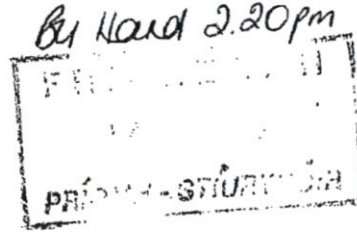


Appendix O



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

14 March 1989



Mr T V Finn
 Director General
 RTE
 Donnybrook
 DUBLIN 4

copies: RTE Authority
 Board of Management
 Director of Finance

Dear Director General

I refer to my discussions with RTE regarding the provision of facilities by RTE to the new National Radio Service.

Following those consultations and similar consultations I had with the Independent Radio and Television Commission, I have now decided to direct, under Section 16 of the Radio and Television Act, 1988, that the following payments be made to RTE by the sound broadcasting contractor for the National independent radio service, Century Communications.

1. For access to RTE facilities at 14 FM sites and 2 AM sites, (Dublin and Cork) - £35,000 per annum to increase yearly in line with the consumer price index.
2. Maintenance charges in relation to Century equipment at RTE sites. (a) £30,000 per annum to cover the first 30 visits, (b) for each of the next 40 visits £1,000 per visit, (c) any additional visits to be charged at actual cost plus 25% (the £30,000 and £1,000 to increase yearly in line with CPI).
3. Linkage to Dublin and Cork AM and 14 FM transmission sites to be charged to the contractor on the basis of the actual expenditure incurred. (RTE estimate that the cost will be approximately £80,000 per annum).
4. Power and spares to be charged to the contractor on an actual cost basis. (RTE estimate that the cost will be approximately £115,000 per annum).

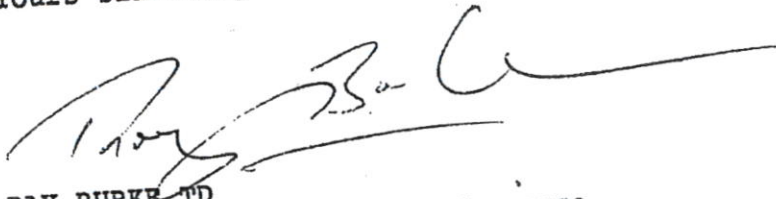
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5. An overhead charge of 5% payable to RTE will be levied on the charges at 1,2,3, & 4 above.
6. RTE will acquire the transmitting and associated equipment for 14 FM transmission sites (estimated cost £747,000) and Dublin and Cork AM sites (estimated cost £260,000). The actual cost of the equipment will be financed on the best available terms over a 14 year period and the capital cost and interest charges will be levied on the contractor over that period. The project management and installation charge for the National FM coverage and the AM coverage (Dublin and Cork) will be £250,000 plus 5% for overheads. The residual value of equipment at the end of the 14 year period will accrue to Century Communications

These charges have been fixed on the basis that (1) RTE, if required, will ensure that the new service will be broadcast in the Dublin and Cork areas on and from 1 May, 1989 and (2) that there will be no undue delay in agreeing the schedule of transmitting and associated broadcasting equipment to be acquired and its installation within the time-frame set by the I.R.T.C.

Yours sincerely



RAY BURKE TD
Minister for Industry and Commerce
and for Communications