

2. Consultation No.11
(Consultation received on February 4, 2020)
(Report submitted on June 12, 2020)

1) Progress

November 15, 2019	Japan Communications Inc. (JCI) applied to the Minister for Internal Affairs and Communications for a ruling, naming NTT Docomo Inc. (Docomo) as the other party.
February 4, 2020	The Minister for Internal Affairs and Communications submitted a letter of consultation to the Commission.
June 12, 2020	The Commission submitted a report to the Minister for Internal Affairs and Communications.
June 30, 2020	The Minister for Internal Affairs and Communications informed JCI and Docomo of its ruling.

2) Background

JCI applied for a ruling on the following matters because negotiations were unsuccessful over the provision of wholesale services related to Docomo's voice communication services (wholesale voice services).

1. Matter 1

JCI seeks a ruling that Docomo should provide voice communication services on a wholesale basis to JCI at a rate based on reasonable costs under efficient management plus a reasonable profit.

2. Matter 2

As one of the wholesale services embodying the matters sought in Matter 1, JCI seeks a ruling that Docomo should provide the flat-rate voice communication services — which Docomo currently offers to users under the names “Kake-hodai” option and “First Five Minutes Free” monthly calling option — to JCI at a rate based on reasonable costs under efficient management plus a reasonable profit.

3) Consultation

The Minister for Internal Affairs and Communications submitted a letter of consultation to the Commission pertaining to the draft ruling as given below.

Regarding Matter 1, the Minister rules that Docomo shall set the rate for wholesale voice services provided to JCI at a price not exceeding the sum of a

reasonable profit and reasonable costs under efficient management. The ruling also sets out the method of calculating the new rates, the billing method, the settlement method, the establishment date for the new rates, the application date for the new rates, the handling of re-negotiations, and other related matters.

Matter 2 is not applicable for a ruling.

4) Report

The Commission submitted the following report to the Minister for Internal Affairs and Communications.

The Commission found that the draft ruling presented by the Minister for Internal Affairs and Communications regarding Matter 1 was appropriate. The Commission, however, recommended that the Minister hear further opinions from the two parties prior to ruling on the billing units to be used when setting the new rates (limited to costs connected to call durations), the billing method, the settlement method, and the dates of establishment and application of the new rates.

Furthermore, the Commission found that the Minister's draft ruling regarding Matter 2 was appropriate.

5) Ruling

The Minister for Internal Affairs and Communications made a ruling based on the details in the report received from the Commission.