

Telecommunications Business Sub-Council, Telecommunications Council  
Summary of Minutes (76th Meeting)

1. Date and Time

Tuesday, May 22, 2007; 13:30 to 13:54

2. Location

Conference Room 1, 1st floor

3. Attendees (honorifics omitted)

(1) Council Members

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

(2) Council Secretariat

Matsumura (Assistant Manager of the General Affairs Division, Information and Communications Policy Bureau)

(3) MIC representatives

Mori (Director-General of the Telecommunications Bureau), Sakurai (Director-General of the Telecommunications Business Department), Samura (Director of General Affairs Division, the Telecommunications Bureau), Suzuki (Director of the Telecommunications Policy Division), Taniwaki (Director of the Tariff Division), Ninomiya (Senior Planning Officer of the Tariff Division)

4. Agenda

(1) Report submitted to MIC

Authorization of Changes to Interconnection Tariffs concerning Category I Designated Telecommunications Facilities of NTT East and NTT West (Development of Provisions pertaining to Protection of Accounts Receivable)

(Consultation No. 1166 of February 26, 2007)

Having deliberated on matters concerning the research results reported by the Interconnection Committee, the sub-council submitted a report deeming it appropriate to authorize the changes when the following requirements are satisfied.

<Requirements for Authorization>

- Article 75-3, paragraph 1 of the Interconnection Tariffs of the NTT East and NTT West stipulates cases where collateral for the fulfillment of obligations imposed on interconnection applicants is required. Item 1 thereof, which stipulates “cases where an interconnection applicant has neglected payment of his/her interconnection-related burden(s) by the payment date within the past year,” should be amended by adding “cases where neglect of payment is not attributable to the applicant for interconnection” as an exemption. The sub-council also included the following recommendations in its report:
  
- In order to ensure that measures to protect accounts receivable of NTT East and West are properly implemented, MIC should receive implementation status reports on a regular (quarterly) basis from NTT East and West, validate the reports, and take appropriate action where necessary for a period of two years following the start of the implementation. Upon expiry of the period, MIC should discuss whether or not the validation measures should be continued.

[Summary]

In order to request collateral for the fulfillment of obligations imposed on interconnection applicants in cases where they have neglected or may neglect payment of their interconnection-related burdens, MIC should establish necessary provisions, including reasons why collateral for the fulfillment of obligations is required and a collateral standard equivalent to four months' estimated burden.

(2) Report from MIC

Guidelines for Application of the Competition Safeguard System  
MIC reported on the guidelines.