

**Synopsis of R Steele presentation to ITU 8<sup>th</sup> September 2008**

**Presenter:** R Steele, Deloitte & Touche LLP

**Title:** Wholesale and retail charging arrangements for NGNs

**Agenda**

Introduction to NGNs and the problems of charging. High fixed costs and low incremental costs. Distinction of core and access is less clear than today. Service provision and content are separated from the network. Lack of clear cost drivers. Customer value (retail price) is not related to capacity.

Options for wholesale charging include: bill and keep; peering; LRIC + costing based on established concepts; marginal costs; value based pricing. Definitions and issues with each of these option..

Brief discussion of EU recommendations.

Retail charging: bundles and fixed price options. Implications if NGN provider does not have cost recovery from wholesale charging. Retail and wholesale options under functional/structural separation.

Conclusions

Note:

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