



Commission for
Communications Regulation

Retirement of Legacy Networks and services

(Including correspondence between Eircom and ComReg).

Information Notice

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An Coimisiún um Rialáil Cumarsáide
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Additional Information

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Retirement of Legacy Networks and Services

1. On 21st July 2016 Eircom¹ wrote to ComReg requesting prior approval for the retirement of legacy networks and services. Eircom's letter notes its continuing rollout of Next Generation Access ("NGA") networks and services, in particular FTTC and FTTH², and the widespread uptake of those services.
2. As end-users are migrating from legacy Current Generation Access ("CGA") services to NGA the utilisation of the legacy copper network is declining and, as outlined in Eircom's letter, in Eircom's view at some point it will not be economically efficient to maintain parallel NGA and CGA networks.
3. Eircom envisages, for example, that the development of Voice over Broadband services by operators including Eircom will replace traditional voice technologies thereby giving rise to the conditions whereby a withdrawal of legacy PSTN services can be considered.
4. It is Eircom's stated intention to decommission the copper loop in areas where NGA is delivered over FTTP, however where NGA is delivered using VDSL technology it is Eir's intention to retain the copper sub loop.
5. Accordingly we understand that Eircom envisages both the withdrawal of legacy services and, at some point, withdrawal of copper network infrastructure.
6. Eircom says it has commenced planning for the retirement of legacy services and facilities and anticipates that over the next 2 to 3 years there will be a growing number of geographic areas with widespread availability of NGA facilities such that it would be appropriate to retire access to legacy services and facilities.
7. Eircom has been designated as having Significant Market Power (SMP) in certain regulated markets and, pursuant to this designation, is obliged not to withdraw facilities already granted except where this has been approved by ComReg. Accordingly ComReg's approval is required for Eircom to proceed with its proposal.
8. ComReg is of the view that consideration of these issues is timely and necessary however approval cannot be given at this stage. A wide engagement with all relevant

¹ Letter from Richard Moat dated 21 July 2016 and the ComReg response dated 22 Sept 2016 are included in this information note.

² Fibre To the Cabinet / Fibre To The Home

stakeholders, including a public consultation, as appropriate, will be required in order to develop an approval process that considers all of the issues and the implications of any request for approval.

9. ComReg will also consider whether any amendment to Eircom's regulatory obligations may be required and whether any such amendments would need, in law, to be notified to the European Commission.
10. As part of any consultation process ComReg will consider, inter alia, the impact on the rest of industry, the impact on end users including Eircom's universal service obligations and any other relevant matters. Any consultation will include an assessment of the information which needs to accompany any request, the criteria by which any request, by Eircom, to withdraw regulated services and facilities should be evaluated by ComReg and the process, including a communications plan, that should be followed prior to and during the withdrawal, should approval be granted.
11. ComReg has already published a consultation on proposed principles and notification procedures relating to a potential future transition from copper to fibre access networks in the context of NBP³. Although the scope was somewhat different to the issues at hand they have relevance to Eir's current request.
12. ComReg has had initial discussions with Eircom regarding its request for approval and has requested that Eircom undertake an analysis and an impact assessment, including plans and timelines, of the withdrawal of copper based services. The outcome of Eircom's analysis and its proposed plan and timelines will be required before ComReg can begin to formulate its approach to the development of the process and the criteria for granting approval to any subsequent request for withdrawal of services.
13. As many of the issues arising from the withdrawal of legacy networks, services and facilities will have potential implications for operators, ComReg will shortly commence a process of engagement with industry on these issues. We will provide more guidance on the timing and nature of this engagement in due course.

³Transition from Eir's copper network: Proposed principles and notification procedures. Call for Input Reference: ComReg 16/01 Date: 06/01/2016.



21st July 2016

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Dear Jeremy,

Retirement of legacy Access Products

Over the last few years eir has invested over €390 million in the roll-out of Next Generation Access facilities. To date eir has passed approximately 1.6 million premises, mainly using VDSL technology. This represents 70% of all Irish premises. eir is also in the process of rolling out a new Fibre To The Home (FTTH) access network to approximately 300,000 additional premises. Separate to this commercial market led activity the Government's National Broadband Plan will further extend the rollout of NGA services from 2017.

eir is modernising its network facilities and within the next 2 to 3 years we anticipate there will be geographic areas with widespread availability of NGA facilities meaning that so-called current generation access (CGA) products will become redundant. Already NGA broadband has overtaken CGA broadband connections and we expect this market led migration to continue apace. eir is in the process of developing a Voice over Broadband (VOB) service which will launch later this year. We expect that the our VOB solution along with the development of similar platforms by other operators not availing of our solution will over time replace the PSTN for the provision of voice services.

As the utilisation of the legacy CGA network declines it will not be economically efficient for eir to maintain parallel NGA and CGA networks and services and eir would therefore like to be in a position to undertake the orderly and timely retirement of legacy networks and services. A list of the legacy services in scope for retirement is contained in Appendix 1 to this letter.

Please note in areas where NGA is delivered using VDSL technology we will continue to utilise the copper local loop for the provision of NGA services including VOB. In areas where NGA is delivered using FTTP it is our intention to decommission the copper local loop.

Cognisant of our regulatory obligations, I am writing on behalf of eir to request ComReg's prior approval for the withdrawal of access to facilities already granted as required by:

- Section 7.5(ii) of Decision 05/15 (ComReg 15/82), the 'Wholesale Fixed Access and Call Origination Decision'
- Section 6.5(ii) of Decision 05/10, ComReg 10/39, the 'Wholesale Physical Network Infrastructure Access Decision'

- Section 7.4(ii) of Decision 06/11, ComReg 11/49, the 'Wholesale Broadband Access Decision'
- eir is also requesting permission to withdraw access to facilities in the Leased Line market as defined in Decision 06/08, ComReg 08/103.

Our planning for the legacy retirement has commenced and eir believes, as discussed in our response to the ComReg consultation on 'Transition from eir's copper network', Comreg 16/01, it would be appropriate to adopt a set of principles to allow for an agile approach to legacy retirement in geographical areas when there is widespread availability of NGA facilities.

We anticipate within the next 2 to 3 years there will be a small and growing number of geographic areas with widespread availability of NGA facilities where it would be appropriate to retire access to legacy services and facilities. It is therefore important that we work to agree an appropriate framework as soon as possible.

eir looks forward to engaging with Comreg and all stakeholders on this important initiative.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'Richard Moat', written over a horizontal line.

Richard Moat
CEO

Appendix 1: Legacy services to be retired with access withdrawn

- SB-WLR and PSTN
- Ancillary Services on SB-WLR
- ISDN
- Flat Rate Intent Access Call Origination
- ULMP
- GLUMP
- Line share
- SLU
- Bitstream IP products
- Bitstream Managed Backhaul and Standalone BMB
- Sub 2M Leased lines
- 2M leased lines
- PPC – 2Mb EUL
- PPC – 2Mb transport link
- Uncontended Ethernet Access Circuits (over the Martis network)
- Per VC*

*Intention to retire already notified and Per VC withdrawn from sale on 1st July 2016



22 September 2016

Mr. Richard Moat
CEO
Eircom Ltd
1 Heuston Square South
St John's Road
Dublin 8

Ref: Retirement of Legacy Access Products

Dear Richard

I refer to your letter of 21 July 2016.

In ComReg's Call for Input document 16/01, "Transition from eir's copper network", we noted that eir's submission raised the issue of a potential future transition from its existing copper access network to a fibre access network(s) in the NBP intervention area. At that time, we were not aware of any potential proposal regarding the withdrawal of eir's copper network outside the NBP intervention area.

We stated our current view that ComReg's consent would likely be required if eir is to be allowed to phase out its copper network but that the precise regulatory implications would depend on the particular regulatory obligations that were applicable at the time..

In particular we noted that Eir currently has an obligation in several regulated markets to obtain ComReg consent before withdrawing access to services and facilities already granted.

We also noted that the existing USO does not specify the technology to be used in providing voice services. Nor does it preclude the USP from meeting end-user requests for connections by sourcing a connection from a third party. We noted that where copper based products provided under a USO are proposed to be withdrawn, then there would be a requirement that a suitable alternative product is offered and that the customer is not required to bear any significant cost in order to continue to avail of the service.



We made it clear in ComReg 16/01 that we would not want regulation to unnecessarily obstruct the replacement of legacy network elements with new technologies, where this is economically efficient and in the interests of end-users. However we also made it clear that regulation should ensure that the transition arrangements take due account of the need to minimise disruption for end-users and OAOs and other relevant considerations.

Your letter contains a very extensive list of products and facilities that might be withdrawn and goes wider than the issues discussed in ComReg 16/01. It will be important for there to be an open and transparent process to enable all stakeholders to express their views on the timing and transition arrangements proposed by eir for the retirement of legacy network elements. We envisage that this is likely to require a further public consultation by ComReg, probably during 2017.

As a next step, I would suggest that Eir undertakes a comprehensive analysis and impact assessment setting out its plans and timescales for retirement of legacy network elements, addressing the implications for all stakeholders and considering the implications for competition and universal service obligations in particular. It should also set out the mitigating measures that Eir proposes in order to ensure an orderly transition.

ComReg intends to publish all correspondence from all stakeholders for use in the consultation process referred to. Unless I hear from you otherwise our intention is to publish your letter of 21 July and this reply in due course.

We are of course, willing to engage with eir on these important issues, with the aim of ensuring that the necessary stakeholder consultations and ComReg decisions occur in an appropriate and timely manner. I gather that ComReg staff have already had some conversations about these matters with your staff.

Yours sincerely

Jeremy Godfrey
Chairperson