



RESOLUTIONS FOR BRINGING PORTUGAL TELECOM'S (PT) RIO PROJECT FOR 2000 INTO LINE WITH THE 'SET OF ITEMS TO BE INCLUDED IN THE RIO 2000'

PRELIMINARY POINT: SCOPE OF THE RIO

1. The Instituto das Comunicações de Portugal is currently analysing the cases of trunking services, of paging and of data services, in particular Internet access services.
2. Regarding fixed-mobile traffic, it is to be noted that the system, which has been used, is based on particular, historical circumstances, which might have justified a principle of asymmetric regulation with a view to rapid penetration of the land mobile service. The Instituto das Comunicações de Portugal considers that this system is no longer adequate in the current framework of telecommunications markets and recommends that the operators agree on a more suitable practice, in the near future. The Instituto das Comunicações de Portugal will closely monitor the development of this situation.

I. GEOGRAPHIC INTERCONNECTION POINTS

The following principles should be complied with as regards geographic interconnection points:

1. Portugal Telecom should offer interconnection at all its digital switch. When this is not possible, viable alternatives should be offered for routing traffic at a price similar to that which would be offered were the digital switch in question available.
2. In cases in which the same exchange has interconnection points of different types, only one circuit should be necessary for interconnection to the POIs offered at that exchange.
3. Portugal Telecom should include in the RIO 2000 the information about its network necessary for a suitable planning of the interconnection, in particular a description of the switcher features and the network architectures, in compliance with point I.B.2 of the document "Set of items".

In order to satisfy the requirement set out in point I.A.1 of the document "Set of items", the elements identifying each of the exchanges identified, as IP should also be submitted, through the inclusion of their address and other relevant information.

4. Portugal Telecom should present duly supported justification for the fact that, according to its RIO 2000 project, delivery of traffic for emergency, information, free phone and local charge number services is not possible at local/regional POIs.

II. TECHNICAL OPTIONS FOR INTERCONNECTION

The conditions, in terms of prices, for leasing infrastructures and spaces should be specified, in compliance with the provisions of point II of the document “Set of Items”.

III. CIRCUITS FOR INTERCONNECTION

The Instituto das Comunicações de Portugal is completing the analysis of the interconnection circuit provision conditions. However, the following principles should be followed:

1. In compliance with the provisions of points III.A.1 and III.B.3 of the document “Set of items”, the RIO 2000 should include the conditions for the provision of leased circuits offered in their entirety by Portugal Telecom for the purpose of interconnection, particularly in terms of prices, service quality indicators and ordering procedures, which should not be inferior to those currently practised by this operator.

In principle, the costs incurred should be supported by the entities, which initiate them. However, should there be interest on both sides, the costs may be shared.

Specifications should be submitted, in compliance with the provisions of point III.A.3 of the document “Set of items”, the technical conditions planned for the interconnection of circuits in cases in which the circuits for interconnection purposes (with the infrastructure of the operator with significant market power) have been totally or partially provided by another entity.

2. In order to guarantee conditions for full liberalisation of the telecommunications sector on 01.01.2000, as established by Law, all efforts should be made to bring forward the deadlines proposed, particularly in the case of an operator using interconnection services for the first time. In this framework, the deadlines presented by Portugal Telecom should be reviewed accordingly. In particular, should it not be technically possible to guarantee a deadline compatible with the pursuit of the objectives of public interest present in the interconnection market, a viable and transitory alternative should be guaranteed and Portugal Telecom should guarantee all interconnection requests.
3. Considering that the credibility of estimates for traffic and interconnection transmission media will benefit all those involved in interconnection, more detailed specifications and objective definitions should be given of the planning conditions and the conditions to ensure accurate planning and compliance by both parties with the conditions to which they are bound, taking into account their reasonableness and proportionality.

IV. INTERCONNECTION TRAFFIC

The maximum prices for interconnection for the year 2000 are as follows:

Termination of call
Activation of call: 2\$00

Level	Price per Minute (Esc. not including VAT)	
	Normal Period	Economy Period
Local	1\$32	0\$99
Single Switch	2\$60	2\$03
Two Switch	4\$50	3\$28

Origination of the call
Activation of the call: 2\$00

Level	Price per Minute (Esc. not including VAT)	
	Normal Period	Economy Period
Local	1\$66	1\$29
Single Switch	3\$18	2\$38
Two Switch	6\$20	4\$53

Transit
Activation of the call: 1\$00

Level	Price per Minute (Esc. not including VAT)	
	Normal Period	Economy Period
Local	0\$81	0\$60
Single Switch	1\$50	1\$14
Two Switch	2\$31	1\$74

These prices, on the basis of a 3-minute call, result in the following per minute prices:

Termination of Call

Level	Price per Minute (Esc. not including VAT)	
	Normal Period	Economy Period
Local	1\$99	1\$66
Single Switch	3\$27	2\$70
Two Switch	5\$17	3\$95

Origination of Call

Level	Price per Minute (Esc. not including VAT)	
	Normal Period	Economy Period

Local	2\$33	1\$96
Single Switch	3\$85	3\$05
Two Switch	6\$87	5\$20

Transit

Level	Price per Minute (Esc. not including VAT)	
	Normal Period	Economy Period
Local	1\$14	0\$93
Single Switch	1\$83	1\$47
Two Switch	2\$64	2\$07

A price revision should not be excluded, in accordance with the provisions of Paragraph 1 of Article 13, Decree-Law 415/98, particularly as a result of significant alterations in the interconnection market.

VI. QUALITY OF SERVICE

The quality of service indicators should not be inferior to those resulting from the provisions of Article 21 of the Concession Regulations. Furthermore, the indicators used to measure the quality of service or network performance should include references to the relevant technical standards (e.g. ETSI standards and/or ITU recommendations).

VIII. ADDITIONAL SERVICES

The additional services set out in points VIII.A.2 (call forwarding) and VIII.A.3 (user to user signalling) of the document **‘Set of items’** should be included.

Access should also be guaranteed for the remaining operators and service providers to the special telephone services of the operator with SMP, as well as the conditions for access by SMP operator subscribers to the special telephone services of other operators and service providers, under the terms of point VIII.B of the document.

IX. OPERATOR SELECTION AND PRE-SELECTION

As the regulatory issues regarding operator selection and pre-selection are defined in the **‘Set of items’**, the matters set out in point IX of the document should be integrated into the RIO 2000. Regardless of any additional rules that may be established, the following principles should be adhered to from the start:

1. Providing there are no technical impediments, a user may pre-select one operator for national calls and another operator for international calls.
2. For the optimisation of resources, the call should be validated as close as possible to the origin.
3. Non-eligible calls attempts should be rejected, informing the user in a clear and neutral way.

4. Whenever technically possible, all signalling elements should be forwarded to the alternative provider.
5. Regarding the provision of billing services to the providers selected by the final user, Portugal Telecom should afford the billing solution set out in point IX.A.2 of the document “**Set of items**”. This solution may be implemented through a bill that is separate from the Portugal Telecom bill, and Portugal Telecom should provide, whenever requested, joint bills for groups of operators, which have come to an agreement on this matter.

Portugal Telecom should also present a collection proposal so that, with agreement between the parties, this service can be provided from 01.01.2000. The collection solutions may be implemented separately from Portugal Telecom collection.

The obligation incumbent on Portugal Telecom regarding billing and collection in the name of indirect access operators which request this service shall be maintained until the introduction of pre-selection. However, this shall not prevent the parties from freely establishing longer-term commercial agreements on this matter.

XI. GENERAL CONDITIONS

The following principles should be respected regarding general conditions:

1. The current project does not provide for procedures regarding interoperability tests. However, these should be specified, in compliance with the provisions of point XI.3 of the document “**Set of items**”.
2. Equally, procedures in the event of proposed alterations to networks or services offered by one of the parties should be taken into account, including procedures to access new/altered services (point XI.4 of the document “**Set of items**”).
3. The minimum element set out in point XI.9 should comply with the provisions of Decree-Law 290-A/99 of 30 July, in particular with Articles 15 to 17.
4. The information offered to operators for the purpose of billing the interconnection should include all relevant information for interconnection purposes, whenever technically viable. In this context, as it is indispensable information for the correct identification of the traffic exchanged and the validation of the amounts to be paid, it should be offered without additional costs.