

Office of the Director of **Telecommunications Regulation**

PRESS RELEASE

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REGULATOR INITIATES CONSULTATION ON INTERCONNECTION

The Director of Telecommunications Regulation, Etain Doyle today initiated a review of interconnection in Ireland with a new consultation paper, **"Telecom Éireann's Reference Interconnect Offer (RIO)".** This follows the publication by Telecom Éireann earlier this month of a consolidated Reference Interconnection Offer (RIO) - the "catalogue" of interconnection services for competitors.

Since early 1998, the Regulator has carried out a series of investigations of the Telecom Éireann RIO in order to ensure that it covers the full range of services other telecom companies need and that they are priced as low as possible. The work which was done in preparation for liberalisation, led to the establishment of interim rates for a substantial range of services in time for 1st December 1998. This work was sufficient to allow the market for voice telephony to be opened up to competition within the set timeframe.

Following further consultation and additional study, proposals are now included in the consultation paper to finalise and clarify the methodology for calculating rates and to deal with a number of underlying principles such as the method of interconnection, how calls are routed and switched and the introduction of new services. Some of these measures should reduce the basis on which interconnection rates are calculated. The Regulator notes how important low rates are for the development of the telecommunications market generally.

MORE

The Regulator said "The Telecom Eireann RIO is a living document and will change with the requirements of the market. The telecommunications market in Ireland is fast moving and dynamic – the evolution and development of the interconnection regime will have to keep pace with that market."

She went on to say "this paper is one of a major series I will be issuing in the next week on the scope and pricing of access to the Telecom Éireann network for competitors, including the methodology for LRIC and local loop unbundling. These are among the most critical elements of the regulatory framework for a competitive telecommunications market and we look forward to lively debate and responses on these issues".

ODTR 98/16 - "Telecom Éireann's Reference Interconnect Offer (RIO) – Consultation Paper" can be viewed on the ODTR web-site (http://www.odtr.ie). The consultation period concludes on April 16th, 1999.

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Note to Editors

Interconnection is the term describing the connection of one network with another. New entrants have to connect with TE's network as it takes a number of years for them to build a nationwide network of their own. The RIO sets out TE's stall of interconnection services for these operators and the charges for those services. Individual operators can then choose the elements they require to build their services and negotiate a specific agreement with TE on those issues. The existence of the RIO gives new entrants and operators a starting point from which to negotiate. In a market where Telecom Eireann is by far the strongest player, this is an essential tool for new players.