

Information Notice

Partial Private Circuits

Update on Pricing and Migration

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1 Introduction

The Partial Private Circuits product (PPC) is an interconnect product that allows Other Authorised Operators (OAOs) to provide point to point data services by availing of eircom's network, including its local access network. Together with elements of their own infrastructure this enables OAOs to provide a service equivalent of eircom's retail leased line product.

PPCs have been developed by Industry following ComReg consultation to promote the efficient configuration of an OAOs network, allowing the purchase of only those network elements that are required, encouraging the more efficient utilisation of network infrastructure. The resultant increased network efficiency will lower OAOs' overall costs and will encourage greater retail competition.

The Office of the Director of Telecommunications Regulation (ODTR) mandated in D10/02 that eircom offer proposals for PPCs by the end of August 2002 and that a forum be established to agree the product description and technical and operational aspects necessary for implementation.

As was described in Information Notice 03/77, on 17 July 2003, PPC product prices were published by eircom in the Reference Interconnect Offer, (RIO) on 16 July 2003. As stated in Information Notice 03/101, on 25 August 2003, eircom published prices in its RIO for PPC process charges. eircom subsequently responded to requests from the Industry in the weeks following 25 August 2003 for bilateral presentations on the PPC product. Since then, in response to Industry requests eircom published product prices for Card Protection and a process price for the paper migration of an existing voice path onto a Transport Link.

2 In-Span Interconnect Pricing

During Industry meetings at which the PPC product was developed, it was agreed that the In-Span Hand-over (ISH) transmission and the In-Span Interconnect (ISI) transmission products were technically the same. On this basis, it was agreed that the ISI product should no longer be required from eircom. This was interpreted by eircom at the time as the removal of ISI in all forms from the revised RIO.

ComReg and eircom note that this industry position was reached in isolation of an understanding of the respective pricing of the two products and now both parties believe that this would not have been the consensus given the current price differences between these two products.

In discussions between eircom and ComReg, it has been agreed that:

- as the pricing of voice interconnects over ISI and voice interconnects over a newly provided ISH product are different, it is necessary to reinstate the pricing for ISI interconnect circuits. The implication of this being that the ISI interconnect circuit pricing consistent with previous versions of the RIO will be applicable to voice interconnects which are carried over ISI transmission paths or ISH transmission paths which had been initially provided as ISI and migrated to ISH. Voice interconnect paths provided over transmission ordered as ISH will be charged as per the prices agreed under the current ISH pricing.
- in order to ensure that Operators availing of new interconnect paths are not disadvantaged, ISI transmission paths are to be reinstated consistent with previous versions of the RIO.

ComReg and eircom note that there is a disparity in the two prices depending upon whether carried over new ISH transmission or not and ComReg has agreed with eircom that this needs to be addressed as a matter of urgency.

3 Paper and Bulk Migration to PPCs

Several Operators have expressed concern that the window of 42 days in which to place orders that qualify for the payment of up to 75 days (as referred to in ComReg Information Notice 03/101¹) has almost expired prior to the necessary information regarding voice interconnect circuits being available in the RIO. eircom has agreed, that given the difficulties encountered by Operators in this respect, eircom will restart a 42 day clock from today, (3 October 2003). Orders for qualifying circuits placed within this extended period will qualify for up to 75 days payment from eircom.

In the case of initial bulk migrations, ComReg and eircom have agreed that the 6 month window shall apply from 25 August 2003.

Also, given the concerns raised by a number of Operators regarding the complexity and their resultant lack of understanding of the PPC product, eircom has agreed to follow up the bi-lateral presentations that were given to Operators, with an Industry presentation on the PPC product to be hosted by ComReg.

¹ Partial Private Circuits – Review of Process Charges

4 Interconnect Extension Circuits

ComReg has today, (3 October 2003), approved two changes to the Interconnect Extension Circuit prices, i.e. Service Schedule 101, Table 1 of eircom's Network Price List. The new prices are:

- Main Link Distance rental per km per annum from 1 to 30km: €283
- Main Link Distance rental per km per annum above 30km: €134