Appendix 1

Description of the Task – extracts from the tender documents concerning the task

NITA will be in charge of the overall project management of the LRAIC modelling. NITA intends to enter into a contract with a consulting firm to provide assistance for LRAIC-modelling on the mobile network for determining of prices for voice and sms termination.

The model must be practically usable, resulting in a reliable tool for calculating costs and prices for interconnection products on the mobile network. The model is to reflect conditions in the Danish market, and as far as possible the model should gain acceptance among the parties in the revision process.

Before the work on preparing the actual model is started, an overall model specification and a time schedule for the work will have to be prepared in consultation with the industry.

When the model has been constructed, it will have to be sent in a broad consultation. NITA's determination of the final model must be based on the above analysis and based on a discussion with the industry thereof.

The aim is to ensure a transparent and well-documented consultation procedure for the process, both in respect of the overall framework for the regulation and the detailed regulation of specific areas on the basis of the objectives set by current legislation.

The industry will have to be involved in several parts of the process:

  > NITA will conduct several meetings with the mobile operators to increase the dialog, exchange of information etc. throughout the project.
  > The entire industry (including fixed-network companies etc.) will be given the opportunity to comment in connection with the determination of the overall model specification.
  > All SMP mobile providers are obliged to supply relevant data necessary for NITA to construct the LRAIC mobile model.
  > The entire industry (including fixed-network companies etc.) will be given the opportunity, in several consultation rounds, to comment on the initial draft model.
  > The entire industry (including fixed-network companies etc.) will be given the opportunity to comment on a draft decision on maximum prices.

The task of assisting NITA consists of the following areas:

I. Project management. NITA will be in charge of preparing an overall time schedule. The first task for the selected tenderer will be to contribute to a detailed time schedule for the model development work, i.e. specification of milestones etc. Furthermore, the selected tenderer is to propose how to organise the work and initiate procedures for quality assurance.

II. Drawing up criteria and guidelines. In cooperation with NITA, the selected tenderer is to draw up a model reference paper on how the models should be prepared, i.e. define the model design. The selected tenderer is also required to assist NITA in obtaining acceptance among market players to
the widest possible extent and ensuring that the criteria are anchored with the parties in the development process.

III. Calculations and corrections. NITA will be in charge of preparing the relevant calculations, corrections and modifications in the LRAIC model, with assistance from the selected tenderer.

IV. Collection of data. NITA will be in charge of collecting data from the mobile network operators and other relevant market players, as well as international benchmarks to the necessary extent, with assistance from the selected tenderer.

V. Consultation with the industry. NITA will be in charge of the necessary consultations with the industry, including preparation of consultation reports etc., with assistance from the selected tenderer.

VI. Model documentation. The selected tenderer is to prepare complete documentation of the data, methods, principles etc. used in the revised model.

VII. Determining maximum prices for interconnection products on the mobile networks based on the LRAIC model. The selected tenderer is to describe how the model can be updated and used for NITA’s annual determination of maximum prices for interconnection products.

Furthermore, the selected consulting firm will have to assist NITA with an assessment of how cost allocation should be carried out according to the new principles in the Commission's recommendation and the chosen solution must be implemented in the model.

It should be emphasised that the above-mentioned list of activities only mentions the subtasks that can be identified in advance. In addition, the selected tenderer will have to provide current assistance and guidance to NITA during the process.

NITA makes the reservation that it might be necessary later in the process to make adjustments to the process.

In its tender, the tenderer must describe a proposal on how to solve the task, comprising project management, the project plan, preparation of criteria and guidelines etc.