

RTÉNL SCHEDULE OF TARIFFS

The RTÉNL broadcast system is made up of two elements, transmission and distribution. These two distinct elements use different technologies and in some areas different infrastructure and therefore the tariffs are based on models or contracts specific to that element of the system.

TRANSMISSION

RTÉNL tariffs for National Analogue Terrestrial Television and Radio Transmission services are calculated on the basis of:

For A) RTÉ Group Companies, and all other customers who take up a new service or increase the level of their existing service,:

Using the methodology in Appendix 1 the following is calculated

1. Operating costs plus a margin incurred to service each customer
2. A charge based on capital costs allocated to each customer.

Given the number of variables in the model (see list below) it would be very difficult to calculate a specific price that would be of any real use to a prospective entrant to the market, (many hundreds may be necessary) and given that there are also users outside of the SMP market who enter and leave, costs fall and rise accordingly as the utilisation of the facilities changes.

Variables that will influence the tariff for a given customer are listed below.

Common factors affecting all customer tariffs:

- Total Capital Investment by RTÉNL.
- Rate of return on total Capital Investment.
- Total level of budgeted operating costs.
- Rate of return on operating costs.
- Total usage of the network.
- Proportion of operating costs chargeable to non-broadcasting customers.
- Relative cost of operation of each transmission site within the network.

Specific factors affecting individual customer tariffs:

- Number of sites occupied.
- The size of each site occupied.
- Total number of customers on each site.
- Nature of service, Television, Radio, FM, AM or LW.
- Space occupied on each tower or mast.
- Total space occupied by all broadcast customers on relevant tower or mast.
- Power consumption.
- Power charges as levied by suppliers.
- Investment required for expansion of service.

- Rate of return on capital required for expansion of service.

If a change occurs in any of the above factors that would cause a change in tariff of greater than 5% RTÉNL will inform RTÉ Group Companies and all other customers who take up a new service or increase the level of their existing service, within 90 days of being aware of such a change.

For B) Today FM and TV3:

Under existing contracts with independent broadcasters (TV3 and TodayFM) tariffs are determined, for all elements of annual charges, for the duration of the contract. Tariffs change as set out in the contracts i.e., they increase annually in line with the CPI (Consumer Price Index) or ESB Price Index, from a point set in 1997-98.

Mechanism for notifying Contracted Parties of a change in tariffs:

If there are any changes to the tariffs notification will be sent to all parties with which RTÉNL has contractual arrangements, in writing, of the indicative tariff change not less than 90 days prior to any change (unless beyond our control).

APPENDIX 1

The tariff for each internal/RTÉ customer, and all other customers who take up a new service or increase the level of their existing service, will be dependant on their usage of the network as defined e.g. by space occupied on the mast or tower, as a result of the output of the model.

In instances where detailed mast occupancy information is not available a ratio of 2:1 TV: Radio is used.

Tariffs are calculated annually in advance using budgeted operating costs for the year to which the tariff will apply and a return on capital investment as defined below.

1. OPERATING COSTS

Operating costs are allocated to all network customers based on their usage of the network. Allocation to broadcast customers is carried out using the tariff model which has been developed for RTÉNL specifically for the purpose.

Only costs relevant to the national analogue broadcast business are included in the calculations per the Tariff Model.

Costs relating to non-broadcast business are deducted from total budget costs to be used in the model.

Operating costs relating to non-broadcast customers are calculated by using records of maintenance time spent on broadcast and non-broadcast business. Currently the figure is 23.3% of total operating costs.

All depreciation charges are deducted from total budgeted costs to be used in the model.

All relevant operating costs are then allocated to each broadcast customer using the most appropriate method available.

For certain costs this necessitates a two stage process, costs are first allocated to a transmission site and then to the broadcast customer.

COSTS ALLOCATED DIRECTLY TO BROADCAST CUSTOMERS

Power:

Power costs are charged on the basis of actual power used by each customer site by site.

For medium wave and long wave sites, where only one service operates, actual power costs for the site are fully allocated to the relevant service.

Capital Projects Team:

All costs associated with the RTÉNL capital projects team are allocated based on the level of capital investment allocated to each broadcast customer.

COSTS ALLOCATED USING TWO STAGE PROCESS

Rent and Rates:

Rent and rates are charged to each site on an actual basis.

All sites are divided into three tiers as determined by the power output of the site. The weighting of costs to be allocated to each site is then determined, tier-by-tier, using, as a base, the time spent by maintenance staff working on sites within each tier.

Regional operational costs:

Regional costs are allocated to sites within a given region on the three-tier basis described above.

Central administration costs:

Central administration costs are allocated across all sites nationally on the three-tier basis

Costs thus allocated to transmission sites are further allocated to broadcast customers on the basis usage of the network.

Having fully allocated all operating costs across all broadcast customers the tariff per customer is calculated using total allocated cost plus a margin. Margin currently achieved is 10%.

2. CAPITAL COSTS

Return on Capital Investment

For the purposes of the tariff calculation the full replacement cost of the transmission network as at Jan 2004 is the Capital Investment. Capital Investment has been identified on a site-by-site basis.

Total Capital Investment by RTÉNL in the transmission network is allocated to all customers.

In the case of capital investment 10% of cost is calculated as relating to non-broadcast customers based on usage of common infrastructure, (towers, masts and buildings).

The balance of the Capital Investment is then allocated to each broadcast customer based on the amount of space occupied on the tower or mast.

The capital charge is then calculated using a set rate of return on capital investment allocated.

Currently the rate of return is 7%.

No additional charge is made in respect of any capital expenditure required to maintain the current level of service and coverage.

Return on capital investment required for expansion of service:

In instances when a customer wishes to expand their level of coverage, the associated capital investment required to be made by RTÉNL will be allocated directly to that customer.

A rate of return on this incremental capital investment is set so as to provide a payback for the initial investment together with a return to RTÉNL. Currently this rate is 15% for a ten years period. Thereafter the return will be in line with the return on Capital Investment above.

Given the above methodology it is clear that the calculation of a tariff is dependent on the exact configuration of each broadcast customers network requirements.

DISTRIBUTION

RTÉNL tariffs for the Distribution digitally, by microwave links, of signal for National Terrestrial Television and Radio services are calculated on the basis of:

For A) RTÉ Group Companies, and all other customers who take up a new service or increase the level of their existing service:

Using the methodology in Appendix 1 the tariffs are calculated as detailed below. However it should be noted that as RTÉNL is in the process of exiting this market it will no longer be possible to provide new or enhanced services to any customers. It is therefore not possible to calculate a specific price that would be of any real relevance to a prospective entrant to the market.

Tariff Elements calculated

3. Operating costs plus a margin incurred to service each customer
4. A charge based on capital costs allocated to each customer.

Variables that will influence the tariff for a given customer are listed below.

Common factors affecting all customer tariffs:

- Total Capital Investment by RTÉNL in the Microwave Links distribution network.
- Rate of return on total Capital Investment in the Microwave Links distribution network.
- Total level of budgeted operating costs.
- Rate of return on operating costs.
- Total usage of the RTÉNL broadcast (Transmission and Distribution) network.
- Total usage of the RTÉNL Microwave Links distribution network
- Relative usage of Microwave Links distribution network for program contribution purposes.
- Proportion of operating costs chargeable to non-distribution customers.
- Space occupied by Microwave Links distribution network on each tower or mast which is shared with Transmission customers.
- Nature of service, Television, Radio and bit-rate required.

For B) Today FM and TV3

Under existing contracts with independent broadcasters (TV3 and TodayFM) tariffs are determined, for all elements of annual charges, for the duration of the contract. Tariffs change as set out in the contracts i.e., they increase annually in line with the CPI (Consumer Price Index) set in 1997-98.

MECHANISM FOR NOTIFYING CONTRACTED PARTIES OF A CHANGE IN TARIFFS

Parties shall be notified of any indicative change to the tariffs, in writing, not less than 90 days prior to any actual change (unless beyond out control). Should the nature of RTÉNL's provision of this distribution service change in any way RTÉNL will notify all relevant parties of any change at the earliest possible juncture.

APPENDIX 1

The tariff for each internal/RTÉ customer will be dependent on the nature of the service and their bit-rate requirements within the microwave links distribution network.

Tariffs are calculated annually in advance using budgeted operating costs for the year to which the tariff will apply and a return on capital investment as defined below.

1. OPERATING COSTS

Operating costs are allocated to all network customers based on their usage of the network. Allocation to distribution customers is carried out using the tariff model which has been developed for RTENL specifically for the purpose.

Only costs relevant to the Distribution digitally, by microwave links, of signal for National Terrestrial Television and Radio are included in the calculations per the Tariff Model.

Costs relating to non-distribution business are deducted from total budget costs to be used in the model.

Operating costs relating to Microwave Links customers are calculated by using records of maintenance time spent on Microwave Links business. Currently the figure which refers to Microwave Links business is 10.0% of total operating costs.

All depreciation charges are deducted from total budgeted costs to be used in the model.

All relevant operating costs are then allocated to each distribution customer using the most appropriate method available.

For certain costs this necessitates a two stage process, costs are first allocated to a transmission site and then to the customer.

COSTS ALLOCATED USING TWO STAGE PROCESS

Rent and Rates:

Rent and rates are charged to each links only site on an actual basis.

Regional operational costs:

Regional costs are allocated to sites within a given region.

Central administration costs:

Central administration costs are allocated across all sites nationally.

Costs thus allocated to transmission sites are further allocated to distribution customers on the basis of usage of the microwave links for distribution of signal for National Terrestrial Television and Radio services.

Having fully allocated all operating costs across all distribution customers the tariff per customer is calculated using total allocated cost plus a margin. Margin currently achieved is 10%.

2. CAPITAL COSTS

Return on Capital Investment

For the purposes of the tariff calculation the full replacement cost of the network as at Jan 2004 is the Capital Investment. Capital Investment has been identified on a site-by-site basis.

Total Capital Investment by RTENL in the microwave links network is allocated to all customers.

In the case of capital investment in common infrastructure, (towers, masts and buildings) 5% of cost is calculated as relating to microwave links customers based on mast occupancy. Of this, 17% is calculated as relating to non-distribution customers based on usage of the microwave links and the relative priorities given to distribution and contribution traffic on the microwave links system.

The balance of the Capital Investment is then allocated to each distribution customer bandwidth usage.

The capital charge is then calculated using a set rate of return on capital investment allocated which is set to reasonably reflect the expected life of the Microwave Links distribution network of ten years.

Currently the rate of return is 15%.

No additional charge is made in respect of any capital expenditure required to maintain the current level of service and coverage.

RTÉNL Charges to National TV and Radio Broadcasters 2010

TRANSMISSION

RTÉ Broadcast Customers

(Calculated in accordance with RTÉNL Tariff Model developed in 2003)

	Annual Charges with effect from Jan 2010			
	Capital Charge	Operating Charge	Power Charges	Total Charge
	€	€	€	€
RTÉ One	664,913	1,853,881	293,112	2,811,906
RTÉ Two	664,913	1,853,881	293,112	2,811,906
RTÉ Radio 1 (FM)	279,754	548,533	127,287	955,574
RTÉ 2FM	247,392	492,148	126,072	865,612
RTÉ Raidió na Gaeltachta	247,392	492,148	126,072	865,612
RTÉ Lyric FM	247,392	492,148	126,072	865,612
RTÉ Radio One (LW)	126,792	499,847	186,724	813,363
Total RTE	2,478,548	6,232,586	1,278,451	9,989,585

Independent Broadcast Customers

(Calculated in accordance with RTÉNL Tariff Model developed in 2003)

	Annual Charges with effect from Jan 2010			
	Capital Charge	Operating Charge	Power Charges	Total Charge
	€	€	€	€
TG4	664,524	1,839,800	293,613	2,797,937
Today FM	201,618	410,138	103,911	715,667
TV3	460,055	820,966	228,106	1,509,127
	1,326,197	3,070,904	625,630	5,022,731

Published pursuant to ComReg Decision 16/04 Document No. 04122

Distribution

RTÉ Broadcast Customers

(Calculated in accordance with RTÉNL Tariff Model developed in 2003)

	Annual Charges		
	Capital Charge	Operating Charge	Total Charge
	€	€	€
RTÉ One	90,751	192,104	282,855
RTÉ Two	90,751	192,104	282,855
RTÉ Radio 1 (FM)	23,054	52,228	75,282
RTÉ 2FM	23,054	52,228	75,282
RTÉ Raidió na Gaeltachta	23,054	52,228	75,282
RTÉ Lyric FM	23,054	52,228	75,282
RTÉ Radio One (LW)			0
Total RTE	273,718	593,120	866,838

Independent Broadcast Customers

(Calculated in accordance with RTÉNL Tariff Model developed in 2003)

	Annual Charges		
	Capital Charge	Operating Charge	Total Charge
	€	€	€
TG4	90,751	192,104	282,855
Today FM	23,054	52,228	75,282
TV3	90,571	192,104	282,675
	204,376	436,436	640,812