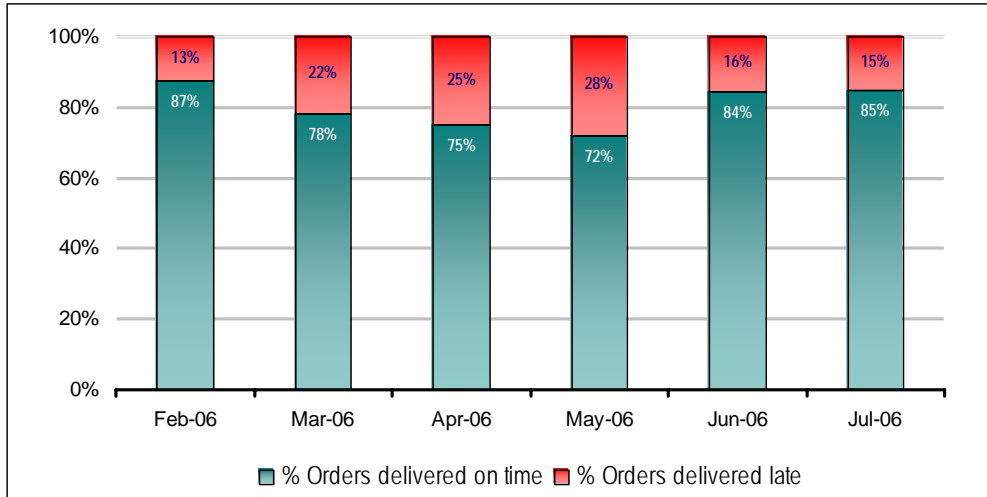
Given the facility is operationally available to operators, ComReg does not propose to report further on this. However, ComReg will continue to monitor performance in this area.

#### **5. Performance issues around the standard LLU Products**

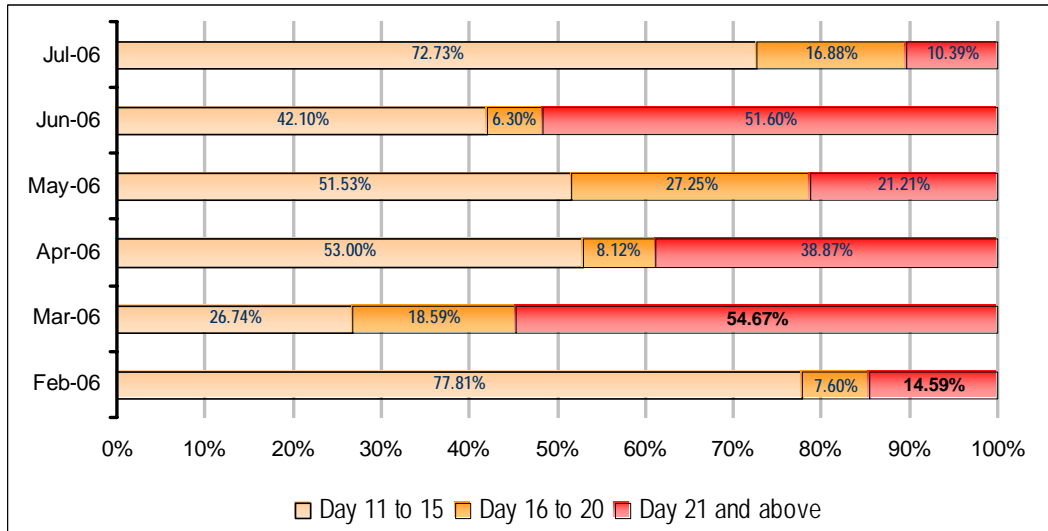
At the last update, ComReg noted that the ordering, delivery and "in service" performance of the existing LLU product was falling short of the standards set out under Industry agreed inter-operator processes and wholesale service level agreements.

Based on figures supplied by eircom to ComReg<sup>4</sup>, the recent performance with respect to LLU delivery can be summarised as follows.

**Table 1: Percentage of LLU orders delivered within SLA Timeframe**



**Table 2: Of LLU orders delivered outside SLA (per Table 1 equates to beyond 10 days), percentage delivered > day 11-15 day 16 to 20, day 21 and above**



In terms of fault management, for the month of June (the latest period for which data is available), 64.7% of LLU faults were cleared within two working days.

It is recognised by all parties that the current performance levels with respect to service delivery and fault management are still unacceptable and are, in part, attributable to poorly defined and/or implemented supporting operational processes. As highlighted in the last LLU Update, a separate Industry Forum to deal with the issues has identified a number of priority areas which are affecting the LLU service

<sup>4</sup> This data has been presented in such a way as to protect any information considered by ComReg to be confidential (it should also be noted that operators have not corroborated the performance data).

experience (which, in turn, impact customers) and it has been agreed that many of these areas can be addressed through the enhancement and/or clearer definition of existing processes, or indeed the development of new ones.

While much remains to be done before improvements in service performance are realised, it must also be recognised that there is willingness on the part of eircom and the other operators to work towards the immediate improvement of the situation. Industry have agreed a target of November 2006 to complete a series of LLU process developments. Improvements in the unacceptably low service levels provided by eircom to operators must be achieved within this timeframe.

ComReg intends to continue to track performance in this regard and, apart from the performance measures set out above, intends that a subset of the additional performance metrics being developed by industry (as noted in Section 3) will also be published. In parallel, any newly identified issues affecting the overall LLU experience can continue to be addressed through the Industry Forum (as appropriate).

## **6. Ability to move seamlessly between operators and products**

Operators have requested that it should be possible for their customers to move from one set of services provided over a particular set of wholesale inputs to services provided over a different set of wholesale inputs without experiencing significant inconvenience. At present, eircom do not, generally, facilitate this in respect of moves to the wholesale standalone LLU/GLUMP product from other broadband products or SB-WLR.

In terms of the impact at the customer level, for example, the scenario, where customers have a telephony and broadband service with eircom and they wish to move to another service provider who would provide similar services via LLU. In order to achieve this, customers would first have to cancel their broadband service, before applying for a new service with the LLU provider, with the consequence that they would experience a significant level of service disruption during the change over.

ComReg considers that an operator's ability to provide retail services via a particular wholesale product(s) should not be generally restricted by the wholesale service currently being used to provide services to a customer. In particular, it is clear to ComReg that an LLU Operator (and indeed all operators) should be able to compete for the entire addressable market (where technically feasible), whereas at present they are disadvantaged when competing for customers who are already, for example, availing of eircom's DSL service because of the temporary loss of service entailed by current arrangements. In addition, from the user's perspective, the benefits of increased choice by eliminating these restrictions are clear. It would minimise the impact of disruption of service for customers, reduce barriers to switching and ultimately contribute towards the development of a more dynamic and competitive market. ComReg believes that in order to achieve this a number of process/systems challenges at the wholesale level need to be addressed.

ComReg has considered the issue from a regulatory perspective and is of the view that there is a case that the mechanism for having such access to LLU products is



adequately covered within existing regulatory obligations which were imposed on eircom in [Decision Notice D8/04](#)<sup>5</sup>, including (but not limited to) its obligations:

- to meet reasonable requests by authorised undertakings for access to the local loop and access to collocation, or associated facilities, as provided for by Regulation 13 of the *Access Regulations*.
- to provide access to Full Unbundled Local Metallic Path and Shared Access
- to negotiate in good faith with authorised undertakings requesting access to LLU services and facilities.
- To act in a non-discriminatory manner and to apply equivalent conditions in equivalent circumstances to other authorised undertakings providing equivalent services and to provide services and information to others under the same conditions and of the same quality as eircom provides for its own services or those of its subsidiaries or partners.

The original Access Seeker's Market Requirements Document of December 2004 included a request that a series of priority service paths to LLU be made available. Given the considerable period has elapsed since then, ComReg has consulted with the operators and discussed their priorities in this area. In view of these discussions, ComReg considers it appropriate (given the passage of time, the growth in LLU and developments associated with GLUMP, including the positive working approach in this area), that Access Seekers should formally state their LLU access requests to eircom.

ComReg considers that the Access seekers should be in a position to make their requests to eircom by 7 September and should, at a minimum, clearly set out, *inter alia*, in order of priority, the paths required for access to and from LLU; process/product requirements necessary to achieve each path availability, including return paths. This will have the benefit of clearly setting out operators' requirements. ComReg will scrutinise the progress of those requests and will allow a reasonable period to provide for the possibility of a commercially negotiated solution. ComReg will review the position after a period of 1 month of delivery of the requests.

In parallel, with the above, ComReg intends to discuss with eircom how customer choice can be facilitated and to explore whether a solution which achieves acceptable benefits to Industry can be found.

Furthermore, within the above timeframe, ComReg is open to discussing any potential impact of movement in and out of LLU from other wholesale services (e.g. WLR, bitstream) with operators providing services via such products.

In the event of a failure to move towards a commercial agreement within the month referred to above, ComReg will assess each request and take appropriate action as necessary.

ComReg proposes to follow the timetable below as appropriate:

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<sup>5</sup> Designation of SMP and Decision on Obligations – Market Analysis: Wholesale unbundled access (including shared access) to metallic loops and sub-loops; Document 04/70; D8/04

- Access Seekers to formalise their requests for access to LLU and ComReg expects that they will be in a position to send their requests to eircom by 7 September
- Within 1 month of receipt of the requests by eircom ComReg will review the status of the commercial negotiations for each request for access.
- ComReg to explore possible solutions for delivering customer choice with eircom during the above period.
- At the end of 1 month, ComReg to assess whether regulatory action, if any is necessary or justified as appropriate, for each request.

## **7. Next Steps**

In order to provide clarity on overall progress, ComReg will continue issue monthly status reports on all the issues discussed above. Given the time lags inherent in collecting necessary LLU performance data, ComReg intends that to publish future LLU updates on the 11<sup>th</sup> working day following the end of the preceding month. The next LLU update will therefore issue by 15 September.