

Telecommunications Business Sub-Council, Telecommunications Council
Summary of Minutes (78th Meeting)

1. Date and Time

Monday, July 23, 2007; 10:00 to 11:45

2. Location

Special Conference Room 1, 8th floor

3. Attendees (honorifics omitted)

(1) Sub-Council Members

Yoshinori Sakai (Vice-Chair), Nobuko Takahashi, Masatsugu Tsuji, Mikio Tokai, Miki Nagata, Yusuke Yasuda (total: six persons)

(2) Secretariat

Watanabe (Assistant Director of the General Affairs Division, Information and Communications Policy Bureau)

(3) MIC Representatives

Terasaki (Director-General of the Telecommunications Bureau), Takeuchi (Director-General of the Telecommunications Business Department), Ando (Director of the General Affairs Division, Telecommunications Bureau), Taniwaki (Director of the Telecommunications Policy Division), Honma (Senior Advisor of the Telecommunications Policy Division), Furuichi (Director of the Tariff Division), Ninomiya (Senior Planning officer of the Tariff Division), Takeuchi (Director of the Telecommunication System Division), Hishinuma (Senior Planning Officer of the Telecommunications System Division), Sato (Director of the Telecommunications Consumer Policy Division)

4. Agenda

(1) Consultations

a. Partial Amendment of the Rules for Calculating Methodologies of Subsidies and Contribution concerning the Provision of Universal Service

(Consultation No. 1171 of April 19, 2007)

The sub-council agreed to adopt the report from the Universal Service Committee as the

sub-council report and to invite public comment thereon.

[Summary]

The sub-council reviewed the methodologies to calculate subsidies for the universal service fund system in fiscal 2007 and onward with a view to reducing the burden on users in light of changes in the market environment as well as the requests included in the Telecommunications Council report of March 30, 2007 titled “Authorization of Changes to Interconnection Tariffs Concerning Category I Designated Telecommunications Facilities of NTT East and NTT West (Revision of the FY 2007 interconnection charges, etc. based on the Long-Run Incremental Cost Method).”

b. Interconnection Charge Calculation for FY 2008 and Onward

(Consultation No. 1170 of April 19, 2007)

The sub-council agreed to adopt the report from the Universal Service Committee as the sub-council report and to invite public comment thereon.

[Summary]

The Telecommunications Council report of October 19, 2004 titled “Interconnection Charge Calculation for FY 2005 and Onward,” states that the applicable period of the current Long-Run Incremental Cost (LRIC) method (third model) should end at the end of fiscal 2007 and recommends that, if a new interconnection calculation method is to be considered after that period, research should be conducted, as necessary, on how the NTS costs are to be handled. In response, the sub-council discussed how to calculate interconnection charges in fiscal 2008 and onward. This included evaluation of new models, handling of NTS costs, and the period during which to apply the new model.

c. Partial Amendment to the Regulations for Telecommunications Facilities for Telecommunications Business, Etc.

(Consultation No. 1179)

Having deliberated the matter, the sub-council decided to issue a press release thereon, and to post a notification on the Internet to invite public comment thereon.

[Summary]

The Telecommunications Technology Sub-Council has submitted to MIC its partial reports following its 46th meeting on January 24 and 49th meeting on May 24, 2007. In response, MIC will amend related ordinances.