

# **Telecommunications Licence Applications**

## **Report on the Consultation Process**

**Document No.** ODTR 98/43

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**Oifig an Stiúrthóra Rialála Teileachumarsáide Office of the Director of Telecommunications Regulation** Abbey Court, Irish Life Centre Lower Abbey Street, Dublin 1. *Telephone* +353-1-804 9600 *Fax* +353-1-804 9680 *Web* www.odtr.ie

#### 0 Introduction

As part of the programme of consultations taking place in preparation for the liberalisation of the telecommunications market from the 1<sup>st</sup> December, the Director of Telecommunications Regulation published the "Telecommunications Licence Applications – Consultation Paper" (ODTR 98/37) on the 8th September 1998. The related consultation on telecommunications licences (ODTR 98/40) is also under way.

The Director would like to thank all of the organisations who responded to this paper especially given the unavoidably short time available in which to give these responses. She welcomed all of the comments received and has examined them in detail. The Director was pleased by the level of response, and the level of consideration and the degree of effort put into the responses are greatly appreciated.

Responses were received from the following organisations:

- Cable & Wireless
- Cablelink
- Eircell
- Esat Digifone
- Esat Telecom
- ITG
- ITL
- Ocean Communications
- Stentor Communications
- Telecom Eireann
- Valuetel
- Worldcom

This document, and the associated application forms and guidance notes result from the due consideration by the Director of the comments received. It is the Director's hope that these documents will clarify some concerns raised in response to the draft applications. The procedures have also been simplified somewhat in accordance with preferences expressed in many responses.

Naturally, with a range of sometimes conflicting concerns expressed in various responses, not all opinions can be reconciled by the Director in her revision of the application forms; it is her hope however that the alterations made will constitute an acceptable synthesis of the views and suggestions put forward. These documents do not analyse the response due to time constraints, rather, they present the Director's views based on her analysis.

#### 2. Structure of the Paper

Section 3 lays out the timeframe within which we hope to receive licence applications.

Section 4 outlines the legal framework within which licences are granted, and explains the changes in made in the licensing structure on foot of legislative changes and the consultative process.

Section 5 deals with specific concerns which arose in the responses to the consultation paper which have not already been addressed elsewhere. Please also see the following documents:

ODTR 98/44 "Telecommunications Licences: Guidance Notes for Applicants". ODTR 98/45 "Application form for a Basic Telecommunications Licence". ODTR 98/46 "Application form for a General Telecommunications Licence".

#### 3. Timetable

Applications will be opened on the  $27^{\text{th}}$  October. Applications received by 5pm on the  $30^{\text{th}}$  October will be eligible for consideration by  $1^{\text{st}}$  December. Please see guidance notes for the timetable thereafter. In order to assist operators intending to apply for a licence, the Director presents the appended documents so that applicants can commence preparing their applications by collecting the associated data required with the relevant application – the checklist attached to the guidance notes may be of some assistance in collating the information. The Director must, however, reserve the right tomake alterations to the forms following the completion of the consultation on licences.

There were additional concerns voiced at the length of the period within which the ODTR could potentially demand further information, possible setting back the application process. The Director understands the validity of such concerns, but given the number of applications that will need to be processed she feels unable as yet to commit herself to working to a shorter timetable. However, she also wishes to assure applicants that, in order to facilitate market entry at this transitional period, the utmost effort will go into processing applications as rapidly and efficiently as possible, and to identifying any further information requests as early as possible.

#### 1 Legal Framework & Structure of Licences

The legislation governing the licensing of telecommunications networks and services is a given, and in this respect there are no changes from the position laid out in ODTR 98/37.

However, on foot of comments received throughout various consultation processes, and to maintain consistency with legislation, the structure of the licences has developed from that given in the original proposal. This helps avoid a number of definitional uncertainties and clarifies points of ambiguity.

Briefly, the new categories are defined as show in the following table:

| Licence<br>Type | Type of service provided  | Change from consultation<br>document <sup>1</sup>  |
|-----------------|---|--|
| Basic           | Providing telecommunications<br>services to the public, not<br>requiring access to numbers to<br>be allocated to users (i.e. using<br>only carrier access or carrier<br>selection codes). This licence<br>type will also cover operators<br>who intend to build<br>infrastructure but who will not<br>be requiring allocable numbers. | Covers all operators who would<br>have required former Class 1<br>licences, and a few who, under the<br>former Class 3 licence would have<br>provided infrastructure without<br>needing numbers. It is also<br>confirmed that organisations<br>needing only carrier access codes<br>(who may have considered the need<br>for a former class 2 licence) can<br>operate under a Basic Licence.<br>Operators who are specifically<br>exempt under section 4 (A) of the<br>Telegraph Act 1869 do not require a<br>licence. |
| General         | This covers all operators<br>providing a service to the public<br>which requires the use of<br>numbers or spectrum. SMP<br>operators in this category will be<br>subject to additional conditions.  | Covers all operators intending to<br>provide a service which requires<br>numbers i.e. this licence will be<br>used by most operators covered by<br>the former classes $2 - 4$ .  |

The Licence conditions will be as laid out in the Telecommunications Licences Consultation Paper (ODTR 98/40), as modified following the consultation process.

### 5. Comments on procedures

The attached guidance notes address many of the specific comments made during this consultation procedure, but we would draw attention to the following:

- Instead of having a completely separate classification for SMP operators, SMP conditions will be activated by a trigger in the General Licence. When defined SMP levels are reached by an operator, such an operator will be given notice that henceforward they will be subject to the additional obligations associated with having SMP.
- Schematic diagrams will not be required at this stage.
- See guidance notes for comments on confidentiality.
- Comments on the scope of licences is provided in the attached guidance notes.
- The Director has analysed the cost of processing applications and accordingly the fees will be as follows: 1. Basic Licence: 2,500 ECU

2. General Licence: 12,500 ECU

<sup>&</sup>lt;sup>1</sup> The numbers cited in this column refer to the Licence Classes as originally defined in ODTR 37/98.

