Appendix K



OIFIG AN AIRE TIONSCAIL AGUS TRÁCHTÁLA AGUS CUMARSÁIDE (Office of the Minister for Industry and Commerce and for Communications) BAILE ÁTHA CLIATH 2. (Dublin 2.)

/6 February, 1989.

Rt. Hon. Mr. Justice Seamus Henchy, Chairman, The Independent Radio and Television Commission, Marine House, Clanwilliam Court, Dublin 2.

Dear Chairman,

I refer to our meeting and the documentation sent to me by the Secretary of the Commission regarding some aspects of the quote by RTE for the supply of transmission services to Century Communications.

I have had the matter examined by my Department and discussed the issues again with RTE. At my strong urging they have now agreed to reduce their annual charge from £692,000 to £614,000. Depending on actual physical implementation of the project they would expect a build up to this final figure in the following approximate manner (all at October 1988 prices):

1989 £200,000 1990 £430,000 1991 £530,000 1992 £614,000

I am satisfied that, in Irish conditions, the foregoing charges are not unreasonable.

The hardware capital charges for transmitter equipment etc. will of course depend on the type and nature of the equipment selected by Century. These charges and the associated project management and installation fees will fall to be met as they occur but it will be a matter for Century to make its own arrangements as to financing and depreciation charges. It seems possible that if Century can arrange financing over 15 to 20 years, an annual charge of some £100,000 a year could result.

I confidently expect that the foregoing will clear the way for Century and RTE to speed ahead to ensure that the opening day of 1 May is met.

Yours sincerely,

Ray Burke, T.D.,

Minister for Industry and Commerce and for Communications.