

# **1 Consolidated text of S.I. No. 393 of 1996 as amended by SI 438 of 1999**

I, Alan Dukes, T.D., Minister for Transport, Energy and Communications, in exercise of the powers conferred on me by section 7 of the Telecommunications (Miscellaneous Provisions) Act, 1996 (No. 34 of 1996), hereby order as follows:

1. (1) This Order may be cited as the Telecommunications Tariff Regulation Order, 1996.

(2) This Order shall come into operation on the 1st day of January, 1997.

(3) Except as provided for in Article 2 of this Order in the definition of "lower quartile bill", this Order shall apply to the telecommunications services specified in the First Schedule to this Order and provided by the company."

2. In this Order -

"the Act of 1996" means the Telecommunications (Miscellaneous Provisions) Act, 1996;

"basket of telecommunications services" has the meaning assigned to it by Article 3;

"the company" means *eircom plc*;

"connection and takeover charge" means a charge made by the company for the connection of a customer to the company's networks or to services on the company's networks;

"the Director" means the director of Telecommunications Regulation appointed under the Act of 1996;

"directory enquiry call" means a call made to the company's directory enquiry service for the purpose of obtaining telephone numbers;

"Integrated Services Digital Network" means a network whereby telephone calls are made over switched end to end digital transmission paths;

"light user scheme" means any discount scheme which has been approved as such by the Minister and which is aimed at certain residential users whose bills for telecommunications services are, in the opinion of the Minister, following consultation with the company, low in monetary terms;

"local dialled call" means a dialled call made from a telephone exchange line in the State to a telephone exchange line in the same telephone group or to a telephone exchange line in another telephone group in the State or in Northern Ireland which is regarded as adjacent to the first-mentioned telephone group;

"lower quartile bill" means a notional bill for telecommunications services (including telecommunications services other than those referred to in the First Schedule) which stands specified by the Minister, following consultation with the company and is based on a representative sample of bills imposing charges for a specified period on residential users of such services;

"operator call" means a call which is completed with the assistance of an operator of the company for which a charge is made by the company;

"payphone call" means a call originating from a public telephone owned by the company on public property;

"the provision of Integrated Services Digital Network lines" means a service for which a recurring charge is made by the company for the availability of Integrated Services Digital Network lines and does not include connection and takeover charges;

"the provision of telephone exchange lines" means a service for which a recurring charge is made by the company for the availability of telephone exchange lines and does not include connection and takeover charges;

"relevant year" means any period of 12 months beginning on 1 January;

"trunk dialled call" means a dialled call made from a telephone exchange line in the State to a telephone exchange line in another telephone group in the State or in Northern Ireland which is not a local dialled call;

"vulnerable user scheme" means any discount scheme which has been approved as such by the Director and which is aimed at vulnerable groups of users, within the meaning of Regulation 8(2) of the European Communities (Voice Telephony and Universal Service) Regulations, 1999 (S.I. No. 71 of 1999);

3. The telecommunications services set out in the First Schedule to this Order shall be the basket of telecommunications services specified for the purposes of this Order and "basket of telecommunications services" shall be construed accordingly.
4. (1) The Minister hereby specifies  $\Delta\text{CPI} - 8\%$  to be the price cap in respect of the basket of telecommunications services to which this Order applies.  
  
(2) Without prejudice to subarticle (1) of this Article, the following adjustments to the price cap formula shall apply:
  - (a) in respect of any individual service (other than directory enquiry calls) contained in the basket of telecommunications services, the price cap shall be  $\Delta\text{CPI} + 2\%$ , and
  - (b) in respect of the lower quartile bill the price cap shall be  $\Delta\text{CPI} + 0\%$ .
5. (1) The restrictions and adjustments to the price cap formula, set out in Part I of the Second Schedule to this Order, shall be applied for the purpose of determining compliance with the price cap specified in Article 4(1).  
  
(2) The restrictions and adjustments to the price cap formula, set out in Part 2 of the Second Schedule to this Order, shall be applied for the purpose of determining compliance with the adjustment to the price cap specified in Article 4(2)(b).
6. Notwithstanding Article 4 of this Order, the Director may make the following adjustments to the price cap formula:
  - (a) to the extent that the company has made, during any relevant year, a reduction in charges that is greater than the reduction required by subarticle (1) of that Article, the difference may be taken into account by the Director in applying the said subarticle (1) in the relevant years subsequent to the relevant year in which the reductions were made;
  - (b) to the extent that the company has made, during any relevant year, an increase in charges (including an increase of 0%) that is less than any increase allowed under subarticle (2)(a) of that Article, the amount by which those increases are less than the increase so allowed may be carried forward and added to the increase allowed for the individual service in question in the relevant years subsequent to the relevant year in which the increase was made.

## **First Schedule**

The provision of telephone exchange lines and Integrated Services Digital Network lines;

Telephone exchange line and Integrated Services Digital Network connection and take-over;

Local dialled calls;

Trunk dialled calls;

Operator calls;

Directory enquiry calls ;

Payphone calls.

## **Second Schedule**

### **Part 1**

$$\sum_{i=1}^n \Delta P_i * (R_i / R_t)$$

Where,

n is the total number of services in the basket of telecommunications services;

$\Delta P_i$  is the percentage change in the tariff (before discounts, except for any light user scheme or vulnerable user scheme) for telecommunications service "i" calculated in accordance with a method to be specified by the Director after consultation with the company from either:

- (i) the base of the tariff pertaining at the end of the year preceding the relevant year, or
- (ii) on the basis of a representative sample (approved of by the Director after consultation with the company) of call records for the service "i" provided by the company;

R<sub>i</sub> is the total revenue before discounts for the telecommunications service "i" in the financial year ending on or about 31 March in the relevant year;

R<sub>t</sub> is the overall total revenue before discounts in the financial year ending on or about 31 March in the relevant year for all telecommunications services in the basket.

## **Part 2**

$$\sum_{i=1}^n \Delta P_i * (L R_i / L R_t)$$

Where,

$n$  is the total number of services in the basket of telecommunications services;

$\Delta P_i$  is the percentage change in tariff (before discounts, except for any light user scheme or vulnerable user scheme) for telecommunications service "i" calculated in accordance with a method to be specified by the Director after consultation with the company from either:

- (i) the base of the tariff pertaining at the end of the year preceding the relevant year, or
- (ii) on the basis of a representative sample (approved of by the Director after consultation with the company) of call records for the service "i" provided by the company;

$L R_i$  is the amount charged for the telecommunications service "i" in the lower quartile bill in the financial year ending on or about 31 March in the relevant year;

$L R_t$  is the overall total charge for all telecommunications services in the lower quartile bill in the financial year ending on or about 31 March in the relevant year.