



An Coimisiún um
Rialáil Cumarsáide
Commission for
Communications Regulation

FTTH connection / migration charges

Eircom's submission further to ComReg Decision D11/18

Information Notice

Reference: ComReg 18/101

Date: 27/11/2018

An Coimisiún um Rialáil Cumarsáide
Commission for Communications Regulation

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Additional Information

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1. On 19 November 2018, ComReg published ComReg Decision D11/18¹ (referred to throughout this document as ‘the 2018 Pricing Decision’). In the 2018 Pricing Decision ComReg specified in Chapter 13, paragraph 13.30 that for fibre to the home (‘FTTH’) connections and migrations, “... *the new connection charge and the charge for migration to another service provider should be subject to two conditions as follows:*
 - (i) *The charges for new connections and migrations to another service provider should be the same;*
 - (ii) *The combination of a new connection charge and a charge for migration to another service provider should not exceed the level that would allow Eircom to recover its customer specific connection related investment over the lifetime of the underlying assets, given the same assumptions about customer churn as are used in the margin squeeze tests.”*
2. In paragraph 13.31 of the 2018 Pricing Decision ComReg outlined that “... *Any price changes required to be introduced further to the approach set out at paragraph 13.30 should be notified by Eircom to ComReg no later than two (2) months from the date of this Decision and Eircom should notify the OAOs no later than three (3) months from the date of this Decision unless otherwise agreed by ComReg. The approach at paragraph 13.30 would therefore become effective no later than four (4) months from the date of this Decision, unless otherwise agreed by ComReg.”*
3. On 20 November 2018, Eircom notified ComReg under Wholesale Notification No. 13 of its intention to charge a maximum national FTTH Connection/Migration Charge of €170 and that it sought to introduce this charge from 1 January 2019.
4. Eircom stated in its notification that the maximum national €170 FTTH Connection/Migration Charge will apply to all FTTH connections and migrations. Eircom submitted that this charge complies with the principles as outlined in paragraph 13.30 of the 2018 Pricing Decision. Eircom proposed, subject to ComReg’s agreement, to implement the charge of €170 from 1 January 2019. Eircom has further proposed that it will charge this price for at least 5 years. Furthermore, Eircom has informed ComReg that it does not intend to seek a derogation to implement the “FTTH reimbursement model”².

¹ ComReg Document No 18/95, ComReg Decision D11/18, Pricing of wholesale broadband services, Wholesale Local Access (WLA) market and the Wholesale Central Access (WCA) markets, Response to Consultation Document 17/26 and Final Decision, dated 19 November 2018.

² In paragraphs 13.23 to 13.28 and 13.33 to 13.36 of the 2018 Pricing Decision ComReg summarised the FTTH reimbursement model previously notified by Eircom under Wholesale Notifications No 8 & 12 and outlined the process under which Eircom could seek a derogation to implement a reimbursement regime.

5. Based on a review of the cost data available at this time ComReg sees no reason to intervene with the introduction of this charge and has agreed that this charge may be implemented from 1 January 2019. As is standard with all notifications, ComReg's response is without prejudice to Eircom's continuing responsibility to ensure compliance with its regulatory obligations.