

Information Notice

Status Update on Local Loop Unbundling - Issue 4

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1. Introduction

In August 2006, ComReg published its third Local Loop Unbundling status update (Information Notice 06/38) which set out the then situation in relation to a number of issues. This is the fourth LLU update and the format has been changed to report on matters in a summary fashion. ComReg is disappointed that the publication of this report has been delayed as eircom have been unable to provide the fault performance metrics which were due on 14 September last. The inability to provide this data in a timely fashion raises concerns and ComReg will discuss with eircom what further steps would be necessary to avoid a repetition.

It was previously reported that 3 LLU operators are actively providing LLU based services to customers, namely, BT Ireland, Magnet Entertainment and Smart Telecom. 105 instances of collocation have been provided to these operators by eircom across approximately 60¹ exchange locations. This represents an increase of 3 instances of collocation on July's figure and demonstrates operators' continued commitment to rolling out their own network infrastructure via LLU.

This Information Notice reports on the developments since the publication of the last update <u>Information Notice 06/38</u>. These developments are discussed below

2. Summary of Developments

During August, industry has continued to make progress across a range of activities associated with the development of LLU. Some 7 industry meetings were held over the period as well as meetings between ComReg and individual operators. In summary, the following developments have occurred.

2.1. Number Portability and LLU (known as GLUMP):

The GLUMP product (enabling customers to retain their telephone number when moving to an operator's retail service which is based on Local Loop Unbundling) was launched by eircom in early August 2006. At this juncture, the facility is primarily being utilised by Magnet Entertainment and orders are progressing, albeit at relatively low volumes. ComReg expects to publish performance metrics on a range of parameters associated with this product and its ongoing management in October.

Industry has also met regarding the development of a more efficient volume based GLUMP product (through partial or full automation). Arising from the prospect of eircom being able to utilise a solution which would rely on the use of a telephone number for inventory management and other associated purposes², eircom has commenced an analysis of an alternative approach to the next phase of GLUMP development being market oriented and involving minimum service disruption /downtimes.

This 4 week analysis commenced on 30 August and eircom are due to report back to industry by the 20 September next. ComReg has received an interim update from eircom on this work, and while the analysis is still underway, indications are that a solution can be implemented within the short to medium term. In addition, a number

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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.

ComReg has indicated that it can not accept the use of telephone numbers for this purpose in the long term and a solution which would eliminate this practice is to be explored by eircom in parallel during Phase 2 development.

of potential improvements to the Phase 1 product have been identified and a proposal to implement these in January is anticipated including:

- automated order handling via an electronic gateway
- number management issues being dealt with wholly by eircom

2.2. 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 while showing month on month, improvements still fall short of those specified in Industry agreed interoperator processes and wholesale Service Level Agreements (SLAs). Based on figures supplied by eircom to ComReg³, for the month of August 7% of orders were delivered outside SLA timeframes (Further details are set out in appendix 1). This represents an improvement in performance on July's figure of 15%, and further improvements in delivery need to be demonstrated on a consistent basis.

Fault management performance figures up to the period June 2006 showed that only 64.7% of LLU faults were cleared within two working days and ComReg considers such a performance to be at an unacceptable level. ComReg is also concerned at the delay in eircom providing updated figures for the period up to end August and expects eircom to provide information to ComReg in a timely manner. ComReg will publish updated performance metrics in its next update, and intends to provide the figures directly to LLU operators in advance of this.

Industry has been working to address a number of priority issues affecting this poor level of performance, mainly involving a review of the inter-operator processes supporting the standalone LLU product. It is expected that the first set of process improvements will be implemented in November 2006. Other associated issues continue to be addressed as a matter of priority and ComReg expects all parties to participate effectively with a view to the early implementation of solutions.

ComReg intends to continue to track performance and will publish a wider set of performance metrics which are currently being developed by industry.

2.3. Migrations and Wholesale Product Combinations

Operators have requested the ability to provide LLU based retail services to consumers who may already have a retail service which is underpinned by a different retail product. ComReg stated in Information Notice 06/38 that it does not consider that an operator's 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. Given the passage of time and the possible potential changes of approach or of the strategies of the Access Seekers ComReg considered it appropriate that Access Seekers should again formally state their LLU access requests to eircom by 7 September. ComReg has been informed by Access Seekers that they individually submitted their requests to eircom within this timeframe and they have sought a response as follows:

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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).

- A request for eircom to respond by 19 September with its view as to whether it
 agrees in principle to enter into negotiations regarding the requested access to
 LLU products
- Assuming agreement in principle above is reached, a request for eircom to respond by 3 October and provide its high level view as to potential product solutions.

Access Seekers have also indicated their willingness to enter discussions with eircom to deal with practical issues which may arise during the developments necessary to support the requested access to LLU.

The rights of consumers to be able to change to alternative products or services with without loss or deterioration in the quality of service is a key element in a properly functioning market. ComReg will therefore continue to closely monitor progress on this issue. As previously indicated, ComReg will consider each Access Seeker's request as well as any position adopted by eircom in responding to such requests in light of its existing LLU obligations which were imposed on eircom in Decision Notice D8/04. To this end, ComReg intends to review progress by 7 October, and take appropriate action, as may be necessary, on foot of this.

3. Other Issues and Next Steps

Progress on addressing issues associated with the LLU Collocation Product continues to be slower than expected; however, ComReg expects that more progress will be made within the next period of review. Over the coming weeks, the Industry focus will be to continue to address the next phase of GLUMP development as well as ongoing work to implement necessary process improvements to the standalone LLU product. ComReg also expects that eircom will engage with Access Seekers to address the matter of movements between wholesale products. The next report will be published by 16 October.

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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

Appendix 1: LLU Service Performance Statistics

Tables 1 and 2 set out service delivery performance for LLU orders as provided by eircom to Access Seekers.



Table 1: Percentage of LLU orders delivered within SLA Timeframe

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

