

# Media Release

## **ANNEX B**

### **FACT SHEET: REVIEW OF NETLINK TRUST'S INTERCONNECTION OFFER**

1. The Interconnection Offer (ICO) is a standard offering setting out the prices, terms and conditions of services which NetLink Trust (as the Network Company of the Nationwide Broadband Network (NBN)) offers to its customers in the Operating Company layer (the Requesting Licensees or RLs). In accordance to the NetCo Interconnection Code 2009, the ICO terms and conditions are subject to IDA's review at any appropriate time.
2. As part of NetLink Trust's rectification measures to improve its QoS performance in the provisioning of Residential and Non-Residential End-User Connection Services, it proposed a number of initiatives to reduce the delays and improve on service provisioning standards, as well as changes to its service provisioning processes to address other operational issues.
3. With the proposed rectification measures and process changes, NetLink Trust had proposed corresponding changes to its ICO. As part of IDA's review of NetLink Trust's proposed changes, IDA sought views and comments from the industry on the draft ICO through a public consultation. IDA has considered the views and comments provided by the industry in determining the improvements to the ICO. In summary, the key modifications to be made by NetLink Trust on the ICO are listed below:
  - (a) To continue the current system of offering dedicated service provisioning slots including during major industry events (e.g., IT fairs) but to improve the responsiveness of its service provisioning capacity to increases in demand by (i) lowering the quota utilisation threshold used to trigger an increase in the number of provisioning slots from 95% to 90%; and (ii) raising the quantum of the quota, whenever an increase is triggered, from 110% to 115% of the number of orders received during the review period.
  - (b) To remove NetLink Trust's proposed quota sizing mechanism that requires RLs to provide demand forecasts and commit to using 90% of the demand forecasts (failing which a commitment fee will apply). NetLink Trust has not demonstrated how the proposed mechanism and its systems would be adjusted to more effectively meet the industry's needs and on a non-discriminatory basis. IDA has also considered the practical difficulties for RLs to provide such committed forecasts.
  - (c) To increase the total rebate amount NetLink Trust will have to compensate its RLs for provisioning delays over a 60-day period and on a daily basis.
  - (d) To limit the timeframe for which NetLink Trust could claim exemption from rebates for delays attributed to developers/owners/MCSTs of buildings to an additional ten (10) business days beyond the service

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activation date requested to complete its service provisioning. Any additional time taken beyond the timeframe would be considered as a delay for which (subject to any applicable exemptions) NetLink Trust would be liable for Service Level Guarantees under its ICO.

- (e) To address the treatment of fibre resources after end-user service termination by clarifying that (i) RLs shall release unused fibre strands back to NetLink Trust within one day from the date end-users cease the fibre service subscription; and (ii) NetLink Trust shall make available the released and unused fibre strands to its other RLs within another one day from the date a particular RL releases the fibre strand.
- (f) To remove the ambiguity with regard to the provisioning timeframe for orders with insufficient fibre capacity by clarifying that, by default, NetLink Trust will be given ten (10) business days to deliver service to end-users where there is insufficient fibre capacity from the MDF room to the premise. Where there is insufficient fibre capacity from the Central Office to the premise, the 40 business days service delivery timeframe will be applicable.

For more details, please refer to IDA's direction and accompanying explanatory memorandum for the ICO changes.