

DECISION ON THE TARIFF PROPOSAL APPLICABLE TO COMMUNICATIONS FROM PTC'S NETWORK TO OSPs' NETWORKS, AS PRESENTED BY PTC ON 08/11/2010

1. By letter dated 08/11/2010, PT Comunicações, S.A. (PTC) submitted to ICP - ANACOM a tariff proposal for communications to direct customers of other providers (PTC-OSP), scheduled to take effect on 01/01/2011 (inter-network tariff).
2. This proposal follows the amendment of the basic tariff of the fixed telephone service in the scope of the Universal Service, submitted to ICP - ANACOM by letter of 22/10/2010, having the Management Board of ICP - ANACOM determined, on 11/11/2010, with suspensive effect until the Advisory Council's opinion is produced, to declare the compliance of the referred proposal with applicable regulatory principles.
3. The proposal submitted by PTC consists of two separate tariffs - one of which applies to operators whose average termination prices are close to the average price of termination on PT's network (Equant and PT Prime) - Tariff Group 1, the other tariff applying to remaining operators - Tariff Group 2.
4. The referred proposal does not address amendments to Tariff Group 1, whereas as Tariff Group 2 is concerned, an increase in the price of peak hour communication prices is proposed, from €0.0338 to €0.0351 per minute.
5. Tables below reproduce PTC's price proposal.

Table 1. PTC-OSP tariff proposal submitted by PTC (Tariff Group 1)

Tariff Group 1 (applicable to calls made to Equant and PT Prime)												
	Initial charge (Euros)				Credit time (minutes)				Price per minute (Euros)			
	Working days 9am-9pm	Working days 9pm-9am	Weekends 9am-9pm	Weekends 9pm-9am	Working days 9am-9pm	Working days 9pm-9am	Weekends 9am-9pm	Weekends 9pm-9am	Working days 9am-9pm	Working days 9pm-9am	Weekends 9am-9pm	Weekends 9pm-9am
Local	0,0700	0,0700	0,0700	0,0700	1,00	1,00	1,00	1,00	0,0258	0,0084	0,0084	0,0084
National	0,0700	0,0700	0,0700	0,0700	1,00	1,00	1,00	1,00	0,0258	0,0084	0,0084	0,0084

Table 2. PTC-OSP tariff proposal submitted by PTC (Tariff Group 2)

Tariff Group 2 (applicable to calls made to other operators)												
	Initial charge (Euros)				Credit time (minutes)				Price per minute (Euros)			
	Working days 9am-9pm	Working days 9pm-9am	Weekends 9am-9pm	Weekends 9pm-9am	Working days 9am-9pm	Working days 9pm-9am	Weekends 9am-9pm	Weekends 9pm-9am	Working days 9am-9pm	Working days 9pm-9am	Weekends 9am-9pm	Weekends 9pm-9am
Local	0,0700	0,0700	0,0700	0,0700	1,00	1,00	1,00	1,00	0,0351	0,0100	0,0100	0,0100
National	0,0700	0,0700	0,0700	0,0700	1,00	1,00	1,00	1,00	0,0351	0,0100	0,0100	0,0100

6. The inter-network tariff conformity assessment, established in determination of 03/11/2000¹ was maintained in determination of 14/12/2004², on the imposition of obligations in narrowband retail markets, being based on the value given to the following components:
 - (i) Price of termination on PTC's network;
 - (ii) Price of termination on OSPs' networks; and
 - (iii) PTC's intra-network retail price;

¹ <http://www.anacom.pt/template12.jsp?categoryId=8529>

² <http://www.anacom.pt/template12.jsp?categoryId=142884>

according to the following rule:

PTC-OSP retail price = PTC-PTC retail price + OSP Termination Price - PTC Termination Price

each indicated calculation component referring to the average price, per call, in terms of overall PTC-OSP traffic.

7. Relatively to PTC-PTC retail price (intra-network retail price), ICP - ANACOM maintains the view taken in determination of 13/01/2010³, on the use of the alternative fixed telephone service basic tariff (applicable on an optional basis upon the request of customers) for the purpose of verifying compliance with the applicable rule in the PTC-OSP tariff, in the scope of the current form of the referred options. As this service does not represent any bundled offer, enabling values associated with each service (subscription fees and traffic) to be determined, especially prices associated with calls in each time period, the use of the referred alternative tariff is deemed to be appropriate.
8. Having PTC's proposal been analysed, it was concluded that:
 - a. The proposal for Tariff Group 1 complies with applicable obligations, as it is identical to that practised by PTC for intra-network calls;
 - b. The average price per call resulting from Tariff Group 2, as proposed by PTC, is not significantly different from that which would result from applying the defined rule, in fact it is slightly lower. Accordingly, Tariff Group 2 as proposed by PTC complies with applicable obligations;
9. In the light of the above, under powers provided for in points b), f) and h) of paragraph 1 of article 6 of the Statutes in annex to Decree-Law number 309/2001, of 7 December and in the scope of regulation objectives established in points a) and c) of paragraph 1, point a) and b) of paragraph 2, all of article 5 of Law number 5/2004, of 10 February, the Management Board of ICP - ANACOM hereby determines:
 - a. To declare the compliance of the proposed tariff for communications from PTC's network to OSPs' networks with applicable regulatory principles, particularly in respect of obligations laid down in determination of 14/12/04.

³ Vide determination of ICP - ANACOM dated 13/01/2010, on the tariff applicable to communications from PTC's network to OSPs' networks (<http://www.anacom.pt/render.jsp?contentId=1004720>)