

Press release

## FIXED MARKET REGULATION

### Unbundling rates: Arcep proposes maintaining the 2024 – 2025 LLU price cap, subject to a cost-based pricing obligation, for 2026 to 2028

Paris, 5 December 2024

Today, Arcep is launching a public consultation on a planned price cap for accessing copper local loop unbundling (LLU), subject to an obligation to charge cost-based prices, to be applied from 2026 to 2028.

#### **Arcep plans on maintaining a cap on the monthly fee for full LLU access, subject to an obligation of cost-based pricing, of €9.20 a month from 2026 to 2028**

This capped price is on top of the monthly flat-rate tax on network businesses (IFER). Arcep adjusts this cap every year, to factor in the annual IFER update.

The draft decision also caps certain ancillary fees: service access fees, cancellation fees, VAS+ rate – as well as partial unbundling fees.

#### **Arcep uses modelling of a shared optical local loop network to set these price caps**

When setting the previous price (2021 – 2023 and 2024 – 2025), to factor in the technological transition to superfast access, the Authority had chosen a cost assessment method based on a bottom-up (BU-LRIC) modelling of an equivalent network based on a shared optical local loop. This model, which Arcep developed for its 2018 – 2020 price caps, simulates the path, architecture and costs of a nationwide fibre access network deployed by an efficient operator<sup>1</sup> in Metropolitan France. This model was the subject of multiple public consultations: in 2017, in 2020 and 2023

The Authority considers it appropriate to continue to apply this model to the 2026 – 2028 price caps.

The document being published today for consultation presents the costs estimated by the model in the form of price ranges. Arcep is also publishing the model and its updated documentation.

This public consultation will run until 17 January 2025.

#### **Associated documents:**

- [Draft decision published for public consultation](#)
- [The associated cost model and documents](#) (14 Mo - zip)

#### **Arcep at a glance**

The Regulatory Authority for Electronic Communications, Postal Affairs and Print Media Distribution (Arcep), a neutral and expert arbitrator with the status of independent administrative authority (IAA), is the architect and guardian of internet, fixed and mobile communications, postal networks and press distribution in France.

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<sup>1</sup> The model seeks to optimise network costs